

Liaison Committee

Oral evidence from the Prime Minister: Brexit, HC 1765

Thursday 29 November 2018

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Watch the meeting

Members present: Dr Sarah Wollaston (Chair); Hilary Benn; Sir William Cash; Yvette Cooper; Lilian Greenwood; Meg Hillier; Sir Bernard Jenkin; Norman Lamb; Dr Julian Lewis; Dr Andrew Murrison; Rachel Reeves; Tom Tugendhat; Pete Wishart.

Questions 1-146

Witness

[I](#): Rt Hon Theresa May MP, Prime Minister.

Written evidence from witnesses:

– [Add names of witnesses and hyperlink to submissions]



Examination of witness

Witness: Rt Hon Theresa May MP.

Chair: Good morning, Prime Minister, and welcome to the Liaison Committee. May I start with a brief opening statement from the Committee? Given the parliamentary arithmetic and the likelihood that the approval motion will not pass the Commons, we are concerned that unless there is an alternative in place, in just 120 days from now we will be leaving not only the European Union but the European Atomic Energy Community, unless there is something in place to replace it. The Committee would very much like to focus today on contingencies and possible alternatives. We will start with Hilary Benn.

Q1 **Hilary Benn:** Good morning, Prime Minister. Since it looks —as the Chair has just said—as if your deal is not likely to get through the vote next week, yesterday the Chancellor said that if it is rejected, “we will have to review the options”, and, “We know what the different options are”. Could you tell us what they are?

The Prime Minister: I take the point, Chairman, that the Committee is going to want to explore the contingency arrangements, but I am focusing for the next two weeks on the vote that is going to take place in the House of Commons. The vote that takes place in the House of Commons is at a particularly important moment for this country, and what I want Members of Parliament to do, expect Members of Parliament to do and expect that they wish to do is to focus on the choice that lies in front of them when they come to that debate and to that motion. As I said in the House of Commons the other day, throughout this process people have been telling me that we would not reach this point. As soon as we do reach this point, people want to say, “Oh well, if you don’t get it, what are you going to do next?” I am focusing on getting this, because I believe it is the right deal for the United Kingdom.

Q2 **Hilary Benn:** Okay. You also told the House of Commons on 15 November that if we, the House, do not vote for your deal, there is “a risk of no Brexit at all”. Could you tell us why you said that and how that could happen?

The Prime Minister: I said that because there are Members of the House of Commons who clearly, from their interventions to me in statements and from other comments that they have been making, wish to ensure that we do not leave the European Union. Now, there may be various ways in which people wish to do that, but we are at a point where we have negotiated a deal that people thought we would never be able to negotiate. We have negotiated a good deal for the United Kingdom and there is a clear choice, I think, for Members of Parliament. It is important that we honour the vote of the referendum; it is important that we deliver on Brexit. This is a deal that does that—it delivers on what people voted



HOUSE OF COMMONS

for—but it also ensures that we can protect jobs, protect people's livelihoods, protect our Union and protect our security.

- Q3 **Hilary Benn:** We do understand those points, but would you accept that the only way in which there could be no Brexit at all, which is one of the possibilities that you have told the House of Commons might come to pass, would be through another vote of the people? Is that the only way you think no Brexit could happen?

The Prime Minister: There are ways in which some Members of the House want to delay Brexit. Brexit, as far as I am concerned, takes place on 29 March 2019. You will have heard from individuals within the House who ask about extending article 50 that there are people who think the way to avoid Brexit on 29 March is to extend article 50. What I am saying is that actually what people need to focus on, and what I hope people want to focus on, is the choice before us of actually ensuring that we deliver on the vote of the British people, but doing it in a way that protects jobs, protects our security and protects our Union.

- Q4 **Hilary Benn:** So extending article 50 could result in no Brexit at all. Is that what you are saying?

The Prime Minister: What I am saying is that if you listen to Members of the House of Commons, you will hear a variety of views as to what should be happening on this issue. There are those who would be happy to leave without a deal, there are those who wish to leave with a deal and there are those who do not want to leave at all. Within that, there are people who think that perhaps one route is a second referendum—I think that is an attempt to frustrate Brexit. There are those who talk about extending article 50—I think that is an attempt to frustrate Brexit. I am focused on delivering on what the British people voted for.

- Q5 **Hilary Benn:** Okay. Are you looking at staying in the European economic area and a customs union as a potential alternative if your deal is defeated? Is there any internal planning going on in No. 10?

The Prime Minister: As I have made clear, my focus is on the vote that will take place on 11 December here in this House.

- Q6 **Hilary Benn:** I think we understand that, Prime Minister, but is there any planning going on for that?

The Prime Minister: I am sorry, Mr Benn, but what I am focused on and what the Government is focused on is the vote that will take place on 11 December. You want to look at all sorts of options and ideas, and so on and so forth. I think it is important that Members of Parliament focus on the nature of this vote. This is an important point in our history. It is a vote on which we will be deciding whether to deliver on the will of the British people. The deal that I put forward does that in a way that protects their jobs and protects their security—

- Q7 **Hilary Benn:** I understand that, but any responsible Government would be planning in case the deal doesn't go through. The question I am asking you is: is there planning going on for a different approach, if the



HOUSE OF COMMONS

deal is defeated? It would be very strange if you said to us, "There is no planning going on."

The Prime Minister: What has been made clear from the European Union and was made clear at the weekend is that this is the deal that has been negotiated and this is the deal that people need to focus on when they are looking at the vote.

Q8 **Hilary Benn:** Okay. The Chancellor also said yesterday that there will be a cost to leaving the European Union because there will be impediments to trade. He's right, isn't he?

The Prime Minister: This is often put in a variety of ways—this issue about what will happen when we leave the European Union. Obviously, there is analysis that has been provided by the Bank of England—a short-term analysis, a short-term forecast, of what would happen in a no deal scenario. The Government's analysis that was provided to Parliament sets out a number of potential—it looks at different comparisons: no deal, the Government's White Paper, EEA and a sort of average free trade agreement. What that looks at is the impact of trade differences.

Q9 **Hilary Benn:** We have all read that. One thing that is surely clear from that is that no deal is no longer better than a bad deal, because that would be the worst outcome of all, wouldn't it?

The Prime Minister: That depends on what a bad deal looks like, I suggest. Obviously, the impact of no deal has been forecast at the request of the Treasury Committee by the Bank of England. If you look at the issues that have been raised by this analysis, what they show is that the deal that we have negotiated is the best deal for jobs and the economy, which honours the referendum and enables us to take the opportunities post Brexit.

Q10 **Hilary Benn:** Is there a worse deal than no deal?

The Prime Minister: The deal we have negotiated is certainly not that. It is a good deal.

Q11 **Hilary Benn:** You have just said that no deal might not be the worst outcome, because there could be an even worse one. What could that be?

The Prime Minister: There isn't a deal on the table that is in that category.

Hilary Benn: Thank you very much.

Q12 **Rachel Reeves:** Thank you very much, Prime Minister, for coming to give evidence to us this morning.

Following on from what Hilary Benn said, and given the analysis by both the Bank and the Government yesterday on how catastrophic a no deal would be—I know that the Prime Minister takes her responsibilities to our country very seriously—will the Prime Minister rule out that, whatever happens in the vote on 11 December, her Government would consider leaving the European Union without a deal?



HOUSE OF COMMONS

The Prime Minister: We will be leaving the European Union on 29 March 2019. When we come to the vote on 11 December, it will be for Members of Parliament to determine whether they want to deliver on the vote that the British people took, and whether they want to do that with a good deal that actually does protect people's jobs into the future. We are promoting a good deal.

Q13 **Rachel Reeves:** With respect, Prime Minister, that wasn't my question. I am asking whether you will rule out the possibility that on 29 March we could leave the European Union without a deal, given what we know now from the Bank of England and from your Government's own analysis. Will you rule that out as a possibility? It would be so catastrophic.

The Prime Minister: The decision that the House of Commons will take on 11 December will be whether to support—whether to ratify—the deal that the United Kingdom Government has negotiated with the European Union. If the House votes down that deal at that point, then there will be some steps that will be necessary. Obviously we have been doing no deal planning as a Government—we have made certain information available to businesses—but at a point at which the House, if it were to do so, voted down the deal that has been agreed, given that the European Union has been clear that this is the deal that has been agreed and this is the deal that is on the table, then obviously decisions would have to be taken in relation to the action that would need to be taken to prepare for—

Rachel Reeves: So if Parliament voted down the deal on 11 December, would you really, Prime Minister, given what we now know from the analysis, contemplate taking Britain out of the European Union on 29 March without a deal—without your deal; without any deal?

The Prime Minister: If Parliament votes down the deal on 11 December, there is a process—as you know—in legislation for the length of time given for the Government to come back and make a statement about the next steps. But the timetable is such that some people would need to take some practical steps in relation to no deal if Parliament were to vote down the deal on 11 December.

Q14 **Rachel Reeves:** Let us turn now to the deal. It is disappointing, Prime Minister, that the withdrawal agreement and the political declaration were not modelled in the Government's own analysis. Instead, the analysis is on the July White Paper rather than your deal. Why was that? Is it because, frankly, there is insufficient detail in the political declaration to model it at all?

The Prime Minister: As you know, the political declaration sets a spectrum of the balance of rights and obligations in respect of market access versus acceptance of rules, which has an impact on checks at the border. The detail of that is being negotiated; it is still open to frictionless trade. I have said in the House of Commons—I have been honest with people—that we have not persuaded everybody in Europe yet about absolutely frictionless trade. The ambition is there in the political declaration to be as near to frictionless as possible. We thought it was



right to set out the sensitivity analysis of that spectrum, and we took the mid-point, which is the 50% sensitivity analysis that has been identified.

If you look at some of the comments about the analysis that the Government has put forward, the chief economist of the IFG has been clear that it set tests that we needed to address to ensure MPs and others were able to scrutinise the modelling and interpret it appropriately. The published report passes those tests and it should be taken seriously.

- Q15 **Rachel Reeves:** Given that in July, the White Paper had in it “frictionless trade” and, as you just said Prime Minister, the political declaration was not able to achieve that objective, can we assume that the outcome of the political declaration without frictionless trade will be a worse economic outcome than what was in the July White Paper?

The Prime Minister: The analysis has shown a 50% sensitivity point. There is a spectrum in relation to that analysis, which goes alongside the spectrum of checks versus access to the market. It is still the Government’s position that we will negotiate to achieve frictionless trade. What you see in the political declaration in the language around the “ambitious customs arrangements” in future is a clear recognition of the need to reduce that friction as much as possible. I think it is still better to have frictionless trade, but as I say, there are those in the European Union who have yet to be persuaded of that argument.

- Q16 **Rachel Reeves:** The European Union is very much in favour of frictionless trade—that is why there is the single market and the customs union, Prime Minister. You said yesterday in Prime Minister’s questions, that the analysis does not show that we will be poorer in future, but Government analysis published yesterday shows that we will be £100 billion a year worse off as a country—that is £1,100 per person per year. Will you confirm that under all scenarios in the Government analysis, we will be poorer in future compared with our current position in the European Union? That is what the Government analysis shows, isn’t it, Prime Minister?

The Prime Minister: Can I explain what I said at Prime Minister’s questions and why I made that point? If you went out to a member of the public and said, “We’re going to be poorer outside the European Union than we are inside it,” they would assume you meant poorer than today. That is not what we are saying. We are saying that the economy will continue to grow; we will be better off in future.

The question is the relative rates of growth in the different models identified. Being inside the European Union is not an option, so we have to look at what is the best option outside the European Union, because people have voted to leave the EU. The analysis shows that the best option outside the European Union, which delivers on the vote by being outside the European Union but is the best for jobs and the economy, is the Government’s approach.

- Q17 **Rachel Reeves:** I understand all that, Prime Minister, but will you confirm that under all scenarios modelled by the Government, we will be



HOUSE OF COMMONS

poorer in future compared with our current relationship with the European Union—yes or no?

The Prime Minister: The analysis shows that there will be an impact on the rate of growth in the United Kingdom looking ahead, other things being equal.

Rachel Reeves: And that impact will be negative.

The Prime Minister: But other things will not necessarily be equal. This is why I made what some might regard as a slightly flip comment about forecasts and economic forecasts in response to a question on the statement, I think on Monday or last week. The point is that there are many variables that can change that will have an impact in relation to what happens to our economy outside the European Union. Some of those are in our hands—decisions that we will be taking as a Government. Obviously, there are other aspects in terms of international trade. In 2020, 90% of growth is due to be outside the European Union.

Q18 **Rachel Reeves:** Yes, but that is all modelled, with respect, Prime Minister, in the Government's—

The Prime Minister: No, it is not all modelled in the Government analysis.

Q19 **Rachel Reeves:** The trade assumptions about the growth in the rest of the world are modelled. The trade assumptions are in the Government analysis. The Government analysis shows that, under all scenarios, we will be poorer compared with our current relationship. That is what the Government analysis shows.

The Prime Minister: Can I just be clear? The Government analysis does not identify—does not deal with—all the issues that I have spoken about, because it doesn't deal with decisions that the Government might take, and it can't—it can't.

Q20 **Rachel Reeves:** It includes trade, Prime Minister. It assumes that we'd come to trade deals with the United States, Australia, New Zealand and other countries. So trade assumptions are in the Government analysis, Prime Minister.

The Prime Minister: Yes.

Q21 **Meg Hillier:** Prime Minister, you have said that austerity is coming to an end, but all the economic analysis shows there will be less Government income when we leave, so how are you going to end austerity?

The Prime Minister: Well, we are already showing how we end austerity. We're showing how we end austerity in the Budget. We're showing how we end austerity by the extra money we'll be putting into the national health service.

Q22 **Meg Hillier:** Prime Minister, sorry, but that is now. I am saying that when we leave, there is going to be less money, and yet you have said that austerity is coming to an end. There is £20 billion going into the NHS, for



HOUSE OF COMMONS

example, but there are a lot of other demands, as my Committee highlights routinely. How are you going to end austerity with the financial challenges we'll have when we leave?

The Prime Minister: What we are going to do, in terms of ending austerity, is ensure that we are able to continue to deal with our debt and see our debt falling, and put more money into public services. We will be doing that as our economy grows into the future, as the economy will continue to grow into the future. We have set out—

Q23 **Meg Hillier:** But Prime Minister, you have said, in response to Rachel Reeves, that the economy will grow at a lower rate, in your view, on the basis of this economic analysis, so there is less money coming in. Will you be raising taxes or increasing debt?

The Prime Minister: The economic analysis shows the trade impact, and that trade impact shows the impact on the rate of growth in the future, other things being equal. Other things, of course, will not necessarily be equal in terms of Government decisions and so forth, so that's why I say that you have to be very careful when you quote the analysis in looking at exactly what it is.

In the spending review next year, we will be setting out the spending path and plans for the Government over the next three years when we are outside the European Union. There are many aspects that will go into that. There are also many issues. I mean, I could point out to you—not in answer to your question, but I could point out as a separate point—that the Bank of England analysis actually shows that our deal does have that sort of deal dividend in looking ahead.

Q24 **Meg Hillier:** But the Bank of England analysis shows—Mark Carney has said—that we're going to see the worst recession since the '30s. There will be less money coming in. The spending review—

The Prime Minister: The Bank of England analysis is of a no deal situation.

Q25 **Meg Hillier:** Well, that is one of the options that's out there. As the Chair highlighted, we have a very rocky vote coming up in the next 13 days. Given where we are now, and given that the spending review will be the first post-Brexit spending settlement for the Government and there will be less money available under any analysis—especially if we crash out—how are you going to end austerity? Or is that spending review going to be a cuts round?

The Prime Minister: I am not going to sit here and tell you what the spending review is going to have in it, before the spending review is brought up—

Q26 **Meg Hillier:** But Prime Minister, simply, you have two options: you could raise taxes or you could increase debt. They are the simple options. Obviously there is a lot more to it, but in simple terms.



The Prime Minister: There is a lot more to it, with due respect, and I think you understand that there's a lot more to it, and those are not—let's just look at some of the circumstances. Back in the summer, when we announced money into the national health service, we spoke—there is the money that we will no longer be paying into the European Union—about the fact that at that stage, we thought we might need to ask people to contribute more through taxes into the money that we are putting into the national health service. What we then saw in the Budget is that we have been able to show how we fund that national health service increase without actually asking people to raise taxes. This is why I am saying that these aren't absolutes—that either you do y or you do x. There are many variables in this and there are many variables in the analysis.

Q27 **Meg Hillier:** But, Prime Minister, we get a lot of smoke and mirrors from your Ministers about how Government finance is going. Today, we hear that the Met police—this is certainly my experience in my constituency—are not investigating a third of all crimes. My Committee routinely sees real challenges in public services. If austerity is over, you are going to have to fund that somehow. We are going to have less money coming in after Brexit, so what's the plan?

The Prime Minister: And you will see how we will be funding our public services over the next three years when we announce the spending review.

Q28 **Meg Hillier:** Right. As my colleague highlighted, the withdrawal agreement has not been properly modelled yet. Are there plans to put some modelling of that before Parliament before the vote?

The Prime Minister: The withdrawal agreement?

Meg Hillier: Yes, the withdrawal agreement—and the political agreement.

The Prime Minister: You mean the political declaration. These are two separate—

Meg Hillier: Yes, the political declaration. Forgive me—I mis-spoke.

The Prime Minister: The political declaration sets out the spectrum. I have been clear about what the Government will be aiming to achieve.

Q29 **Meg Hillier:** But the Government analysis looked at different options but not the option that is before us. That is the point. Will you be doing that before we vote?

The Prime Minister: There is a spectrum that is identified in the political declaration. We will be negotiating in relation to the rights and obligations—access to market versus checks that will be necessary. What we have done in the analysis—I think it is entirely right and proper, and that is accepted by external bodies—is put in the sensitivity analysis so that people can have some idea of the impact of the variation of where we appear on that spectrum. The aim of the political declaration—the clear intent of the political declaration—is to be as low down that spectrum as possible. I will continue to argue for it to be frictionless.



HOUSE OF COMMONS

Q30 **Meg Hillier:** Okay. Is any more information going to be coming to Parliament before the vote—about the economic impacts of Brexit on the basis of the deal that you have struck?

The Prime Minister: We have provided the economic analysis that Parliament asked for.

Q31 **Meg Hillier:** Can I move on to the preparedness of Government? My Committee has produced nine unanimous reports in the last year looking at Government preparedness. There is a real concern that the very best outcome is sub-optimal, especially if we crash out without a deal. What are you going to be doing to make sure that there is proper support for business and taxpayers generally to deal with the outfall of Brexit, given that we have demonstrably shown that Government Departments are not going to be ready in time?

The Prime Minister: As you know, the Treasury has made money available to Government Departments to deal with both preparing for a deal and preparing for no deal. That is entirely right and proper. All those arrangements are being made.

Q32 **Meg Hillier:** We know the money is there, but many of your civil servants have acknowledged that it is sub-optimal—that they are not going to be able to deliver everything perfectly on 29 March. Do you agree with that?

The Prime Minister: Well, on 29 March, if we agree the withdrawal agreement, of course, what we will be doing is saying we will be leaving the European Union, but the implementation period will give us that period of time when we will be continuing to be operating much as today. The issue I think you are questioning is no deal preparations—if we come out on 29 March without a deal, what will the preparations be? As I have just made clear, of course there will be some key decisions to be taken depending on the outcome of the vote on 11 December.

Q33 **Pete Wishart:** Prime Minister, you were in Scotland yesterday for a flying visit in what seemed almost like a valiant attempt to drum up opposition to your deal. Scotland will be worse off because of what you propose—the Scottish Government reckon it could be up to £1,600 for every Scot. We didn't vote to leave the European Union. Apparently, now, 70% of people want to stay. Why should Scots even start to think about getting behind your deal?

The Prime Minister: This is a good deal for the whole of the United Kingdom. If you look at what we have seen in Scotland, we have seen this being supported by the Scottish Fishermen's Federation, by the National Farmers Union of Scotland and by employers like Diageo, where I was yesterday at Bridge of Weir. We were discussing their supply chains across Europe and the importance of no tariffs—the political declaration is clear: no tariffs, no quantitative restrictions and no rules of origin requirements. These are good for employers across Scotland. We went into the EEC as the whole United Kingdom, and we will be leaving the European Union as the whole United Kingdom.

Q34 **Pete Wishart:** But Prime Minister, it is not supported by most Scots.



HOUSE OF COMMONS

According to the latest opinion poll, 70% oppose it. Every single local authority area voted to remain in the EU. There is a message from Scotland to you: "Now is not the time to be leaving the EU to make us poorer."

The Prime Minister: We have negotiated a deal that will be good for jobs and good for the Scottish economy. That is reflected in the remarks that have been made by, as I say, employers and organisations in Scotland. Scotland is part of the United Kingdom, and what is of course most important for the Scottish economy is its continuation inside the internal market of the United Kingdom.

Q35 **Pete Wishart:** Why did you reject so utterly every representation that was made to you by the democratically elected Scottish Government to try and soften the blow and impact to Scotland? You have looked at issues across what you call the family of nations of the United Kingdom, and all of them have managed to secure some sort of differential deal and agreement that sort of matches their own specific population and economic profile. Why was it all right for every other part of the "UK family" but it wasn't all right for Scotland?

The Prime Minister: No. First of all, I am afraid I don't accept the premise of the question that you have given to me. What we do have is particular arrangements for Northern Ireland, because Northern Ireland is in a different situation from any other part of the United Kingdom, because it will have a land border with a country that is a member of the European Union. The other two protocols, which are specific to the wider United Kingdom family, are the protocol in relation to Gibraltar and in relation to the sovereign base areas on Cyprus. It is not the case that every single part of the United Kingdom, or the United Kingdom family, has a specific arrangement made for it.

Q36 **Pete Wishart:** It always seems like it is to us. Can I turn to immigration? I think that the achievement about this deal that you have most crowed about is the ending of freedom of movement. Scotland's population growth is almost totally predicated on inward immigration; it is absolutely vital to our population, demography and economy. Can I just get it absolutely and abundantly clear? What you will be doing is stopping people below a threshold of £30,000 from coming to the United Kingdom, and that will mainly be what you call people with lower skills and young people at the beginning of their careers. Is that roughly the understanding of what you are trying to achieve by ending freedom of movement?

The Prime Minister: No. What we are doing is delivering on the vote that took place. Ending free movement, I believe, was a key issue for many people here in the United Kingdom, and we will be ending free movement—we will bring an end to free movement. What this will enable us to do is to put into place an immigration system which applies to the whole of the world outside the United Kingdom. Up until now, we have been able to have immigration rules for countries outside the EU but not for countries inside the EU. We will be able to have a single immigration



HOUSE OF COMMONS

system that covers all of those.

We asked the independent Migration Advisory Committee to look into this issue and to consider the shape and form that such an immigration system should take, taking into account the requirements of the UK economy. They did that, and their proposal was that, rather than having a tier 2 cap—a number set, which we have had up till now for outside the European Union—we should move to a skills-based system, with the proposed salary threshold, which will determine those skills.

Q37 Pete Wishart: That is really, really helpful, but it's a reciprocal agreement. So, what we do to European Union nationals, they will do to us. So that means that people with low skills from the United Kingdom— young people at the beginning of their careers—will equally not be allowed the same rights of access to the European Union.

The Prime Minister: No. First of all, you have jumped to an assumption there. What I was talking about was the immigration system that will be independently put into place by the United Kingdom Government—

Q38 Pete Wishart: My question is: Europe will do to us what we do to them. Is that correct?

The Prime Minister: You are making an assumption. I have to say that I don't think that the expectations yet as to what the—

Q39 Pete Wishart: So you are expecting young Brits to go abroad as they do just now, without—

The Prime Minister: We have been looking at a variety of issues in relation to young people particularly. One of the areas that we have looked at is programmes, such as Erasmus, which have enabled students to take advantage of membership of the European Union. But if you look at the section within the political declaration, you will see that, of course, we will be looking at the mobility arrangements that are in any trade agreement—

Q40 Pete Wishart: Isn't it the case, Prime Minister, that the rights that you and I had to live, work and love across a continent of 28 nations is going to be deprived to our young people, because of your obsession with immigration?

The Prime Minister: No—

Q41 Pete Wishart: How not?

The Prime Minister: I refer you to article 53: "The parties agree to consider conditions for entry and stay for purposes such as research, study, training and youth exchanges."

Q42 Pete Wishart: So you are not ending freedom of movement, then?

The Prime Minister: Yes, we are ending freedom of movement. Freedom of movement gives automatic rights to people living in the European Union that are not available to people outside the European Union. In future, we will end that automatic right that comes with free movement.



HOUSE OF COMMONS

What we will put in place is our system of immigration rules, which will apply across all countries. It will be skills-based, rather than based on the country that somebody comes from.

Pete Wishart: And it will be applied from the European Union, too.

Chair: Prime Minister, we are now going to move on to security, defence and borders, starting with Dr Andrew Murrison.

Q43 **Dr Murrison:** Prime Minister, good morning. Can I start by saying that I have huge respect for the energy that you have applied in trying to get the best deal possible for our country? Nobody could have worked harder than you. Can I ask you first what plans you have to govern in the event that you win the vote on 21 December, given that you will be doing so without the DUP?

The Prime Minister: Again, there are a lot of questions that are based on assumptions. We obviously are talking to the DUP, as we are talking to other Members of Parliament, about the vote that will take place on 11 December.

Q44 **Dr Murrison:** Nevertheless, you have to plan for the worst-case scenario. It is highly likely, given the remarks made by Arlene Foster, that you will be facing the future without your confidence and supply partner.

The Prime Minister: No. Actually, the DUP have themselves said that the confidence and supply agreement remains in place. I saw Arlene Foster and other representatives from the DUP, as I did Sinn Féin, Alliance, SDLP and the UUP, when I was in Northern Ireland on Tuesday. We discussed, yes, the concerns that the DUP have raised with some of the arrangements that are in the withdrawal agreement. Obviously, there are some issues with which they are concerned which fall to the UK Government, as a sovereign decision, to consider our response to.

Q45 **Dr Murrison:** So if you win on 11 December, you expect the DUP to continue much as they are at the moment in their support?

The Prime Minister: As I say, they have said themselves that the confidence and supply agreement remains in place.

Q46 **Dr Murrison:** Can you name a single trade agreement outside the Eurasian Customs Union that does not allow a party to the agreement to withdraw on notice, other than the one proposed in the withdrawal agreement?

The Prime Minister: Sorry, can I name a single trade—

Dr Murrison: Trade arrangement—anywhere in the world that does not allow one party to withdraw on giving sufficient notice.

The Prime Minister: Obviously, what we have here in the withdrawal agreement is an agreement that sets out the arrangements for us leaving the European Union, and within that, the backstop—the protocol for Northern Ireland—which ensures that, at all stages, if it is the case that the future relationship is not in place, we are able to continue to meet our



guarantee to the people of Northern Ireland that there will be no hard border between Northern Ireland and Ireland. Within the withdrawal agreement, it is set out that there are ways in which it is possible to end that backstop. Obviously, the best way is not to use it in the first place. The second is to get into the future relationship. It doesn't have to be used, even when we haven't got the future relationship in place in time. We can ensure that there are arrangements in place. The key here is always ensuring, through the arrangements that we see in the withdrawal agreement, prior to the future relationship coming into place which deals with this, that we deal with the commitment on a hard border.

Q47 **Dr Murrison:** But we cannot unilaterally withdraw from this arrangement.

The Prime Minister: There is not a unilateral withdrawal clause, but if you think about the nature of the insurance policy that the backstop is, this is about ensuring and committing to the people of Northern Ireland that there will be no hard border between Northern Ireland and Ireland. That means that, in the circumstances where the future relationship which would deal with that is not in place, the question is, what then comes in? As you know, there is what has come to be known as the backstop, there is the extension of the IP, there is the possibility of alternative arrangements. All of those, clearly from the withdrawal agreement, would only be temporary.

Q48 **Dr Murrison:** That is all understood, Prime Minister, and is well laid out. Do you share my worry that the backstop protocol is a bit like a post-war pre-fab? It is sold as temporary, it is built to last, and it is likely to outlive us all.

The Prime Minister: No I do not, and there are a number of reasons why I do not. First, as you will see, there are number of references throughout the withdrawal agreement that indicate that this is only temporary. One of those, of course, is the issue about article 50, which cannot, in itself, as a legal base, lead to a permanent relationship.

It is not just what is in the withdrawal agreement. If you look at the backstop, neither side thinks that the backstop is a good place to be in. The United Kingdom is worried about the implications of the backstop, but the European Union is worried about the implications of the backstop as well. For example, if we do not have an agreement for access to fishing waters in the backstop—by definition, it almost certainly would not have been, because if you are in the backstop, you have not got the future relationship, and that agreement would be in the future relationship—then the European Union would have no access to UK fishing waters.

Q49 **Dr Murrison:** You have anticipated my question. I was going to ask what you felt about President Macron's comments, because he clearly does not agree about the temporary nature of the backstop or, indeed, about his ability to secure more advantages from the United Kingdom if we came to the point at which we wished to remove ourselves from the arrangement.

The Prime Minister: Well, as I think I said the other day, it would be good for President Macron and others to perhaps recall the position that



HOUSE OF COMMONS

would apply in the backstop, which is the one that I have just set out. If there is no agreement on access to waters in place, and the agreement of how we negotiate access to waters is of course part of the future relationship—by definition, you would not be in the backstop if the future relationship was in place—then there would be no access to UK waters.

- Q50 **Dr Murrison:** Okay, thank you. If you lose on 11 December, would you consider going back to the European Union and suggesting that the time limit to the backstop that was being negotiated in the summer, and is still being talked about in Dublin, for example, might be inserted? That is likely to get it over the line for a number of colleagues, and might just about get this through the House of Commons. Do you think that is a possibility should you lose on 11 December?

The Prime Minister: Well, the temporary nature of the backstop is within the withdrawal agreement. At no stage was there any indication that a set time limit for the backstop would be in the withdrawal agreement. What stops the backstop is the future relationship or alternative arrangements being put in place that enable us to continue to give our guarantee to the people of Northern Ireland on no hard border. Indeed, the European Union has made clear that there is no deal without a backstop. Just a couple of days ago, the Taoiseach—he would not speculate on no deal—made the point that you cannot avoid a hard border just through good will, political statements and wishful thinking: actually, you need to have the agreements in place that enable that to take place.

- Q51 **Dr Lewis:** Prime Minister, everybody knows that the prospect of a so-called hard border between Northern Ireland and the Irish Republic has been a crucial factor in forcing us to stay in a customs union, so please tell us under what circumstances a hard border could be erected between Northern Ireland and the Irish Republic.

The Prime Minister: First, the statement that we are “being forced” to stay in a customs union might imply to some who are listening that that is going to be the long-term permanent relationship between the United Kingdom and the European Union—it is not. This is a temporary arrangement until the future relationship is in place. It need never happen in a number of places.

- Q52 **Dr Lewis:** Can we stick to my question, though: under what circumstances could a hard border be erected between Northern Ireland and the Irish Republic?

The Prime Minister: We have said that we would do everything in our power not to have a hard border—

Dr Lewis: I know that.

The Prime Minister: —but we are not the only party to this arrangement. Obviously there is the Irish Government. In fact, competence in this is a matter for the European Union. As I have just said, as the Taoiseach has made clear—sometimes it is said to me, “Well, everybody says they won’t have a hard border,” but the point that he has made is that you cannot



just rely on political statements for no hard border: you have to actually have the arrangements in place that enable no hard border to be erected.

- Q53 **Dr Lewis:** Prime Minister, you still have not answered the question. Under what circumstances could a hard border be erected, or are there no circumstances under which a hard border would be erected? For example, if we leave on 29 March without a deal—I know that you do not want us to, and that you are doing everything to avoid our leaving without a deal—would there have to be a hard border? Would that be an example of when a hard border would have to be erected?

The Prime Minister: But that would not be a decision entirely for us. The point is that there will be, potentially—in the no deal scenario, we would do everything we could not to erect a hard border, but there would be a decision from the European Union and the Irish Government. The concern that they would have would be about the fact that we would then be in a different set of circumstances on customs and so forth, and how do you check those?

- Q54 **Dr Lewis:** You are not going to tell me any specific circumstances, but do you accept that there are some circumstances under which a hard border might have to be erected, because otherwise what are we worrying about?

The Prime Minister: That is the point. The point is that you cannot guarantee that there would be no hard border in all circumstances unless we have put in the arrangements to ensure that there is no hard border.

- Q55 **Dr Lewis:** Right. Let us assume, because things do not always work out the way we want them to work out, that we are in some scenario whereby a hard border needed to be erected. Under those circumstances, whatever they may be, who would insist on a hard border actually being built if, for example, we leave with no deal in place?

Who would insist on a hard border being built if people felt that a hard border had to be built? Would the UK under any circumstances insist on putting in a hard border, would the Irish Republic under any circumstances insist on putting in a hard border, or would the EU itself in any circumstances insist on putting in a hard border?

The Prime Minister: I can only speak for the UK Government, and I have made it clear that if we leave the European Union in a no deal scenario we will do everything in our power to avoid there being a hard border.

- Q56 **Dr Lewis:** So, let us assume then that, in circumstances unspecified, somebody is insisting that there must be a hard border. Who would actually build it? Would the UK build it, would the Irish Republic build it, or would the EU build it? I asked you this question on 17 October but you did not answer it. You merely stated that “we are all working to ensure that there will be no hard border between Northern Ireland and Ireland.”

Please answer it now. Who would physically put this hard border in place? We certainly would not and the Irish certainly would not. How could the



HOUSE OF COMMONS

EU possibly do it if neither of us were going to do so?

The Prime Minister: Again, I can only speak for the United Kingdom Government in these matters. We have said that we would do everything to avoid there being a hard border between Northern Ireland and Ireland. Decisions for the other parties in this are decisions for them, not for me.

Q57 **Dr Lewis:** Yes, but if they took those decisions, Prime Minister, they would find it impossible to implement, because we would not build it for them, and the Irish would not build it for them. Unless they are anticipating sending in the EU army to build it for them it would never be built, so the whole thing amounts to an excuse to keep us entangled with the European Union for fear of building a border that is never going to happen under any scenario whatsoever. That is the truth, isn't it?

The Prime Minister: No, it is not. I do disagree with that.

Q58 **Dr Lewis:** So what are the circumstances?

The Prime Minister: I disagree with that, and I think it is important. If I may just address this point, there is this assumption, or point that is made, that somehow this question of the hard border in Northern Ireland is a matter that has been pushed on the United Kingdom Government by the European Union and/or the Government of the Republic of Ireland. It is not.

We have a commitment to the people of Northern Ireland. They are part of the United Kingdom. I want them to be able to continue to lead their lives very much as they do today when we leave the European Union. Not having a hard border and enabling businesses to operate as they do today is an important part of the commitment that we have made. If I may refer again to the remarks that the Taoiseach made, what I will say is that you cannot avoid a hard border just through good will, political statements and wishful thinking.

Q59 **Dr Lewis:** So who would put it up?

The Prime Minister: It is important for us to recognise that we have a commitment to the people of Northern Ireland. I believe, as does the Taoiseach and as does the European Union, that that commitment is best met through the future relationship that we are going to have with the European Union. That is why it is important that we have within the withdrawal agreement the commitments for both sides, using their best endeavours, to ensure that that relationship is in place by the end of December 2020, so there is no question of a backstop, no question of an extension to an implementation period, and no question of alternative arrangements, because it is dealt with in the future relationship.

Dr Lewis: I have to stop now, but I can only note that you have not shown who would physically erect it, and the answer is no one.

Q60 **Yvette Cooper:** Prime Minister, I know that you care, rightly, about the risks to Northern Ireland security. You also care immensely about, and know about, the security risks to the country and the economic risks to



HOUSE OF COMMONS

the country if there is no deal. Knowing you for 20 years, I just do not believe that if your deal goes down, you are the kind of person who would contemplate taking this country into a no deal situation. Am I wrong?

The Prime Minister: It will be a decision for Parliament as to whether it accepts the deal that I and the Government have negotiated on behalf of the United Kingdom with the European Union. I believe that that is a good deal for the United Kingdom.

Q61 **Yvette Cooper:** I understand, and I do not want to go over those previous answers. My issue is that I do not believe that you are the kind of person who could contemplate no deal. Even if you do not get this deal, I do not think you will do it: I think you will take action to avert it. Am I wrong in my judgment about you?

The Prime Minister: I have had a number of questions now about "What happens if?" What I am saying is very simple. My focus is on the vote that takes place on 11 December, because I have negotiated what I believe truly to be a good deal for the UK, and a deal that delivers on the vote.

Q62 **Yvette Cooper:** Okay. I understand all that; I was asking you about the kind of person that I think you are, but let me go on to the specifics of the deal. Can you confirm that we do not have access agreed to the SIS II database or the ECRIS database in the political declaration?

The Prime Minister: We do not have the SIS II database and the ECRIS database specifically identified in the political declaration—

Q63 **Yvette Cooper:** And you pushed for those as well.

The Prime Minister: What we do have is reference to exchange of information on wanted or missing persons and objects and of criminal records, which of course are what SIS II and ECRIS cover.

Q64 **Yvette Cooper:** But you have tried to get the specific reference. You have got reference to Prüm and you have got reference to PNR, so you have achieved some access to some specific things. You have not got access to those other things, but your security assessment assumes that you have. That is not being straight with people about the risks to security of what you have currently got in your political declaration and in your agreement.

The Prime Minister: What the political declaration makes clear is that the nature of the access on that data exchange will be part of the future negotiations, but it is with a view to delivering capabilities that, in so far as it is technically and legal possible and the parties consider it necessary and in both parties' interests, approximate to those enabled by—

Q65 **Yvette Cooper:** But it does not say SIS II.

The Prime Minister: This is about whether or not we have the capability or whether or not we are in a specific measure.

Q66 **Yvette Cooper:** You are still flannelling around this. You have not got



HOUSE OF COMMONS

agreement to it, and it is a risk. You know how important it is. Let me ask you specifically about borders and customs. When you say at paragraph 23 that you are going to “build and improve on the single customs territory”, does that mean alignment to the common external tariff?

The Prime Minister: No, because it makes it absolutely clear that it is “in line with the Parties’ objectives and principles above”, which includes us being able to have an independent trade policy.

Q67 **Yvette Cooper:** Okay, so if we do not have alignment to the common external tariff, why did you tell Parliament on Monday that we have an agreement to no rules of origin checks?

The Prime Minister: If you look within the text of the political declaration, you will see—I am just finding the—

Q68 **Yvette Cooper:** It is paragraph 23. What it says is “build and improve on the single customs territory provided for in the Withdrawal Agreement”—which includes alignment to the common external tariff—“which obviates the need for checks on rules of origin.” So your reference to the checks on rules of origin is only in the context of the single customs territory, which includes alignment to the common external tariff.

The Prime Minister: No. It is wrong to assume that the only way to obviate the need for rules of origin checks is for the United Kingdom to be only able to apply the common external tariff. That is not the case.

Q69 **Yvette Cooper:** What is the other way?

The Prime Minister: The Government published a White Paper in July that showed another way of doing this.

Q70 **Yvette Cooper:** So you have gone back to the Chequers agreement. This is the max fac or the customs partnership stuff that we know the EU has rejected.

The Prime Minister: No. One of the key elements of the political declaration is that the European Union did start off from the position of saying that there were no arrangements that would be available to the United Kingdom other than what has come to be known in shorthand as the Norway model or the Canada model—Canada only for GB. In fact, what they have now accepted is that the United Kingdom will have a different relationship with the European Union—an unprecedented relationship with the European Union, because we will not just be any third country. That means that we are looking for an ambition in our customs arrangement, which is set out within the political declaration. It is made very clear in this political declaration.

Q71 **Yvette Cooper:** Yes, but you are still only on ambition. Your problem is you are trying to say to some people that you are going to get frictionless trade, and you are going to be pretty close to Norway. You are trying to say to other people you are going to be pretty close to Canada and you are going to have an independent trade policy. Actually, you haven’t got agreement to any of those, and in your head you are just resting on



HOUSE OF COMMONS

Chequers and your max fac thing, which has already been rejected. Once again, you are just not being straight with people.

Isn't your real problem here that because you haven't got agreement to any of this, because it is still a spectrum, as your own documents say, actually you are really saying to people, "Trust me; I will sort it out in the second phase," but because you are not being straight with people on any of these things—on SIS II, on whether or not we are going to be poorer, on whether or not we are going to have rules of origin checks—you are not able to build up that trust?

The Prime Minister: First of all, you said that none of what I had said had been agreed and was in the political declaration, including the fact that we will have an independent trade policy. It is specifically referenced in the political declaration. It was important for the United Kingdom that we got that reference into the political declaration, and that the European Union accepts that we will have an independent trade policy outside of the European Union. Obviously, there has been a lot of talk about whether it would be better to stay in the customs union, which of course would not enable us to have that independent trade policy. As you say, one of the two models that the European Union originally started off thinking that we would need to have would have required that. It would also not have ended free movement.

Q72 **Yvette Cooper:** But the trouble is that you haven't got any of this pinned down.

The Prime Minister: I was clear about the fact in relation to frictionless—absolutely frictionless as opposed to as near frictionless as possible—but what we have got in this political declaration is agreement in relation to no tariffs, fees, charges or quantitative restrictions across all sectors. What is also clear in this is that the next stage gives effect to this relationship.

Yvette Cooper: Prime Minister, I don't think you are adding anything. I think it is Tom Tugendhat's turn.

Q73 **Tom Tugendhat:** Prime Minister, thank you very much for your points so far. I recognise your unwillingness to predict a questionable future. Could we at least look at a certain past, and ask: what have you learned from these negotiations, given that we are now only about half way through anyway?

The Prime Minister: I am not sure it is something I have learned specifically from these negotiations, because obviously I was involved in certain negotiations with the EU when I was Home Secretary. I think what has been reinforced by these negotiations is that actually if we are rigorous and robust in our defence of our position, then we can change the view in the European Union. I think one of the best examples of that is what I have just been talking about. They started off saying that there could only be Norway, or Canada for GB, but actually now they have accepted an ambitious customs relationship—a trade relationship that is beyond anything that any other advanced economy has with them.

Q74 **Tom Tugendhat:** You have made that point before, and it is noticeable



HOUSE OF COMMONS

that they have moved on some areas. Surely, having conducted some of the most complex negotiations this country has conducted in peacetime, there are some things that you would do differently were you to be in 2016 today.

The Prime Minister: As I say, I think if you look at the negotiations, the lesson that can be taken from it is—sometimes people look at negotiations as great theatre pieces, but I think what we have seen from the work that has been done is that actually the way that you get through and the way that you get change is through patient and painstaking argument on the issues, and on the detail of the issues.

Q75 **Tom Tugendhat:** I would certainly agree with you that the detail is the fundament of what you are arguing, hence the 585 pages that we have all had the privilege to read over the last few weeks, but surely some of this is to do with the structure as well. There must be some elements of the structure that you may feel that you wish to do differently. For example, that fact that David Davis appears to have only been in Brussels for a few days to negotiate with Barnier does rather question whether or not a Brexit Department was the right way to go, or whether it would have been better to bring the levers of foreign influence under the Foreign Office, or indeed under you, through the Cabinet Office.

The Prime Minister: I think it was absolutely right to set up the Department for Exiting the European Union, because there are a number of functions that that Department is undertaking. Crucially, one of the things the Department has been doing is looking at the preparedness for all scenarios—preparedness for a deal and preparedness for no deal. That has been led by that Department. Of course, negotiations were always going to be across Government. There have been other Departments involved in negotiations where an issue has been specific to those Departments. It was never the case in these negotiations, and it will not be in the future negotiations, that it was just one person against one person. Actually, it takes a lot of workstreams and a lot of people across Departments being involved in it.

Q76 **Tom Tugendhat:** The reason I ask is because there were a few moments that have, frankly, left me somewhat surprised. Certainly, seeing you walking out of the meeting in Salzburg—to see the Prime Minister of the United Kingdom surprised at the outcome of one of the most important talks that has been conducted on behalf of this nation raised certain questions as to whether the Foreign Office had prepared its advice properly, whether the advice had been fed through properly and whether it had been fully taken on board. The permanent under-secretary, Sir Simon McDonald, said to our Committee the other day that the advice had been prepared properly, so why were you apparently surprised by the reaction of the European leaders? Does this suggest that there is a better way of co-ordinating for the next stage of the talks?

The Prime Minister: Certainly, I have no complaint with the advice that was given by the Foreign Office or by all the others that were involved in this. All I would say is that there are sometimes moments in these



HOUSE OF COMMONS

negotiations where a particular position is taken. In any negotiation, either side, when the other side takes a position, has a decision to take as to how to react to that, and I felt it was right to react in the way that I did.

- Q77 **Tom Tugendhat:** The Brexit Department clearly has a very different role today from the one envisaged when it was set up. It is now, in reality, the Department for no deal. Does that mean you will be looking to change some of the civil servants from diplomats involved in trade negotiations to home affairs, health, transport and others more involved in domestic policy, to focus on preparing the United Kingdom for a no deal rather than preparing us for the negotiations?

The Prime Minister: Yes, DExEU does have a role in preparing for no deal, but it also has a role in preparing for a deal. But it is not the case that you need all the expertise in DExEU. They have been bringing civil servants from across Departments with particular areas of expertise into DExEU to deal with these issues. Obviously, it works with other Departments as well. If you look at a Department like DEFRA, because they are the Department probably most affected in legislative terms, in terms of the number of pieces of legislation with the EU, they have obviously been doing a lot of the work involved in preparedness. DExEU has an overall responsibility for that in ensuring that the cross-governmental activity is undertaken in a way that works and also that the work of one Department is not inadvertently affecting the work of another Department.

- Q78 **Tom Tugendhat:** Can I, finally, clarify something? Despite the fact that we have gone through the most complex divorce talks that any country has been through and despite the fact that we are about to enter the most complex marriage negotiations through this free trade agreement that we are hoping to negotiate with the European Union, there is no stage at which you would wish to change either the yenta or the structure in which the marriage broker organises herself.

The Prime Minister: I am not sure that a remarriage is the correct analogy for the relationship that there will be in the future. We will be very good friends and working closely together.

- Q79 **Tom Tugendhat:** Friends with benefits?

The Prime Minister: I missed your quip; I'm sorry.

Tom Tugendhat: Friends with benefits, Prime Minister.

The Prime Minister: As we go through this process we will continue to look at this, as we have been doing. As you probably know, we made some changes over the summer to the relative roles of DExEU and the Cabinet Office, so throughout this process we have looked to make sure that we have the right people in the right place, with the right ministerial responsibilities and so forth, for the task in hand.

Chair: On that happy note, we will move on to transport, science and health, starting with Norman Lamb.



HOUSE OF COMMONS

Q80 **Norman Lamb:** Can you just confirm that we will definitely have the immigration White Paper published before the meaningful vote on 11 December?

The Prime Minister: There is still discussion ongoing as to the timing of the immigration White Paper.

Q81 **Norman Lamb:** But do you see that it is really important that it is published before the meaningful vote, and can you guarantee that that will happen? You're expecting people to vote for your deal, bearing in mind the political declaration. Surely we need to know what you have in mind for the immigration rules of this country before we vote on 11 December.

The Prime Minister: We have obviously set out the outline of the immigration rules that we are going to have in the future, but our immigration policy is a separate policy decision from the nature of the deal—

Q82 **Norman Lamb:** Sure. But will we have it before the vote?

The Prime Minister: As I say, we are still in discussion as to the date when the immigration White Paper will be published.

Q83 **Norman Lamb:** It seems to me to be an extraordinary position. Do you accept what the science community says: that access to the best people is, in a sense, their most important priority in these negotiations? Will you guarantee that no obstacles will be put in the way of recruiting the best people from the EU and, indeed, the rest of the world?

The Prime Minister: I would hope that the science community will see the benefit of moving to an immigration system that is skills-based, which is obviously—

Q84 **Norman Lamb:** With no obstacles in the way, compared with what they have at the moment. This is really important for them.

The Prime Minister: I'm not entirely clear what sort of obstacles you think they have at the moment which will get in the way—

Q85 **Norman Lamb:** If the same rules as apply to the rest of the world applied to the EU, there would be enormous obstacles in the way. They need to be able to recruit the best people without bureaucratic obstacles placed in the way.

The Prime Minister: There will always be a process for people to access—

Q86 **Norman Lamb:** So it will be more difficult than it is at the moment.

The Prime Minister: No, I didn't say that.

Q87 **Norman Lamb:** At the moment, they can recruit from within the EU without any obstacles. That will be more difficult.

The Prime Minister: No. Obviously, if we are looking at an immigration system that is across the whole of the world and is skills-based, it will be



HOUSE OF COMMONS

necessary for there to be a process for people to go through when they are recruiting someone from whatever part of the world they are recruiting from.

Q88 **Norman Lamb:** But you see how important it is for that to be as simple as possible.

The Prime Minister: Yes.

Q89 **Norman Lamb:** You have talked about a far-reaching science and innovation pact, and subsequently an accord, but it is not referred to specifically in the political declaration. Can you confirm that it is still your intention to negotiate that far-reaching accord? That is really important.

The Prime Minister: If you look back to the speech I first gave in Lancaster House, you will see that science—

Norman Lamb: Yes, that is when you mentioned it, but it is not in the political declaration.

The Prime Minister: Science and innovation were one of the areas where we do want to ensure that we continue to have that good relationship. Whether that is referenced in an accord or we ensure that good relationship in some other form, it is one of the issues that we will be taking forward.

Q90 **Norman Lamb:** But can you confirm absolutely that we will be part of Horizon Europe, the funding system?

The Prime Minister: As I understand it, it is possible for third countries to be part of Horizon—

Norman Lamb: It is, but—

The Prime Minister: What the political declaration makes clear is that we haven't negotiated the specific terms on which it would be possible—

Q91 **Norman Lamb:** So you cannot say now whether we will be part of it or not. This uncertainty is really damaging. They need to know whether they will be part of this vital funding system for science.

The Prime Minister: What we need to look at, when we come to the legal text and the negotiations on it, is the terms on which being part of that would be possible for the United Kingdom, whether those would be—

Q92 **Norman Lamb:** But what is the timescale? How long will this take?

The Prime Minister: Whether those would be within arrangements that are currently for a third country, or whether those would be different for the United Kingdom.

Q93 **Norman Lamb:** So there is no detail on when this will be agreed, or when we will know whether we will be part of Horizon Europe.

The Prime Minister: It will be part of the negotiations that will be taking place on the legal text. Elements of preparatory work will be done before



HOUSE OF COMMONS

29 March. The legal text cannot be determined and agreed until after 29 March.

- Q94 **Norman Lamb:** On the European Medicines Agency, Jeremy Hunt, when he was Health Secretary, said: “We will continue to work very closely with the EMA”, but the political declaration states that we “will also explore the possibility of cooperation...with...agencies such as the...EMA”. That is much looser. Will you give any indication as to whether it is your intention for us to be part of the EMA or very closely aligned to it?

The Prime Minister: What we want to do is to negotiate a relationship that ensures that we are able to operate in relation to the EMA in a way that is suitable for the United Kingdom for the future—

- Q95 **Norman Lamb:** But is it your intention?

The Prime Minister: The EMA does not have third-country examples of membership, unlike EASA, which does. There is a model in EASA that we believe could be the basis for a model for the EMA. That will be part of the negotiations. Exactly what that relationship is—whether it is that sort of third-country membership, or some other form of access in legal form—is the discussion that still has to take place.

- Q96 **Norman Lamb:** I think a lot of people will be worried that, in all of this, there seems to be complete uncertainty, with no indication as to when we will know what the deal will be.

The Prime Minister: It was always going to be the case that the legal text could not be agreed and determined until we had left the European Union. That is the case and was always going to be the case. What we have in the political declaration is a set of instructions, if you like, to the negotiators for the future, to put into place and give effect to what is in the political declaration. What I am saying to you is that the precise form in which that relationship takes place is one that will be part of the next set of negotiations.

- Q97 **Chair:** Thank you. We will move on to Lilian Greenwood.

- Q98 **Lilian Greenwood:** Good morning, Prime Minister. While we want to focus primarily on contingency planning, I want to clarify a point that you have just referred to. In July, you told us that you wanted the UK to continue to participate in the European Aviation Safety Agency as a non-EU member state. The political declaration refers only to “close cooperation” between the Civil Aviation Authority and EASA. Can you explain the reason for that discrepancy?

The Prime Minister: Yes; it is because the precise nature and legal form of our co-operation and relationship with EASA is something that will be agreed and negotiated when the legal text is put together in the next stage of the negotiations. As I say, it was always going to be the case that the legal text would be negotiated after we left the European Union.

- Q99 **Lilian Greenwood:** The then chief executive of the CAA told the Transport Committee in very emphatic terms that “full membership” was



HOUSE OF COMMONS

“the right thing to do, if at all possible”. When you produced the political declaration, did you not listen to the regulator and the industry, or have the negotiations failed to include the ambition of full membership for the UK?

The Prime Minister: No, we have agreed that the form of the co-operation that the CAA will have with EASA will be a close co-operation that will ensure high standards of aviation safety. The question is exactly what the legal arrangements will be. That is a matter for the next phase of negotiations. What is important in a number of these areas is that we can look at this in terms of either maintaining the exact structures that exist today or maintaining the capabilities that exist today. Sometimes it is possible to maintain capabilities, but in a different way from the exact structures that exist today.

Q100 **Lilian Greenwood:** I am not sure that I am quite clear. Is it still your ambition for the UK to be a full member of EASA, as recommended by everyone in the aviation industry, including the UK regulator?

The Prime Minister: It continues to be our intention to argue for the closest possible relationship with EASA—that would be membership of EASA—in the interests of aviation safety. What I am saying is that a number of areas have been referenced—I am not saying that this is one of them—where membership or a particular relationship is not identified in the political declaration. There will be areas where the question will be, “How do we ensure that the capabilities that are required can be maintained in the future?”

Q101 **Lilian Greenwood:** I think that there is a huge difference between us being members and us having close co-operation. The chief executive of the CAA was very clear that if we are not able to have membership, which he described as a worst-case scenario, we might have to develop an EASA-compliant regime. Would that not make us rule takers rather than being a really important and influential voice at the table, as we are now?

The Prime Minister: We want to continue to ensure that we are able to have that influential voice. As I say, the legal form that our relationship takes in future will be one that has to be negotiated after we have left the EU.

Q102 **Lilian Greenwood:** I think some of my constituents would like Brexit to be over and done with. Would they not be right to understand that, no matter what happens on 11 December, it will not be? Even if your deal is successfully ratified by Parliament—and we know what the mathematics are—Brexit will not be over and done with, because there will be at least another two years of ongoing negotiations about EASA and a whole range of other things. Is it not important that the public know that?

The Prime Minister: There will be ongoing negotiations, but we will have left the European Union. We will no longer be a member of the European Union, because we will cease to be a member of the European Union on 29 March next year.



HOUSE OF COMMONS

Q103 **Lilian Greenwood:** I think it is important that they understand that, even if that happens, it will not be the end of discussions about Brexit because, as you have acknowledged, there are many important matters that are not secure.

The Prime Minister: The negotiations on the legal text of that future relationship cannot take place until we are no longer a member of the European Union, so we will be continuing to negotiate on those matters, but we will not be a member of the European Union.

Q104 **Lilian Greenwood:** So we would be out without the leverage to negotiate what we want?

The Prime Minister: No, we will be out, but we will be negotiating on the basis of a political declaration that has set out clearly what we want.

Q105 **Lilian Greenwood:** Apart from the fact that it does not actually say anything about membership of a very important European safety agency that has huge implications for our aviation and aerospace sectors.

The Prime Minister: What it does is to recognise that we will continue to have a relationship in order to ensure high standards of aviation safety. That is what I think the public will want to know: that we are going to be able to continue to ensure aviation safety.

Q106 **Lilian Greenwood:** Turning to contingency, in July the National Audit Office said that the Department for Transport faces a “considerable challenge” in preparing for Brexit, and yesterday the Public Accounts Committee said there is a real risk that the Department for Transport will not be ready in the event of the UK departing the EU without a negotiated deal. Why is the Department for Transport not ready?

The Prime Minister: The Department for Transport has been putting a number of elements of preparation in place. It is one of the Departments that has had legislation going through the House, for example, in preparation for all scenarios.

Q107 **Lilian Greenwood:** But we have heard that they are not ready. How will you make sure that that Department—and, indeed, all others—is brought back on track?

The Prime Minister: The work that the Secretary of State for Exiting the European Union is doing is bringing together the Departments and looking at the preparedness. This is looked at constantly—both preparedness for a deal and preparedness for no deal. As I say, there have been various elements of the preparations that have needed to be put in place, including elements in relation to Parliament.

Lilian Greenwood: We remain concerned that time is ticking and things are not ready.

Q108 **Chair:** Prime Minister, can I ask: are you concerned about the scale of the challenges that will face the NHS, and most importantly patients, in the event that we crash out with no deal and no transition in 120 days?



HOUSE OF COMMONS

The Prime Minister: As you know, Chairman, I am presenting a good deal to Parliament, which I hope that Parliament will recognise as a good deal and will understand that, but the Department—

Q109 **Chair:** I just wanted to come back to my opening comments that, given the parliamentary arithmetic, it looks increasingly likely that we could crash out with no deal. Given the scale of the consequences for patients—we are looking at supplies of critical medicines, medical products and devices and many things that cannot be stockpiled, for example because they have a very short shelf life, or complex biologicals—there are so many patients who will face very serious disruption to essential supplies and medicines. Is that keeping you awake at night?

The Prime Minister: The Department of Health and Social Care is obviously doing a lot of work in this area and it is looking at what is necessary, were it the circumstances of a no deal. Of course, the way to ensure that we get a good deal and that we are able to see that smooth and orderly exit from the European Union when we leave on 29 March next year is to ratify the deal that the Government have negotiated with the European Union.

Q110 **Chair:** Can I just take you back to the point that Yvette Cooper made earlier? Could any responsible Government allow the scale of chaos that would ensue if we had no deal and no transition? Could any responsible Government allow that? Could you allow that to happen, Prime Minister?

The Prime Minister: The role of a responsible Government in these circumstances is to ensure that the Government are prepared for all scenarios that develop and to ensure that, where there are potential difficulties, those are mitigated to the greatest extent possible. That is the work that is being done by DExEU and by Departments across Government in relation to this issue.

Q111 **Chair:** I accept that contingency planning is now happening to try to mitigate it, but would you accept that there would still be serious consequences for patients if we were to leave with no deal? Could you allow that to happen?

The Prime Minister: The Department of Health and Social Care is putting in place arrangements to ensure that, in those circumstances, it would still be possible for people to access the medicines that are required.

Q112 **Chair:** But do you accept that that would not happen for everybody, and that, even with good contingency planning, which is happening rather belatedly, there would be patients who would be seriously impacted by shortages of essential supplies of medicines and devices?

The Prime Minister: The whole point of the work that the DHSC is doing is to ensure that those medicines and devices are available in all circumstances.

Q113 **Chair:** If they advise you that all medicines and devices will not be available, and you receive advice that there will be disruption, in spite of careful planning, will you give us your assurance that you would not allow



HOUSE OF COMMONS

us to crash out with no deal if it would cause serious disruption to patients?

The Prime Minister: The decision that is going to be taken on 11 December by Members of the House of Commons is pertinent in relation to this. That decision will be about whether to accept a deal, which is a good deal for the United Kingdom and enables that smooth and orderly exit. A point that is little focused on but is particularly relevant in relation to these matters is that the withdrawal agreement, of course, sets up the implementation period. It is that implementation period that allows that orderly exit from the European Union.

Q114 **Chair:** Right, but I am afraid that the parliamentary arithmetic is such that it looks as if that deal is not going to pass the Commons. In your letter to the nation, you refer to the £394 million a week to the NHS. Could you confirm that that £394 million a week would happen whatever happens on 11 December? If we have no Brexit or, indeed, if we have your future arrangements, would we still have that £394 million a week?

The Prime Minister: The Government have made a commitment to the national health service and to the funding of the national health service. We set that out in the Budget in October. What I am working for— If anybody is concerned about these matters, this is another reason for focusing on the deal that is being negotiated with the European Union, and—

Q115 **Chair:** Could I just stop you there, Prime Minister? My question was about whether that spending would happen, irrespective of the deal. Is that promise still in place?

The Prime Minister: We have made that commitment to the national health service. In relation to all the other matters that you are talking about, this is a point of focus on 11 December, when Members of Parliament will be—

Q116 **Chair:** Are you saying to me that it won't happen? Is this a threat to Members of Parliament that we won't have it?

The Prime Minister: No.

Q117 **Chair:** So it will happen irrespective of the deal? That was my question.

The Prime Minister: I have said that we have made a commitment to the national health service. We made that because we believe that it is right for the national health service. You raised a number of other issues in your questions, and I come back to the point that those are exactly the sort of issues that Members may be thinking about when they are looking at the— we have a decision on 11 December about whether to deliver on the vote of the British people in a way that protects jobs, our economy and livelihoods, and allows a smooth and orderly exit from the EU, or not.

Q118 **Chair:** Coming back to that letter to the nation, you have written to the nation and you are now traveling around the country. Why won't you now ask them if this is the Brexit that they voted for? Is this what they meant



HOUSE OF COMMONS

by Brexit?

The Prime Minister: I think you are aware, Chairman, of my position in relation to the question of the second referendum. If I may, there are several aspects to this. Parliament overwhelmingly gave the vote to the British people as to whether or not to leave the European Union. I believe that it is a matter of the issue of the integrity of politicians and people's trust in politicians that we actually deliver on that vote.

There were many people who came to democracy—who voted in that election, who had not voted before—and whose views about democracy would, I think, be severely damaged if they felt that politicians just said, "No, we did not like the answer you gave, so why don't you have another look?" That is the first point I make. I think it is important for our democracy that we deliver on the vote that people took in 2016.

But actually, if you look at the practicalities of this issue, it is clear that any second referendum that would be held, if that were the case, would not be able to be held by 29 March next year. We would be leaving on 29 March next year, and so what would be the circumstance?

Q119 **Chair:** You would have to extend article 50.

The Prime Minister: You would have to extend article 50.

Chair: To allow for a referendum, which the European Union has indicated it would be happy to do.

The Prime Minister: There is a paradox here. If you extend article 50, you are then in the business of renegotiating the deal. This is the point: the deal is the deal at this point in time, and people look at the deal. Setting aside any concerns I have about extending article 50, actually, not delivering on the vote of the British people—that is my fundamental concern about all these suggestions of a second referendum, or going back to the people with a vote in some form. People voted to leave the European Union. It is our duty to deliver that for people.

Q120 **Chair:** Right, but my understanding is that article 50 could be extended to allow for a referendum on your deal. It would not negate your deal; it would not cancel the deal. It would just allow the people to give you their verdict on whether this is what they meant by Brexit.

The Prime Minister: No. First of all, my point about democracy still stands. I think it is absolutely important that we deliver on the vote the people gave, having given overwhelmingly—this Parliament gave people that vote, and I really believe that we should deliver on that. But, no, what is clear is that any extension to article 50—anything like that—re-opens the negotiations and re-opens the deal. At that point, frankly, the deal can go in any direction.

Q121 **Chair:** Is that what you have been explicitly told? I am sorry, I must move on in a minute to other colleagues, but that is a really important point. Have you been told by the European Union that you would have to re-open negotiations were you to hold a referendum based on your deal



HOUSE OF COMMONS

to ask the British people whether this is what they meant by Brexit—whether this is their informed consent?

The Prime Minister: What is very clear, and what has been made clear, is that this is the deal that they have negotiated with the European Union. Any suggestion that that deal might be rejected—I still come back to the point that I think the most important reason why we should not be going down the route of a second referendum is that we asked the British people, they have given us their view, and we should deliver on that view.

There are different views as to how we should deliver on that view, but I believe that we should deliver on it. I believe we owe it to the British people, having given them the choice, to make that choice happen for them.

Q122 **Chair:** I am afraid, in my view, it would be a bit like wheeling someone into the operating theatre based on a consent form they had signed two years ago, without really knowing what the operation was and being able to give proper, valid, informed consent after weighing up the risks and benefits of the actual operation. Would that not be a reasonable point?

The Prime Minister: But another point is that I think, if you were to go down that route, we would simply find ourselves in a period of more uncertainty and more division in this country. Now is the time for this country to come back together and look at our future outside the European Union, not to be encouraging further division.

Chair: I must move on. We are coming on to the constitutional issues next, with Sir Bernard opening.

Q123 **Sir Bernard Jenkin:** Chair, thank you. I am afraid we are going to need an extra five or 10 minutes. I hope that is all right.

The Prime Minister: I will need to check. I have a plane to catch, I am afraid, so I will try to speak quickly.

Sir Bernard Jenkin: Brevity indicates no lack of respect to you, Prime Minister. Just briefly, are you aware of a single pharmaceutical company or supplier that is not able to assure its customers that they will receive their drugs on time if we leave without a deal?

The Prime Minister: I have not been made aware of such a company.

Q124 **Sir Bernard Jenkin:** No, I do not think there is. They are all assuring their customers that they will get their drugs. Of course, the Government were severely criticised after the Brexit vote because there had been no preparation for a leave vote, but on 29 March that will have been two years and nine months ago. Will the Government be prepared to leave on 29 March without a deal, if those are the circumstances?

The Prime Minister: We will be leaving the European Union on 29 March next year.

Q125 **Sir Bernard Jenkin:** And the Government will be fully prepared?



HOUSE OF COMMONS

The Prime Minister: We are putting preparations in place.

Q126 **Sir Bernard Jenkin:** Good. On the forecasts, the Treasury under George Osborne produced forecasts just before the referendum in May 2016 forecasting a collapse in growth and jobs. How accurate were those forecasts?

The Prime Minister: Well, I think we have seen from what has happened that the reaction was rather different from those forecasts. If I may, the analysis that has been put forward by the Government is not a forecast; it is an analysis of the trade impact.

Q127 **Sir Bernard Jenkin:** Yes, and what you said was that the economic analysis does not deal with the decisions the Government might take. That is correct, isn't it?

The Prime Minister: Yes.

Q128 **Sir Bernard Jenkin:** So basically, they're rubbish, aren't they?

The Prime Minister: There is a difference of opinion about the benefit of forecasts, analyses and so forth. The point is that the analysis only looks at certain elements. It does not look at every variable that can affect what happens to our economy in the future. It is the analysis that we said we would bring forward to show the trade impacts of the various scenarios.

Q129 **Sir Bernard Jenkin:** But it is quite something when our own Chancellor and our own Bank of England Governor trash the future of our country as part of a propaganda exercise. That is what is happening, isn't it?

The Prime Minister: That is not what is happening. The Treasury Select Committee has made clear that it wanted analysis from the Government and from the Bank of England, and both of those have been provided. They are different sorts of work. The Bank of England's is a forecast over five years, which as I said earlier does show that there will be a deal dividend from the deal that I have negotiated with the European Union. The Government's analysis is an analysis of the trade impact looking ahead to 15 years, but it does not reflect other actions and other variables that would affect our economy.

Q130 **Sir Bernard Jenkin:** On the question of Cabinet collective responsibility, one of the most contentious bits of the political declaration is article 23, which states: "The economic partnership should...build and improve on the single customs territory provided for in the Withdrawal Agreement". Who authorised officials in Brussels to negotiate on that basis?

The Prime Minister: This is a set of words that have come to take on a meaning that is not the meaning behind those words. What has happened in relation to the concept—

Q131 **Sir Bernard Jenkin:** Who authorised them? That is my only question.

The Prime Minister: The political declaration was agreed by politicians—by Ministers.



HOUSE OF COMMONS

Q132 **Sir Bernard Jenkin:** Who authorised at what time officials to negotiate those words?

The Prime Minister: These were ongoing negotiations that were taking place throughout this political declaration. Right until the point at which it was agreed, there were variations being made. This is a form of words—

Q133 **Sir Bernard Jenkin:** I am asking a “who” question, Prime Minister. Who authorised that?

The Prime Minister: Ultimately, I sat down with European Union leaders and agreed this political declaration.

Q134 **Sir Bernard Jenkin:** Dominic Raab as DExEU Secretary subsequently stated that he only found out about the policy on Tuesday 13 November—the day before your long Cabinet meeting. Why was that?

The Prime Minister: The Cabinet came together on the next day to look at the text that had been in preparation over that whole period of time. Text was changing in a variety of ways over that period of time.

Q135 **Sir Bernard Jenkin:** So it was changed without his knowledge.

The Prime Minister: No, I didn’t say that.

Q136 **Sir Bernard Jenkin:** He did. He said that.

The Prime Minister: This piece of text is something that has been assumed to mean something that it does not mean.

Q137 **Sir Bernard Jenkin:** Regardless of what it means, he clearly thought it was very important.

The Prime Minister: It does matter what this text means, actually. First of all, the single customs territory was something that we were able to achieve in the negotiations. The European Union had started off saying that Northern Ireland should be a separate customs territory from Great Britain. We argued from February through to October that that should not be the case, and we got the agreement on the single customs territory.

What has also lain behind that agreement on the single customs territory is the divisibility of the four freedoms. The divisibility of the four freedoms—or their indivisibility, as the EU would look at it—is one of the issues that has underlain the question as to what sort of trade and customs relationship the United Kingdom could have with the European Union in the future. The fact of the acceptance of the divisibility of the four freedoms in that context is important for our future negotiations.

Q138 **Sir Bernard Jenkin:** That may well all be the case, but the point is that the ministerial code says, “Ministers should take special care in discussing issues which are the responsibility of other Ministers, consulting ministerial colleagues as appropriate.” Why was the DExEU Secretary not consulted on this?

The Prime Minister: The DExEU Secretary was being consulted on an ongoing basis on text that was being developed within the negotiations.



HOUSE OF COMMONS

Q139 **Sir Bernard Jenkin:** But he was deputising for you in these negotiations and you didn't consult him. Why isn't that a breach of the ministerial code?

The Prime Minister: The DExEU Secretary was being consulted, as were other Ministers, on an ongoing basis when the political declaration was being put together.

Sir Bernard Jenkin: But they obviously weren't being consulted. I think I have made my point.

Q140 **Sir William Cash:** Prime Minister, good morning. There is an urgent question, which is taking place right now actually, on the advice of the Attorney General, and the publication of it, and I am going to be asking some questions about that myself now. The ministerial code states that it is of "paramount importance" that all Ministers "give accurate and truthful information to Parliament, correcting any inadvertent error at the earliest opportunity" and that knowingly misleading Parliament leads to resignation. I asked you at the Liaison Committee on 18 July whether you had asked the Law Officers for their opinion on Chequers in good time, beforehand, as required by the code and as a critical legal consideration, as it sets out. You merely replied that, "the Law Officer sits around the Cabinet table" and is thereby consulted, which is clearly not what the code requires.

Yet again, on Monday this week, after you had signed the withdrawal agreement, I asked you a question on your statement: how, this being a treaty—which is what this is—and only a treaty, it can be lawfully compatible with the overriding statutorily expressed repeal of the whole of the European Communities Act 1972, and whether you had sought the legal opinion of the Attorney General on this critical legal consideration in good time before your signature. You did not reply to that question. I ask it again: did you seek his opinion on that issue—and will you publish that advice, as is required by the vote on the Humble Address, and which is directly relevant to compliance with the code and the full critical consideration that this legal matter clearly requires by the Attorney General—before your signature and on the withdrawal agreement and its being laid before the House?

The Prime Minister: Sir William, you asked me this question about the fact that in the European Union (Withdrawal) Act we had repealed the whole of the European Communities Act 1972, and that this was therefore incompatible legally with the withdrawal agreement and the political declaration. It has always been the case that the reason we passed the European Union (Withdrawal) Act in relation to bringing EU law, the *acquis*, into UK law, was to ensure that we had a working statute book when we left the European Union on 29 March 2019. It was always the case that, alongside that, whatever the withdrawal agreement required would be legislated for in Parliament before 29 March 2019—

Sir William Cash: But you can't presume that.

The Prime Minister: So there would be no incompatibility with these two.



HOUSE OF COMMONS

Well, it is up to Parliament whether it accepts—but it was always the case, and it was always made clear, that whatever was in the withdrawal agreement would be legislated for by Parliament, and that that legislation, obviously, would take account, as it would in the implementation period, of the necessity of putting any position into place to continue to enable the smooth function of our laws and the smooth function of that statute book.

Q141 **Sir William Cash:** This is a very unusual situation, in that this withdrawal agreement cuts across an Act of Parliament, which quite clearly overrides a treaty. That is a matter of law and a matter of fact. I do really want you to answer the question. Did you in fact seek the opinion of the Attorney General on those questions and also in relation to the Chequers questions? I am getting no answers to these questions.

The Prime Minister: And you will know that we do not set out when we do or do not seek the opinion of the Law Officers, and we do not publish the full advice of the Law Officers. I answered that point earlier this week.

Sir William Cash: That is despite the Humble Address.

The Prime Minister: We set out in the White Paper legislating for the withdrawal agreement that the withdrawal agreement Bill will make amends to the European Union (Withdrawal) Act to ensure it reflects our commitments under the withdrawal agreement. Obviously, Parliament has the job of scrutinising those provisions when we bring forward the Bill, as it does with all legislation. But it was clear at the time that there was a recognition of the interaction of the withdrawal Act, the repeal of the European Communities Act 1972 and the legislative requirements of any future withdrawal agreement. It was set out to Parliament the process that would take place that related to those. It was very clear, and I have just set it out again.

Q142 **Sir William Cash:** At this moment in time, the treaty is quite clearly inconsistent with the withdrawal Act. I don't think anyone can dispute that.

The Prime Minister: But we were always clear that what was necessary in the treaty, what was necessary in the withdrawal agreement would be put into place—that if amendments were necessary, they would be put into place with the withdrawal agreement Bill.

Q143 **Sir William Cash:** We do not have much more time. I simply say I just don't think you will get that through Parliament in the withdrawal Bill when it comes up. It is inconsistent with the existing repeal of the European Communities Act 1972, which is absolutely axiomatic and absolutely fundamental to our leaving the European Union.

The Prime Minister: The reason we undertook what we did in the European Union (Withdrawal) Act was to ensure that there was no cliff edge in relation to the laws that were operating and that there was a smooth functioning of our laws and our statute book when we cease to be a member of the European Union. It was important to do preparatory work because, for any circumstances of leaving the European Union, it was



HOUSE OF COMMONS

important to have that in place. What you have just said to me is that if Parliament ratifies the withdrawal agreement, Parliament will not agree to put in place the legislative measures necessary to enact that withdrawal agreement.

Q144 **Sir William Cash:** What I am really saying is that the repeal of the European Communities Act 1972 is so fundamental to this entire operation that it is quite inconceivable that, under the withdrawal agreement and subsequent legislation, you will then modify the European Communities Act 1972 and reduce the impact of the Act of Parliament that was already passed on 26 June with Royal Assent.

The Prime Minister: The circumstances in which any amendments are necessary are the circumstances in which we put into place the implementation period, which is there to ensure that there is an orderly exit from the European Union, that we have a transition through to the future relationship, that businesses are able to continue to operate as they do today, and that citizens know where they stand. This is about providing reassurance to businesses and people across our country that this process will be a smooth and orderly one and that they can have that reassurance and that confidence. We recognise that we are leaving the European Union. There is no doubt that we are leaving the European Union. The question is how we do that and if we do that in a way that protects jobs and in a way that ensures that we are able to give people and businesses the reassurance that they need as they are going through this process.

Q145 **Sir William Cash:** I am not sure that many people will be reassured at the idea that the European Communities Act 1972 is going to be played around with in that way, given the fact that, as you quite rightly said, that was a decision taken on the referendum vote itself, but I have to leave it at that.

The Prime Minister: I think people will want the reassurance of knowing that there is protection for their jobs and that, as we leave the European, there will not be the disruption that people have said would be the case if we had not had that implementation period and that transition to the future relationship.

Q146 **Chair:** Sir William, we do have to end there. Prime Minister, thank you very much. I very much hope that you will agree to come back to this Committee should the vote not pass and we are in uncharted waters early in the new year.

The Prime Minister: I think we have arrangements for the number of times I come to the Committee in any year.