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PARLIAMENTARY DEBATES
(HANSARD)

HOUSE OF LORDS

OFFICIAL REPORT

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Abbreviation	Party/Group
CB	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

No party affiliation is given for Members serving the House in a formal capacity, the Lords spiritual, Members on leave of absence or Members who are otherwise disqualified from sitting in the House.

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House of Lords

Thursday 6 December 2018

11 am

Prayers—read by the Lord Bishop of Carlisle.

Oaths and Affirmations

11.06 am

Lord Alliance made the solemn affirmation, and signed an undertaking to abide by the Code of Conduct.

Brexit: European External Action Service Question

11.08 am

Asked by Lord Balfé

To ask Her Majesty's Government what assessment they have made of the effect of the United Kingdom's withdrawal from the European External Action Service, as a result of leaving the European Union, on their ability to (1) shape European Union foreign policy, and (2) project their foreign policy objectives in countries that are not members of the European Union.

Lord Balfé (Con): My Lords, I beg leave to ask the Question standing in my name on the Order Paper. In doing so, I draw attention to my entries in the register.

Baroness Goldie (Con): My Lords, our exit from the EU will enable us to pursue an independent foreign policy. The political declaration sets out the framework for an ambitious, deep and special future relationship with the EU, which will enable us to continue to work closely with our European allies to tackle the common threats we face and to promote the values and interests we share. The deal respects the EU's decision-making autonomy and the UK's sovereignty.

Lord Balfé: I thank my noble friend for her Answer and regret that it is some time since we have seen the Minister. Presumably he is ill, and I am sure we all wish to send our good wishes to him for a speedy recovery.

I point out that we have had 115 British nationals working for the External Action Service and presumably doing some good in spreading Britain's way of doing foreign policy in the world. Thirty-three have been seconded from the UK Government and are coming back to Britain, but the other 82 are now precluded from taking up any post in an External Action Service delegation abroad. Have the Government thought that this could in any way assist us in projecting Britain's presence in the world?

Baroness Goldie: Since its launch in December 2010, the EEAS has played an important role in delivering European foreign and security policy, and the UK is strongly committed to ensuring that this continues. We see considerable value in the reciprocal exchange of expertise, including through the secondment of experts.

As reflected in the political declaration, we will seek agreement for the secondment of personnel where appropriate and in our mutual interest.

Lord Collins of Highbury (Lab): My Lords, there is a lot of aspiration in the political declaration, particularly about maintaining influence, but that aspiration also includes joining many of the EU structures and agencies. Can the Minister tell us whether any assessment has been made of the cost of joining these agencies separately? It is not just losing influence; we will not even be able to determine how much we are paying. Can the Minister answer?

Baroness Goldie: I do not think the noble Lord would expect me to give specifics when they will clearly be a matter for further discussion with the EU under the political declaration. He will be aware that the UK has been pivotal within the EU in developing many of the facilities and agencies that we all value. Therefore, we understand them, are in sympathy with them and have a natural desire in wanting to continue these partnerships where, as I said, that is in our mutual best interest. He will also be aware that the rest of the world looks at the UK not through the prism of being part of the EU, but as being a sovereign state in its own right and a global operator on the world stage. Of course, we have said consistently how we want to develop and strengthen our bilateral relationship with partners in Europe and globally. That is what we shall be endeavouring to do in the months and years ahead.

Lord Wallace of Saltire (LD): My Lords, the Minister might recall the major role that Lord Carrington and Geoffrey Howe played in the development of the structures of European foreign policy co-operation. The political declaration is extremely vague on all of this. Do the British Government hope that British Foreign Secretaries will continue to take part in meetings on shared foreign policy co-operation in the European Union and that British officials will continue to take part in the many working parties that have since been developed, or will we be sitting outside the room waiting for the results afterwards?

Baroness Goldie: I suggest to the noble Lord that what matters is not so much particular processes or structures, but working with like-minded partners in whatever formats seem appropriate. As he will be aware, we already work in, for example, the quad and G7 formats, through which we issued statements on Russia, with co-ordinated expulsions by western allies in response to Salisbury. We agreed E3 proposals for sanctions in North Korea, have seen P3 action on Syria and launched the G7 group on hostile interference in democracy. That is just an illustration of how there are various ways of engaging. We can do so bilaterally.

Lord Dykes (CB): My Lords, the Minister is a very wise lady and she would agree that all the other 27 member states are sovereign countries in their own right as well as the UK, so why are we so childish and anxious to leave the most successful EU organisation? Does she not agree that staying in the European External Action Service is one of the 4,000 reasons why we should remain in the European Union?

Baroness Goldie: I think the noble Lord's views are well rehearsed in this respect and come as no surprise to the Chamber, although I regret the use of words such as "childish". We have to acknowledge that the citizens of this country, asked to make a decision, made that decision, a decision which the Government, in my opinion absolutely correctly, are striving to implement and respect.

Lord Anderson of Swansea (Lab): My Lords, at the moment in overseas posts it is normal for the British overseas representatives to meet their European counterparts and European Union representatives for regular meetings to exchange information. Is it assumed that there will be a formal relationship for this excellent procedure to continue?

Baroness Goldie: As I indicated to the noble Lord, Lord Collins, the detail of such arrangements and relationships will rest with the future, but as for the spirit in which the UK would approach these vital discussions I have tried to explain that we are in sympathy with many of the agencies, facilities, relationships and partnerships within the EU which have so helped both the EU and the UK. We would certainly want to approach these discussions constructively and in a positive manner.

Lord Pearson of Rannoch (UKIP): My Lords, given that the EU is very largely responsible for the tragic situation in Ukraine, can the Minister tell us of any specific successes in Brussels foreign policy?

Baroness Goldie: With the greatest of ease I say to the noble Lord, Lord Collins, answer that. I have never heard such an extraordinary, illogical connection of unrelated events in my life. I was not aware that it was the EU that aggressively attacked three Ukrainian vessels and took captive their crews. Again, I think we have to be very careful about language in this Chamber.

Nigeria: Fulani *Question*

11.16 am

Asked by Baroness Cox

To ask Her Majesty's Government whether they plan to revise their assessment of the situation in northern and central belt states of Nigeria, following the report by local church leaders of the killing and maiming of 6,000 civilians by Fulani Islamist terrorists between January and June and figures from the Office of the United Nations High Commissioner for Refugees that almost two million people have been displaced by jihadist attacks.

Baroness Goldie (Con): My Lords, there has been a tragic escalation in intercommunal violence in Nigeria this year. While religious identity is certainly a factor, the drivers of the clashes are complex and need to be addressed if the violence is to be curbed. The United Kingdom Government have not seen evidence that links Fulani herdsmen to Islamist insurgency in the

north-east and it is important that we avoid conflating the two issues, because that may risk exacerbating ethnic tensions.

Baroness Cox (CB): My Lords, I thank the Minister for her reply but, while the causes of violence are indeed complex and multifaceted, does she not agree that the asymmetry, scale and escalation of attacks by well-armed Fulani upon the predominantly Christian communities has an ideological basis that must be acknowledged? Will Her Majesty's Government make representations to the Government of Nigeria to ensure that it will be safe for the huge numbers of people who have been displaced by Fulani attacks to return to their homes?

Baroness Goldie: There is no denying, having looked at the report from the noble Baroness's charity with its deeply disturbing content, that the violence described is gruesome, chilling, repugnant and horrific, but we are all agreed that we must address the basic causes of the violence, which seem wider than simply a religious clash. Religion is a factor but attributing the violence to religious causes risks a dangerous oversimplification. I am aware that she is a member of the FORB APPG, which is undertaking an inquiry into the conflict in Nigeria and will produce a report. The Government keenly await the outcome of that report: it will be a very important step forward in trying to understand what is happening. To reassure her, I can say that the United Kingdom Government consistently represent to the Nigerian Government the need to address the causes of this completely unacceptable violence.

Lord Chidgey (LD): My Lords, earlier this week Dr Obiageli Ezekwesili, a former Minister in Nigeria and now a presidential candidate, told me that a failure of the nation state in managing resources and institutional criminality was stoking tensions between Fulani herders and farmers. She is calling for strong, competent military leadership to prevent non-state operations taking place with impunity in Nigeria. For more than four years, the UK has funded military training and capacity building in Nigeria from the Nigerian aid budget in excess of £300 million, yet rape, kidnapping and murder rates continue to rise. Will the Government therefore review measures to improve the effectiveness of the peace and security national plan and measures to counter the threat of Boko Haram?

Baroness Goldie: As the noble Lord will be aware, the UK Government provide significant support to try to address the challenge in Nigeria of Boko Haram, whose conduct is frankly vile and completely unacceptable. The UK Government are making significant contributions to assist humanitarian aid for Nigeria. My understanding is that last year we contributed £81.8 million, which delivered food assistance to over 2.8 million people, treatment for severe acute malnutrition to more than 39,000 children, and access to clean water and sanitation to over 135,000 people. We are also working in an advisory capacity to the Nigerian Government, emphasising the need for respect for the rule of law and responsibility in the exercise of whatever the Nigerian military considers appropriate and effective in the areas of conflict.

The Lord Bishop of Carlisle: My Lords, this violence is clearly organised and systematic. Will Her Majesty's Government ask the Government of Nigeria to make available information regarding the sources and provision of sophisticated weaponry to the Fulani herders?

Baroness Goldie: I thank the right reverend Prelate for that pertinent question. There is an awareness and apprehension that much of the armoury is illegal and circulating illegally. That makes it difficult to track and to understand where the armaments are procured from. The UK Government are aware of the situation, as are the Nigerian Government. I note his observations and I shall certainly make sure that that point is pursued.

Lord Howell of Guildford (Con): My Lords, it is worth remembering that Nigeria is one of the biggest and most active members of the Commonwealth network. Will the Minister reassure us that Her Majesty's Government will use the good offices of the Commonwealth as far as they possibly can in addressing this horrific situation and seeking to improve it?

Baroness Goldie: The Commonwealth is an increasingly important organisation in relation to issues such as this, and my noble friend is correct that Nigeria is an important member of it. It is also important that other operators—France, the US and the United Kingdom—engage with the Nigerian Government to do whatever we can to assist them in addressing the clashes. As the noble Baroness, Lady Cox, indicated in her Question, these clashes are leading to scenes which are hideous and absolutely repugnant.

Lord Collins of Highbury (Lab): My Lords, I completely agree with the Minister about how complex the causes of the conflict are, and certainly I support the Government's response in the stability and reconciliation programmes that they have been supporting. Eighteen months ago the most reverend Primate spoke on an Oral Question similar to this one of the need for community-based support and community organisation. Will the Minister tell us what we are continuing to do to get civil society involved, particularly women's groups? Where women are involved, conflict diminishes.

Baroness Goldie: The noble Lord makes a very important point. The UK Government endeavour to support situations where women have been under threat. He will be aware of action we took in respect of the Dapchi girls, and we deplore the continued detention of Leah Sharibu. He will also be aware of the action we took in relation to the Nigerian Government in respect of the Chibok girls. We are appalled that 113 of them apparently remain in the custody of their captors, Boko Haram. We have introduced programmes to try to assist, which means dealing with Boko Haram. He will be aware that a substantial package of intelligence, military and development support has been provided by the United Kingdom Government, but we regularly raise the issue of abducted women and girls with the Nigerian Government at the highest level.

Taxation: Digital Publications Question

11.24 am

Asked by **Lord Foster of Bath**

To ask Her Majesty's Government what consideration they have given to the possibility of a flexible Value Added Tax regime to allow digital publications to be zero-rated; and whether they intend to make use of this flexibility should it come into effect.

Lord Young of Cookham (Con): My Lords, the Government keep all taxes under review, including the application of value added tax. Any decision to amend the VAT regime with regard to physical and electronic publications must be carefully assessed against policy, economic and fiscal considerations before reaching any conclusions.

Lord Foster of Bath (LD): I thank the Minister for his predictable response. He will be aware that there are hundreds and thousands of blind and partially sighted people in this country who rely on audiobooks or digital books whose print size they can alter. Now that the EU has agreed that the anomaly whereby those products are charged 20% VAT and the print books that the rest of us can rely on are zero-rated can be lifted, it is clear that whether we remain in or leave the EU the discrimination against the blind and partially sighted can be removed. Will he urge the Chancellor to do so?

Lord Young of Cookham: The noble Lord makes a forceful case for equalising the VAT rate on e-publications and conventional publications. He rightly says that, on Tuesday, the EU decided that countries now have the freedom to make that equalisation, so we could now move to a zero rate instead of a standard rate on e-publications. Tuesday was apparently "eVAT Freedom Day". I can tell him that the Professional Publishers Association is pursuing this with the Chancellor and the Treasury, and on 29 November the Financial Secretary wrote back to it saying: "The industry's arguments and economic analysis are welcome to enable the Government to determine the benefits and risks both for digital business and high street retailers associated with extending the zero rate of VAT to e-publications". I note the forceful arguments made by the noble Lord to support that case.

Lord Bird (CB): Is it possible to follow the examples of Italy and France, which have just removed VAT on the basis that it is a tax on learning and intellectual rights? Perhaps this is the moment we can jump in and show that, whatever happens, we will not tax our children, who have to pay through the nose for their digital materials.

Lord Young of Cookham: The noble Lord makes the same case as made by the noble Lord, Lord Foster of Bath. On Tuesday, all countries within the EU had the freedom to change the rate from 20%, the standard

[LORD YOUNG OF COOKHAM]
rate on e-publications, down to zero. We have had that freedom for only two days, so both noble Lords are very prompt in urging us to use it. As I said, negotiations are now under way between the interested parties and the Government to assess the case. If the case is made, I am sure that the Chancellor will look at it favourably.

Baroness Neville-Rolfe (Con): My Lords, perhaps I can help with a digital source of tax and welcome the recent proposal for a digital services tax, particularly given the demise of our high street. Will my noble friend ask the Chancellor either to accelerate that tax, because it is not due to come in until April 2020, or put pressure on the established tech giants to make substantial payments to the public purse until we have a proper tax at either the UK, EU or international level?

Lord Young of Cookham: The Chancellor always welcomes suggestions for raising money in tax, rather than the representations which he normally gets to spend more. It is indeed the case that we plan to introduce the digital services tax in April 2020. It is designed to bring in £1.5 billion over the next four years and is targeted on the multinational companies operating in the digital sphere, to ensure that they pay appropriate tax on the value they derive from UK business. It is seen as an interim solution until we move to a global solution, and the UK is taking the lead in the OECD and G20 to secure that. I certainly note my noble friend's suggestion that we should move ahead with it before 2020, and if we did that, there might be the resources to pay the sum of money that we might lose from zero-rating e-publications.

Lord Davies of Oldham (Lab): My Lords, we expected a rather more positive response from the Government. My party made clear two years ago that it was not prepared to see VAT in any shape or form increased on cultural goods. This should be recognised as a very important dimension, particularly for the special groups of people referred to already. Could he move with some degree of urgency as far as the Chancellor is concerned? The position is now quite clear in Europe and it would look remiss if Britain were to stand out in this respect.

Lord Young of Cookham: I detect a certain degree of unanimity in the representations made so far. As I said, I have some sympathy with the argument that we should now equalise the tax on e-publications and conventional publications. We have had that freedom for only two days, so I hope the noble Lord will understand that we have not acted so far. However, meetings are under way with interested parties to develop the case. As I said earlier, if the Chancellor is convinced that a substantial case has been made, I am sure he will respond favourably.

Baroness Kramer (LD): My Lords, research from the National Literacy Trust shows that one in eight children from disadvantaged backgrounds say they do not have a book of their own at home. Have the

Government, in anticipation of this potential, done any assessment of what impact zero-rated VAT would have as a way to tackle reading inequalities? Do they plan any such assessment, as so many of these children have access to a smart phone or a tablet?

Lord Young of Cookham: Again, the noble Baroness makes the case for equalising. As far as literacy is concerned, this country has quite a good record if one looks at the international literacy standards. With e-publications for schools, at the moment the VAT can be got back through the local authorities. The noble Baroness adds reinforcements to the case that has already been made for using the freedom that we now have to equalise the rates.

Special Educational Needs and Funding *Question*

11.31 am

Asked by Lord Addington

To ask Her Majesty's Government what assessment they have made of concerns raised by Ofsted about the education of children with special educational needs and disabilities (SEND); and what steps they will take to improve the funding and delivery of SEND services in the light of those concerns.

Lord Addington (LD): My Lords, in asking the Question standing in my name on the Order Paper, I remind the House of my interests with the British Dyslexia Association.

The Parliamentary Under-Secretary of State, Department for Education (Lord Agnew of Oulton) (Con): My Lords, we are working to improve quality and services for children with special educational needs and disabilities. We are listening to parents and we have introduced new SEND inspections. We are investing to embed SEND in school improvement. We have commissioned an external review of exclusions. High-needs funding has risen by £1 billion since 2013, but we recognise the pressures on budgets and are monitoring the impact of the national funding formula on local authorities.

Lord Addington: I thank the Minister for his reply. Does he agree that, when those in the biggest group in this category have not received a plan and, Ofsted says, struggle to receive the appropriate help, there is something fundamentally wrong? Does he also agree with the next page of Ofsted's report, which says that when you have a special school with structured lessons, you get good results? Is this not an example of how we should invest more in support in the mainstream classroom?

Lord Agnew of Oulton: My Lords, we have done an enormous amount for this category of vulnerable children over the last few years. One of the most important introductions was that of education and healthcare plans, supported by inspections of local authorities by Ofsted and by the Care Quality Commission.

We now have increasing visibility of where good service provision is occurring and where it is not. We will continue to pursue that.

Lord Blunkett (Lab): My Lords, I support the thrust of the Question and ask the Minister whether the department could be proactive in two ways: first, on the back of the local government settlement and the Chancellor's Budget at the end of October, in relation to additional money for children's services; and secondly, in trying to get the education and health services to join up, so that, in particular, young people transitioning from school to college and from college into adult life are able to access the funds they need and parents are not put through the nightmare, as many are, of battling day in, day out to get their rights.

Lord Agnew of Oulton: My Lords, I think there are two questions there. Perhaps I may address, first, the post-19 phase for young people migrating from education into the world of work. We are now providing supported internships. There were 1,200 in January last year, an increase of 700 on the year before. We have also legislated to promote the joint commissioning of services. This means that children's services funded primarily by education funds should be able to work effectively with adult services to support young people as they transition. Secondly, on overall funding, we are very conscious of high-needs pressures. We made available £130 million of high-needs funding in 2017-18, and the high-needs block will rise by £142 million next year.

Lord Lexden (Con): My Lords, what can be done to reduce the cost of going to appeals tribunals, which deters many parents from asserting their rights in the face of obstruction from local authorities, and what can be done to stop local authorities telling parents—quite wrongly, as some do—that a local independent school cannot be named in an education, health and care plan?

Lord Agnew of Oulton: My Lords, this is a new provision. We have radically changed the way that support is provided for vulnerable children. Although no one is happy to see money wasted on expensive tribunal proceedings, the percentage of tribunal cases is relatively consistent with the increasing number of education, health and care plans awarded. We will obviously challenge local authorities where too many tribunal cases occur but they are still learning about this.

The Earl of Listowel (CB): My Lords, I welcome the investment that the Government are making, but is the Minister concerned about the rising number of children with SEND being excluded from school? Does he recognise that high-quality early-years education can moderate behaviours, which will then be improved in primary and secondary schools? Is he concerned that, despite the welcome investment from the Government, families who can benefit from such funding to access high-quality childcare for their children with SEND say that they need more money to be able to do so, pushing the figure towards £300? Will he look at the funding for childcare access for families with children with SEND?

Lord Agnew of Oulton: My Lords, we have certainly kept this matter under continual review. I mentioned some sums of money a moment ago and, as I said, the amount of overall funding for the high-needs block has increased by £1 billion in the last five years. However, we also accept that early interventions can have a very advantageous impact on young people with disabilities. For example, having a clear focus on literacy is helping children with dyslexia, and we are improving initial teacher training and continuing professional development to raise awareness.

Baroness Garden of Froggnal (LD): My Lords, how do the Government intend to address the training needs of staff in education and the capacity for improvement, as identified in the report, given that over half of teachers say that they have received no training on dyslexia?

Lord Agnew of Oulton: My Lords, we are introducing more training on SEND issues in the initial teacher training modules. For example, we are including the subject of mental health generally as a voluntary rollout from September next year and it will become compulsory the following year. We have also provided funding to the British Dyslexia Association to deliver training to teachers to support the early identification of learning difficulties.

Lord Harris of Haringey (Lab): My Lords, in his question a moment ago, the noble Earl referred to the fact that a very high proportion of young children with special educational needs are excluded from school. More than a quarter of those with an SEN designation were excluded last year, and it is five times the rate when it comes to permanent exclusions. Can the Minister tell us why that is and whether the Government are happy with that situation, or are they content to allow schools to get rid of pupils whom they find slightly inconvenient to improve their overall results?

Lord Agnew of Oulton: My Lords, I can categorically assert that we are not happy with that, and it is one reason why we have commissioned a report by Edward Timpson to look at the whole issue of exclusion. The noble Lord is quite correct to say that the percentage of vulnerable children being excluded is too high, and it is worth saying that a school will not get a good or better rating from Ofsted until it can justify any level of exclusion beyond what might be the norm. We are also dealing with this by increasing the level of provision for special education and AP schooling. We have already opened 34 special free schools and a further 55 are due to be opened to help this vulnerable group.

Services Committee

Membership Motion

11.39 am

Moved by The Senior Deputy Speaker

That Lord Touhig be appointed a member of the Select Committee in place of Baroness Hollis of Heigham, deceased; and that Baroness Wheeler be appointed a member of the Select Committee in place of Lord McAvoy, resigned.

Motion agreed.

Brexit: Withdrawal Agreement and Political Declaration

Motion to Take Note (2nd Day)

11.40 am

Moved on Wednesday 5 December by Baroness Evans of Bowes Park

That this House, for the purposes of section 13(1)(c) of the European Union (Withdrawal) Act 2018, takes note of the negotiated withdrawal agreement laid before the House on Monday 26 November 2018 with the title ‘*Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community*’ and the framework for the future relationship laid before the House on Monday 26 November 2018 with the title ‘*Political Declaration setting out the framework for the future relationship between the European Union and the United Kingdom*’.

Relevant document: 24th Report from the European Union Committee

Lord Hunt of Wirral (Con): My Lords, I first draw attention to my interests as set out in the register, in particular as president of the British Insurance Brokers’ Association. The first day of this debate brought much heat but also much light. The noble and learned Lord, Lord Hope of Craighead, made the compelling observation that, for all of us who accept the result of the referendum, there are now just two options—this withdrawal agreement and the political declaration or else a hard or no-deal Brexit. I know which one of those I prefer.

The most reverend Primate the Archbishop of Canterbury spoke movingly of reconciliation, and that is a theme I will develop briefly in my few words this morning. His sentiments were echoed by the authentic voice of Wales in the closing contribution yesterday evening. My noble friend Lord Griffiths of Forestfach ended his speech with a call for us to “lay aside prejudices” and pray for, “wisdom greater than our own”,—[*Official Report*, 5/12/18; col. 1108.] and for “humility”.

My noble friend’s eloquent call for humility has a strong resonance with me—and not only because I was born in Wales. In a time of strife, there is great wisdom in humility, whereas dogmatic and entrenched positions serve our nation poorly. Perhaps I may say—if I am allowed to in view of the noble Lord who will follow me in this debate, because I know that it will appeal to him in particular—that the Labour Party on this issue needs to show some humility as well. Let us try to put party politics aside in the national interest. These are serious matters and the nation may never forgive them if they continue to try to play every twist and turn of this drama for party advantage.

It has taken the intervention of a distinguished former Secretary to the Cabinet to strip the Labour amendment to the government Motion of its unhelpfully partisan content and tone, transforming it into something respectable. Noble Lords will know that I personally believe that the Prime Minister is to be congratulated as she has set about the testing task of negotiating

Brexit. Of course it was never a realistic hope that the outcome would or could please everyone. No one could achieve that. The responsibility that falls to her is to begin rebuilding—

Lord Hunt of Kings Heath (Lab): Perhaps I may make a brief intervention. I have great respect for the noble Lord, but when did the Prime Minister make any attempt to bring other parties with her to achieve an outcome that had some hope of reconciliation and consensus? She never did.

Lord Hunt of Wirral: The Prime Minister did that throughout the process. We will differ, but I hope that the noble Lord will agree that the responsibility for the Prime Minister is now to begin rebuilding one nation, and encouraging the scars that have been left by a divisive referendum campaign to heal. The Prime Minister has proved herself to be the epitome of the conscientious and responsible, rational politician at a time of rampant fundamentalism. Surely a responsible Opposition would welcome and support that in the public interest.

Over the course of the past 45 years our economic and political life has become inextricably linked with the European Union. Brexit has been likened to trying to remove an egg from an omelette—and so it has proved. If anybody ever thought that this was going to be easy, they know better now. But we now have a genuine opportunity to rebuild and reunite our nation. Neither a hard Brexit nor a rash decision blithely to ignore the referendum result could possibly achieve that. Either of those extremes would once again set friend against friend, colleague against colleague and young against old. I believe that the agreement preserves our national reputation as a responsible country that wishes to work constructively with our neighbours rather than one that continues to entertain unrealistic post-imperial pretensions.

It is true that work remains to be done, for instance in ensuring that our financial services industry—in many ways the jewel in our crown—will continue to flourish in the post-Brexit world. I believe that the political declaration provides a framework for the future, and those who reject the agreement and the declaration are playing with fire. If this agreement fails, there can be no guarantees of another one in its place. We would almost certainly end up either with a no-deal Brexit and losing the political declaration, or with no Brexit at all. It must not be a question of who blinks first. We should not be blinking at all. Politics is always the art of the possible, and that is why we should now embrace the British tradition of sensible and reasonable compromise which has stood us in such good stead for centuries.

We should warmly welcome this agreement and the political declaration. If we want this nation to come back together, we need to lead by example. That means that not only those of us on the Government Benches but noble Lords all around this Chamber must now rise to that challenge.

11.46 am

Lord Murphy of Torfaen (Lab): My Lords, it is interesting to follow the noble Lord, Lord Hunt. We faced each other across the Dispatch Box 25 years ago, but I rather fancy that he should be directing his

comments to his own party instead of at us, because of the civil war that has occurred within the Conservative Party over the past number of years. However, I want to speak briefly on Northern Ireland.

Members of your Lordships' House will recall that Northern Ireland was hardly mentioned during the referendum campaign and that when 56% of the people of Northern Ireland voted in favour of remaining, as they did, again that was almost wholly ignored on this side of the Irish Sea. Indeed, Ministers who have since resigned from the Cabinet—the former Foreign Secretary, the former Brexit Secretary and the former Secretary of State for Northern Ireland—all indicated that they thought that the border issue was not significant and that it could be solved easily. Well, the events of the past 48 hours have proved that to be absolutely wrong. The border and the backstop are the most significant issues at the heart of the current debate on the agreement.

Of course, it is not just the border that is an issue. In the political declaration, for what it is worth, mention is made of security, but there is no mention of the disappearance of the European arrest warrant. We have had three decades of co-operation between the police services north and south, and with the disappearance of that warrant, huge problems will result. The common travel area, which has been about for a very long time, is mentioned in the declaration, but no mention is made of the fact that we will actually return to what it was 40 years ago, because, since we joined the European Union in the 1970s, huge additions to the common travel area have occurred in health, education, employment, law and so on. Moreover, Northern Ireland citizens will be divided between those who will have European Union rights and those who will not. That is a big issue in Northern Ireland.

Yesterday in this debate the noble Lord, Lord Bew, argued powerfully that the principles of the withdrawal agreement are not in line with the Good Friday agreement, and that indeed the withdrawal agreement itself is putting the stability of Northern Ireland at risk. Over the past two wasted years in terms of diplomacy so far as Northern Ireland is concerned, the principles of the Good Friday agreement have been ignored, where nationalists and unionists come together to agree on a common course of action. It was the genius of that agreement that, after decades of turmoil and frustration in Northern Ireland, they were able to come together. However, had the two Governments and Members of the House of Lords decided to impose an agreement on the people of Northern Ireland 20 years ago, it would have failed miserably. As the noble Lord, Lord Bew, said yesterday, it was the people of Northern Ireland, through their political representatives, worked from the ground up and pursued, agreed and succeeded in bringing about that agreement.

Instead, we have a free-for-all. Many nationalists see Brexit as a means by which we can have a united Ireland. Many unionists see it as a means by which the union can be strengthened even more. That undermines the work of three decades. One of the problems in the negotiations was that the European Union could have delegated the details of the negotiations on Northern Ireland to the Governments of Ireland and the United Kingdom. Had it done that, a lot of the problems we

now face could have been resolved. Instead, the negotiations have been botched. We had the daft decision to put a date in the legislation. We had Brexit Secretaries who never negotiated and were there in name only. The so-called red lines put down by the Prime Minister at the beginning of the negotiations were more about bringing the Conservative Party together than about the national interest—and a fat lot of good it has done them.

At the same time, there have been no institutions in Northern Ireland—no Assembly, no Executive and no north-south bodies—to deal with these issues for two years. That is almost the same length of time as the negotiations have taken. Everybody understands that, had the Assembly been up and running and had the Executive been working, the nationalists and unionists would have had to come together to resolve the issues that currently face Northern Ireland—but they have not done so. They have not got together because there has been no restoration and no urgency on the part of the Government to restore those institutions. Had there been, we would not be in this mess today. We would not have had the chaos of the Brexit issues on borders and backstops had there been a proper Government of Northern Ireland where nationalist and unionist Ministers could have got together, thrashed the issues out and come to a compromise based on the principles of the Good Friday agreement, as the noble Lord, Lord Hunt, said.

But it was not to be, and the result has been two failed negotiations: the failure to restore the institutions in Northern Ireland and the failure of the Brussels negotiations to understand why the principles that underpin the Good Friday agreement should have underpinned the negotiations regarding Brexit borders and the backstop as well. As a result, the withdrawal agreement is unquestionably doomed and, in my view, destined to be a footnote in constitutional history.

11.53 am

Baroness Kramer (LD): My Lords, like many in this House, I see a no-deal Brexit as an extraordinary act of self-harm. In this House, discussion often focuses on the immediate impact—long border queues, stockpiling and chaotic airports—but although some of those are inevitable, they pale against the long-term consequences of living under WTO rules, which are no more than imperfect measures to limit some tariff barriers in some sectors.

It is a great sadness to me that after two years of negotiation, the May deal is not much better, frankly. When you read the political declaration, it is clear that it leaves the issue of frictionless trade completely unresolved. We see that in the backstop conundrum, in a sense. If it cannot be resolved, it will not resolve the frictionless trade problem for the economy at large. We are left with a situation where friction becomes part of our future relationship with the EU.

People talk a great deal about free trade deals, but only the largest companies are ever able to take advantage of them because they require a mountain of documentation and are extraordinarily complex. The suggestion that they are in many ways a panacea is misinformation that, frankly, is often presented to this House.

[BARONESS KRAMER]

I recognise that a number of businesses have been sympathetic towards the May deal, but let us be honest as to why. It is because they see the transition arrangement embedded in it as a mechanism for delay. But it is not a delay to keep business, opportunity and jobs in the UK; it is a delay that enables them much more smoothly to transfer out of the UK those operations and jobs which will serve the 450 million people of the 27. If anybody has spent time talking with major companies and asked them about their investment plans in Europe for the next five or 10 years, they will all tell you that their overwhelming focus is to invest in the 27 money that, without Brexit, typically and historically would have come into the UK. It is an extraordinary act of self-damage. It is why the Bank of England scenarios talk about a reduction in openness. That is what Brexit is: a reduction in openness from a country that supposedly prides itself on being open. We are putting up huge barriers between ourselves and our major trading partner and hoping only marginally to reduce them with other countries around the world.

I want to raise an issue that seems seldom discussed in this House; that is, the crucial impact of Brexit in any form on our young people. I wonder why Brexiteers do not talk about it more often. At the heart of the Brexit plan is to remove from those young people their European citizenship and the rights and opportunities that go with it; for instance, the right to engage in a relationship with somebody else from the EU and being able to live near or with them—that essentially disappears. We have no right of residence. Young people who want to work abroad will never qualify for the various visas discussed, where one needs to earn £30,000—we assume that it will be reciprocal—to be able to work abroad. Very large companies want to hire young people who can work in any of their European offices, be they in Madrid, Paris or London. Why would you hire a young Brit when they need a visa for every one of those countries, whereas somebody hired from the 27 needs none? We are seeing that reflected in a drop in hiring that is happening now and impacting our young people already.

I have heard in this House a lot of people say, “We have to accept the May deal as the general compromise”. There was a brilliant letter in last Monday’s *Financial Times* written by John Ure, who is an associate professor at Hong Kong University. Decrying that approach, he quoted from the old nursery rhyme, suggesting that those who take that view are basically saying:

“Keep a-hold of nurse, for fear of finding something worse”.

This is the time to have courage. No deal is completely unacceptable; the May deal is completely unacceptable. When people say, “The British public are weary of Brexit; they just want it over”, that might be true for this minute, but when they face the consequences of Brexit and see the impact on their lives, that will be forgotten in a flash. There will be huge anger. They will turn to people in this House and the other and say, “When the facts were on the table, why did you deny me the chance to become familiar with those facts and then express my opinion again? Why did you take that from me and deny it to me?” If this House is concerned about anger, it should recognise the anger that will come from those who have to live with the consequences

of any form of Brexit, knowing that they were denied the opportunity to express their views about their future and their country when information was on the table.

11.59 am

Lord Trimble (Con): My Lords, I feel sorry to have to say to the noble Baroness, Lady Kramer, that I think she is pointing in the wrong direction. If as a result of political activity we fail to deliver the results of the referendum, we are going to find a considerable reaction from people when they discover they have been swindled of the results that they wanted. I think that is the road down which the party over there is heading, and it is heading in the wrong direction.

I do not want to dwell on that matter because there is what for me is a more significant issue flowing from quite a bit of the contribution of the noble Lord, Lord Murphy. I am very glad to see that my noble friend Lord Bew is in his seat because his contribution yesterday was extremely good. Unfortunately I was not here to hear it, but I have read the *Hansard* and if anyone was not there then I urge them to read it. There is material in that speech that has never been given here. It is surprising that the Attorney-General did not pick up some of the issues that the noble Lord covered.

The basic problem, as the noble Lord, Lord Murphy, said, is that the people who drew up the Irish protocol are deeply imbued with a different way of approaching things. I dare say most of them were énarques, but that is not our system. As has been said, they drafted something that is top-down. Being top-down means that it is depriving the people in that Chamber of having an effective say in what is happening. It is not a democratic process. That protocol is not a democratic one and it undermines the Belfast agreement.

Over the past year or two, people have expressed concern that this process might damage it. Yes, but it is not the desire to leave the EU that is causing the damage; it is what the EU is doing by way of reprisal, aimed not just at us in Northern Ireland but at the UK as a whole. There is something there that we have to take on board. What the Attorney-General did not realise is that there was a case, *Matthews* in 1999, in which the European Court of Justice condemned the creation of arrangements that deprive people of their opportunity for democratic participation. That is what the protocol does, and it has to go. Actually, I think the whole agreement has to go; while the provisions relating to Northern Ireland and Ireland are particularly perverse, you get echoes of the same thing the whole way through. We have a situation where a certain Mr T Blair, speaking in Brussels the other day, said that the EU will not permit the UK to leave the common customs arrangements. Your Lordships can work out who I am talking about, and I am afraid that what he is saying is most regrettable.

Those comments come from what has been said. I want to add a couple more comments on more general matters, which I will try to keep as short as possible. The first is a reflection on the single market. Looking through the newspapers earlier this week, I discovered an interesting fact: they said that non-single-market countries have been increasing their exports to the EU at a rate greater than that of most single market members.

If non-single-market countries are doing enormously well outside the single market, how valuable or necessary is the single market when you are dealing with that situation? Add to that the fact that we in the UK have a substantial deficit with the single market. I have seen the figures variously reported over the last few years as being £70 billion or £90 billion per annum—huge sums. It does not work for us. It does not work for our economy. There is no point pretending otherwise. That is the reality of it.

People are talking about the problems that might arise with no deal. I think the issues there have been greatly exaggerated. In the modern world, supply-side shocks have often had less impact than expected. Thanks to globalisation, there are more alternative sources of supply; and because of information technology, we know more about accessing them.

We might leave without a deal. I do not think it is necessary or inevitable but it might occur, and it can be coped with. I think we will discover, because of the factors that I have just mentioned, that it will not be anywhere near as bad as people have predicted. But then, of course, we have been having another attempt to whip up Project Fear to scare people into going in one particular direction. Again, I think that is going to fail.

There is one other, lesser Project Fear situation. Our own Government, I am afraid, sometimes say to members of the party that they have to be careful what they do in case we end up with a Corbyn Government. Let us think about that. If there were to be a Corbyn Government, we would expect that, like all socialist Governments, they would inflict serious damage on the economy and ruin public finances. But such an Administration are not likely to survive. They might get through one term, but might not even reach the end of one. If there is a problem there, it is a short-term one. When we look at the alternative of accepting the withdrawal agreement, we see problems that are not short-term but long-term. As has been said in the Attorney-General's report—it is also there in the agreement, if you look carefully—the provisions for the backstop and its related matters will continue indefinitely. Under those provisions there is no way in which we can be sure of getting out from underneath them.

On one hand, there is a negative thing which is short-term; and on the other, there is a bigger negative thing which will be generational in its application. If we do not kill the backstop and this agreement now, it will haunt us for years, decades, maybe even generations as well. There is only one way to go on this matter. I add as a footnote to this, directed to the leadership of our party, that in the event of a general election in the near future, there should be no room in the running of it for anyone who was involved in last year's disaster.

12.07 pm

Baroness Bakewell (Lab): My Lords, in supporting the Motion moved by my noble friend Lady Smith of Basildon, that the withdrawal agreement and political declaration will do grave damage to the global influence of the United Kingdom, I want to take a long perspective—far longer, indeed, than the perspective referred to by the noble Lord, Lord Trimble.

I want to go back to Bologna in 1088, where the first and oldest university in Europe was founded. It was the first institution of higher education and research in our continent, where a community of teachers and scholars came together to share their common interests. The Bologna academic charter of 1158 guaranteed the right of unhindered passage to a travelling scholar in the interest of education. It is what we today call academic freedom. It has been honoured for centuries and will be set in reverse by the current shallow and ignorant government proposals for Brexit.

History is long. From Bologna, the idea of the university spread, first to Paris, then to Oxford in 1167. That was when this mighty concept of the sharing and extending of knowledge was first formulated on these shores. Cambridge followed, then Glasgow, Dublin, St Andrews and Edinburgh. They shared their values with Europe. They explored the new enlightenment with Europe. These are places of ancient and precious traditions, shaped by their European heritage and by continuing flourishing. Witness the spectacular growth in numbers of new universities in the post-war years and the high percentage of our young people currently studying for degrees. This is indeed a long and proud heritage. Today Britain's universities are world-renowned, internationally competitive and a major economic asset. They generate £13.1 billion of export receipts, and by their research and teaching contribute to the global world of cutting-edge discovery and scientific development.

The prime terms of exiting the EU are threatening this centuries-won status. Restraints on the movements of students and scholars are already damaging the richness of our tradition. In the university of which I am president, Birkbeck, 18% of staff is from the EU: there are 363 academic staff from Europe on our books. Their right to stay is now subject to checks, and the recruitment of EU students domiciled in this country is falling. Why are we doing this to institutions that bring nothing but sound values and honourable achievements to this country? The political declaration that is part of the Brexit proposals suggests that we,

“engage in dialogue ... with the view to identifying opportunities to cooperate”,

and,

“explore ongoing cooperation between culture and education related groups”.

This is a wishy-washy wish list expressed in terms that do not seem to acknowledge what we already have.

Yet at the same time we are pulling out of prestigious enterprises that bear illustrious European names: the Erasmus scheme, the Galileo project—why would we want to be outside them? No one voted to turn our backs on the long and prestigious bedrock of our intellectual history. We should reject such proposals and salvage our proud reputation for scholarship and research.

12.12 pm

Baroness Humphreys (LD): My Lords, my colleagues in Wales have criticised the political declaration on the future relationship between the UK and the EU, describing it as vague and lacking in substance. I think we can all agree that the political declaration has plenty of good

[BARONESS HUMPHREYS]

intentions, but it contains very little information on how the most important and contentious issues facing us will be resolved in the transition period.

Our farmers' unions have welcomed the breathing space the transition or implementation period provides, when access to markets will remain, but they have expressed their fears that the political declaration gives no certainty beyond what could be considered the new cliff edge of 2020. At this point, we face probably WTO agreements on agriculture and the prospect of new trade deals under WTO rules, which could open our vital meat markets to cheap competition.

While the Prime Minister claims a victory in achieving an end to freedom of movement, she has failed to introduce an immigration Bill setting out her Government's alternative system. We in Wales need to understand the changes we face because, in reality, those changes could pose a threat to the economy of Wales. The Bevan Foundation's research sounds a warning of the impact of a potential zero immigration into Wales. We have declining birth rates—our population growth has come from migration from the rest of the UK and overseas—and our working-age population is set to shrink, putting a strain on health and social care as well as other sectors in our economy.

The Welsh Government have pointed to the importance of immigration to aspects of our Welsh economy. Our food-processing sector depends on EU citizens, and our vets in the food hygiene sector are virtually all EU nationals. We also rely heavily on EU nationals in health and social care, tourism, hospitality and manufacturing. How many of these employees would meet the suggested qualifying minimum salary of £30,000+ per annum?

The lack of clarity and certainty emanating from the political declaration, as well as the non-appearance, or lack of progress, in this House, of Bills outlining the future for agriculture, trade and immigration, is leading us into a situation where decisions on our future relationship promise to be difficult and longwinded, and might never successfully be made.

We appear to be prepared to allow ourselves to be trapped in some sort of Neverland, the mythical place created by JM Barrie, where Tinkerbell and the Lost Boys live. If we went there, we might perhaps find those sunlit uplands we have been promised—we might find unicorns too. We might also be presented with all the cake we can eat, served by the fairies, of course. The trouble is, we now discover, that we might find it rather difficult to leave. Or perhaps we will decide that it is all an illusion—a fairy tale—and we would prefer not to go there at all. Perhaps we will decide that where we are now, the present deal we have with the EU, is the best deal we could ever get.

On the method employed by the Prime Minister to garner support for her deal among members of the public, although I have the utmost regard for her work ethic and tenacity, I find her "let's get on with it" approach disappointing and cavalier. It encourages the electorate to adopt a gung-ho attitude to democracy. Should she not be encouraging rational and informed debate on an issue that has serious implications for all

generations? To encourage such a response is an insult to our young people, who have engaged with the issues regarding Brexit, and overwhelmingly wish to see our continued membership of the EU.

The Prime Minister fails to understand that her "let's get on with it" mantra is no longer the voice of the streets. She would have had a far more accurate impression had she crossed the road to Old Palace Yard yesterday, and viewed the Brexitometers on display. They are a true reflection of the voice of the streets—a record of the opinions of the people of Britain, taken between the summer and now. I have a copy of the booklet on the Brexitometers with me. If she actually spoke to and listened to real people, as I have when meeting friends and acquaintances over recent weekends, she would find that now, the most common greeting, before any other conversation takes place, is "It's a mess, isn't it?"

Opinions in Wales are changing. This week, in a vote referred to yesterday by the noble Lord, Lord Wigley, the National Assembly agreed a Motion to reject the withdrawal agreement and political declaration, calling for an extension to the Article 50 process, and for a general election or public vote if need be. Two opinion polls last month showed that there is now 56% support for remain in Wales, a country that voted to leave. Also, in each of Wales' 40 constituencies, there is a majority for a people's vote.

Yes, it is a mess. It is increasingly becoming clear that the only satisfactory relationship for the UK and the EU is a future where the UK is a full, active and leading member of the EU, with, if you will excuse the plagiarism, a voice, a vote and a veto.

12.20 pm

Lord Hain (Lab): My Lords, I echo everything that the noble Baroness, Lady Humphreys, has said, especially speaking as she did so well about Wales.

Last week, the Government finally admitted that any form of Brexit will make the nation poorer. The Prime Minister is therefore offering Parliament a false choice: vote for her flawed deal, which would deliver only less control, more uncertainty and a cliff edge within a couple of years over a new trade deal; or face a truly catastrophic no deal. But there are better choices. Parliament should therefore reject the Government's draft withdrawal agreement, together with the political declaration about the future relationship. This so-called ambitious text is riddled with ambiguity and contradictions, and offers absolutely no guarantees whatever about future trade relations with the EU in the longer term.

There has been so much bluster and ignorance by Brexiteers. For example, in airily claiming that all will be well on the night, the noble Lord, Lord Lilley, shows no real understanding of WTO non-discrimination rules, which would prohibit sector-specific deals and prevent the EU granting the UK a preferential agreement on tariffs in comparison with other non-EU states once we have left. Furthermore, WTO rules do not adequately cover many important sectors, notably services, which form 80% of the UK economy. The EU's own preparedness notices make it clear—

Lord Lilley (Con): My Lords—

Lord Hain: I am sorry; I am very happy to debate this in the future, but I do not have time now.

The EU's own preparedness notices make it clear that, after a no-deal exit the UK will be treated like any other non-EU state.

Similarly on the Irish border, on which my noble friend Lord Murphy spoke so eloquently and compellingly, in the debate on 20 November I criticised as “fanciful, back-of-an-envelope notions” the alleged solutions offered by Iain Duncan Smith and Owen Paterson—to which I could add David Davis. These senior figures are playing with fire on the island of Ireland.

It is not only Brexiteers; Westminster politicians more generally have been reluctant to acknowledge the UK's status as a highly successful and influential state within the EU. As a former Europe Minister, I can confirm that for decades the UK was a driving and liberalising force when it came to the single market, enlargement, competition and trade, and was highly influential in foreign policy. UK Ministers were on the winning side of votes on EU legislation 95% of the time, abstained 3% of the time and were on the losing side in just 2% of cases.

On immigration and citizens' rights in other EU countries, the Prime Minister claims that the deal marks the end of free movement once the transition is over. But leave voters were never informed that successive UK Governments have failed to use the tools available to them to better control EU immigration. The citizens directive of 2004 allows EU member states to return home EU nationals after three months if they have not found a job or do not have the means to support themselves. Countries such as Belgium regularly return thousands of individuals on this basis. We never have. Meanwhile, in the biggest loss of value to a country's citizenship in history, we, the 66 million UK citizens currently living in the UK, will lose our EU citizenship, and therefore our rights to live, work and study in the 27 EU countries.

The Irish backstop kicks in if future trade talks fail to avoid a hard border on the island of Ireland. However, the real solution to this crucial issue should be that both the Republic and the UK remain in the EU, which has greatly facilitated the success of the Good Friday agreement over the past 20 years, or, at the very minimum, that Northern Ireland and Ireland share a common single market and customs union arrangement. That is the only guaranteed way to keep the border completely open.

The chaos that no deal would deliver to this country is now becoming more widely understood. As we know from the Government's own assessments, it could lead to the collapse of the port of Dover on day one and shortages of fresh food, petrol and medicines within days. Flights could be grounded and energy security threatened. Hauliers' licences might be invalid in Europe, 60 trade deals between the EU and third countries would cease to apply and the Irish border would become a hard one.

The problem for Brexiteers, including my good friends in the DUP, is that they never had a proper plan of their own. Voters were not told that in 2016. Now it is crystal clear. They still do not have one.

They charged the Prime Minister with a mandate to square an impossible circle and she has done her very best, but it is rightly unacceptable.

I say to those whom I greatly respect and who have been on the same side of the argument as me so far but are now tempted by the Prime Minister's deal—such as the noble Lord, Lord Butler—that it does not actually solve anything. It just postpones the crunch until October 2020, with all the extra economic instability and business uncertainty that that means. A Norway option without a customs union deal would deliver at least as hard a border as it has with Sweden. Adding a customs union at least resolves that, but we might as well remain in the EU and be a full rule-maker.

Parliament, as the guardian of the nation's best interests, should therefore vote down the Prime Minister's deal, vote down no deal and instead seek a people's vote. Only this will give people, including the 12.3 million who did not vote in 2016, a democratic choice to reject this utter mess and vote for a more prosperous future in a UK which can again be a leading member of the European Union.

12.26 pm

Lord Warner (CB): My Lords, this is a historic, pivotal moment when the House of Commons is required to choose a future path for our country. It remains to be seen whether it is up to the job after the discredited political processes of the past three years or so. Most of the key political decisions in the Brexit saga so far have been governed not by the national interest but by considerations of internal Conservative Party management. Here are some examples: the referendum itself; the rash and precipitate invoking of Article 50 without a clear plan; artificial red lines; a statutory exit day; and attempts to curtail parliamentary scrutiny and decision-making.

After these two and a half years of fractious political activity, we have ended up with the Prime Minister asserting that we have to choose between two options, both of which represent serious acts of national self-harm. One is to leave the EU, in chaos, in March 2019 without a deal. Thankfully, I doubt there is a parliamentary majority for this. This leaves us with Mrs May's deal, of which a few Members of this House seem quite enamoured. In reality, this is no deal at all. It requires us to leave the EU next March after writing a very large cheque but with little clarity about our future economic, security and political relationship with the EU. These arrangements will not be settled legally until we have irrevocably left the EU and lost most of our bargaining position. The so-called political declaration is more like a letter to Santa Claus from a young child—perhaps one of my grandchildren—than a blueprint for the future.

The country is now being asked to take on trust that a Government and Prime Minister that have produced this feeble deal after two and a half years of negotiation will suddenly become red-hot negotiators who produce a bright, sunny future. The Government's own Treasury figures, as well as those of virtually every economic forecaster, reveal that a deal of the kind Parliament is being asked to approve will lead to

[LORD WARNER]

our economy shrinking and our citizens being poorer than if they had stayed in an economic alliance that has served us so well for 50 years.

Proceeding with the Prime Minister's deal means: less money for our public services after a decade of austerity; lower standards of living, with the poor and young hit hardest; our citizens being far less safe as we leave EU security arrangements; and our world-leading scientists being cut off from joint ventures that produce wealth for our country. Our standing in the world will inevitably diminish. We will not be taking back control, as the Prime Minister contends, but losing control in an interminable vortex of further Brexit and trade negotiations. This will not be a future of healing but a long period of grinding Brexit and trade negotiations.

For me, the two big questions now are: can the House of Commons rise to the historical occasion and comprehensively reject both of the Prime Minister's options, and then start trying to move towards a more constructive future? The first is much easier to do on Monday than the second. I would like Parliament to try to create some space for a period of reflection, but I rather suspect this will not happen, for the reasons the noble Lord, Lord Owen, set out in his telling speech yesterday. Sending the Prime Minister back to negotiate with the EU may have to be gone through, but I doubt it will produce anything useful. Why should the EU want to change its position now, without a serious change of heart by the UK?

I believe the Commons will be faced with three clear choices if, as I hope it will, it rejects overwhelmingly the Prime Minister's deal and no deal: first, a softer Brexit within the EEA, which we can remain a member of even after leaving the EU; secondly, a general election, which I suspect would not produce a clear outcome or be favoured by the Conservative Party; thirdly, the boldest choice is to fess up to the electorate that Parliament cannot decide on Brexit without a second referendum that includes the option of staying in the EU. My heart favours the last, but my hard-headed political calculus tells me that the House of Commons will find it easiest to go down the EEA route, for the kind of reasons that the noble Lord, Lord Owen, set out.

All these courses of action are fraught with uncertainty and political difficulties, but all are better paths to tread than slavishly pursuing the Prime Minister's options. These are guaranteed to damage our children's and grandchildren's future—a major consideration that the noble Lord, Lord Wilson of Dinton, so wisely reminded us of yesterday. It is for these concerns about future generations that I will support the Motion in the name of the noble Baroness, Lady Smith of Basildon, and strongly oppose the misguided amendment from the noble Lord, Lord Butler of Brockwell.

12.32 pm

Lord Leigh of Hurley (Con): My Lords, as many of your Lordships might be aware, I voted for Brexit in 2016. I did so despite all my family and pretty much all my business colleagues and my colleagues at Conservative central headquarters voting remain. I am normally pretty loyal to our party's leadership, most of whom at

that time were very close friends, but I could not vote remain in 2016 out of long-held views and convictions primarily relating to sovereignty and a belief that this country is better off as a truly independent state.

It was not a happy time. Referendums pose a challenge to representative democracies: how does a simple yes-or-no question, such as whether to remain in the EU, survive contact with the reality of negotiation, legislation and practical implementation? It is more challenging still when the result was as narrow as the Brexit vote, the result of which must be respected, as must the narrowness of the win.

I believe that the answer to reconciling this web of contradictions is the Brexit deal that we now have in front of us from the Prime Minister. As someone in business who daily advises a range of UK-based businesses, I believe the Prime Minister's deal to be an acceptable result, born of trying to take a general mandate through these complexities. It delivers Brexit: the UK will no longer be a member of the EU. Nor can it be said to be Brexit in name only, as some critics claim. We will get control of our borders and our laws, and will stop paying anything like the amounts we have been paying into the EU budget, so the promises made to the electorate will be honoured.

So why does this deal seem to attract so little support among all parliamentarians? For those remainers who say that this is just a worse version of the status quo, I simply remind them that the status quo is not available. The British people voted to leave, and leave we will. The worst thing the UK could do is to reject the referendum result and force people to vote again. Have your Lordships forgotten the trauma we went through as a country in 2016? I certainly have not. It is exactly this patronising philosophy that voters do not know what is best for them which now sees the EU itself battling a crisis of democracy and legitimacy. We may well see the consequences of this attitude in the 2019 European elections.

While of course I do not want a no deal, it must be foolish to close this off right now, as we dramatically reduce our negotiating leverage if the EU sees that we are not prepared to go down that route as a last resort. I urge the Opposition Front Bench and some well-meaning but misguided friends in my own party, on the Cross Benches and in other parties, not to tie our hands behind our back. Only a few days ago a number of us were debating the Financial Services (Implementation of Legislation) Bill in this Chamber precisely because we need our negotiators to have in our armoury the option of being prepared for no deal, which I repeat is not by any means ideal or preferred by me.

For those who argue that Theresa May's deal fails to realise the full potential and opportunity of Brexit, I say that while this may be true in the immediate term, the benefits will still come. Hard-line leavers seem to prefer the sequence of chaos and uncertainty followed by opportunity. I fear that too many people just cannot afford that short-term loss. This deal delivers certainty and stability followed then by the opportunity we all seek. The future Brexit opportunity is still open for us to seize, but without this deal manufacturers employing hundreds of thousands of people will immediately take steps to move out of the UK. I know this because I have talked to them directly.

Sceptics will still say that this locks us into an EU-like agreement forever, but it quite clearly does not. It is in neither side's interest that the withdrawal agreement become a permanent arrangement. That is why the much-quoted phrase that the EU and the UK have a binding obligation to use their "best endeavours" to agree a future arrangement that supersedes the backstop should find favour with both cynics and the faithful. Far from being the worst of both worlds, I argue that it is the opposite. This deal provides stability and certainty now, which answers the stock economic argument of remainers, and gives a credible promise of Brexit dividends on trade still to come, as they will according to the stock arguments of leavers.

A referendum would lead to more chaos, and those advocating that we stay in will have to clarify what will happen to the rebate, to the offer to Cameron on immigration concessions, to the EU army and to myriad issues which would be totally unacceptable to 17 million people.

The sadness right now is that this deal is so close to being acceptable by so many more people. It is beyond me to understand why the EU does not make some small but important offers of change at this 11th hour to avoid a backstop that nobody wants. This would seal the deal. The fact that it cannot or will not do so reinforces the fears of many that, sadly, it is not going to be a good long-term partner for us.

However, we have to recognise the current situation and that translating plebiscites into practical policy is always a matter of compromise. That is what this deal is, and that is why I support the Motion.

12.38 pm

Baroness Taylor of Bolton (Lab): My Lords, I shall say a few words as chair of the Constitution Committee and then make a few personal comments on how I see the current situation.

Noble Lords will recall the very positive role that the Constitution Committee played in making the European Union (Withdrawal) Bill more fit for purpose. It was not presented to this House as a good Bill but it left us in a far better state. Indeed, many of our recommendations for improvements to the Bill, on such issues as the status of retained EU law, delegated powers and devolution, were taken on board, through government amendments, and I think the Government accepted in the end that our constructive criticism had been helpful and had changed certain things.

Likewise, we will aim to be constructive in any comments that we make when we look at the withdrawal agreement Bill. To this end, I have written as chair of the Constitution Committee to the Minister, the noble Lord, Lord Callanan, to ask that all, or as much as possible, of the Bill be presented in draft at an early stage so that everyone in both Houses can have as much sight of it as possible to try to make sure that it is given the proper scrutiny that it will undoubtedly deserve—assuming, of course, that we get that Bill.

The Constitution Committee does not have a view on the withdrawal agreement, nor does it have a view on Brexit, so I will turn to some personal remarks and my thoughts on the present situation.

First, the Leader of the Opposition in this House was right to emphasise that it is for the House of Commons to determine the way forward on this matter. Yes, we can say what we think, but it has the ultimate responsibility—and it is a very big responsibility—of determining the way forward. Secondly, I appreciate the dilemma that my colleagues and, indeed, friends in the Commons are facing at present. I had for many years the privilege of representing seats in the House of Commons, first the constituency in which I grew up and then the consistency next door to where I live now. They were both in the north of England and were both areas that voted leave quite heavily. They are both areas that have been hit hard by losing industry and jobs and by austerity.

Like many colleagues and others who have said this today, I have spoken to many people on both sides of this debate over weeks, months and years. I voted remain, but I do not believe that we can ignore the votes of people who voted leave. I respect the decision of the referendum, even if I do not like it, and I acknowledge that the Government and the Prime Minister have tried to implement the referendum result. Actually, I do not think we can hold the Prime Minister to account for the ridiculous and reckless promises made by many in the leave campaign. Those who suggested that leaving would be easy, quick and painless have done a real injustice to the people they purport to represent.

When I voted remain, I thought that Brexit would make this country poorer and would create many problems, including those discussed today and the very real problem in Northern Ireland. There is no satisfaction for any of us in saying that we have been proved right. I share many of the concerns and complaints made about the way in which the referendum was conducted and the outrageous claims made at that time, but—and this is a big "but"—I must part company with those remainers who want a second referendum with the express purpose of overturning the result of the first. I do not think that is a valid position. At the last election, both of the main political parties said in their manifestos that they accepted and respected the result of the referendum. Parliament triggered the process for withdrawal, despite probably a majority of people in both Houses being worried about the outcome. I am concerned about what might happen if we have a second referendum. What could the result be? If the result were to be 52% to 48% in favour of remain, would the leavers be content? If the result were the same as last time, on what grounds are we remaining—this deal or another deal? If we have three questions on the ballot paper, what happens if all are rejected? The real problem is what happens in the meantime to business, investment and our economy.

My increasing concern at this stage is how we deal with the causes of the Brexit vote. I worry about the loss of confidence among those who have lost jobs, lost communities, face austerity, worry that their children will never afford a home of their own and worry about their care in old age. The referendum vote was not a simple 100% pro or anti-EU vote. It was for some, but for others who voted leave it was an expression of frustration, lack of trust and an "anti the expert" view.

[BARONESS TAYLOR OF BOLTON]

They felt that they were detached from decision-makers and excluded from the advances that so many others had made.

The nature of economic and social change over recent years has been dramatic. In the recent Budget debate, the noble Lord, Lord Skidelsky, gave a brilliant analysis of what is happening at the moment. We heard from the most reverend Primate the Archbishop of Canterbury, the noble and learned Lord, Lord Hope, and others about the social problems just yesterday in this debate. These are real, and my concern is that any delay will make them worse.

When I read today that the Government are thinking of having cross-party talks, a cross-party committee and cross-party co-operation—the noble Lord, Lord Hunt, touched on this—about the next steps, I just wished that that had happened earlier. If Keir Starmer or someone like him had been involved in these negotiations, not only might we have got a better result, we would have had a different political climate. I hope that, somehow, that becomes the way forward.

12.46 pm

Lord Thomas of Gresford (LD): My Lords, the noble Baroness, Lady Crawley, really ought not to have tempted me by talking about backstop as a rugby term. My mind went back to a muddy afternoon in Blaenau Ffestiniog when I was taken out of the pack, warm and comfortable as it was, and told to play at full-back, something I had never done before. Somebody kicked the ball over my head. I turned round to see who would deal with it and thought, “See, Ma? It’s me. I’m the backstop”. A sense of panic fell in as I could hear the thundering footsteps behind me. I was flattened, although I got the ball.

I feel for the Prime Minister as the ball goes over her head. She has been flattened many times in Brussels, in Salzburg and elsewhere. She has got up, plastered in mud, still holding on to the ball. This time, the heavy footsteps and the hard breathing behind her are not from the Opposition but from half of her own team, led by Boris Johnson, that well-known spear tackler of 12 year-olds, and the formidable Ulster pack. They are determined to prise the ball away from her. When she got up this time, there was a loud hissing sound as the ball began to deflate.

From the bench, she brought on Boomer Cox, as we affectionately called him at the Bar. He put up a solid political defence, as you would expect, but yesterday we saw what he really thought in his advice of 13 November. I agreed with the noble and learned Lord, Lord Goldsmith, yesterday—a rather unusual thing—when he said that that advice was well written and spot-on.

The withdrawal agreement does more than commit the United Kingdom to withdraw from the EU; it defines our relationship with the EU for the foreseeable future. Nobody realistically thinks that we can come to a final agreement with the EU by 2020. In fashioning a backstop, Mrs May rejected the EU’s suggestion that Northern Ireland should have special status. In order to placate the DUP, representing a minority view in Northern Ireland, she proposed that the whole of the United Kingdom should be in a special customs

territory. It is no surprise that the EU negotiators seized that suggestion with both hands. This means frictionless trade will be maintained as much between Dover and Calais as between the north and south of Ireland. We remain in the special customs territory until that mystical overall agreement has been fashioned. However, one side or the other could notify the joint committee set up under the agreement that this arrangement is no longer necessary to protect the 1998 Good Friday agreement in all its dimensions. If there is a dispute, a five-man arbitration panel will decide the issue, taking its interpretation of Union law from the Court of Justice of the European Union.

On Monday the Attorney-General argued in his Statement that the arbitration panel would consider, for instance, whether either party was using its “best endeavours” or acting “in good faith”. However, in his written advice to the Prime Minister, he came to the nub of the problem: what if both parties were acting in good faith in their own legitimate interests? That is a distinct possibility. When his Statement was read in this House on Monday by the noble and learned Lord, Lord Keen, I asked, as to whether the protocol is still necessary for the 1998 agreement:

“Is it sensible to leave such a highly political and sensitive question for an arbitration panel to determine ...? If that arbitration panel says that it is still necessary ... we remain in the backstop. We remain in the single customs territory.”—[*Official Report*, 3/12/18; col. 884.]

In paragraph 27 of his written advice to the Prime Minister, the Attorney-General went further than I had, saying that,

“whichever party attempted to submit a notification, it is extremely difficult to see how a five member arbitral panel made up of lawyers who were independent of the parties would be prepared to make a judgment as political as whether the Protocol is no longer necessary”.

The panel would refuse to come to any conclusion.

Scenarios are in fashion. Suppose someone invents a new technology and claims that it creates all the necessary customs and regulatory checks at the Irish border. The United Kingdom Government develop it, manufacture it and put it in place at the 300 or so crossing points between the north and south of Ireland. Then the United Kingdom notifies the joint committee that the single customs territory is no longer necessary. The European Union would naturally turn to Ireland and ask, “Is this okay with you?” Ireland might say, “No, it doesn’t do the job it’s hyped up to do. All this new technology is untested; we don’t know if it will work. You’ll risk starting up the Troubles again”, so there is a dispute. Both sides are acting in good faith, but the dispute is submitted to the arbitration panel.

Consider the implications. The five lawyers then decide a question of huge and costly practical significance, economically and—importantly—with an impact on security in Northern Ireland. The Attorney-General, in his advice to the Prime Minister, thinks they would decline the task, and I think he is right. Blow the whistle, ref. The game is over for this withdrawal agreement. It is time for the hot bath, a few pints in the bar and maybe a sing-song; perhaps:

“Drake he’s in his hammock an’ a thousand miles away,
(Capten, art tha sleepin’ there below?)”.

The Brexit buccaneers are a full 400 years too late.

12.54 pm

Lord Livermore (Lab): My Lords, the withdrawal agreement negotiated by this Government proves that what was promised two years ago can never be delivered. It is a far worse deal for Britain than the deal that we already have as a member of the European Union, and it leaves every significant future question unresolved. This is a deal that will satisfy no one and solves nothing. Whether two years ago you voted to remain or to leave, it is now clear that nobody voted for this. More fundamentally, it is now clear that Brexit was never deliverable on the terms on which it was sold.

During the referendum Brexit supporters claimed that leaving the EU would be the “easiest deal in history”. They promised that we would continue to enjoy the “exact same benefits” as being in the EU. They promised huge new trade deals around the world and no ongoing role for the European Court of Justice, and they promised that we would no longer follow EU rules or pay into the EU budget. This deal shows that every single one of those promises will now be broken—not because the Government will not keep them but because those promises cannot be kept.

The outcome of these negotiations proves that there is no form of Brexit that can ever deliver on the Brexiteers’ claims. Whether it is a so-called “super-Canada Brexit” or the oxymoron of a “jobs-first Brexit”, the reality is the same: either we protect our economy through a close relationship with the EU, in which case we align with its rules, or we diverge from its rules, in which case we significantly damage our economic prospects. That has been the choice from day one; it remains the choice now; and it is perhaps the greatest failing of the Prime Minister that she has never had the courage to be honest about this fundamental choice.

So her proposed agreement now delivers the exact opposite of what was promised. Under her deal, the UK would lose the benefits that we now enjoy as an EU member, with less trade, fewer opportunities and lower living standards, while we suffer the biggest loss of sovereignty and control in British history. We were told that Brexit was about “taking back control”, but the reality is the reverse: we will continue to follow EU rules, except now we will have no say over how they are made. We will have no voice, no votes and no veto.

This deal is a humiliation for the UK. I have always believed that to leave the EU would be a terrible mistake for our economic strength and for our standing in the world. I argued in this House against triggering Article 50 when the Government chose to do so, because I feared that the Prime Minister’s red lines made this disastrous outcome inevitable. And I cannot support this deal because it is so clearly a far worse deal than the one we already have as a member of the EU.

The former Brexit Secretary David Davis once claimed there would be “no downside to Brexit”, yet this deal means an end to frictionless trade with our largest trading partner, creating for industries such as car makers delays, interruptions of supply chains and extra costs. Taking us out of the single market completely sells out our fastest-growing service sector—over 80% of our economy—on which our future prosperity depends. It leaves us outside the common commercial policy,

meaning that we will lose access to free trade deals with over 40 countries around the world, even during the transition. Ending freedom of movement will also mean that British people will lose the right to live, work, or study visa-free in 27 other countries, while the UK will lose many of the workers whom our economy and ageing population so desperately need.

The Chancellor once said that nobody voted to be poorer, yet that is exactly what this deal delivers. Our trade will be less, our economy will be smaller, jobs will be lost and wages will be lower. The Government’s own economic analysis demonstrates that it will cut GDP by some 4%. That is a loss of over £100 billion every year—£1,100 per person—raising borrowing by around £25 billion and leaving less money for public services, hurting the least well-off the most, and leaving every nation and region of the UK worse off.

For the first time in living memory, a Government are deliberately pursuing a policy that they know will make the nation poorer. Even Dominic Raab, who as Brexit Secretary was supposedly responsible for negotiating the deal, now says that it is worse than remaining in the European Union—yet the Prime Minister still refuses to be honest about the consequences of her deal. From the very beginning of this process, she never sought a compromise, nor to build the consensus that such a narrow result demanded. Instead, she sought only to appease her hard Brexiteers, embracing their language and encouraging them to believe that their fantasies could become fact.

Now, when it is too late, the Prime Minister talks the language of compromise while doubling down on deception and deceit. She pretends that the role of the ECJ will end, that we will no longer pay into the EU budget, and that there is such a thing as a Brexit dividend. She claims these things, despite every single piece of evidence and every single analysis of her deal proving otherwise. This inability to be truthful will have very real consequences throughout our country. Many of our fellow citizens still want to believe the Prime Minister’s promise that great opportunities lie ahead. But when the extent of her dishonesty is revealed, the cries of betrayal will be deafening. In the gap between what was claimed and what has been delivered, the politics of extremism lies in wait.

Those who now claim that this deal will bring an end to division over Brexit are selling perhaps the biggest fantasy of all. After two years of negotiations, all we know about our future relationship with the EU are unenforceable warm words contained in a “political declaration”. Far from being detailed and substantive, and despite us paying a £40 billion divorce bill, all the major decisions—from trade to immigration—have been postponed. If we go ahead with this deal, with so much undecided, it will lock us into years of further debate. All of Britain’s energy, talent and effort will be consumed by these ongoing negotiations, with chaos, division and uncertainty for decades to come.

Any and every Brexit deal has been shown to be against our national interest, leaving our country poorer and with less control. But still we are told that we must proceed; that it is the “will of the people”. Yet how can it be, when what is being delivered is demonstrably not what was promised back in 2016? The reality is that

[LORD LIVERMORE]

nobody voted for this deal. Now we know what Brexit looks like, the people should be given the opportunity to decide. This is not a denial of democracy; it is now the only democratic thing to do.

1.02 pm

Lord Brown of Eaton-under-Heywood (CB): My Lords, for a remainder like me who deeply regretted and still regrets the outcome of the 2016 referendum, there was never going to be—never could be—a happy ending to this story. For that reason, I have reluctantly come to support the deal now on offer. I make five points.

First, imperfect though I recognise the deal to be—although not as damaging as some would urge—I support it as the least-bad option now available. It is a better solution than any alternative way ahead and as good a Brexit as any we can now hope to achieve. Its defects, or comparable defects, were necessarily implicit in the original referendum vote. The very fact that it satisfies no one, least of all the diehards on either extreme—those still intent on remaining and those equally intent on leaving with no deal—seems to me a plus. I acknowledge that everyone loses a little, but no one loses everything and there are no winners. That gives the best chance of actually healing the divisions that now exist and ending the present nightmare—the mess that we all agree we are now in. I cannot pretend that it brings final clarity and certainty, because uncertainties inevitably remain as the political declaration is worked through.

Secondly, if Parliament is to reject this deal, my hope would be for the EU to give us just a jot more, perhaps on the backstop. Alternatively perhaps, as the noble Lord, Lord Owen, urged yesterday, we should move—pivot is the fashionable word—to rely on our EEA membership. I myself advocated that during the debate in summer 2017 on the Queen's Speech. I pointed to a number of specific benefits of such a course, several of which, including freeing ourselves from the common fisheries and agricultural policies, are now mirrored in the deal on offer. For my part, however, I do not regard the conceivable benefits of such further negotiations as worth the delays and risks that they would carry.

Thirdly, in common with most of your Lordships, I believe the no-deal scenario to be disastrous, particularly for the most vulnerable in our society. Yet there remains the real risk of such an outcome if the present deal is rejected. Those still canvassing for that—the zealots, as some would call them; I prefer to call them the non-compromisers—are perhaps trying to run the clock down so that it actually happens. Noble Lords should beware and recognise that, absent further legislation, that would indeed happen on 29 March 2019.

Fourthly, in earlier debates, I spoke in support of a second referendum in the hope that enough of the electorate, appreciating the real difficulties of leaving the EU and the limitations of even the best deal available for leaving, would have changed their minds. But I have come to conclude that that hope does not outweigh the grave disadvantages of such a course, which are as follows. The first is the delay, the disruption and the acute further divisiveness involved in a further

referendum. Secondly, there is the real risk that a majority may still vote to leave. I fear that that could and likely would result in a hard, no-deal Brexit. That risk was identified and convincingly explained in a piece by Jenni Russell in today's *Times*. Thirdly, even if a majority voted to remain, those who in 2016 voted to leave would be up in arms, feeling, however unjustifiably, cheated of their earlier victory. I think that many of your Lordships would agree that the 2016 Brexiteers included the most politically disaffected, disengaged and disadvantaged people in our society. Were we now to remain, I fear that they would feel betrayed by Parliament such as to cause lasting damage to our democracy and the public's faith in our political processes.

Fifthly and finally, I come to the vote next Monday night on the Opposition's Motion and on my noble friend Lord Butler's amendment to the Motion. On that, I agree precisely with what my noble friend said in his speech yesterday. Of course it is for the other place to take the decision on this deal, and of course, as indicated, I would emphatically reject a no-deal outcome. But I cannot regret the deal proposed given that it is the best outcome now available to us. I shall vote for the Butler amendment and I hope that sufficient numbers of others will do likewise so as perhaps to influence possibly one or two Members at least of the other place to decide in that way.

1.09 pm

Baroness Thornton (Lab): My Lords, it is rare that I disagree with the noble and learned Lord, Lord Brown, but I am afraid that I do. I regret that he seems to have settled for the lowest common denominator, which is a surprise to me. I urge the noble and learned Lord to lift his eyes and think that we could do better than this, and indeed I think we could.

This week, pioneering transplant surgeon Paolo Muietan is returning to Italy after 1,000 operations and 26 years in the UK. The reason, he says, is Brexit. He is not the first surgeon to leave the same transplant unit in Birmingham. Undine Gerlach, a fellow consultant, is now working in Berlin. Anna Zampetti, a consultant dermatologist, returned to Rome last year, saying that at least one of her patients became glacial because she was not an English consultant and the whole process was hurtful following the Brexit vote. I could give many examples of the skilled European medical and nursing staff who are leaving the UK. Many report feeling unwelcome and they have no confidence in the statements of Theresa May and her colleagues. They feel that they and their families were a bargaining chip in the Brexit negotiations. The welcome came too little and too late, and it came on top of the corrosive tone of the Brexiteers' campaign which has condoned and fed some very unsavoury racism in our society in general and which expresses itself in suspicion and hostility to our fellow European citizens, as mentioned by the noble Lord, Lord Newby.

I spoke about health and social care issues during the passage of the Brexit Bill and sought reassurance from the Government on matters such as reciprocal healthcare arrangements, the free movement of medical and nursing staff, the regulation and supply of medicines, and clinical trials and research whose conduct, regulation and access to the portal, about which I will speak later,

is so vital to patients across the UK and Europe. I talked about warnings about communicable diseases, illegal drugs, unsafe medicines and transplant organ and blood donations meeting high standards, to say nothing of course of food, animal welfare and farming, which are not in my brief.

I share the concerns that were expressed yesterday by the noble Baroness, Lady Watkins of Tavistock. She spoke about the terrible and growing shortage of nurses, midwives and care workers from the EU and the damage this is causing to our NHS and social care, as well as to individual patients and their families. I agree with the analysis of the noble Baroness and note the absence of a paper on immigration which is so important in this sector. I do not agree with the conclusion of the noble Baroness, which is to stick with this very unsatisfactory proposal being discussed by both Houses at present.

The political declaration makes no reference to how UK-EU clinical trials will operate after Brexit. This is of significant concern. Cross-national clinical trials are vital to ensuring that patients have access to the most innovative treatments. This is particularly true for rare and paediatric cancers where patient populations in single countries are often insufficient for trials. The UK has led or participated in the largest number of pan-EU paediatric clinical trials. Following the earlier debates and excellent lobbying by many organisations such as Cancer Research UK and the Wellcome Foundation, the Government previously made very welcome commitments to align with the EU's forthcoming clinical trial regulation. I thank Cancer Research UK, Wellcome and others for their excellent analysis of the political declaration and its effects on the future funding and framework for research in the UK.

Agreement must be reached in negotiations on UK participation in the single assessment procedure and access to the portal and database which underpin this regulation. No access to the portal would severely reduce the ease of UK-EU trial set-up and hurt our thriving life sciences environment and business. Clinical trials take years to plan and run. As things stand, UK researchers will enter the implementation period unsure about what regulatory conditions they will be faced with when they exit it. What are the Government doing to resolve this issue with necessary urgency? Is the Minister aware of the cost of failing to do so? The deal as it is expressed now does not achieve access to the portal.

More than a quarter—28%—of the clinical trials funded by Cancer Research UK involve at least one other European country. The UK is very active in this area, conducting the highest number of phase I clinical trials. Negotiating access to the EU's clinical trials portal and database will provide certainty for patients and researchers in the UK. It will also ensure that the UK remains a global leader in medical research and pioneering clinical trials. It is imperative that the Government should reflect the need for the UK to continue to attract, recruit and retain global scientific talent at all levels in their forthcoming immigration Bill.

I turn now to medicines. The political declaration states that the UK and the EU will explore the possibility of the co-operation of the UK with the European Medicines Agency. The EMA covers an area responsible for 25% of global pharmaceutical sales while the UK accounts for just 3%. Without alignment, the UK risks being deprioritised by pharmaceutical companies bringing new drugs to market. For example, Switzerland is about five months later than the EMA area. Without the ability to act as a lead assessor in this, there could be ramifications for patients around Europe, given the loss of MHRA capacity and expertise. Again, this could undermine the UK's world-leading science environment.

We know that because of uncertainty, the Government and the industry are planning to secure the supply of medicines in the short-term, which is bizarre and rather shocking. Is the Minister aware that novel medicines are not easily stockpiled? However, the agreement does not offer the clarity needed on how the Government intend to secure the supply of novel investigational medicinal products which are used in clinical trials. Many of these are used in cancer clinical trials. They would be very difficult to stockpile and they would suffer from delays at borders, causing significant disruption to trials and suffering for patients.

Our proposed exit from the EU next year is fuelling an exodus of European workers from our island, which might be said by some to be one of the outcomes sought by those who voted to leave the EU in 2016. However, their departure highlights how Brexit is rippling through our economy, worsening labour shortages in critical industries and sectors such as health and social care. This deal does not secure the future of the NHS and it does not put patients first, let alone make more funds available—the big lie of the Brexit campaign. We need to ensure transparency and honesty about what this deal and the Government intend to inflict on patients and the NHS. We need to know that this deal and the Government will reduce the UK's jewel in the international crown of medical research to something much less significant. That will be to the detriment of patients, to our NHS and to our economy.

It is time to call a halt on the terrible agreement and the threat to fall off a cliff. Neither are acceptable for health and social care in the UK. It is time for transparency and honesty and to seek a different way forward. That is being offered to begin with by the amendment tabled by my noble friend Lady Smith to the Motion tabled by the Leader of the House.

1.16 pm

Baroness Randerson (LD): My Lords, outside this House, the Brexit bus circles round and round, day after day. It is a very old diesel bus, causing pollution in the area and adding to congestion in Westminster, thus winning over no hearts and minds. I wonder what happened to that shiny new bus we saw in 2016 which advertised £350 million a week for the NHS.

I want to speak about transport. At the start of this Parliament I tabled a Private Member's Bill entitled the Open Skies Agreement (Membership) Bill. It was designed at the time to prompt the Government into acknowledging the importance of our membership of the EU-US agreement which governs aviation. I little

[BARONESS RANDEKSON]

thought that, 18 months later, this would still be an issue. The political declaration proposes a comprehensive air transport agreement but it does not specify whether the Government are still aiming for the fully liberated market access that we have at the moment. Recent well-sourced coverage in the media suggests that we are still some way from reaching agreement. Both UK and US airlines regard it as absolutely crucial and there is apparently some sort of draft agreement. However, the negotiators still have to work out the mechanism by which the UK can continue to be covered by it. Whatever it may be, apparently it is noticeably inferior to our current arrangements and there is a crucial argument about the question of majority ownership which the US requires for UK airlines. It conflicts with the EU rules on this.

Of course, we have a big national airline in Britain—BA, which is UK and Spanish- owned. This is not a philosophical point, it is a crucial one. Eighteen months ago, some Brexit supporters in this House openly mocked when I raised the possibility that airplanes might be grounded on 30 March 2019, but no one has yet worked out how to keep them flying. This is just one example of the complexity that stares at us from every direction as we try to separate ourselves from the EU in a totally artificial manner for our modern, interdependent world.

In the transport sector, we are currently wading through 70 Brexit-related SIs. We have dealt with about half a dozen so far, which makes our task next term pretty important. The pointless waste of Civil Service, industry and parliamentary time being spent trying to artificially recreate a structure that mirrors exactly what we have now means that many other vital issues are being ignored. The Department for Transport—led by a keen Brexiteer, of course—is hopelessly behind schedule in preparations, as the NAO report pointed out. In early November, we were still debating a haulage permit scheme in the same month that hauliers had to submit applications to get their inadequate permits in January. Meanwhile, concrete barriers are being erected along Kent motorways in preparation for their conversion into giant lorry parks in anticipation of major congestion at Dover if this is not sorted soon.

As in so much, the political declaration raises more questions than it answers. In an earlier White Paper, the Government said that they wanted “reciprocal access” for road transport. Does that equate with what they now call “comparable market access”? There is no mention of the crucial issue of cabotage rights. Nor does the declaration answer the question of the need for an international driving permit. All it says is that,

“the Parties should consider complementary arrangements to address travel by private motorists”.

There is an even more restricted and less ambitious attitude to railways, where the department aims only for bilateral arrangements with Ireland, France, Belgium and the Netherlands—our immediate neighbours. What about trains, particularly freight trains, that go well beyond those countries? In his evidence to the EU Internal Market Sub-Committee, the Secretary of State made much of the importance of the UK being able to

diverge from EU standards, but the industry representatives who gave evidence said that they want to keep the same market-leading standards as the EU.

I want to touch briefly on the university sector. I declare an interest as the pro-chancellor of Cardiff University. Here, the Government’s horizons have narrowed since the early post-referendum days. When the market sub-committee looked at examples of Galileo research some months ago, the idea of the UK no longer being part of that massive project seemed pretty absurd, but last week, the Government confirmed that we will withdraw from the project and develop our own system. That is possibly the most harebrained idea so far. It would mean years of work and billions of pounds being abandoned, only to be replaced by a system that we can have little hope of developing for a decade and at massive cost. This is an area where we really are world leaders.

Yesterday, I attended the Home Affairs Committee to take evidence on Horizon funding, Erasmus and the impact on universities. Representatives stressed to us the importance of international co-operation in creating excellence. My own university of Cardiff is a clear example of the impact of this funding, with £30 million of Horizon 2020 projects supporting international research co-operation on a scale and of a quality that is simply not possible through national funding mechanisms.

We need a people’s vote. According to my concept and the international definition of democracy, it should be renewable. People are allowed to change their minds when they see new facts.

1.24 pm

The Duke of Somerset (CB): My Lords, I draw attention to my receipt of agricultural subsidies from the EU. It seems that taking back control of our borders and migration swung the Brexit vote. The Prime Minister said that net migration had to fall below 100,000; overseas students would be unwelcome and a hostile environment towards workers from the EU and the rest of the world would be created.

Now, we learn that to fill the inevitable future labour gap, low-skilled EU citizens under 30 years of age might be offered two-year work visas. That is far too little, far too late. However, we do not know that for sure. The immigration White Paper has been delayed until after the Commons vote due to disputes between No. 10 and the Home Office. This situation is stupid. It just emphasises that the Commons is being asked to vote on one of the most important decisions in our lifetime in a knowledge vacuum where the political declaration is vague and our future relationship depends on ongoing negotiations.

The Government say that they want to replace EU labour with home-grown staff trained up by industry. So what have they done? They certainly have not invested in further education; there was nothing for that in the previous Budget. Further education spending has been cut extensively since 2010 and a divide has grown between those going to university on their £9,000-a-year fees and those who do not get the right A-levels and do not go. Second chances for the latter category are diminishing. The percentage of people

enrolling for and qualifying in further education has dropped dramatically. The Government are not investing sufficiently in skills training; they are just freezing the funding for technical colleges, causing many of them to close. I think that the Government want Brexit to force companies to train and further educate the people that they want to replace the EU staff working here today, but that is not working properly.

Together with the funding issues, that means that we will not be able to fill positions with UK nationals and that companies will not be able to recruit readily. That will have an impact on the economy and drive down prosperity. Realistically, we will need skilled immigration at all levels for many years to come. Priority might be given to skilled immigrants earning more than £30,000 a year. This is to ignore the demands of sectors that employ lower-paid staff; I should emphasise that this does not equate to low-skilled staff. We only have to think of NHS nurses, agricultural workers, vets, hospitality cooks and servers—people from all walks of life doing the jobs that the British do not want to do and have not been trained to do. These people will probably not earn £30,000, so this is another policy that needs rethinking if many sectors are not to suffer a lack of staff in the future.

Why did the Prime Minister set out her red lines so early, before she had negotiated anything, while abusively attacking foreign-born “citizens of nowhere”? What was wrong with programmes such as Erasmus, where young people could broaden their outlook by living, studying and working abroad, learning languages and tolerance of other cultures and customs? Instead, we have schoolchildren, no doubt inspired by the attitudes of their elders, bullying and attacking foreign schoolmates. This is surely the logical conclusion of a Brexit deal dominated by phobia of foreigners. Throughout history, we have been warned. Leviticus preached:

“The foreigner residing among you must be treated as your native-born. Love them as yourself”.

Primo Levi, writing powerfully after Auschwitz, said that,

“so long as the conception”—

that is, the fear of the outsider—

“subsists, the conclusion remains to threaten us”,

the conclusion being the concentration camp. That was humanity at its most extreme and not Brexit, but it demonstrates that encouraging the fear of the foreigner can set in motion thinking that defies reason and can have terrifying consequences.

As the noble Lord, Lord Rooker, pointed out to us yesterday, Mrs May as Home Secretary had control of both non-EU and EU immigration under Article 7 of the citizens’ rights directive, but she did not act. More sensibly, the present Home Secretary acknowledges that our country is a lot stronger for the inflow of EU talent and that migrants create more wealth than they cost.

The EU Committee report published yesterday states that 1 million-plus UK citizens living in other EU states, including my daughter, have not yet secured any legal rights. The withdrawal agreement is silent on the right of onward free movement between member states as well as on the charging regime and the lifelong right of return. Those will have to be negotiated in the

future. How appalling is this? It is made worse by the threat of EU citizens in the UK and vice versa having no agreed protections in the event of a no-deal Brexit. They are all truly vulnerable. We see that immigration control is more important than prosperity and that one woman’s view is the only one allowed in town.

We plan to leave our privileged, rebated place in the fellowship of the EU, with all its faults, for something beyond our control with unknown terms and conditions and disliked by all shades of opinion. If the Commons vote fails, I join those advocating that Parliament should choose either an EEA-type Brexit, where people can continue to move around Europe, or, better still, a people’s vote held in the fuller knowledge of the cost of their decision.

1.32 pm

Lord Mancroft (Con): My Lords, General Alexander, commanding the British Expeditionary Force in France in 1940, arrived on the beaches of Dunkirk riding a bicycle that he had liberated from a French peasant and surrounded by his staff jogging along beside him. As he stood on the top of the beach looking down at the columns of soldiers queuing out to sea and the dive-bombers and wreckages on the beach, he turned to his staff and said, “Gentlemen, I cannot bring myself to believe that this campaign is quite going in our favour”. I think that I know how he felt.

I am sad to say that I shared the view of Jo Johnson when he described the Government’s negotiations with the European Commission as the greatest failure of British statecraft since the Suez debacle. From beginning to end, it has been an agony to watch and, like Suez, it has become an international humiliation.

The political declaration accompanying the withdrawal agreement is really a memorandum of understanding or a letter of intent—in other words, an agreement to agree—but it has no legal force and is to all intents and purposes not worth the paper it is written on. Of course, its contents are very nice and we might agree with them, but for practical purposes they are worthless. The language is more suitable for a prenuptial agreement where two parties are lovingly planning a long-term relationship, rather than a divorce settlement where the parties are going their separate ways with a degree of animosity, as there sadly always is in such situations. When I put this point to the Prime Minister’s chief of staff last week, he admitted that my analogy was not absolutely wrong.

It has become apparent that the UK negotiating team, and thus presumably their political masters, had become victims in some strange way of Stockholm syndrome, where the position of the two teams had evolved over the passage of the snail-like negotiations from being adversaries on opposite sides of the table to being partners setting mutual goals in their slow slog to almost any agreement they could reach.

As we cannot rely on the political declaration, we inevitably fall back on the withdrawal agreement. Both the Attorney-General’s advice and the excellent summary of it given yesterday by the noble and learned Lord, Lord Goldsmith, make it clear—if there was any doubt before—that we will be tied by the backstop until the Commission releases us, which depends entirely

[LORD MANCROFT]

on its good will. I have some difficulty in relying on that good will, because there has been precious little of it in evidence to date.

We all know that 52% voted to leave the EU in the referendum and 48% voted to stay, but none whom I am aware of voted to be half in and half out, which is where the Government seem to be inviting us to go. While the alternatives seem equally unpalatable, it is unlikely that another place will vote for a general election. I view a second referendum only as a further abdication of responsibility and a failure of political leadership.

It seems for the most part to be the remainers who lost last time who now seek another vote—obviously because they think they could win it—but, if memory serves me right, they thought that they would win last time too. If they were to have their vote and lose it—after what I dare say would be another ghastly campaign—would it be because the electorate had failed to understand the arguments a second time round? Perhaps they would finally get it right a third time. I do not fear the result but, like the most reverend Primate said yesterday, I dread the process and the effect it would have on an already divided society. I could not support that route.

We are in this position because of a complete absence of political leadership, both in my party and, perhaps even worse but less obviously noticeable away from Westminster, in the party opposite. However, it goes deeper than that. As my noble friend Lord Ridley suggested yesterday, great swathes of the British institutions, the majority of the body politic and the political establishment seem to have fallen victim to the same strain of Stockholm syndrome that has corrupted the Prime Minister and her Brexit negotiating team.

The most damaging consequence of that has been to leave us with apparently only two options: to accept the Prime Minister's deal—which it is becoming increasingly clear the House of Commons will reject next week—or to “crash out” of the EU, as the BBC so helpfully describes it. Neither of these two options seems particularly attractive. I listened with great interest yesterday to the noble Lord, Lord Owen, championing EFTA, the EEA and what is known as the Norway option. It is certainly better than the other two options on the table today.

I do not recognise leaving the EU on WTO terms as “crashing out”. After all, those are the terms on which we trade with increasing success with the rest of the world beyond the EU, and our trade with them is growing, whereas our trade with the EU is in decline, as is the EU itself. It strikes me that the term “crashing out” is designed primarily to dissuade us from looking too closely in case it turns out to be more attractive than other options.

The Government's failure adequately to prepare for no deal, which really means a global trade deal or even a “clean global Brexit”, makes our departure from the EU more difficult and more likely to lead to a period of disruption. They rightly deserve criticism if they have not made those preparations. It is another area where we have not been given sufficient information on which we can safely rely.

I have no means of knowing how long any disruption might last or how serious it might be, but I share my noble friends' doubts about Treasury forecasts. I also share the sadness expressed by the noble Lord, Lord King of Lothbury, that the Bank of England's reputation for impartiality has been damaged by being drawn into this. We have heard repeated scare stories about food and medicine shortages and planes being unable to fly, but people such as my noble friend Lord Lilley, who is sadly not in his place at the moment but whose knowledge and judgment in these matters are far greater than mine, are confident that such claims are vastly exaggerated. Indeed, it is this type of claim and counterclaim that has contributed so much to the difficulty of reaching informed decisions and consequently makes calls for another referendum even more irresponsible. If we have difficulty informing ourselves about these important and complex matters, why would we throw the decision-making at millions of people who have even less ability to get that information and make the right decision?

As matters stand today, the result of the referendum requires us to leave the EU, and we will do so on 29 March. It seems that the Government have no proposals to change that date. At the same time, we now know for certain that the Prime Minister's proposed deal does not achieve that fully. Either she must return to Brussels and seek a change to the backstop provisions, which would enable this Parliament to decide whether and when to leave any backstop provisions, or she must rapidly plan an alternative exit strategy. One alternative is that proposed by the noble Lord, Lord Owen. The second, simpler and more attractive option is to negotiate a clean global Brexit on World Trade Organization terms, including whatever measures are necessary to address short-term disruption.

As speaker number 91 out of 183, I accept that we are only approaching half-time in this debate. However, unless I have missed something, I have heard an awful lot about how we got into this mess but only two suggested ways forward, assuming that the Government's deal is rejected next week. It is on those options and any others that might emerge that we should now concentrate.

The past is fascinating, but today it is the future that matters. I recognise that a majority of your Lordships, out of touch perhaps with the British people, do not like it, but our future lies outside the European Union. It is on that future, and making a success of it, that we must concentrate.

1.40 pm

Baroness Kennedy of The Shaws (Lab): My Lords, the strapline that has been used to sell Brexit is “bring back control”. I cannot help but think that it was probably cynically invented by advertising men on behalf of the masters of the universe who really do want control. I am afraid that the leading lights of the Brexit movement and the people behind them—I emphasise that—are in the business of breaking up Europe as a trading bloc because it sets standards too high for the maximisation of profit. It regulates for the protection of workers and the environment and for the maintenance of standards in commodities and products. It involves collaboration on tax avoidance and restrains

corporate excesses. Its members collaborate in dealing with serious crime, with matters like the exploitation of workers, and with criminal matters such as trafficking and the laundering of money.

You can understand why there are people who might be interested in getting rid of some of those regulations. For fundamentalist free-marketeers, minimising regulation is a religion, and you have only to spend time with them to see that. That is what this is about: trading without constraint. That is the attraction of World Trade Organization rules: the idea that we do not have to live by, and set, the standards in the way that we do as part of the EU bloc.

So this is in fact an elite project being sold to people who are already suffering the consequences of globalisation. Those people are already victim to the removal of safety nets and protections—austerity was used for that—but Brexit is being sold as a project of liberation, and that is dishonest. The dishonesty is not only fraudulent, it is mindlessly cruel. I say to the noble Lord, Lord Mancroft: you cannot possibly know about the lives of ordinary people if you can be sanguine about the idea of us leaving Europe altogether and turning our back on it.

To be utterly careless of the consequences for many in our population is shocking. There is now recognition across the board of the financial damage to the economy and the lives of people in Britain—particularly the poorest, as some have suggested, but also the middle classes, the majority—that would be caused by no deal but also by the deal being offered by the Prime Minister. Even the wild elements of the Brexit leadership, who want out at any cost and, as we have heard, actually want no deal, admit that there will be detrimental financial consequences but claim that it will be worth it in the end. They will say that as they sit and eat cake like Marie Antoinette. They will happily throw the poorest to the wolves. They also claim to be devoted unionists but do not seem to care very much about our relationship with Scotland and are prepared to put Northern Ireland at risk. That claim of concern for peace in Ireland is phoney, as we can see from the way that the technological fix has been promoted when we know it cannot yet work. There has to be a customs union.

Their ideological position makes them blind to good argument. How can Jacob Rees-Mogg, with a bare face, move the headquarters of his own business to Ireland to ease his pain while the rest have no such option? How can the noble Lord, Lord Lawson, apply for a French passport to ease his travel arrangements to his house in France when no such convenience is available to most of our children who want the option of working in Europe? To the leading lights of the Brexit movement, freedom means every man for himself without restraint. I say “man” advisedly because it is poor women who will suffer the most. Some 90% of single parents struggling on low wages are women. You can be sure that employment protections will disappear if there is no deal. Part-time workers, who are mainly women, are protected—they have holiday pay, maternity rights and so on—yet we hear a constant moan about the burden of those employee protections on business. That is not a burden; it is what decent

societies expect of good employers. As the most reverend Primate the Archbishop of Canterbury said yesterday, there are moral issues at the heart of this debate, and we should not forget it.

On the issue of law, I am very concerned that the withdrawal agreement put forward by the Prime Minister still does not go far enough in protecting EU citizens living in this country. What happens to their voting rights in European elections? What happens if, for example, they are posted somewhere for five years? Do they lose their opportunity of being protected as citizens here in this country? Often they have homes and families here now.

There is little reassurance on the law front. The whole business of having put a red line around the European court means that we are now setting up arbitration panels. If you examine the report, you will see that it is not suggesting that they will be totally transparent and operate like proper courts, because of course we cannot admit to their being courts due to this nonsense about red lines.

I am very concerned about the loss of the European arrest warrant. It is really important in collaboratively dealing with crime that crosses borders. Extradition processes will be difficult with somewhere like Germany, which has provisions in its constitution saying that it will not hand over its citizens to anyone else. There are other countries in Europe in the same position. The Euro-warrant rose above all that, and now we are going to be outside it.

The hypocritical behaviour of some of the leading Brexiteers betrays deep cynicism. The purpose of this project is really deregulation. It is an elite project for extreme globalisation, and the people who will suffer the most are the majority of the citizens of this country. It will line the pockets of a few. This is ideology gone mad. It is ideology that is red in tooth and claw; it says the welfare state should be cut to the bare minimum, opposes trade unionism and wants the lowest of tax levels. It has no roots in one-nation conservatism or social democracy, and as far as I am concerned we are going to see our nation suffer as a result of this blind ideological move.

I believe that many people in this country have had the opportunity, as the discussions and negotiations have unfolded, to see what this is really going to mean. I will absolutely vote against the withdrawal deal that the Prime Minister has come back with because it is not in the interests of this country, and I will certainly want to see “no deal” taken off the table. We should be taking this back to the people, and if the Prime Minister were sensible she would initiate that by saying, “Are you in favour of my deal or do you want to remain?” I hope that is the course that is eventually taken.

1.48 pm

Lord Armstrong of Iminster (CB): My Lords, after nearly 30 months since the referendum of June 2016, out of the mists of uncertainty there now loom the withdrawal agreement and political declaration agreed by the Prime Minister with the EU. I greatly respect the Prime Minister’s concentration on reaching an

[LORD ARMSTRONG OF ILMINSTER]
agreement and her steadfastness under fire. There has been nothing like it since the charge of the Light Brigade.

If the House of Commons approves the agreement, the way will be clear for the UK to leave the EU on 29 March next, though there will follow a period of uncertainty and discussion about the outcome that will continue to dominate and distort public debate. If the other place does not approve the agreement, there is hardly time before 29 March for a renegotiation even if the EU were willing to co-operate in such a process. We should probably have to seek agreement to defer the date of withdrawal while further negotiations were carried on.

The Prime Minister has told us—she has done so again this morning on the radio—that the choice we now have to make is between her deal, no deal and no Brexit. If her deal is rejected, we are left with a choice between no deal and no Brexit. Leaving the EU on 29 March with no deal would, I think we all agree, be an economic, social and political catastrophe in the short and medium term, and would probably have lasting consequences for the longer term. It would bring closer the prospect of the break-up of the United Kingdom. The economic consequences of withdrawing on the terms now negotiated by the Prime Minister would be much less adverse than those of coming out with no deal but still more adverse than the economic consequences of remaining in the EU.

The forecasts and scenarios which point to these conclusions are of course no better than the assumptions on which they are based. But they are reasoned predictions by responsible authorities. All the Brexiteers can do is to scream “Project Fear”. They do not have reasoned counterpredictions of their own to support the case for leaving the EU. As one commentator put it recently, the Brexiteers encourage us to charge over the top, with no idea about what is on the other side.

The Prime Minister’s agreement seeks to reconcile three logically irreconcilable objectives: to take us out of the European Union; to maintain the integrity of the United Kingdom; and to preserve the Belfast agreement and the frictionless, soft border between Northern Ireland and the Republic of Ireland.

The means by which it seeks to do so is a fudge. Like most fudges, it would come unstuck under pressure. If maintaining the integrity of the United Kingdom and preserving the Good Friday agreement are objectives of the highest priority, which we are not prepared in any circumstances to compromise, as they should be, then we have to consider the implications of that on the objective of leaving the EU. The Prime Minister’s deal fails both on the economic ground and on the ground of its implications for the integrity of the UK.

A long time ago when I was young, I was advised that when you do not know what to do, the best thing to do is probably nothing. The option of remaining in the EU is not just the least worst option open to us; it would be the right choice for us. If the choice must be between no deal and no Brexit, how should such a decision be made? Can it be made, as it should, in the traditional constitutional way by a vote in the

House of Commons? Or does there need to be a second referendum, either to confirm the result of the first or to provide a mandate for reversing it?

The Prime Minister has said that there will be no second referendum. Referenda are alien to our system of representative democracy and are an unsatisfactory way of resolving complex issues. But we had one in June 2016, and I do not think that it is undemocratic to believe that the British people are entitled to be given the opportunity of changing their minds, if they wish to do so, in the light of all that has happened and become known since June 2016.

I also suspect that most of the British public are bored stone cold with Brexit, and would like to see it go away altogether. A second referendum may be the best way—perhaps the only way—of achieving that. At least it would establish a greater degree of certainty about the direction in which we should be going.

1.53 pm

Baroness Wheatcroft (Con): My Lords, I was disappointed to see that the noble Lord, Lord Lisvane, would not be taking part in this debate. I was hoping that we would hear how his maiden aunts are faring. Noble Lords may remember that his two maiden aunts had decided to go to the movies. They had in mind “The Sound of Music” or “It’s a Wonderful Life”, but instead found their choice was between “Reservoir Dogs” and some dreadful guns-type movie. I fear for the noble Lord’s aunts now. “Brexit the Movie” has run for two years: it has proven to be X-rated; the blood has been flowing; the horror stories have got worse; and still there is no end in sight.

I commend the Prime Minister for the deal that she has got. She has persevered and persevered. I believe it was probably the only deal that she could get. But it remains a rotten deal. It will impoverish the country, endanger our security and limit opportunities for our children. We have already heard so many arguments against this deal. We have heard very little of the miraculous trade deals which were driven in front of us two years ago—the mirage is fading. The current Governor of the Bank of England and his predecessor have both condemned this deal, albeit coming at it from very different places. Unlike others, I absolutely respect the duty of the Governor of the Bank of England to try and warn us of what he thinks lies in store if we continue to pursue this course.

In its hundreds of pages, the withdrawal agreement barely mentions financial services. And yet, financial services contribute about 12% of the GDP of this country. It has been calculated that there is one word about the financial services sector for every £1 billion that the sector generates. That seems to me a little on the skimpy side.

We have heard the horror stories of what Brexit will bring—jammed-up motorways and ferries brought in on emergency contracts for bringing the medicines that we need. We have heard the even gorier stories of what a no-deal Brexit might mean in the future, of how our GDP could fall by as much as 7%.

The withdrawal agreement is far from perfect, but the political declaration is even worse. It is a list of what we would like to happen. As we know from the

process that has taken us from a deal that was going to be every bit as good as we have to what we see in the withdrawal agreement, the political declaration promises to be little more than a fairy story. We have heard about the wishes of those who would take us out of the EU without a deal to rediscover the great Britain that this country once was. They are deluded.

We are already hearing about horrors taking place. We heard yesterday from the noble Lord, Lord Krebs, about what is happening to science. The money we get, a net 50% more than we put into science funding in the EU, is now jeopardised. The scientists are leaving. The Francis Crick Institute is worried about losing some of the best brains they have. The Wellcome Foundation is already seeing people leave. We do not need scare stories about what the future will hold—it is happening now. People can see in shops that prices are rising. They can see that doctors and nurses are leaving the NHS. The nirvana that was promised is already going—far from taking back control, we are losing it. That is why we need a people's vote.

Here I have to declare an interest. I am a director of the People's Vote media hub, and I am not going to stop trying to campaign for what I believe will be right. This country voted two years ago. Now this country knows a great deal more than it did then. It seems to me only right and democratic that we should put it to the people. This is what is on offer; is it what they really want?

I do not believe that this will lead to rioting in the street. Britain is not that sort of country. There may be a few people who decide to get really unpleasant, don the equivalent of a yellow jacket and go out there and throw a few things. That is not what the majority of Britain wants. In particular, that is not what our young people want. They want the chance to have a say, and it is only right that, now we know what is on offer, we should have the opportunity to give informed consent. That is not undemocratic but perfectly sensible. It is what the EU would understand, and I have no doubt that it would extend the Article 50 process so that we could have a referendum.

We have had the privilege of seven minutes each to try to do what we can to save this country, which we love. But there are millions of people in the country who want the chance to try to save the country by voting, and they deserve that opportunity.

2 pm

Lord Cashman (Lab): My Lords, it is a pleasure to follow the noble Baroness, Lady Wheatcroft, and I congratulate her on all the work she does for the people's vote.

It is difficult to know where to begin, when an ending seems so close yet still out of sight. In the debate in this House after the referendum decision of June 2016, I expressed deep concerns about the divisions in our country, the growing intolerance of difference and different opinions, the depiction of migrants as a threat to our way of life and, in particular, the bloated promises made to the public by senior politicians, who have since, one by one, either left the ship in which they gnawed a hole, or remained in post and singularly failed to deliver the promises and cast-iron guarantees that they offered.

Politicians were not alone in constructing this narrative. Aided and abetted by over 40 years of drip-drip anti-EU propaganda from the majority of the printed media in this country, these newspapers—largely with offshore or foreign owners—swung into top gear and warned that unless we left the EU, our way of life would be under threat. Indeed, they told us that it was already under threat, and the cards of narrow nationalism and xenophobia were thrown onto the referendum gaming table, as legal migrants from the EU were paraded as a threat. Those migrants are people and our friends, who work alongside us in these buildings, who are our neighbours and who work in every part of the fabric of our daily lives. To our national shame, these good and decent people were paraded as a threat. These EU citizens have a right to be here, as we have a right to be in other EU countries. They abide by the rules, paying their dues and their taxes, and threatening no one.

As I said in our first debate, I woke up on 27 June feeling that I and my values of tolerance, acceptance and inclusion were no longer welcome in this country, and that a tainted discourse had been introduced to public debate. It got worse. Gina Miller, who had to take the Government to court to ensure parliamentary sovereignty over Article 50, was subsequently threatened and vilified in the media. Members of the judiciary were depicted as enemies of the people and their private lives laid bare on the front pages of our newspapers, and there were attacks on parliamentarians of both Houses who refused to be supine to the demands of the media.

This is the United Kingdom we have become, and I still feel the sense of alienation I felt as a Member of your Lordships' House as I and others sought to defend the protection of fundamental rights and were met with, in some instances, laughter and then disdain. I listened as some blamed the EU for the rise of rampant nationalism in Hungary and Poland and, either through wilful misrepresentation or ignorance-driven prejudice, failed to recognise that it is precisely through the legislation of the EU that citizens and minorities are protected in these countries, and that any transgression is not from the European Union but from national Governments exercising their independence and sovereignty. Indeed, now provisions under Article 7 of the Treaty on European Union are being considered against Hungary and Poland.

Need I remind anyone that the European Union has written the European Convention on Human Rights and other conventions into its legislative fabric, which every member state or accession state must ratify and abide by? But no—it is far easier to blame the institutions of the EU, which do not defend themselves, than to recognise the democratic nature of the European Union: a democratically elected European Parliament and the European Council, made of democratically elected Governments acting in concert. No legislation proposed by the European Commission can ever be adopted unless it is amended and agreed jointly, by the Council and the Parliament. If there is a democratic deficit, it is in the way that some member states failed to hold themselves accountable to their national parliaments for votes and agreements made in Council. I do not know about the time when the noble Lord, Lord Callanan, served in the European Parliament, but during my

[LORD CASHMAN]

15 years there I had to take part in dialogues, negotiating with the Commission, and there had to be agreement, otherwise the legislation fell. All this is relevant, because if we are to move on and heal the divisions, we must be honest about our role in the European Union and about what we achieve when we pool sovereignty, whether in the EU or, to take another example, NATO. We must be honest that every deal, trade deal or otherwise, entails a degree of loss of sovereignty, but it is about what we gain by so doing.

There is no strength in delusional isolation. The Empire has gone, and wishing it back will not bring it here. That is why the deal on offer is unacceptable, even if it is the best of the worst. It leaves us worse off and families abandoned and isolated, and, as the most reverend Primate reminded us, those least able to cope will be asked to carry the economic and social burdens. There will be cuts and more cuts, and be certain that the EU will be blamed, as will—nudge, nudge, wink, wink—foreigners.

Are families protected? Are our citizens living in the EU 27, and EU citizens who have made their homes here, protected? Will mutual recognition of judgment in custody cases, divorce proceedings and maintenance issues be protected? Will the benefits that we have accrued by working together be protected? No—but do not take my word for it. I refer your Lordships to paragraphs 95 to 97 of the European Union Committee report on the withdrawal agreement and political declaration, the deep concerns expressed about repercussions for family law in paragraph 238, and the concerns regarding human rights and the European Convention on Human Rights expressed in paragraph 197.

In conclusion, we must be honest with the public: what they were sold is not deliverable unless they are willing to pay huge costs and inflict losses on future generations. There has indeed been a failure of political leadership. We have two options: we either suspend Article 50 and form a Government of national unity to sort out this utterly predictable mess, or we put the deal to the British people and ask them to accept the realities and responsibilities of the decision to leave the EU. If this is the best deal that the Government can achieve, give the British people the final say on whether it is acceptable.

2.08 pm

Lord Haselhurst (Con): My Lords, I feel somewhat handicapped in that this is only my first speech in your Lordships' House since my maiden speech, and because there is very little original left to say when you are the 90th-plus contributor to this important debate. My views were best summed up in the opening speech of the noble and learned Lord, Lord Hope of Craighead, whose stance was followed by several other noble Lords.

Unlike my noble friend Lord Mancroft, who is not in his place, I believe there is some advantage in looking to the past, and I can offer only a personal view. I remember being carried in my mother's arms to a neighbour's air raid shelter while the drone of aircraft was overhead. That made a profound impression on me, even though I was so young. After the war, visiting

my grandfather, we were in his garden and he was talking to me about cricket—he was a Yorkshireman—and then his mood changed. It was a gloomy day, with dark clouds. He said to me, "I went to the Great War, so your father wouldn't have to fight. I clearly failed, and your father felt much the same as I had done, in that he was hoping to protect you from going to war. We both failed". In fact, I did not have to go to war, and I have been able to look my children in the eye and say that there is no prospect of them having to go to war.

I was inspired by the speeches of the post-war statesmen, notably Winston Churchill, on how we could build a better Europe, putting aside 2,000 years of conflict. We had NATO to defend Europe from the Soviet threat, and the development of the European Economic Community to ensure that the countries of western Europe were not able to fight each other again. We created a prospect for young people that was far more attractive than anything that had faced previous generations. The paradox, if the evidence is correct, is that the people who voted to leave the European Union were mostly elderly, and those who voted to stay were the young. It is extraordinary that the people who ought to be able to remember the past were prepared to forget it, and think that something else lay ahead.

After the war, we had to relaunch our economy and found we needed a bigger domestic market, not because we wished to exclude the rest of the world—we needed that base as we could not have our companies competing against each other within a small island. A larger market meant you had the strength to sell goods and services across the world. I find it quite difficult to think that we should cast aside the market to which we export 40% of our goods on the promise that we might then be able to do better deals with the rest of the world. Bulldog spirit appeals to sentiment will not achieve trade deals—you have to get down to detail. If we contracted deals with China, India or the United States, would it be interpreted as our becoming a vassal state to them? That sort of the language is absurd. We need the economies of scale, and we should not forget that.

As noble Lords may have gauged, I am a disappointed remainder. I accept that anything other than staying in the European Union will be less satisfactory. In those circumstances, it is about finding the course of action that does the least damage. If I have to compromise, I expect others who voted to leave also to be capable of compromise, and to analyse the true interests of this country.

The noble Baroness, Lady Smith, in laying down the terms of the debate, did not refer to the referendum, other than in a throwaway sentence. We heard no appreciation of whether there is a solid view that we should ignore the referendum. Frankly, that is difficult territory to go into. We are seeing the rise of populism and nationalism across our continent, and further. If we said to 17.4 million people that we were going to ignore what they said, that would be a combustible situation. If you do not accept the referendum, you are immediately looking into compromise territory. However, you run risks if you say that the only way out is to have another people's vote—though I listened

with respect to my noble friend Lady Wheatcroft. If the result is to remain, there will be anger among those who feel that they voted the once and that was it. Or, if leave won again, we would be back to square one. What would happen to British business and commerce while that was going on?

We have to work on the basis of the present plan, which has been negotiated over a long period. I do not see that altering with a different leader of our country, or with a different Government. I hope we can conduct the discussion in future without some of the inflammatory language that has been used about immigration. I respect and agree with the words of the noble Duke, the Duke of Somerset.

We had a debate in your Lordships' House on 5 November about the centenary of the Armistice. It was interrupted to discuss the details of citizens of the European Union coming into this country. I left the Chamber thinking that perhaps we have not yet learned all the lessons from the ills of the past.

2.16 pm

Lord Brennan (Lab): My Lords, nation, duty and responsibility are the foundations upon which Government and Parliament should protect the national interest, especially with a minority Government dealing with one of the greatest decisions of modern times. I declare an interest—historical rather than financial—having advised a foreign government in trade negotiations with the United States, which reflects on what I am going to say.

This Government have now to face a parliamentary position in which the Commons have decided that they will have the final directive say on the withdrawal agreement. Is this adequate to meet their duty? Let us start with context. We are a country of 65 million people. We vie with France as the second biggest country in the European Union—over 12%. The Germans sell one in seven of their motorcars to us each year. You do not have to be an economist to realise that if we go, there will be serious economic effects, here and there. Does this agreement give adequate protection to that risk, in terms of jobs and the protection of future employment?

Let us look at the negotiating procedure. It is two and a half years since the referendum, and it was nine months on from the referendum that Article 50 was invoked. We have had 20 months of negotiation, and find ourselves, if you will forgive the cynicism, being strung out by Brussels to making a last-minute deal, which is its standard negotiating procedure. It has taken too long.

How was it negotiated? David Davis against Michel Barnier, a first-class mind, of the *École Nationale d'Administration*—please. We were negotiating with the European Commission, stocked by the best Civil Service brains in Europe, bolstered in their enthusiasm by good salaries and fine pensions. David did not make it, and eventually he resigned. He was followed by Dominic Raab, who did not make it either, so he resigned. And he was followed by the Prime Minister, who appointed yet a third Secretary, but said that she was now in charge and he would have to do what she told him. This is a very sad picture for a major negotiation.

Domestically, among the blizzard of resignations some are deeply concerning. Members of the governing party who were thoughtful, careful and balanced in their thinking and judgment have left. The noble Lord, Lord Bridges, who conducted the matter in this House for a year after the referendum, resigned, along with Jo Johnson in the Commons, and many others. This is an unattractive picture.

What do we know about any plan B or C, if they ever existed? Nothing. What do we know about the up and down of the negotiation? Nothing. But we are told that it is this deal or no deal.

I have the highest respect for our civil servants, who have done their best under political direction, but how you could conceivably negotiate such a gigantic issue without the advice of expert trade negotiators is beyond me. As far as I know, we have employed one international expert in two years. I wonder what those on the other side would say if the performance I have just described was that of a Labour Government's negotiation. I ask noble Lords to bear in mind the facts rather than party sentiment.

Lastly, on the agreement itself, I turn to Northern Ireland, where I have spent a lot of time. The Attorney-General's document has been spoken to by many, and I will not repeat the points. In his excellent speech yesterday, the noble Lord, Lord Bew, eloquently illustrated the apparent failure of those within government to appreciate elementary legal advice and elementary political opinion of renown in Northern Ireland on one of the most important aspects of this proposal.

Unlike the noble Baroness, Lady Wheatcroft, I did not read the 585 pages; I looked for an index to see where "financial services" came up, but there is no index. I am not as patient as her, but she found that there is hardly a mention of it—that is unbelievable. The City of London makes up 10% or 15% of our GDP but there is hardly a mention of it in these departure documents. There is not even a mention of what might happen in the future.

As for the political declaration and explanation, its use of English is baffling. In the declaration, "should" becomes "agreed" in the Government's explanation. I will have to go back to my basic grammar and understanding of language to get to the bottom of that.

Where do we go next? We go back to the Commons next week, where, if Members vote this down, they must take the collective responsibility for advising the Government and the nation what should be done next. We do not, in electoral terms, speak for the nation, but the Commons does. It has a duty to tell this Government whether the next negotiation, if there is to be one, is acceptable or not. This is not the time for the weary or the disheartened. It is definitely not the time for parliamentarians to think about giving up because the people have had enough. The people deserve the best we can give them, and the Commons should take the appropriate steps.

2.24 pm

Lord McCrea of Magherafelt and Cookstown (DUP): My Lords, in 2016, 17.4 million people voted in the referendum to leave the EU—the biggest mandate in the history of the United Kingdom. In the 2017 election, 83% of the votes cast were to politicians who promised

[LORD MCCREA OF MAGHERAFELT AND COOKSTOWN] to honour the referendum result and to deliver an exit from the EU. I appreciate the fact that politicians are considered by many as untrustworthy, and always ready to break their election promises for personal or party advantage. But failure to honour the solemn pledge given to the electorate in 2017 will lead to a total breach of faith and will drag the integrity of our democracy further into the mire. There is an issue of trust at stake here. Let no one take the electorate for fools. The firm promises made are not reflected in the proposed withdrawal agreement.

Since the referendum, a group of well-funded operators has done everything to sabotage the decision of the British people and the negotiations, even though the then Prime Minister, David Cameron, promised:

“This is your decision; the Government will implement what you decide”.

Our Prime Minister consistently told the British people that no deal was better than a bad deal. But now it seems that many politicians, including the Prime Minister, have done a political summersault to proclaim that any deal is better than no deal. The Prime Minister has mistakenly framed the choice as being this deal or no deal. However, it is not a binary choice, and the DUP is focused on building support for better arrangements.

Let me now turn respectfully to the internationally legally binding withdrawal agreement, which we oppose. I do not believe that it represents a good deal for Northern Ireland. On 28 February, our Prime Minister said that the EU proposal would,

“undermine ... and threaten the constitutional integrity of the United Kingdom by creating a customs and regulatory border down the Irish Sea. No UK Prime Minister could ever agree to it”.

Sadly, the withdrawal agreement proposed by the Government and presented to us does exactly that.

The withdrawal agreement is flawed. While it contains some good elements, we do not support the inclusion of what is described as the “backstop protocol”, which would be activated automatically after the transition period and would continue unless and until a new trade agreement is concluded between the United Kingdom and the European Union. Despite assurances that the backstop is not and never will be the preferred outcome of the Government, we consider it ill advised to accept an outcome that enshrines in legal text the possibility that we could still have a Northern Ireland-specific backstop in place, consequently treating Northern Ireland differently from the rest of the United Kingdom. Clearly the United Kingdom would be unable to exit it without the agreement of the EU.

My party has consistently indicated, both publicly and privately, that all parts of the United Kingdom must leave the European Union together. In doing so, Northern Ireland must not be subject to present and future European regulations while our sovereign Parliament has no role in the setting of those regulations, which impact on important sectors of our economy. This would create a major constitutional deficit, leaving open the reality that in vital areas of our economy the Irish Government alone would have influence in the setting of such regulations. The people of Northern Ireland are resolved to remain part of this great United

Kingdom and have no desire to be part of any united Ireland. Indeed, it has cost the blood of many of their loved ones to defend this democratic decision.

In December 2017, we advised the Prime Minister not to sign up to the joint report, which contained a commitment to introduce backstop arrangements. Regrettably, the Prime Minister proceeded. In my view, agreeing to fallback arrangements before talks on the future relationship between the United Kingdom and the European Union had commenced was unwise and left the United Kingdom in a weaker negotiating position. The EU and the Irish Republic’s negotiators recognised this weakness and took advantage of it.

In December 2017, we insisted on new paragraph 50 being added to that report, to guard Northern Ireland’s trade within the United Kingdom single market. But paragraph 50 has not been incorporated into the withdrawal treaty, and therefore at present would have no legal force. The backstop arrangements in operation would lead to a divergence of regulations within the United Kingdom, and the consequences of such a divergence would create barriers to trade between Great Britain and Northern Ireland and, inevitably, would increase costs for business and consumers.

In addition to a trade barrier in the Irish Sea, the withdrawal agreement would mean that rules made in Brussels, where Northern Ireland would have no representation, would govern our core industries. Democratically, that is not acceptable. Our objections to that have been confirmed by others. The Chancellor of the Exchequer said:

“I don’t think this backstop is a good arrangement for our economy. I don’t think it is a good arrangement for our Union”.

We appreciate the value of forward business planning, but we have a responsibility to ensure that any legal agreement is genuinely the best foundation for the economic well-being of Northern Ireland.

The tragedy is that the backstop is utterly unnecessary. The Irish Prime Minister, the United Kingdom Prime Minister and the European Union have stated categorically that they will not in any circumstances impose a hard border between Northern Ireland and the Republic of Ireland. Again, can we believe them? We want a deal that works for Northern Ireland and we are continuing to use our influence to secure a better outcome.

It is now clear from the Attorney-General’s advice on the legal effect of the protocol on Northern Ireland that we have been vindicated in our opposition to the backstop arrangements contained in the withdrawal agreement. We are told in the Attorney-General’s advice that Northern Ireland,

“remains in the EU’s Customs Union, and will apply the whole of the EU’s customs acquis, and the Commission and CJEU will continue to have jurisdiction over its compliance with those rules”.

Goods passing from Great Britain to Northern Ireland will therefore be subject to a declaration process. Northern Ireland will remain in the single market for goods and in the EU customs regime and will be required to apply and comply with the relevant standards and rules. This opens up regulatory divergence in the future.

As outlined by the Attorney-General, the implication of Northern Ireland remaining in the EU single market for goods while Great Britain does not is that, for regulatory purposes,

“GB is essentially treated as a third country by NI for goods passing from GB to NI”.

This is totally unacceptable and economically mad in that it would be erecting internal economic and trade barriers within the United Kingdom.

In conclusion, my colleagues in the Democratic Unionist Party have no intention of breaking our pledge to the electorate, and neither will we let this Government or the EU stitch up Northern Ireland in the interests of what is known as political expedience. The loyal people of Northern Ireland must not be betrayed and used simply as a bargaining chip with Europe. We are part of the United Kingdom today, and that is our future.

2.32 pm

Baroness Andrews (Lab): My Lords, it is a privilege to take part in this debate, and sobering to listen to the experiences of noble Lords around the House. I support the amendment in the name of my noble friend Lady Smith. She did an outstanding job of explaining the interrelationship between the three elements of that amendment. The withdrawal agreement leaves us stranded neither in nor out of Europe; it denies us benefits and influence but introduces constraints and frustrations. Nor can I support a political statement that offers neither clarity nor certainty about our future key relationships. For example, we have heard from the noble Lord, Lord Krebs, about the devastating implications for science. These two painfully crafted fudges, to borrow the word from the marvellous speech earlier of the noble Lord, Lord Armstrong, will not heal divisions. They will make things worse, and they will make us poorer.

I strongly believe that none of the risky choices facing us and that will follow from the vote next week—the day that really counts will be Wednesday—will leave us stronger, safer or more influential, except one. As has always been the case, that is to remain part of the European Union. Just as we now know how much we gain not merely in prosperity—I refer to the speech yesterday of my noble friend Lord Howarth—but in justice, security, safety, opportunity, influence and reputation from being in the European Union. We are now more aware of the ghastly possibilities that would follow a no deal, which should be taken off the table.

There are very few things that we may all be able to agree on in this House, but one might be that the game is well and truly up. We certainly recognise hubris when we see it: the hubris that stares down a Government who claim to act in the national interest—always a slippery term—but who in the past two years have failed in their first principles. The national interest would have been so much better served if the Government had trusted the nation with the truth—about the complexity, the degree of integration, and the complex web of benefits and costs—rather than with what I can only describe as the Ladybird version of Brexit. I can recommend Ladybird’s *The Story of Brexit*.

It should be a Christmas bestseller; it makes everything very clear. To deal in the truth would have taken courage and would have been better, because Governments addicted to duplicity usually die by the same hand.

Until recently, Mrs May was still saying that the terms of Britain’s future trading relationship would be settled by the time of Brexit. That was always nonsense, and the political statement shows graphically how untrue it is. Even at this 11th hour, her letter to the nation, and indeed the Statement repeated in this House, in effect promised an extra £394 million per week for the NHS. The Statement not only inflated the sum on the side of that famous bus but contradicted the judgment of the Bank of England and the Treasury itself that there is no fiscal benefit from Brexit. Their combined evidence shows that real wages will be worse hit than GDP and that the poorest regions, which depend on what is left of manufacturing, will suffer most. There will be two nations: one optimistic and privileged, the other pessimistic and poor. What is needed is not Brexit but a new Marshall plan to restore the vitality and confidence of our entire nation. That is where reconciliation should start.

It is a counsel of perfection to say that it would have been especially in the national interest if the Prime Minister had faced down her rabid Brexiteers, but that challenge—which goes so deep into the psyche of the Conservative Party—has proved practically impossible. But as my noble friend Lord Cashman said, there is no excuse for the Government not defending the judiciary against the tabloid press and making an enemy of Parliament at every turn. The failure to defend our constitutional principles by those who set such store by sovereignty is extraordinary.

The problem is that sovereignty carries its own conditions. In a world beset by rampant nationalism, rogue states, rogue presidents, mass migration and climate change, and where economies and intelligence are so closely integrated, no nation can go it alone. We should recognise this not least in the centenary year of the Armistice, as the noble Lord, Lord Heseltine, said.

I am not tempted to vote for the withdrawal agreement on the basis that, if the Brexiteers loathe it, there must be something to commend it; or because, if we do not support it, we will lose control of all the other options. I am listening to what the Chancellor said, and he said that the deal can only make the country poorer. I cannot see that on the side of a bus. That may be one of the reasons why the Prime Minister is so hostile to the idea of an election. The best she has been able to say is that her deal will not make for a better future, only a different one.

The Prime Minister’s deal is one of many options. They all carry risks, some greater than others. The skill is in navigation, clear sight and creating time and space to find the safer and better option. Nothing I have heard in the past weeks in the other place suggests that this deal commends itself to the national interest. I simply do not see—not least having heard the speech of the noble Lord, Lord McCrea—where the basis for another negotiation with Europe might be, given that we cannot change the history or the geography of the United Kingdom.

[BARONESS ANDREWS]

So if, come next Wednesday, Parliament is gridlocked and a general election cannot be secured, the honourable, logical and legitimate way forward is to assert a set of principles that serve the national interest because they answer the following questions: what is it that will finally draw an indisputable line under the bitter political and parliamentary divisions that Brexit has called up? What will give us the space and opportunity to reflect and take a safer course? What would our friends in Europe be most likely to support us in doing? What would give, in the face of a parliamentary stalemate, the greatest possible legitimacy and long-term sustainability?

There is only one choice that answers all these questions. Vernon Bogdanor has written that,

“our exit from the EU depends upon the continuing consent of the people”.

We need to ask whether that continuing consent is indeed there. We need to ask the people of this country, who now know so much more about the facts and consequences, whether they still advise that we leave the European Union. There will have to be a proper process. There will have to be time. There will have to be an extension of Article 50, which I am sure the European Union will grant, as many noble Lords have already said. And there will need to be a minimum time to prepare for a referendum on options that are more robust and secure. It will be difficult, but it can be done. It is the safer option and we could all live with it.

I can do no better in conclusion than to quote the arch-Brexitteer David Davis, who said in 2012:

“If a democracy cannot change its mind, it ceases to be a democracy”.

I find myself agreeing with David Davis.

2.40 pm

Baroness Miller of Chilthorne Domer (LD): My Lords, it is a pleasure to follow the noble Baroness, Lady Andrews. She mentioned climate change. I will talk about climate change and then about UK citizens in the EU.

It is an awful irony that, as we sit here discussing internal UK miseries and divisions, decision-makers from the rest of the world are gathered in Poland, trying to work out how to avert the climate change disaster facing us. As Sir David Attenborough has said, it is the worst threat to life on earth as we know it. What a contrast to 2008, when the UK led the world with the Climate Change Act.

Here in the UK, all our political energy and will has been squandered by the Conservative Party, which is refighting fractures from the 20th century. It is no surprise to me that our younger generation, about whom the noble Lord, Lord Wilson of Dinton, and my noble friend Lady Kramer spoke so eloquently, is so disillusioned and angry. It is their future and their children's. It is not our future now; we have had our chance. The future is already precarious given climate change, and now we are about to stack more odds against the younger generation with an economic future that everyone agrees is worse and much more limited in terms of study, travel and opportunity. That is why I

get so angry when people, such as noble Lords opposite, speak glibly of the will of the people having decided Brexit. It was overwhelmingly the will of the old people.

I see no reason why a people's vote, based on the information of what the future actually looks like, should be construed as anti-democratic. The same people who say that such a vote would be undemocratic talk of taking back sovereignty. The fact is that, in this globalised world, sovereignty is not of the same value and does not have the same meaning as it did in 1918. Brexiters talk about WTO rules: that is taking someone else's rules, generally with much lower standards for the food we eat and the air we breathe.

I am sure noble Lords will remember what the UK was called before we joined the EU: the dirty man of Europe. Belonging to the EU meant we had to clean up our beaches and our water. That work is ongoing. Even the Thames, flowing past us now, still suffers becoming an open sewer every time it rains very heavily. The Thames tideway tunnel is now being constructed due to the EU and my noble friend Lady Ludford, who has ensured, through the EU, that Londoners are finally getting a decent, clean river all of the time.

EU standards and a willingness to enforce them have made an incredible difference to public health, but that work is far from finished, as air quality in many of our cities proves. I do not feel that the deal before us, which weakens co-operation and undermines the scientific community, as we have heard from many in your Lordships' House involved in that community, will help us to deliver a cleaner environment or tackle the overwhelming threat of climate change.

I turn to the position of UK citizens in Europe and, in doing so, I declare my interests as in the register. This deal provides insufficient protection of citizens' rights. It does not protect freedom of movement in the EU 27. It fundamentally undermines democratic rights. Britons in France, for example, will no longer have the right to vote even in municipal elections, nor can many of them vote in the UK anymore because the Conservatives reneged on their promise to deliver votes for life. They will be voteless.

What if there is no deal? When the UK leaves the EU on 29 March, UK nationals in the EU will immediately have only the rights of third country nationals. Just yesterday our EU Committee published its report. I quote paragraph 97:

“It remains far from clear what would happen to EU citizens in the UK and UK nationals in the EU in the event of a ‘no deal’ Brexit. Throughout the negotiations, we have called on the Government to give a clear and unilateral assurance that all EU nationals in the UK would be entitled to stay and retain their rights”.

When the future is so precarious politically and it is so hard to foresee what will happen, can the Government actually give certainty to EU nationals in the UK by giving that clear and unilateral assurance? That by itself would undoubtedly help the position of UK citizens in the EU too—a point that those UK citizens have often made. What possible reason can the Government have to delay giving that assurance? When the Minister comes to reply on Monday, could he make sure that that assurance is given?

2.46 pm

Baroness Goudie (Lab): My Lords, we should remain in the European Union as a full and voting member. By “we” I mean of course the people not only of England and Wales, but of the entirety of the United Kingdom, including Northern Ireland and Scotland. We should remain in the European Union for two reasons. First and foremost, it is the right thing to do. We have heard from many colleagues in the Lords today and yesterday why it is the right thing to do. That has become increasingly apparent and obvious.

Secondly, we should remain because that increasingly seems the current public will. No one on the remain side or with an open mind will believe the contrary, unless and until there is a say for the people and the majority are for Brexit in the present circumstances, which I very much doubt. No one on the leave side believes that the public would support Brexit either. If they did they would welcome, not oppose, the people having a say on the issue, which the politicians have shown themselves incapable of resolving on their behalf.

It will be noted that I have referred to a say for the people in their present state of knowledge. I have not referred, and do not refer, to a second referendum. A referendum would be either the first referendum in the current circumstances, or a third referendum. The one thing it would and could not be is a second referendum. We had the first referendum in 1975—I declare an interest in that I voted for us to continue, after the temporary measure, being in the European Union. It is now two-all in terms of referenda, and the second referendum was two-all in terms of the constituent elements of the United Kingdom.

It will rightly be said that we cannot be governed in 2019 by a referendum of 1975. It can rightly be said that it was a long time ago and that circumstances have changed since in numerous respects, that we should not be ruled from the grave by those who have since died, that those who had not by then reached adulthood should not be disfranchised, and that we should all be entitled to change our minds. All that is true, but the point is that all that applies with force to the second referendum way back in the summer of 2016. It is a historical fact, nothing more. It is no impediment at all for present purposes. It has become a total irrelevance. Its shelf life has long expired. We must move on in the right direction.

2.50 pm

Lord Ricketts (CB): My Lords, I declare an interest—that of my children and grandchildren, who cannot take part in this debate but whose interests will be affected more deeply by decisions taken in the next few weeks than those of any of us here today. Like the noble Lord, Lord Haselhurst, whose speech I listened to with great interest, I wanted to take some inspiration from Winston Churchill, just to set the perspective of our debate, so I shall quote his great speech in the other place in 1940:

“It is not given to human beings ... to foresee or to predict to any large extent the unfolding course of events. In one phase men seem to have been right, in another they seem to have been wrong. Then again, a few years later, when the perspective of time has

lengthened, all stands in a different setting ... History with its flickering lamp stumbles along the trail of the past, trying to reconstruct its scenes, to revive its echoes, and kindle with pale gleams the passion of former days”.—[*Official Report, Commons, 12/11/1940; col. 1617.*]

I wonder how history with its flickering lamp will look back at the period we are passing through. It may judge that leaving the EU marked the point where, at the end of a long period, Britain saw itself no longer as a major European power with vital strategic interests in the continent which still starts just 20 miles from Dover. I hope not, but I see some sign of a pulling back, a loss of interest in the events of Europe, an introspection that I think is very worrying. In my view, history will also judge that our participation in the EU has been a real success. It was Britain that campaigned for the single market. Lord Cockfield of this House of course played a distinguished part. It was Britain that benefited from the single market, with the modernising economy we had in the 1980s. It was Britain that pushed through enlargement, which expanded the EU’s horizons and enabled it to play a crucial strategic role in stabilising Europe after the Cold War.

However, no British Prime Minister since Edward Heath has been willing to tell the British people that the EU that we shaped was a benefit to Britain. Governments of left and right, egged on by a large part of the press, have tended to dump on the EU at every turn. Take the issue of free movement, which a number of noble Lords have referred to. This has been presented as a dark threat to this country: it is exactly the opposite. It has enabled millions of British people in the last 40 years to live, work and settle in other European countries. It has given countless British students a life-enhancing opportunity to study abroad. It has enriched our own country with the talents of people from across the EU to the benefit of our business, our public services and our culture. Ending free movement is not a gain to be celebrated; it damages the life plans of very large numbers of British and EU people now and deprives the next generation of opportunities that we have had. It will be a great sadness if that is the outcome of Brexit.

What of the partial deal now on offer? I say partial because the political declaration is the longest to-do list in history, rather than a settled deal with the EU. I pay tribute to my former colleagues in the Civil Service, who have done an extraordinary job in producing the documents we are debating. They had an unenviable task in trying to reconcile the red lines set down by their political masters with the realities of what the EU would accept. I am willing to recognise that this is the best plan that could have been produced within the parameters set by both sides. It is certainly better than no deal and I will vote enthusiastically for any amendment that rules out no deal, but it is clear that this deal will leave the country worse off than we are now.

That applies in security, the field I know best. I have heard it said, even recently, that the European contribution to British security is minimal. That is a serious mistake. On the issue of intelligence co-operation, for example, I know from my own experience that our joint work with France on counterterrorism has been invaluable. I have had the opportunity of consulting my noble friend Lady Manningham-Buller, who is in her place

[LORD RICKETTS]

but whose wisdom will unfortunately be denied to the House in this debate as she failed to notice the start time yesterday so is unable to speak, for which she apologises. However, let me report that she agrees that other European countries, beyond France, have given unstinting support to this country, as we have to them, and that they have done so in operations that were of only peripheral interest to them. That is a key point.

It is no answer to say that intelligence co-operation will be fine if we leave the EU because it is only police work that is affected. Intelligence needs to be followed up by good police and judicial co-operation, so that the whole system can work as effectively across borders as the terrorists and organised criminals do. The whole apparatus of intelligence and law enforcement needs to work together to keep us safe. The security partnership, even if it proves possible to achieve it, will clearly leave us outside some of these areas of co-operation, as is spelled out in the Select Committee report. A no-deal Brexit would shut us out completely, with calamitous implications in security, as in other areas. In the defence-industrial area I am concerned to see the outcome on Galileo: it is a bad portent of how that area may develop if we leave the EU.

What to do? As a country we have been on a voyage of discovery for the past two years on the extent to which every aspect of our life is now entwined with the EU. The effect of cutting ourselves out of that fabric, woven over the last four decades, will be far more disruptive than anyone imagined, and certainly than anyone was told during the referendum campaign. That is true even with an agreed deal and even more so without one. The deal on offer is very different from what the people were promised during the campaign. The very best that the Prime Minister, supported by the Civil Service, has been able to negotiate would still leave us worse off, and with security co-operation with Europe damaged. To my mind, democracy means that the people can change their mind, especially when presented with the full facts. I see no disrespect to the democratic process, now that the real costs of leaving are clear to everyone, in going back to the electorate in a second vote and offering them the opportunity to say whether the deal that may be on offer is one they would accept, or whether they would prefer that we stay in the European Union.

2.58 pm

Lord Robathan (Con): My Lords, I think this debate should be run on the famous “Just a Minute” rule of no repetition, because there has been a certain amount. I shall try not to repeat things I have said before, and probably fail—I had better sit down now.

In this very fraught and difficult debate, I have heard some quite excellent speeches. Some I agree with, some I do not: I cannot pretend that I shall emulate them. It is of course invidious to name names, but I will name two. One is the most reverend Primate the Archbishop of Canterbury, who took a very incisive look at where our society is. I was impressed, although I did not agree with everything we said. The other is the noble and learned Lord, Lord Judge, who is in his place and whose exposition, having read the *Hansard*

report of the debate in 2015 in the other place setting up the referendum, was absolutely excellent—I may refer to it later.

I shall make four points, all interrelated. First, trust in politicians is being destroyed. There is no doubt about that. The relationship between Parliament and the people, between the governors—the Government—and the governed seems to be becoming very shaky. We should all worry about that. We pledged to implement the result of the referendum. I am probably a rabid Brexiteer in the minds of some because I think that, having pledged something, you should stick to it. This deal, I regret to say, does not implement the pledges we have made. The Prime Minister said, “We will not be half in, nor half out”. I fear that we are with this deal. Both the Labour and Conservative manifestos said we would leave the customs union, but we will still be there. The jurisdiction of the ECJ remains. I could, of course, go on. All these broken policies do is tell people that we are not to be trusted. They do untold harm to the relationship between Parliament and the people.

My second point is linked. It is the second referendum that some people are calling for. I heard the noble Lord, Lord Ricketts, just call for one. I think referendums are a shocking idea. We live in a parliamentary representative democracy which has served this country very well. It has developed very well over centuries. But we had a referendum. It was all agreed. Indeed, the noble and learned Lord, Lord Judge, pointed out that everybody said it was a frightfully good idea—it was 10 to one in the Commons—and we all agreed to implement the result. Now primarily those who did not like the result want another one. Have they taken leave of their senses? The poison and division that has been created by Brexit will be exacerbated by endless continuing arguments. We are told business wants certainty. There is no certainty with another referendum in another six months and all of that. It is an abrogation of democracy to call for a second referendum, especially by those who pretend in their title to be democrats. The anger and division that would be created should not be underestimated by any of us.

The EU loves second referendums. I remember the Danish referendum on Maastricht in 1992. They got it wrong and were told to go away and get it right. There have been two referendums in Ireland, I think on the Nice and Lisbon treaties. Again, they got it wrong and were told to go and think again. France and the Netherlands voted no to the proposed EU constitution in 2005, so the constitution was brought back disguised as the Lisbon treaty. A second referendum is denying the right of the people to decide, and we promised them that they would make the decision.

My third point is that we need to finish this nightmare of Brexit which is preoccupying the body politic and the people and, frankly, boring Parliament and the people to death. We hear that the whole time. This deal leads to endless further argument. There is no end to it, and there is no end date set in the deal. Business wants clarity. The people want clarity, and they want to move on. There is no clarity in this deal.

My fourth point is about the deal itself. We have heard about the backstop, and I shall not go into it. I am not quite sure what Macron thinks he can get on

fishing or what the Spanish think they can get on Gibraltar, but it certainly is not all signed, sealed and delivered. It relies on the “good faith” and “best endeavours” of our partners. I am afraid those two terms butter no parsnips, to mix metaphors. We throw ourselves on the good will of the Commission. I regret to say that Juncker and Barnier seem to have shown remarkably little good will towards us so far.

I am going to quote at length from Sam Gyimah, whom I know a little bit, who was a remainder and who very bravely resigned last Saturday because he saw at first hand the negotiations that he was having over Galileo. I shall quote from an article he wrote. The negotiation, “was stacked against us from the very beginning. But Galileo is only a foretaste of what’s to come under the Government’s Brexit deal. Having surrendered our voice, our vote and our veto, we will have to rely on the ‘best endeavours’ of the EU to strike a final agreement that works in our national interest. ... I have seen first-hand the EU stack the deck against us time and time again ... we must take a clear-eyed view on the strength of our position. So far, the EU has been able to set the timetable, the sequencing and the hurdles to be cleared at each stage of Brexit, limiting our room for manoeuvre ... In these ... negotiations our interests will be repeatedly and permanently hammered by the EU27 for many years to come. Britain will end up worse off, transformed from rule makers into rule takers”.

That is the reality of the negotiations we have been having. The Prime Minister’s ex-chief of staff, Nick Timothy, refers to this capitulation. The noble Lord, Lord Kerr, who is not in his place, said on Monday, I think it was, that it was humiliating. I cannot support this deal for that reason.

We all want to have good relations with our neighbours to avoid conflict, apart from anything else. We all want to trade with our neighbours for mutual—I say again “mutual”—prosperity. That is why in 1975 I voted to stay in the common market. Two years ago, the people voted to leave so that they were not ruled by the EU. They might want to be in Europe, because we always will be in Europe geographically, but not to be run by Europe, to coin a phrase.

If our so-called friends will not deal sensibly, we should leave on WTO terms. That is not necessarily ideal, but we trade around the world. I had blueberries from Peru for breakfast and, as far as I am aware, we do not have a trade deal with Peru. We trade with India, Japan, China and the US. We have some trade deals with them through the EU, but nevertheless we can trade around the world.

I wish the EU well. I wish it were reciprocated. I fear for the future of the EU. I will just mention the euro crisis—do not worry; I know—which will come back. I make no predictions about what will happen, but there are terrible things ahead, I fear, for the euro. There are lots of problems in Europe—I will not enumerate them as I do not have time—but Brussels seems to be going in one direction and the peoples of Europe in the other.

What deeply saddens me is the lack of confidence in our great country. It is not perfect, but it is pretty good, which is why so many people want to come and live here. I have confidence in our country and our people. Parliament entrusted the decision in a referendum to the people and they chose. In this unelected and unaccountable House, where I have to say some people do not seem very self-aware, I still say: trust the people.

3.06 pm

Lord Haskel (Lab): My Lords, I wonder whether the noble Lord, Lord Robathan, read the letter from Lord Aldington to the *Financial Times*. He wrote that knowing Brexit is harmful yet insisting it be done is the essence of the classic Greek tragedy. The noble Lord will know that they all end badly.

How do we know this one will not end well? Because we have been told so by virtually every respectable economic organisation. The Bank of England, doing its duty, tells us that if we stay in the EU our public finances will be significantly better. That means that we would be better able to deal with our many pressing problems: the schools, the police, homelessness, lack of skills and training leading to low pay, infrastructure and, of course, the NHS. In his speech, the noble Lord, Lord Heseltine, pointed out that these problems affect the poorest in our society. They will pay the price, and that is why it will end badly. Even though some may have voted for Brexit, they did so on a false prospectus.

We are told that by being independent we will be able to expand our trade. Again, the conclusion of the Bank of England study is that there is virtually no value in our having an independent trade policy, so instead of finding fault with the message, the ardent Brexiteers damn the messengers—a bit more Greek tragedy.

The Prime Minister seeks to settle this by compromise. We all admire the Prime Minister’s doggedness and hard work and we admire the hard work of officials in achieving this compromise agreement, but when you examine it, as our EU Select Committee has, it may deal with our departure but it certainly does not deal with our future relationship.

It maintains frictionless trade and, we hope, jobs during the transition period, but it leaves fundamental questions about our trade relationship still to be settled, and they will be settled in a difficult atmosphere and may require several years of perhaps acrimonious negotiation. Our failure to make any progress on trade agreements elsewhere since the referendum does not augur well. The political declaration is full of fine words such as “explore” and “engage”, but there are no commitments. This is not really a compromise; it is just a poor deal lacking clarity.

Yes, there is impatience to do a deal, to get it over with, to provide a little certainty. I understand and sympathise with that view, as I particularly would if I were still running a business. It provides respite, it delays change and, yes, it may prevent us from crashing out, with all its awful consequences—a very important consideration, because most small businesses are still unprepared. Yet, attractive as that seems, it is short-sighted because, as many other noble Lords have told us, eventually when it comes to the important negotiations about our future relationship, we will be negotiating from a far weaker position than we are today—something for which future generations will not forgive us.

So what is to be done? At the time of the referendum, none of us knew how closely integrated we were with the EU, but neither did we realise that despite that close engagement, we have the freedom of our own

[LORD HASKEL]

currency. We are outside Schengen, so we could take more steps to control our borders, as my noble friend Lord Hain reminded us. We negotiated a valuable discount. Indeed, the gains of the proposed agreement hardly match the potential damage and cost of dismantling that closeness. My noble friend Lady Andrews spoke about that.

No deal is the link. We are faced with 16 weeks before we have to leave, the risk of crashing out, not knowing how we are to trade in future, a divided Government and, perhaps, a Parliament unable to decide, together with all the other insecurities. It is obvious that triggering Article 50 was both premature and ill advised. Let us not play out the Greek tragedy; let us stop the clock and think again. The advocate-general of the CJEU things we can do this unilaterally. As no deal is the legal default, we must ask for a suspension of Article 50 and so ensure that it takes place within the next 16 weeks.

I was one of the 700,000 marchers calling for a second referendum, and nothing that has happened since has made me change my mind. Indeed, my view is strengthened by my grandchildren, like those of the noble Lord, Lord Ricketts, telling me that they now want a voice because, in their view, freedom of movement is a basic right. A second referendum after carrying out Gordon Brown's proposals for deepening dialogue would help to both inform and unite the country.

I agree with the noble Baroness, Lady Wheatcroft: it cannot be undemocratic to give people the chance to think again, especially if their Parliament cannot decide. Perhaps a free vote in Parliament could be an alternative; I do not know.

That is why I agree with my noble friend's Motion rejecting a no-deal outcome and stating that the current agreement would do us damage.

3.13 pm

Lord Dykes (CB): My Lords, we in this House are understandably modest about the impact we may have on the general public, as the press usually cover our deliberations only when there is trouble down at t'mill. We know our place, compared to the elected Members in the other place who, rightly, take priority in these complicated matters.

However, we have at last reached a point of useful harmony, as it is alleged that there is now powerful justification that, allowing for the free vote principle—which is so often undermined in the Commons—there is a natural, built-in majority in both Houses for continuing membership of the European Union. This was brought out in a number of speeches yesterday. I was especially impressed by the offerings of the noble Lord, Lord Davies of Stamford, who is in his place, the noble Lord, Lord Patten of Barnes, the noble Lord, Lord Rooker, who is an erstwhile leaver who has changed his mind, the noble Earl, Lord Clancarty, the noble Lord, Lord Shipley, and the hard-working noble Lord, Lord Wigley, who is not here at the moment.

Indeed, if the total tragedy of Brexit were to proceed either in the grotesque form suggested by the Prime Minister in her self-inflicted fantasies or in any other

way as yet not explored, we should have to have a new anniversary date called national self-harm day as a national mourning day to remember it. Fortunately, this now looks less and less likely to be the woeful outcome of the three years of chaos and nonsense unleashed by David Cameron, who has apparently very wisely avoided coming to London very often since 24 June 2016.

I stress that I in no way minimise the rights of the Brexiteers who voted thus then. Indeed, I deeply sympathise with them for being put into this hideous quandary by the Government without access to any detailed information on, first, the way the EU functions—it is a complicated matter—and does its work for all the sovereign member states of the club and, secondly, the full implications of leaving the most successful socioeconomic grouping in world history.

It was hideously wrong of an ambitious and foolhardy Minister to term this vote as an instruction. It was a piece of advice from an electorate utterly fed up with the cruel Tory austerity effects and misled by Home Office Ministers, including the now Prime Minister, who refused for years to use existing strong powers of the Treaty of Rome, now renamed the TFEU, to limit immigration by those without a prior employment opportunity, as they did in other member states, and the new transitional limit system after the 2004 accession of 10 new countries. It is interesting how the extreme right-wing newspapers owned by tax exiles not paying UK personal tax never wanted to mention that awkward reality. I wonder why.

However, now we see that public opinion and the sociology of the modern, up-to-date electorate, has changed since that date. For example, the latest poll from YouGov—a reputable firm with a seriously large sample—published at the end of last month revealed that support for staying in is now at 55% to 45%. This lead rose to 14% if the choice was framed as one between accepting Theresa May's dubious deal and staying in. Moreover, five times as many modern voters now think that leaving will weaken the economy as think it will strengthen it. I presume that those figures will expand even more in that direction if 16 and 17 year-old new voters are permitted to take part and, crucially, if all the UK expats in other countries, including those who have lived there for more than 15 years, were also to be involved.

There is an even more crucial point for what I call the Erasmus generation of younger electors who are already or aim at working elsewhere in the EU: the uniquely precious asset achieved in the Maastricht treaty by a courageous John Major—a much braver PM, of course—of EU citizenship. That was a precious asset accorded for the first time in the Maastricht treaty: the citizenship of your own country but also citizenship of the whole EU, which is a massive asset—unique in the world. The new modern, dynamic younger generation of British workers of all kinds, manual and intellectual, who wish to work, travel, play and learn in other countries is massive and growing.

Fortunately, most of their parents and grandparents agree that their opportunities are more crucial than those of retired people, but even the latter are increasingly enjoying their place in the sun—here too, when the

weather is better—as they get to know other EU countries. I have had many chats with London black cab drivers with properties in Spain who attest to this new reality.

I also very much admire the efforts of the In Limbo project, which has briefed us all on the dire effects of being excluded from full civic rights if we come out of the European Union. I also commend the brilliant efforts of the leading English-language monthly newspaper, *Connexion*, to highlight those anxieties for them, as well as for other EU countries' citizens living and working here. They are getting very worried indeed.

The present Brexit deal is an example of all the promises made being undermined by the new realities. Now we know what the deal looks like. It is a disastrous plan that has been attacked even by long-standing Brexiteer politicians as even worse than staying in. If the Commons, in what I hope will be a free vote this time, cannot exert its own powerful sovereignty in numbers sufficient to satisfy the public that this should be the final decision—as we used to do in the old days, with no referendums—then the public should have the opportunity to decide whether our present membership, with 40 years of achievements and a hugely successful single market, is better than all the phantasmagorical and dotty examples put forward so far elsewhere.

3.20 pm

Lord Colgrain (Con): I imagine that one thing all noble Lords have in common in this debate is the cohort of people approaching them, asking how we have come to where we are regarding Brexit, and where we are shortly to find ourselves. I do not have the ability to forensically analyse all the legal intricacies of the withdrawal Act, unlike so many noble and learned Lords here present. My approach has been to describe my thinking at the time of the referendum, what I think of that reasoning now, and, consequently, how this withdrawal agreement affects people with similar personal and professional interests.

I worked for some time in the 1970s in Luxembourg. I saw at first hand many of the things that were wrong with the European body as it was then: the circus of the Parliament physically moving between Luxembourg, Strasbourg and Brussels; the astonishing remuneration and tax-free benefits of its officials; and its auditors failing for years to provide unqualified accounts for the European Commission. At the same time, I saw the benefit of a borderless existence, the increasing use of the English language and English law, and the pre-eminence of the City of London in the provision of a whole range of services. It left me feeling fervently pro-European from a position of customary British superiority.

At the time of the referendum, when asked how I would vote, I challenged myself and found that I was, on balance, a remainer, albeit not an evangelist for the cause, with my decision influenced by four factors: two of the head and two of the heart. Of the head, the first factor follows from my involvement with the rural sector. I thought nobody could serve British farmers better than the militant French farming trade union, and that the grant payment system would be more generous as a result of its lobbying if we stayed in rather than came out and adopted a domestic regime.

The second factor concerned the City, where, as a financial services headhunter, I had a real vested interest. I felt that, if we left, we would lose jobs from the City of London to financial centres on the continent, which would be bad economically and for domestic employment. Regarding my two decisions influenced by the heart, I could not see how the Irish question could be reconciled and I feared for the union with Scotland.

So here, in the shadow of the withdrawal agreement, where do I stand now on these four concerns? On farming, the Agriculture Bill has yet to arrive before your Lordships. In its present form, it is disappointing—more an environment bill than anything else, full of straplines over substance and lacking in practical detail other than the results of endless consultations and the fact that subsidies will be gradually phased out. There is provision for a new subsidy regime but no detail on timing or quantum, and there are patronising asides about the need for diversification, as if this had not been the strategic imperative of most farmers over the last decade. There are also unanswered questions about seasonal labour availability which, for a Kentish man and given our large fruit sector, remains a significant area of concern. So, in the context of the withdrawal agreement, a satisfactory farming agreement remains an act of faith.

As for employment in the City, I was wrong to be fearful. I misunderstood the continued advantage of the holistic provision of expertise that the City will continue to provide; notwithstanding the alarmism about passporting and the blandishments by Paris and Frankfurt to attract our bankers, I am assured by my City friends that this agreement will not impede our ability to compete. If it is necessary for the purposes of governance and regulation after Brexit that a physical presence be developed on the continent to achieve conformity, most international firms already have one and, thanks to modern technology, need do little more than add a small headcount. As I understand it, this agreement will suffice for them.

As regards the heart, Northern Ireland now has its backstop, and what appears to be a “gentleman's agreement” with regard to ending it will remain an act of faith. What would have happened, I wonder, if people had been asked to think through the Irish border conundrum before feeling so cheerful at the “£350 million per week to the NHS” figure blazoned on the side of that bus? I cannot see that we were ever going to achieve more than a compromise that would be unsatisfactory to all parties, and that is where we are now. Nevertheless, with principle slowly being overtaken by practicality, I can see that, over time, a situation will be found that will be good enough—just that, good enough—for all; on that thinking alone, in the context of Northern Ireland, I would support the agreement. We should also remember that, at the time, the Good Friday agreement was viewed with suspicion by some—and what a success that has been.

Regarding Scotland, with the nationalists looking to use any weakness in the Irish agreement to their advantage and endeavouring to whip up a fever of ill-judged comment on the fisheries policy, we should still be very concerned. Over time, however, I think this agreement will give unionists comfort and the fishermen will get what they want.

[LORD COLGRAIN]

From the outset, at the time of the referendum, there was a misconception that Brexit would be straightforward and speedy. It was never going to be and, whatever happens in the other place next week, both the ongoing discussion with, and the process of disengagement from, the EU will continue for many years. So I now find myself echoing the words so eloquently delivered by the noble and learned Lord, Lord Hope of Craighead, at the beginning of this debate, as one of those who wishes that the result was different from what it is, but who respects the democratic process and will see the best in what is put in front of us. The time for posturing by those pushing a personal agenda over the national interest should be over, but this is not the case. Senior politicians of all parties and persuasions in the Brexit argument, who can claim to give a considered opinion on a document of over 580 pages within minutes of it being published, stretch credulity in the eyes of the public—not only in themselves, but in the process.

The danger now is that rejection of this agreement will continue to dismay the country, which is looking to our senior politicians for leadership. The Prime Minister is endeavouring against prodigious odds to provide that leadership, and now is surely the time for a united Cabinet to help her and the civil servants responsible for producing a result. The notion that a wholly new agreement can be negotiated, a new referendum run or a general election called is fanciful given the March deadline, and the Governor of the Bank of England is correct in his warnings, even if he exaggerated his point. The withdrawal agreement is far from ideal and remains in many respects a work in progress, but it should be supported.

3.27 pm

Lord Parekh (Lab): My Lords, it is a painful privilege to participate in this debate. It is a privilege because it is one of the most momentous debates in our history; it is painful because the situation that has triggered it is deeply to be regretted. I wish we were not in a situation where we are forced to debate an issue of this kind.

I am the 101st speaker in this debate and, naturally, many of the points I would have liked to make have already been made, again and again. There is a broad consensus that the withdrawal agreement and the political declaration are inadequately thought through. During the 30 months of negotiations, we have not been able to work out an alternative conception of our place in history. The protocol on Ireland and Northern Ireland ties us indefinitely into a backstop arrangement. During the transition period, which is likely to go on for a very long time, the joint committee has the power—about which I am rather concerned—to amend the agreement, correct errors and take care of unexpected situations. It will function without changing the essential elements. The joint committee has all the power and we will not know what kind of agreement we will be left with in two or three years' time after the joint committee has worked on it. Given that there will be a long transition period, there is also the fact that for many months we will be governed by rules, in the making of which we will have had no share.

While all that is taken for granted, as I think most of us, even those who strongly support the agreement, would agree, I want to concentrate on a different question: why all this has happened. We have had good negotiators—the people who went to Brussels to negotiate were very talented—so why have we not been able to achieve an agreement that is acceptable to most people with varying degrees of enthusiasm?

I think that at the bottom of it all is the deeply ambiguous, almost ambivalent, attitude to Europe that we have had since after the Second World War. It started with Enoch Powell—perhaps even earlier but certainly then—when he said very firmly that we are not a European country. Throughout our history, we have stood with our face to the sea and with our back to Europe. With Margaret Thatcher there was a slight change. She was a politician in a way that Enoch Powell was not. She said that we are a European country in the sense that the affairs of Europe concern us, but we are not a European country because the history and pattern of Europe are totally different from ours. The history of European states is post-Napoleonic; ours goes back much further. They have not known liberty, whereas we have; they have not known democracy, which we have; and they talk about the state, whereas in our legal vocabulary there is no concept of the state.

For all those reasons, we must co-operate with our neighbours but should never make the mistake of thinking of ourselves as a European country. So if we are not a European country, what on earth are we doing being part of the European Union? That ambiguity has systematically paralysed us and prevented us making a sensible response to our responsibilities and obligations within the European Union. Added to that has been the rather unfortunate press. Certain parts of the press have not supported the European Union or its activities as faithfully as it should. Therefore, with a deep ambiguity of attitude, constantly reinforced by parts of the media, we end up with a demon on the other side of the channel.

The only questions are: should we stay and, if we stay, how should we stay? As Margaret Thatcher once said, “We go there to civilise them”. Just as we civilised the rest of the world, we are now going into Europe. The memory of the Second World War has not disappeared, either. During that war, we “saved” Europe and stood for European civilisation. Likewise, we have civilised the largest number of colonies in the world, yet the Brexiteers keep saying that we should not be a colony of Europe.

For all these reasons, our attitude towards the European Union has been extremely disappointing, with the result that in our negotiations with the EU we have displayed—I say this with great humility—a condescending, if not patronising, attitude and a certain degree of superiority. There have been references during the debate to asking European countries to show gratitude to us. Gratitude for what? For what we did during the Second World War. In other words, the whole drama of the Second World War continued to be fought during the debate, and that certainly alienated large sections of Europeans, including our friends. However, that is history. What we need to do on an

occasion like this is to reflect deeply on the roots of our attitude towards the European Union and ask ourselves how we can be a member of an organisation, treat its members equally and not expect to be treated in a special way.

What do we do now? The common answer is to let Parliament decide on a free vote, but what if it cannot decide on a free vote or with a simple majority of one or two? Is it enough in a momentous issue of this kind for a decision to be made with a majority vote of 1%, 2% or 5%? It might be said that Parliament does not have to decide because the people made the decision in the first referendum, and this is where I want to suggest an alternative.

I suggest that a referendum is needed to elicit public opinion but, at the same time, we should not call it a second referendum, because that implies that it is tied into the first referendum and the so-called second referendum would be seen as an attempt to overturn the first. The idea is not to do that but simply to complement the first referendum. The question in the first was: do you want to be in the European Union or not? The answer was, “We do not want to be in the European Union, so go and negotiate”. We negotiated this deal, so now people should be asked whether they want it or not. Therefore, it would be not a second referendum but an independent referendum with the same validity and status as the first—although by calling it the first referendum, I seem to be making the same mistake.

I want to make a final important point. In the debate surrounding Brexit, there has been a great deal of polarisation and name-calling, and that has opened up divisions in our society. Each side demonises the other. That is most unfortunate and no society can be cohesive or continue on the basis of deep-seated divisions of this kind. It is very important that we restore mutual respect, mutual esteem and mutual trust, and that is the spirit in which we should approach this debate and its outcome.

3.36 pm

Lord Kerr of Kinlochard (CB): My Lords, conversation with continental friends is becoming a little awkward because they are embarrassed at the scale of our humiliation. The declaration evokes particular derision and surprise—surprise because Article 50 called for the drafters of the withdrawal treaty to take account of the framework for the future relationship. That sequence has been reversed. The divorce came first, and there is no load-bearing framework and no architecture for a future consultative relationship, only this flimsy declaration rich in adjectives and aspirations—an annotated agenda for a future negotiation, neither binding nor determinant.

My continental friends know why that has happened: because the United Kingdom never put forward any proposals for a framework. We were quick to say what we did not want—the single market, the customs union, free movement and the court of justice—in the party conference speech in 2016, but we never set out what we did want, presumably because the Cabinet, then as now, preferred not to try to agree on how close or distant the future relationship should be.

Therefore, despite the helpful wording of Article 50 with the framework reference, we have ended up with what the noble Lord, Lord Bridges, rightly calls a gangplank into the unknown. The declaration is no more than windy window-dressing, and everybody knows that. It is a recipe for a blindfold Brexit, yet the Government sell the deal as at least providing certainty. It is true that the 21-month transition period is very good news for the multinationals, because it will permit orderly disinvestment while we still apply EU laws and regulations in which we shall have no say. But what happens next? One extension of the transition period is possible if the EU consents. If it does not consent, or after any extension, we default automatically into the backstop. Here, the position worsens in four ways.

First, the level playing field provisions mean that the EU retains a *droit de regard* over parts of our fiscal laws, environmental laws, labour laws, social laws, state aids and competition policy. Secondly, the single customs territory provisions mean that the United Kingdom’s external tariffs, quotas and duties will be set by Brussels. Rather brutally, Article 3 of the backstop protocol on page 337 tells us that we will be “informed”—not consulted—by Brussels on any changes in our tariffs and quotas. Is that taking back control?

Thirdly, Northern Ireland is integrated into the single market more deeply than Great Britain. That means regulatory checks on GB-NI trade and that if a single-market law proves onerous in Belfast, the obvious route for seeking relief will be down the road to Dublin, where there will be a friendly Government who still have a voice in Brussels and Strasbourg. What about our precious union?

Fourthly, the single customs territory restricts our ability to do trade deals with third countries, but our non-membership of the single market means fiscal and regulatory checks at Calais and queues on the Dover Road. So we get the friction without the freedom. Is that taking back control?

How do we get out of the backstop? We know the answer now. The Attorney-General is admirably honest at paragraph 30 of his letter which states that,

“the Protocol ... does not provide for a mechanism that is likely to enable the UK lawfully to exit the UK wide customs union without subsequent agreement. That remains the case even if parties are still negotiating many years later, and even if the parties believe that talks have clearly broken down and there is no prospect of a future relationship agreement”.

In that situation, we are stuck in the backstop for ever. We can get out, in any scenario, only when the 27 agree a successful treaty with us. Association treaties take four to seven years and the scope of this association treaty, if it follows the subject matter set out in the declaration, will be the widest ever and likely to take longer than most. Remember that such treaties require 27 national ratifications, a process that in some countries involves referenda and in Belgium requires the consent of seven legislative chambers—remember Wallonia.

Remember too that the rules of engagement for the EU’s negotiators will have changed. Today, Article 50 applies and they agree their positions by qualified majority. A single state can be voted down by the others. Then it will be Article 218 and unanimity, so it will take only one to dig in and block. I have been there. I recall Spanish accession being held up for

[LORD KERR OF KINLOCHARD]

years by the French tomato growers—truculent Gascons like the noble Lord, Lord Lawson of Blaby. I recall Norway's attempt at accession, sunk on the rocks of Spanish intransigence on fishing. The noble Lord, Lord Selkirk of Douglas, spoke with great authority last night about the need to avoid a link between quotas for continental fishing in Scottish waters and access to EU markets for Scottish fish. But President Macron has made a link. He says that there will be no EU-UK free trade agreement without continuing French access to our waters. The Secretary of State for the Environment, Food and Rural Affairs, Mr Gove, says that he is wrong, but Mr Gove will not be in the European Council whereas President Macron will be. It takes only one.

Our negotiators up to now have been hampered by our own red lines and Cabinet indecision. But their hand will be a lot weaker once we are out, not least because they will be under time pressure—the pressure to get out of the backstop. The only certainty that these texts bring is the certainty of continuing uncertainty, at least until 2025 and perhaps longer, unless we capitulate all down the course and across the subject matter of the successor agreement. Is that taking back control?

So what do we do? I am less tempted than the noble Lord, Lord Warner, and the noble and learned Lord, Lord Brown of Eaton-under-Heywood, by the doctor's prescription of the noble Lord, Lord Owen—the EEA. I am surprised that Mr Gove is said to like it because I am afraid that the 27 would not agree to give up the backstop that they have secured in the context of our joining the EEA because the EEA treaty—Article 127—gives a unilateral right to withdraw. The 27 would maintain that they needed it to continue. I am also not convinced that we can slip effortlessly round the table and join the EEA's non-EU side. I do not believe that. We would need to sign an amendment to the EFTA treaty and then the EEA treaty. The first would need four national ratifications and the second would need 30 national ratifications. There is no speedy way to avoid uncertainty via the EEA route. It might be a feasible route, but it would take time and prolonged uncertainty.

My own view is that the way ahead was signposted for us, as the noble Lord, Lord Haskel, just said, by the advocate-general at the CJEU this week when he confirmed our absolute right, unilaterally, to withdraw our Article 50 letter. Were we to do so before the expiry of the two-year period or any agreed extension of that period—an extension to allow time for a referendum would be easily obtained—we would never have left and the terms of our membership could not be changed without our agreement. The Secretary of State for the Environment is wrong about that too. So Margaret Thatcher's rebate, John Major's euro exemption, the then Home Secretary Theresa May's ticket to Europol, the European arrest warrant and the Schengen Information System would all run on. We would keep the deal that we have, which is so much better than the one we debate today. The country should be given the choice.

I will therefore be voting for the Motion in the name of the noble Baroness, Lady Smith of Basildon. Unlike the noble Lord, Lord Butler of Brockwell,

I believe that the Motion understates the damage that the deal on the table would do. Like Warren Hastings, I think, in Westminster Hall, she could say that she stands amazed at her own moderation. It would be absurd if, at this highly significant historical juncture, after our great debate, after some 164 speeches, this House were solemnly to decide to express no view at all on the text that we are required to consider. Where were you in the Great War, Daddy?

We should say what we think. In the battle of the Cabinet Secretaries, I am with the noble Lords, Lord Wilson and Lord Armstrong. The Cabinet minutes of the noble Lord, Lord Butler, were always lapidary, but they were never vacuous.

3.46 pm

Baroness Noakes (Con): My Lords, it is always a pleasure to follow the noble Lord, Lord Kerr of Kinlochard. He knows that he and I differ considerably in our basic attitudes to Europe, but it may surprise him to find that until he got into the last couple of minutes of his speech, I agreed with practically every word of it.

I voted enthusiastically to leave the EU, which puts me with the majority in the country, although I recognise that in your Lordships' House I am in the minority. Even if we have a vote at the end of our debate, which I hope we will not, it will have no legal significance. The important Divisions are being taken, quite rightly, in the other place. It was therefore tempting to sit out on the sidelines of this marathon debate. But it will form part of the recorded history of our exit from the EU and I very much want to ensure that the views of the 17.4 million who voted to leave are a full part of our proceedings.

I long to be out of the EU, but not on the terms of this withdrawal agreement. We hand over £39 billion and in return get the prospect of being locked into a relationship with the EU via the backstop, which we can neither influence nor escape from. If there had been any doubt about the legal effect of the agreement, the advice of the Attorney-General released yesterday was devastatingly clear. The *Financial Times* has reported that neutralising British leverage was one of the main reasons the EU insisted on the binding backstop, and that the Commission believed that it would locate the balance of power with the EU in all later negotiations. I believe that is the correct analysis. We will enter the backstop at the will of the EU and we will stay there until the EU consents to let us go. If we are allowed to go, we will undoubtedly pay a price—and it probably will not stop at fishing rights and Gibraltar. We will have taken back control of very little.

The CJEU creeps into every nook and cranny of the withdrawal agreement and the political declaration. We may have a theoretical ability to negotiate trade deals but a combination of the backstop and uncertainty about the nature of the ongoing trade relationship with the EU means that we have no effective bargaining power. I cannot support the withdrawal agreement, but neither can I support the Motion in the name of the noble Baroness, Lady Smith of Basildon. I agree that it will damage the UK, but I believe that exiting without an agreement is an outcome that should now be accepted and prepared for in earnest.

Last week, the Chancellor and the Governor of the Bank of England came out to scare us about how awful it would be if we left on no-deal terms. Ahead of the referendum, they told us how bad it would be if we dared to vote leave. They were wrong then and I have little doubt that they will be wrong again. The Treasury's central estimate is that if there is no deal, after 15 years and compared with staying in the EU, GDP will be lower by 7.7%. We should be clear that the economy will continue to grow and that GDP per capita will continue to grow; we are talking about only a bit less growth each year. The underlying assumptions, several of which are questionable, would not have to change much to show better results, especially over a timescale as long as 15 years. If a bit of optimism and belief in our future outside the EU, which I certainly have, underpinned some of the assumptions, those forecasts would look very different indeed.

The Bank of England's offering was intentionally scary. The governor's language guaranteed that the media headlines were "Worst financial crisis since World War Two" and "economic catastrophe". Behind the headlines, however, was the truth that the Bank was merely describing scenarios and not balanced appraisals of likely outcomes. The no-deal scenarios were designed to be an extreme test of the banks and the financial system. Those of us involved in financial institutions—I declare my interest as a director of RBS—are very used to the Bank's regular stress tests. They typically involve stresses of one in 100 or worse and the no-deal ones are in that range. The Bank of England was clear that the banks would withstand the test and continue to support the economy.

The noble Lord, Lord King of Lothbury, as a former Governor of the Bank of England, has expressed his concerns this week. Paul Krugman has challenged the Bank's methodology and assumptions and said that he was worried about what he called,

"motivated reasoning on the part of people who oppose Brexit for the best of reasons",

which I think is code for bias. I worry about whether the reputation of a politicised Bank of England can be restored in the future.

I do not doubt that an exit without a deal will mean some short-term disruption, but how much will depend on the extent of co-operation with the EU. It ought to be in our mutual interest to minimise disruption. It is all doable—trains, planes, lorries, goods and people—if there is the will on both sides. Since both we and the EU want a free trade agreement, let us start that negotiation now. The outcome may not be perfect but life is rarely perfect and it will be infinitely preferable to the servitude envisaged in the withdrawal agreement. At least, if we exit on those terms, we can keep the lion's share of the £39 billion to cushion any downside.

3.53 pm

Lord Tomlinson (Lab): My Lords, today's continuation of the debate began with the noble Lord, Lord Hunt, for whom I normally have great respect. He is a very reasonable man, yet right at the beginning of his speech he put to us the most unreasonable proposition: that the Prime Minister has been a conciliator throughout this process. With great respect to the right reverend Prelate, she has been to conciliation what King Herod

was to child welfare among young males. The process has borne no relationship to trying to bring people together.

In 2016, we had a referendum that many regarded as an abrogation of political reasonability by Parliament. Nevertheless, a referendum took place and the clear and overwhelming majority has to be regarded, to a substantial degree. Yet here we are, two years later, having tried to respect the referendum result through negotiations with a litany of failures. Look at the process of the referendum in the first place. We were told that we could solve this on the basis of a simple question—remain or leave—and that we could reduce the complexity of that question, on which we are spending three days of debate. With great respect, most of the people who voted in the referendum did not have a clue what they were voting for in voting to remain in or depart from the EU. That has become clear from public opinion only in the great debates that have taken place since.

Let us put aside the referendum promises, such as the promise on the side of the bus of great benefits for our National Health Service for ever. Let us put aside the ease of predicting that the EU needed us more than we needed it and therefore frictionless trade would continue. Let us put aside the leavers' claims that countries would be queuing up at our door to make free trade agreements with us. Let us put aside the lies and the deceit. Here we are, two years later, with no progress made but an incredibly regressive deal being brought back to Parliament, which Parliament looks likely to reject next week and to which this House looks likely to add its advisory opinion along the same lines.

We have heard about "taking back control" of our borders, our money and our laws many times. That phrase has been in almost every government document produced and has become the standard response of the Prime Minister to almost every question she has been asked either in Parliament or in television and radio interviews. Let us look at those three component parts. On borders, the reality is that immigration, which was a big concern for the British people during the referendum, from outside the European Union—that is, from the rest of the world—has grown more than from within it. We have always had the capacity to control it autonomously but we have looked at the sources of that immigration, which include students in higher education, academic staff, researchers, IT specialists and medical and nursing staff, and decided that it was in our self-interest not to control the borders in the way that some people expected. Self-interest, not the EU, dictated our policies.

The next part of that phrase concerns the economy. When the Governor of the Bank of England gives his view and the Treasury gives its view, once again, the general repetition of Project Fear starts all over again, as if the only people who can be accused of being part of Project Fear are those who told the truth in their economic forecasts. I saw a good example of Project Fear last week. I think the Prime Minister suggested that unless her package is voted through Parliament, Members of the House of Commons should get used to the idea of having a Christmas holiday limited to

[LORD TOMLINSON]

Christmas Day, Boxing Day and New Year's Eve because she would cancel the rest of Christmas so that they could come back, have whatever the parliamentary equivalent of a second referendum is and rethink the error of their ways.

Our laws are the third part of the phrase. The noble Lord, Lord Hain, showed us that we have the capacity to control immigration from the EU but we, unlike Belgium, have not done it. Rather than taking control of our own laws, we have spent most of our parliamentary time debating to no conclusion Brexit and all the consequences of it and to the exclusion of much other legislation that we would like to have seen. How many times have we heard the Government say, "We'd like to do that, but we don't have the time"? It is this obsession with Brexit that has robbed us of our time.

The noble Lord, Lord Kerr, spoke with great simplicity, elegance and clarity on "taking back control", so I shall not add anything to what he said, but I will read it again because I liked the sound of it so much.

That leaves us with the options. Clearly, those are to reject the Prime Minister's deal and the consequential no deal that she foresaw. It seems clear that the House of Commons will not allow that to happen. But more time is needed and there are only a few ways of getting it. They require a greater attempt at consensus among politicians and the political parties in the other House. They can either seek more time by getting an extension of the Article 50 deadline or follow the advice of the Court of Justice of the European Union and the Advocate-General that were we to withdraw an Article 50 application altogether, it could be done unilaterally without needing consent from the Council of Ministers, any member state or the European Commission. Whatever the mechanism, I do not care. It can buy us more time. That time has to be used to reach a consensus. If we are forced to issue views on it, I think the arguments being used against having a second referendum do not stand up. On the idea that nobody ever changes their mind, it is a stupid person who makes a declaration at one point in time and says, "I am bound by that for life". Living life is about having different experiences and gaining different knowledge. As they acquire that, a mature person can sometimes be influenced by the community in which they live. They are entitled to change their mind. That is the vibrancy of democracy and not the stagnation of thinking that we have so much of in government at the moment.

I hope that we will support the Motion in the name of my noble friend the Leader of the Opposition and vote against the ludicrous proposition of a former head of the Civil Service—we should back the majority of the former heads of the Civil Service and vote against that. We should then be prepared to take clear points of view when Parliament has to look at the matter again.

4.02 pm

Baroness Falkner of Margravine (LD): My Lords, I will speak briefly on the report of the EU Select Committee on the withdrawal agreement, which was introduced in this debate yesterday by our chairman,

the noble Lord, Lord Boswell. As I chair the sub-committee responsible for the EU budget and the financial settlement on withdrawal, I will say a word or two about that.

The UK Government estimate that the net cost of the bill will be in the region of £35 billion to £39 billion. This includes the cost of paying into the EU budget as if we were a full member for 21 further months after withdrawal, which would come to £16.3 billion according to the Office for Budget Responsibility. This leaves an exit bill of roughly £22.4 billion as the figure which has in effect been "negotiated" by the UK Government. We agree with the Government's position that the UK needs to pay its dues. That is the right thing for the United Kingdom as a leading member of the international community to do. No one would ever trust our good faith if we were not prepared to fulfil our past obligations.

I turn to the possibility that, if this agreement fails, plan B would be the Norway-plus option. The EU Select Committee has looked at the EFTA/EEA options over various periods in the past year. While membership of the EEA gives full access to the single market, including for services, it requires complying with the four freedoms, including free movement of persons. Its proponents have talked up the fact that it offers a brake on free movement, but they do not tell us that the brake is so heavily circumscribed as to be virtually meaningless. In order to invoke it, one would have to demonstrate,

"serious, economic or societal difficulty".

How would that be demonstrated? How, for example, would we define "societal difficulty"? Moreover, they tell us that this is a unilateral power. It is not; it has to be negotiated with other EEA partners. Those who lament the withdrawal agreement resulting in endless negotiation need to wake up to the fact that a state of negotiation is actually more desirable than being shut out of the room and getting your instructions by fax or email, as in the case so powerfully put by a Norwegian Minister in the *Financial Times*.

What of the tie to full regulatory alignment? The EEA comprises 6,000 legal Acts so far, since 1994. The UK would have to adopt approximately 300 per year without any say whatever in their formation. It is not entirely surprising that the Governor of the Bank of England felt the need to spell out that the UK's financial services sector is unsuited to being a rule taker indefinitely. Which Government would render a sector that contributes 11% of GDP, which is 20 times bigger than Norway and has higher standards than the EU after lessons painfully learned after 2009, a rule taker? Which Government would be prepared to risk a country's financial stability—moreover, its future prosperity—in the hands of EU technocrats without even being in the room? This has to be a complete travesty of the referendum result, and I entirely agree with the noble Lord, Lord Kerr of Kinlochard, in his description of the technical difficulties of even going into Norway, never mind Norway-plus.

However, the unattractiveness of Norway-plus does not end there. Its advocates need to dispense with fictions. Yesterday we were told on the "Today" programme that we would pay substantially less into

the EU budget under this option. The reality, when the EU committee looked into this in March this year, is that Norway paid €115 per capita while the UK paid €79 per capita in 2015, the year for which we have the latest figures. Today the Library has confirmed to me that the figures for 2017 are that Norway paid £144 per capita while the UK paid £112 per capita. Naturally, we got a better deal because of our rebate and our incoming receipts from the EU. So the maths is straightforward, and it behoves the advocates of this option to be honest about that.

I turn to the “plus” part of Norway-plus: the need to stay in the customs union. The EU’s common commercial policy not only prevents us from doing trade deals but seriously circumscribes our ability to even engage with bilateral investment treaties. It also requires us to accept the parameters of future trade deals that the EU makes with other countries without us having a say in them or being able to represent our own interests, be they farming, fishing, goods or services. The word “vassalage” has been used a lot recently to describe the withdrawal agreement. I argue that the Norway-plus option, because of the complexity of our economy and the reach of our services, is where the more accurate description of the vassal state lies.

I conclude with a few thoughts on the calls for a second referendum that have been made across the Chamber in the last two days. I have read the 585 pages of the withdrawal agreement—not in absolute detail, but I can say that I have read it well. The idea that the country could be asked to make a choice and vote on the details of this agreement is with the fairies. That is not to disrespect the ability of the electorate; it is in fact because I respect the will of the electorate that I voted for the Government in triggering Article 50 and the withdrawal Act. But we now know what is on offer. We have had broad instructions from the electorate, and broad instructions are all that can be expected from a referendum question. The detail of it was always a task for Parliament, and that is where the responsibility should lie.

Should Parliament be unable to accept this agreement—although I will support it—there is a viable option. It would not involve disregarding the referendum result. Parliament has respected that. It has given the Government its approval for the Article 50 process and the withdrawal Act, both of which I supported. If Parliament does not agree with the outcome and with the Government’s best endeavours to secure a satisfactory deal for the UK, rather than reverting to another referendum, it should put to itself the question of whether the withdrawal of Article 50, but with the reversion to Mr Cameron’s deal, is the optimal outcome. The negotiation—which was quaintly titled *A New Settlement for the United Kingdom Within the EU*—provided far more benefits, even on free movement, than the Norway-plus option does, and it retained a special status for the UK, with all its privileges.

In conclusion, I advocate accepting the Government’s compromise withdrawal agreement. But, failing that, I would go for “Mr Cameron’s-plus” rather than Norway-plus. I will therefore follow the line of the noble Lord, Lord Butler of Brockwell, on the Motion.

4.10 pm

Lord Suri (Con): My Lords, we stand at a crossroads, and the choice we now make as people and as parliamentarians is a seismic one. The Prime Minister has negotiated the withdrawal agreement. It is a flawed deal.

As a Conservative and a Unionist, the Northern Irish backstop is a particularly uncomfortable compromise, but a necessary one none the less. As we heard from the Attorney-General in the other place very recently, there is no reason for it to be used unless we fall short of our obligations and fail to take proper care. There are enormous costs to the EU in triggering the backstop too, as they do not have a unilateral right of exit either, despite the backstop granting an additional set of access rights to the single market without membership.

No deal is ever perfect, as I have been reminded in business and in life, and this deal is no exception. But it does represent the sole existing deal that the EU will agree to for a withdrawal, and for a future framework.

The fact is that Parliament cannot take any of the other routes sketched out by continuity remainers in the press, and in this and the other place. The fantasy of a second referendum would take months for consultation on the questions and the format, and would take further months in the primary legislation required to implement it. It would divide this country all over again, and would most likely come to the same result as the first referendum. We must not underestimate the rage and anger that would be felt outside of here and London were we to force the people to the polls again.

As far as the majority is concerned, we were given our orders, and it is our job to implement them. The majority was narrow, true, but this is not a 100% Brexit. There are no World Trade Organization terms, no pulling up the drawbridge, no clean breaks. This is an orderly, negotiated Brexit. This withdrawal agreement delivers on the number one priority as expressed by voters at the referendum, namely immigration. We would regain the right to control free movement, and to limit and discriminate based on skills, education and demand for labour. We also maintain a close alignment on security and defence matters, which is crucial in a world of great threats and rising opponents.

One idea which seems to have picked up steam in the febrile atmosphere of the last few weeks is that of some sort of temporary EEA membership. I will deal with this bluntly. The immigration controls specified in the EEA agreement are so weak, and have so rarely been used, that freedom of movement would continue indefinitely. This will not be acceptable to leave voters. Even the noble Lord, Lord Adonis, recognises the need for controls and limits on free movement. I share with him the view that the move from free movement of labour to free movement of people was a huge error, but it is a fantasy to imagine that this shift can be reversed by one state when majorities in all other states are in favour.

It is right that we are leaving. I speak as a former remainder when I say that this process has shown the EU to be inflexible and occasionally capricious. The lack of democratic control over some of the Commission

[LORD SURI]

staff is at turns astounding and worrying. We have a great future outside the EU, but we must first settle our bar bill and divide up the assets. I will be voting in favour of accepting the withdrawal agreement.

4.16 pm

Lord Morris of Handsworth (Lab): My Lords, while many of us wish that we were engaged in a different debate today, the fact of the matter is that the people told us in the referendum that they wanted to leave the European Union. Our Government have listened and we are about to leave.

Many knew the generalities of leaving but were confused by the contradictions in the information being bandied around in speeches, leaflets and of course the famous bus, which told us we would get billions of pounds back in return. It was a simple in/out decision. Some of us thought there was a team of Ministers and civil servants working in Whitehall to put in place a plan for the process of leaving and for how Brexit would impact on the lives of our people. Since then, we have been presented with more contradictions by those who believe that the sun will always shine when we leave the European Union, while on the other hand, others believe that jumping off a cliff is better than the unknown.

How can the public judge what is best for the country? The political declaration makes promises that sound wonderful, but it is a declaration of promises which are non-binding. When I was general secretary of my union, I did not give much credence to employers making declarations. I was more interested in the signature on the bottom line of the legal contract. Your Lordships will therefore understand my suspicion when I read in the declaration that the Union and the United Kingdom will work together to safeguard a variety of rules, laws and standards, including workers' rights.

I do not have to rehearse my commitment to workers' rights. British workers have benefited from a number of changes introduced by the European Union, and integrated into UK law. These include the working time directive, health and safety protection, equal pay for work of equal value, maternity rights, parental leave, anti-discrimination laws, time off for annual leave, protection against workers being exploited—I could go on.

I want more than a non-binding declaration on workers' rights to satisfy me that these and other rights are not going to be swept away the day following our departure from the European Union. There has already been some erosion, as we move much closer to zero hour contracts for agency workers and the gig economy, and more is to come.

Lest we forget, the future of the people of this country cannot be determined only by a conversation between the Prime Minister and Mr Barnier, and certainly not by the non-binding declaration, or even the withdrawal agreement. In the end, it is this Parliament, or its successors, which will determine the people's future, and we know not what will happen post Brexit.

4.21 pm

The Earl of Lytton (CB): My Lords, it is a pleasure to follow such an expert speaker as the noble Lord, Lord Morris. Indeed, given the number of great experts who have already spoken, my own views will be something of a personal reflection.

Noble Lords will know that I am a chartered surveyor, and I am partly involved in the construction sector, a bellwether of the economy, which is critical in housing the nation, and hugely dependent on migrant labour. My wife is an Austrian citizen, and I voted to remain, as you might expect, but I accept that the nation decided—for innumerable different reasons—that it no longer loved its partner of 40-plus years.

Before I go any further, I must pay tribute to the efforts of the Prime Minister and her negotiators, who have striven to broker the draft withdrawal agreement. Neither we in this country, nor the EU, has been here before, and we should show due deference and appreciation of that complex task.

The political establishment had ample opportunity to recognise the unfolding situation, and to guide, direct and inform public opinion. We have moved beyond whether the referendum question put was the right one, or whether promises made were anything more than voodoo. My elder son quipped the other day that the country had been persuaded to vote for unicorns. The least we can do for the next generation is to try to deliver a workhorse.

Compared to our continental neighbours, our politics appear very adversarial. Even in this debate, I have difficulty distinguishing the political disparaging of opposition and partisan denigration of alternative courses of action from objective, dispassionate analysis. All parties are stuck in a cat's cradle of red lines, political polarities and internal contradictions. Parliament needs to reassert control, statesmanship and leadership. The noble Baroness, Lady Meyer, who is not here at the moment, reminded us of the risks of failure.

This is a process, and I have no difficulty with a draft agreement or political statement that are essentially about objectives and intentions, backed by affirmations of good faith and best endeavours—what else should they be? Having posted notice of divorce, it follows that we need time to settle issues akin to the marital home, joint bank accounts and custody of the children. We cannot know everything, or be sure of every outcome at this point; nor should we become mired in detail.

No radical change is without risk, cost or stress, but it is also how opportunities arise. I very much get the point made by others: we are in a changed place and so is the EU. How we deal with things henceforward is the determining factor—and when I say that, I mean how “we” deal with things. Whether we become richer or poorer through the Brexit process is, I believe, substantially in our own hands, and I do not entirely accept inevitable impoverishment.

The risk is of purposeless drift. We do not have all the time in the world to mess around; that would put the most vulnerable in our society at possibly existential risk. However, as we have heard from other speakers,

we need to play to our strengths: our inventiveness, originality of thought, and creativity and culture in business, R&D, science and technology. At the same time, we need to remove the blocks in our society of outdated methodologies, pointless red tape and bureaucracy. This is so regardless of which political direction we take. Upping our game and body language now, with confidence and self-belief, should be our immediate objective, as the noble Baroness, Lady Noakes, so carefully observed. A self-absorbed nation, uncomfortable in its own skin, risks xenophobia and self-destruction.

Northern Ireland and the backstop are beyond my expertise—although I admit that my ancestor campaigned for home rule. However, I understand the concerns.

Some say that the draft withdrawal agreement will not survive the Commons vote next week. I make no prediction, but, if it falls, who knows where this nation's destiny may go, and possibly by default? I share the view that other options are potentially as risky or worse. An unplanned descent into uncharted no-deal territory, without a road map, is something I would not wish for the nation.

A reversal or avoidance of the referendum result that we already have embodies unpredictable outcomes, not least in terms of democratic backlash. A new mandate via a repeat referendum, which, as a binary choice, is what got us here in the first place, would, if run with multiple options—a suggestion that strikes me as a piece of political innumeracy—pose at least a 50:50 risk of producing even more fragmentation of views, always assuming that the motion, the majority required and the voting method could be agreed, as my noble friend Lady Deech mentioned yesterday.

I cannot comment on an EFTA option. However, I note the significant objections to it and suspect that, among other considerations, it would probably take too long to negotiate.

On a return to the status quo ante, I note carefully the comments of my noble and friend Lord Kerr. However, I question what status we would then have among our European colleagues.

I should like to see better cross-party action in the Commons, and ownership and control taken here. We know we are in a tight spot and that no one political group is free from its own divisions, but it is for wiser heads than mine to say how practicable this is. If it comes to the last man standing, I would have to give the Government's Motion the benefit of the doubt, although not without some misgivings. As to the second Motion and the proposed amendment, I am largely with my noble friend Lord Butler, but if the wheels come off everything else, no deal remains a potential default, even if the House votes otherwise.

4.29 pm

Lord James of Blackheath (Con): My Lords, I start with an expression of regret at the circumstances of this debate. It is very unfortunate that we appear to have left it to the Commons—alone, in isolation and unaided—and I am not sure that I have that degree of trust in it to pass on its own an independent conclusion that does not attempt to foreshadow what we have said here. I have carefully monitored the opinions of

this House for the last two days and, from those who have spoken, it is by no means certain that there would not be a majority in favour of supporting it. I do not want the Commons to get the idea that it can claim a proxy consent from us and go ahead without any further reference. There is a whole new chapter beyond next week, and we need to be part of it. This debate has been fine, but this is not an end for us; we must have another chapter to come.

Where do I stand on this? I was a Brexit voter at the time and I have seen nothing whatever to alter my opinion since. I think there would be a big surprise for all noble Lords contending the need for a new vote. I think the mood of the country has hardened, and the vote for Brexit would go up, not down. That is my gut reaction.

I took great interest in the comments of my noble friend Lord Robathan earlier this afternoon. He made two wonderfully perceptive comments. He noted that every previous attempt by anybody to run a referendum against the European Union's interests had resulted in it being taken to a second referendum and defeated. Yes, the circumstances were different, but the unique feature is that nobody has ever gone on to run the second referendum. I think we would find ourselves with a very different issue.

The best outcome I would prefer to see is that for the present we do nothing but carry on negotiating. Europe has never had to put up with a second innings; it has never followed on. They do not play cricket over there. I would like to see them follow on and have to put up with a very big score against them this time round. I think we should do that. They have no experience of how to run a debate on a second round, and I think we should really hammer it to them. And this time, can we please have a bit of respect? We have had no respect yet. They have treated us completely as though we can be pushed around as they want, and we cannot. It is time to stand firm on all of that.

They do not recognise two important factors about us, and they do not want to know. First, we are a sovereignty, and they do not know what sovereignties are. They are all republican—they are republics. There is no collective word for republics, but I offer the word snaffle as a good descriptive word, because they are a bunch of snafflers. From my point of view, we should give them the lesson of inflicting on them another round of intense and very annoying debates. I would like those debates to concentrate on giving them a lesson in what a sovereign constitution actually means.

The way this has gone at the moment, I think the House of Commons is committing an act of treason by even recognising the ability to negotiate a treaty in which its own God-given right by the Bill of Rights is being breached. The one great power our Parliament has is that it is omniscient in all things. The only thing it cannot do is limit its own powers. That is what this Bill would do, because it would continue to endorse what came in with the treaty of Madrid and would carry that on as though it were permanent for ever. That, in my view, is treason. I would not wish to go to Her Majesty and put that to her. Under the oath we have all taken on coming into this House, anybody

[LORD JAMES OF BLACKHEATH]
 who took that line forward from here would be committing treason. I will not do it. I will go to the barriers—with anybody who will come with me—before I do that.

Beyond that, we have to recognise that we have got to try to change the emphasis in how they think of us. It is strange that in all of this there have been three references to the fact that we are an island. We know we are an island. It is almost as though they have just discovered it for themselves. General de Gaulle said: “No, no, no. We do not want Britain in; they are an island”. Mr Macron recently said: “Of course they would say that; they are an island”. One of the other people did as well. Yes, we are an island and a trading island. We survive, as all islands do, by trade. We should have every assistance in continuing to do that.

We are also the island that three times in the last 200 years has provided the means of putting together an alliance which has rescued Europe from itself. As Sir Lewis Namier, professor of history at Manchester 25 to 30 years ago, said, the fact that we are an island is the unique feature that means we have saved Europe. They have to put us back in the position to continue to be the positive benefit for them that they do not see us as today.

They need a history lesson. That should be the first part of resuming our dialogue with them. In 1815, we rescued them from Napoleon. I wonder how many of your Lordships recognise that Nelson’s Column stands today on exactly the position that the post-revolutionary Government had marked to mount the guillotine where they were going to march the entire occupants of the House of Commons and House of Lords for one last embrace. We did not win the Second World War or the First World War, but we were the island that put together the alliances that did. They need to remember that. I hope they never need another alliance, but they can send us an email if they ever want us to try again. We will be around.

We would like to be a prosperous, trading island. We need some sense on that and some respect for what we are. We are not a defeated nation, and Europe should cease trying to look upon us and treat us as such. We are a nation that is proud of its achievements, survival, people and monarchy. Hands off: we do not want any interference with it. We keep what we have, and it is good for you in Europe, too, so get used to it.

It has been a long debate. I have gathered a very strong impression that there is a willingness in this House to support what is on the table at present, but we should not take it until we have hammered away at getting it improved. I am sure that it can be improved, but we have got to take the initiative more strongly than we have.

4.36 pm

Lord Soley (Lab): My Lords, I voted remain in the referendum. I was not surprised by the result. I also took the view that referendums are a bad idea at the best of times. Referendums on complex issues are an even worse idea, and it is even worse when you have a referendum and you have not worked out what you will do if you get an answer that you did not expect and did not want. That has been the tragedy of all of this from the beginning.

Along with the withdrawal agreement, the Government published their document on the future political relationship between the EU and the UK. If David Cameron had thought out what he would do if he got the result that he did not want, that paper would have been ready for publication within a few weeks of the referendum result—because that paper would have been a good paper on which to negotiate. It is one that can and probably will form a structure of negotiation in the years to come—and it will be years; this will not be quick.

The referendum was conducted by the Conservative Party because it was split. That is not unusual. We did the same with Harold Wilson when we were split on this issue. It is what happens in a parliamentary democracy such as ours when Parliaments cannot easily agree. The tragedy of all this is that the nation is deeply divided on the European Union and has been for years. That division has not been resolved. Noble Lords who have spoken in this debate have identified that, and I associate myself very strongly with their remarks.

The divisions are deep. They run through not just the political parties, which is why the House of Commons is in so much difficulty, but trade unions, business, community groups and, as the noble Lord, Lord Leigh of Hurley, said, families and friends. If we have a division such as that, we need to ask ourselves how we will solve it when it is such an important issue. All noble Lords in the debate have recognised how important this issue is, but we are deeply divided. If we could have a discussion on the declaration on the relationship between the UK and the EU, that would be more productive than what we are doing at the moment.

My noble friend Lord Parekh made a perceptive and fascinating comment, as someone who comes from an Indian subcontinent background, about the nature of the relationship between Britain and Europe. It has long been my view that one of the reasons why the British were so uncomfortable with Europe is that they thought they had joined a supermarket and increasingly came to the conclusion that they had joined a superstate. I have no problem with Europe becoming a superstate. I think that it needs to, and I will say a little more about why that should be in a moment, if I have time. But the problem is that, going right back to the referendum of Harold Wilson’s, we were talking about this as a supermarket. The supermarket is obviously appealing, but the superstate bit is not appealing to the British.

The strapline of the Brexiteers in the referendum, “take back control”, was not just about immigration. It gave a feeling that the British were losing control of making their own laws and of sacking their own Government. “How can you sack the Government in Brussels?” people would ask. It is actually a more democratic structure than people realise, as my noble friend Lord Tomlinson said, but that is not the perception. One thing that has worried me about this debate is the number of people who seem to think that if we have another referendum we will automatically get back in. I have to say that I think if there were another referendum it might well come to the same conclusion. What would

be worse would be if it came to a slightly different conclusion with only a small majority in favour of remain. We would be in a worse position than Nicola Sturgeon is in in Scotland, where she keeps saying, “We will have another referendum”, but she will not say when because she is not sure she will get the right answer. We really do not want to be constantly in that situation, so we need to find a way to build a greater consensus, a greater understanding of how the world has changed and why we need a very close and powerful relationship with Europe.

I was very pleased with paragraph 128 of the political declaration about the close association between the EU and the UK—the recognition by the Government of a proposal I made a year or so ago about the need for very close parliamentary links between the European Parliament and the British Parliament. That will be vital. In areas such as security we are going to have to negotiate things in order not to become unsafe. We also need a parliamentary link, otherwise we will start to go off in different directions. That is also important in other areas. One of the real dangers to Britain’s economy is that investment will not come into Britain in the way it used to. Another is that we do not have an agreement on security. I have spoken before about the European arrest warrant, which is vital, as are other matters. A third, to which people have paid too little attention, is that we will lose, and the European Union will lose, considerable influence in politics around the world.

Noble Lords should ask themselves whether Britain will still be a member of the Security Council of the United Nations in 30 years’ time. The answer is, almost certainly not, in the present situation. They might want to accept that, and there is a case for doing so. What I am really saying, as others have said, is that the answer is not another referendum: we would end up having referendums and just winning or just losing them. I do not think that answers of that type are relevant. It would not surprise me, in the current situation in Parliament, if the Prime Minister noted that she is quite popular in the way that she is handling this and could therefore win a general election with a working majority: I would not rule out anything in the current situation. But whatever happens, we have to build a closer relationship with the European Union and recognise that we both bring to the history of the world, actually, very important assets, and that it is a matter of recognising and using them.

We really need more time on this. The answer—through what is likely to be a very muddled approach, but I suspect that it will come to this in the end—is to have an extension of Article 50, which will then give us time to negotiate on what the British people voted for, but in a more sophisticated way. At the end of that process, even if it is in 10, 20 or 30 years’ time, if we want to put something to the public in terms of what we have agreed, that makes sense. Having negotiations of the type we have had, which have gone so badly wrong because we were not ready to negotiate, has led to an agreement which my noble friends on the Front Bench are right to oppose. We need to put this to one side, give ourselves more time and get on with those negotiations—and I fear that future generations will have to decide whether we stay in the European Union or not.

4.45 pm

Lord Russell of Liverpool (CB): My Lords, last Saturday, I had the privilege of being the guest speaker at the Italian Medical Society of Great Britain, a group of eminent medics and life sciences researchers who live and work here in the UK. The subject I was asked to speak on was the possible effect of Brexit on Anglo-Italian relationships in education, healthcare, research and science.

To start, I thought I should probably apologise to them, saying that they came here to the UK to live and work expecting to be in a country that would be relatively stable politically, calm economically and a relatively orderly plural society, which is clearly not what we have at the moment. I wondered how could I explain to them in terms that at least I could understand what is going on, so I turned to that great expert on *Erskine May* and our constitutional history, Monty Python. I spoke about the famous argument between the Judean People’s Front and the People’s Front of Judea, substituting for them leavers and remainers. So, apart from sanitation, medicine, education, human rights, wine, roads, pizza and espresso—it was an Italian audience—what has the EU ever done for us?

The past few days in Parliament have been beyond parody. I was in the other place when the Attorney-General was performing rather like Brian Blessed on steroids. When it comes to some of yesterday’s and today’s speeches in your Lordships’ House, if I closed my eyes I could imagine I was at the annual convention of the Flat Earth Society. The defeats on Tuesday in the other place perhaps demonstrate that Parliament is actually about to take back control.

Why is that so important? I, and many others much better informed than me, have repeatedly pointed out what is blindingly obvious to me at least, which is that the referendum result was not produced on party-political grounds. It maps the ideological and economic seismic fault-lines which run through our society and, particularly, our two largest political parties. The choice of Mrs May and her party to try to respond to a non-political expression of will by the voters by imposing a nakedly party-political approach to implementation has been disastrous. It is aggravated by the uncomfortable truth that both our largest parties are themselves deeply split and are in danger of becoming more so. A recent poll by Sir John Curtice demonstrated that 77% of those who voted, whether leave or remain, say that their views on Brexit outweigh their loyalty and affinity to party.

I have grudging admiration for our Prime Minister and I feel that she has more testosterone than the entire ERG put together. I even recall that Paul Simon dedicated a song to her which encapsulates her dilemma:

“The problem is all inside your head
She said to me
The answer is easy if you
Take it logically
I’d like to help you in your struggle
To be free
There must be”—

Article—

“fifty ways
To leave your lover”.

[LORD RUSSELL OF LIVERPOOL]

Of all the 50 ways the Prime Minister could have chosen, she has been triumphantly successful in delivering a deal which apparently pleases nobody.

The referendum result reflected not the will of the people, but the wills—plural— of the people. Those different wills run the gamut or, in a new buzz-phrase from the Front Bench, “across a spectrum” from 19th-century imperialist dreamers to 21st-century technocratic globalists. Today, after Tuesday’s events in another place, Parliament has the opportunity to perform its solemn responsibility and duty, which is to separate those myriad wills and forge a cross-party consensus on an acceptable outcome, a will of the people that their elected representatives are prepared to sign up to, espouse and enact. That would be by far my preferred option, and I agree with the noble and learned Lord, Lord Judge, that next Tuesday’s Divisions should, ideally, as did the referendum, proceed on a free-vote basis.

I am convinced that this will require new leadership in both our political parties. We need leaders who, unlike the current incumbents, are trusted by the majority of their MPs and have the credibility and moral stature to be listened to and believed by their political opponents. We will not achieve sufficient weight of consensus across the House and, more importantly, across the country without that. If Parliament fails in this task it must, as a last resort and as the evidence of its failure, ask the people to do what its representatives have signally failed to do.

What are the options? A general election could be even more divisive than a referendum, because it will become consumed with confusing and sometimes contradictory party-political posturing. It will also lay bare the deep fault-lines within our two largest parties. I suspect that it would probably result in another hung Parliament.

Is the referendum the last-chance saloon? The last referendum was a disaster. The Government chose not to seek the counsel of or take advice from those with recent, live experience of the dos and don’ts of having a referendum. I know that because I know some of the people who gave that advice and were rebuffed by No. 10 Downing Street. If we are going to do it, we need to do it with proper detailed background research and an articulation of the key issues and pluses and minuses of the potential outcomes.

We are actually in quite a good place today, because that is exactly what we have been doing for the past two and a half years. We have unwillingly and painfully undertaken that research, and I think we understand the magnitude of the choices before us. If we go back to the people, there must be no false promises and no demonising of those with different views. It must be presented on a cross-party basis, with leaders prepared to sit on the same platform as those from a different political persuasion. It must be meticulously planned and we must be straight and painfully honest with our frustrated and long-suffering electorate.

Brexit has proved toxic to our hearts and our emotions. We must not let it infect our heads.

4.52 pm

Lord Horam (Con): My Lords, that was a delightful and humorous speech from the noble Lord, Lord Russell. I think it proved that he is not a politician. His view of politics was highly idealistic. I am extremely grateful, as tail-end Charlie to this debate, that everyone has been so self-disciplined—a remarkable achievement for the House—perhaps with the exception of the noble Lord, Lord Kerr, who spoke for two minutes longer, but I think we all allow him a little latitude in view of his commitment and knowledge when he speaks.

I voted remain in the referendum, but I am strongly aware that the Brexit vote was a wake-up call. Over the past 20 or 25 years, we have had globalisation on a massive scale, and it has been a great success. Millions of people in China, India, et cetera, have become much more affluent than they were and relieved from poverty, but the truth is that there has also been a huge downside. We have seen that in the western world in lost manufacturing jobs, towns without purpose, squeezed living standards, poorer social services, and the fear of immigration that has been greater than people have been used to, causing problems of social cohesion. It is many of those people who voted for Brexit as a protest.

I know that every parliamentary constituency in Lancashire, where I was born, had a leave majority for many of those reasons. The anti-Macron protests at the moment are on behalf of la France périphérique; it is that part of France, the poorer part outside the metropolitan cities, that is suffering and feels neglected. This is the situation we face and what, in my view, led to Brexit. It is certainly not the only reason but a major factor.

The difficulty is that Brexit is not the answer to these problems. Indeed, it makes them worse: the distraction that we have had for two and a half years; the further distraction to come over the next however many years before we get back to dealing with these problems; the filling of the bandwidth of government with elements that are irrelevant to the fundamental social problems. Added to this is the uncertainty, on top of the time taken by the Government and Parliament in dealing with these matters, the loss of economic growth and the restricted resources we will have to deal with the problems.

These social problems should be dealt with directly. The noble Baroness, Lady Andrews, in a very effective speech, called for a Marshall plan to deal with them. A recent book by Paul Collier, *The Future of Capitalism*, spells out that we need not only a proper economic situation but also an ethical and moral dimension to capitalism if we are not to have consistent problems across the western world of the kind that we are experiencing in the UK, France, Germany, Italy and, indeed, America. We are where we are. We have to deal with Brexit.

I thought the Prime Minister’s plan was “surprisingly good”; that is a phrase from the *Financial Times*. It was surprisingly good in the circumstances. Of course it has flaws, and I understand the legal problems that have emerged recently. But in my experience, politics usually trumps legality; the sort of problems identified

by the Attorney-General would be sorted out in a true political situation. I would be prepared to support the Prime Minister's plan, not only on its merits—although I agree that it is fundamentally flawed in many respects—but because of the appeal for compromise that she has set out. It is important that we all understand the need for compromise.

As the Attorney-General said in his conference speech, we are all adults: we know that we are not all going to get what we want. Although I voted for remain, I understand the need for compromise; the Prime Minister is calling for that and we should adhere to it. I do not have high expectations that her plan will pass through the other House; I am delighted that, in the shape of my good friend Dominic Grieve, the Commons has asserted its right to look at alternatives and appears to be taking some kind of control. Frankly, a better solution would always have been to remain in the single market and customs union: the EEA plus customs union, which the noble Lord, Lord Owen, spoke about. I do not know why the Government did not go for that straightaway.

In a way, this solution would represent the Brexit result of 52% to 48%. It would mean that while Brexit won, the 48% could not be ignored. In any reasonable compromise and understanding of the result of the referendum, we have to take account of the views of the 48%. A customs union as we originally entered it in 1975 would be the right approach in those circumstances. The noble Lord, Lord Soley, made that point very effectively.

Another alternative is no deal, and my noble friend Lady Noakes spoke about that. Mr Carney has commented on it but I think that, frankly, his comments were unwise because they were over the top. My noble friend Lady Noakes admitted that in the short term there would be disruption but I have no doubt that in the long term there would be huge problems with

inward investment, just-in-time manufacturing and so on. Therefore, I rule that out. In my view, there is no golden horizon that awaits us in the future in a low-tax, low-regulated economy.

So we come to the final alternative, which is an extension of Article 50 and the possibility of a people's vote. My noble friend Lord Robathan said that this would be an affront to democracy. That is a serious argument—a second referendum would obviously attract that comment. However, all the evidence is that people want a second vote. Opinion polls suggest that a very strong majority is in favour of it. As my noble friend said: why not trust the people? Why not indeed? People are not fools. They can see that the arguments have changed. Reality has kicked in. The situation is not as it was portrayed during the referendum, and therefore they should have the chance to think again about whether we are pursuing the right path.

However, I warn my remain friends that if we have a second referendum, we have to be more positive than we have been in the past. We have to take on the argument about taking back control. I believe that we have plenty of control inside the European Union to construct the sort of society that we want in this country and that we can play a significant part in the European Union. I also believe that the European Union is necessary in the world that we face, with hostile people in Russia and China, and the threat of terrorism and climate change. All our problems are better faced with the liberal democracies of western Europe sticking together. As the most reverend Primate the Archbishop of Canterbury said in his introductory remarks, quoting Proverbs, we need some vision. My heavens, we do.

Debate adjourned until Monday 10 December.

House adjourned at 5.02 pm.

