



European Union Committee

Uncorrected oral evidence: Brexit: Devolution

Tuesday 14 March 2017

4 pm

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Members present: Lord Boswell of Aynho (The Chairman); Baroness Brown of Cambridge; Baroness Falkner of Margravine; Lord Green of Hurstpierpoint; Lord Jay of Ewelme; Baroness Kennedy of The Shaws; Earl of Kinnoull; Lord Liddle; Baroness Prashar; Lord Selkirk of Douglas; Baroness Suttie; Lord Trees; Lord Whitty; Baroness Wilcox; Lord Woolmer of Leeds.

Evidence Session No. 12

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Questions 115 - 123

Witness

[I](#): Sammy Wilson MP, Democratic Unionist Party.

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Examination of witness

Sammy Wilson MP.

Q115 **The Chairman:** Welcome, Sammy Wilson MP, to the Committee. I must apologise for keeping you waiting. We know that these are interesting and challenging times for Northern Ireland at the moment. We are very grateful to you for spending the time. This is a public evidence session deriving from and designed to inform our work on the implications of Brexit for devolution and the devolved territories and nations. We want to get as clear a party perspective as we can, and indeed as clear and as representative a perspective as you can give us. Realistically we have about an hour for this session. Unless you want to say anything initially, we will ask some questions, but we can make this as flexible a dialogue as is comfortable for you.

Sammy Wilson MP: I am happy enough to answer whatever question you have. I hope that the responses to those questions will give you a picture of where we stand and the issues that we see affecting Northern Ireland.

The Chairman: Thank you. I will kick off with the first question. You will have seen, as we all have as parliamentarians, the Prime Minister's Lancaster House speech and the subsequent White Paper, which sets out the Government's general approach to the Brexit negotiations. Can you draw out for the Committee the political, economic and legal implications, as you see them, for Northern Ireland of the Brexit model which the British Government are pursuing?

Sammy Wilson MP: First, we welcomed the Prime Minister's speech and the subsequent White Paper, which reflected the party's view on leaving the European Union: that there were many positive aspects in it. I think the tone of the Prime Minister's speech and the White Paper struck the right balance: first, that there are many benefits from leaving the EU but that there are also challenges. It also reflected the kinds of issues that will affect Northern Ireland in particular.

The first thing that pleased us was that the Prime Minister made it quite clear that leaving the EU means leaving the EU. That means that we do not stay part of the single market or the customs union. Of course, staying in them would have massive implications in terms of the amount of interference which the EU could continue to have on the United Kingdom. It would also mean budgetary implications, intrusions by the European Court of Justice, et cetera.

Leaving does create some problems for Northern Ireland in that we have a land border with the Irish Republic, but those issues are no different than they will be for GB. You have the movement of people and goods through ports, for example, where there are going to be some controls et cetera. Maybe the problems are intensified in Northern Ireland, but they are not unique to it either.

I suppose some of the political difficulties are that since Northern Ireland did not vote to leave the EU, the model which the Prime Minister has presented is seen by those who voted to remain as harsher than what they are prepared to accept. We have seen some of the difficulties and political issues which that has caused in recent days, especially with Sinn Féin's attitude towards it during the recent elections.

The Chairman: Thank you. I will invite my colleagues to come in in a moment, but I will first probe two issues arising from what you have said. First, you talked about some of the interference from the EU as seen in Northern Ireland. We will all have personal political perspectives on the referendum, and whatever, that we need not rehearse now. For the record, could you give any indication of issues that have come from the EU that are particularly difficult for Northern Ireland as opposed to the United Kingdom? I am not trying to make a distinction that you may not wish to make; I am just asking how it has tended to play out in Northern Ireland in a way that we might not be so easily aware of in GB.

Secondly, looking at recent events and, as you say, some change in the political weather, is there anything in particular that you attribute to that or that you would like to draw to our attention? We will then draw that out in further questions.

Sammy Wilson MP: The kinds of issues that will impact on Northern Ireland are probably general UK issues anyhow. First of all, there is the budgetary issue. Although many people see Northern Ireland as being recipients of largesse from the European Union, if you count the amount of money that we pay in as opposed to the amount of money that we get out, there is probably a balance at present and we are moving towards a deficit. We have probably paid 30% more into the structural funds than we were getting back out.

So there were financial implications and again just general interference through rules that were inappropriate. I served as Environment Minister in Northern Ireland for about a year and a half. During that period, in the Department of the Environment we saw some of the most inappropriate difficulties that were caused by EU rules—a one-size-fits-all approach, which I suppose you have to have if you are making EU laws.

I remember farmers coming to me around December time, when the slurry tanks were overflowing. There were particular reasons for that; we had not got ahead of building the slurry tanks as a result of the nitrates directive. Rivers were going to be polluted. Yet we were told that we could not possibly spread slurry because there was a deadline of February before it could be spread, even though the land was dry and everything else. Officials told me that if we gave permission to have slurry spread, even though the conditions were good for it, we would be fined. We had to make a decision on that. There are other examples, such as small businesses and the rules on how long lorry drivers could drive for, even if they were making stops to deliver bread to shops. In a small place like Northern Ireland, you might drive for half an hour, stop for 20 minutes,

and drive for another half an hour. Yet the directive that limited the number of hours they could drive for was applied rigidly.

The EU also made it quite clear that it expected us to declare a certain number of areas as areas of special scientific interest. Even though there were good economic reasons for having some development in some of those areas, we could not do it because we were behind in the number of ASSIs that we had designated. There were lots of examples like that of rules that may have made sense in the general European context, but when you tried to apply them to particular regions it was frustrating, it had economic consequences and it created difficulties.

Q116 Baroness Brown of Cambridge: You have talked about some of the benefits that Brexit will bring to Northern Ireland. Are there other areas in which you think it will be particularly positive?

Sammy Wilson MP: There are. One area in which we are particularly hoping that Brexit will bring benefit is trade. Currently, our trade with America and Canada represents about 22% of our exports. Our trade with the two biggest EU countries, France and Germany, represents about 11% of our exports. The Northern Ireland Executive have been particularly successful in breaking into new markets, but that has been limited somewhat by the fact that we do not have trade deals with expanding areas in the world. There are huge opportunities, especially with some of our agricultural products and processed food, which we are hoping to benefit from once we have greater liberation of trade with the expanding markets of the world. That is one area in which we believe Brexit will bring benefits.

The second is greater control of many of our industries and the removal of some of the regulations around agriculture, which I have talked about. By and large, most of the people involved in farming probably voted to leave the EU. Certainly in my constituency there was an overwhelming vote among farmers to leave the EU. One of the reasons they gave was much of the red tape that emanated from Europe, which even the local Assembly, when it saw how nonsensical it was, did not have any ability to change.

Baroness Brown of Cambridge: Do you think that was done under the assumption that there would continue to be UK-based CAP-style support for farmers, not necessarily to be spent on the things that the EU would require but support nevertheless beyond the 2020 deadline?

Sammy Wilson MP: Historically, there has always been support for agriculture in the United Kingdom. During the referendum, promises were made that agricultural support would not change but could be tailored to the needs of the United Kingdom. When you consider that not just in Northern Ireland but across the United Kingdom as a whole there are more people involved in the agri-food industry than in aviation and the motor car industry, of course there will be a strong desire, in whatever Government are in place, to protect the high-quality raw materials that feed that agri-food industry. Looking at it historically and logically, and

from the point of view of the industries that we would want to promote in the future, of course there will be some form of agricultural support.

I do not even believe that the current form of agricultural support is the best way of doing it anyway. We should be looking at how we encourage those who are efficient food producers to continue producing food and at how, in the areas where food production is not efficient, we can ensure that the people who own the land are sufficiently resourced and guided to protect the environment.

Baroness Brown of Cambridge: Would you want Northern Ireland still to be part of some sources of EU funding, such as the Horizon 2020 programme for research in universities?

Sammy Wilson MP: We have two very strong universities in Northern Ireland. It is possible for the UK to remain part of the Horizon programme. The Erasmus programme is another one, involving the exchange of students. That will be a decision that the Government will need to look at. What are the costs of not being in those programmes? What are the benefits of paying to be in the programmes? Leaving the EU does not necessarily mean that we would have to drop out of those programmes. Look at Israel, for example, which continues to pay to be part of the Horizon programme. That will be a judgment on which the Government will have to take a view, looking at whether the costs of being in the programme give us a return that those institutions would want and, for example, that research and development would benefit from.

Baroness Brown of Cambridge: Do you think Brexit was a major issue in the recent Assembly elections?

Sammy Wilson MP: Certainly Sinn Féin made it an issue. It made promises to its electorate that it will not be able to keep: that somehow or other if you changed the composition of the Assembly, you could change the likelihood of Brexit affecting Northern Ireland. I think that many of those people who supported Sinn Féin will be greatly disappointed when they see that despite the fact that its numbers in the Assembly have gone up slightly, that still does not stop the progress towards the United Kingdom leaving the EU.

Ironically, any input that they were going to have into the discussions on the terms and conditions for the exit from the EU and the Northern Ireland issues is now made much more difficult. Without an Executive—I am sure you do not want me to get into a discussion on the likelihood of an Executive being formed—the formal input that we have into those discussions is greatly diluted.

Baroness Brown of Cambridge: Has it reinforced community divisions between unionists and nationalists?

Sammy Wilson MP: I am not so sure that Brexit has reinforced that, because many unionists voted to stay in the EU and, indeed, many

nationalists voted to leave. In my constituency there is a sizeable nationalist population, and many of them expressed to me a desire to leave the EU. Broadly speaking, I suppose, if you look at the pattern of votes, you will see that people tended to follow the lead of the parties they would have naturally supported in an election. It is a big generalisation, but most unionists supported our stance on leaving the EU and most nationalists followed the lead of the SDLP and Sinn Féin in voting to remain in the EU. But there were plenty of examples of cross-voting. Although there is a unionist majority in the electorate in Northern Ireland, that the majority of people voted to stay in the EU indicates that some unionists did not follow our lead.

Baroness Kennedy of The Shaws: I am not sure, Mr Wilson, that you are putting a proper reflection on the voting patterns there were. I want to remind you that 89% of nationalists voted to remain, against 35% of unionists; that some 88% of those who identify as Irish voted to remain and 38% of those who identify as British; and 85% of Catholics against 41% of Protestants voted to remain. So you are right when you say that quite a significant number of Protestants said that they wanted to remain in Europe, but overwhelming numbers of Catholics said they wanted to remain. Very few Catholics said that they wanted to step away from Europe. It saddens me to see the relish with which you are embracing Brexit. It seems to me that this is going to feed into the binary divide that we were getting away from, is it not?

Sammy Wilson MP: There are plenty of ways in which the binary divide in Northern Ireland can be generated. Let me take the figures you have given. All the nationalist parties and politicians—there were no deviations; there was not even the dissent of one individual in either the SDLP or Sinn Féin—were strongly advocating that we remain in the EU. Yet according to your own figures, 11% of the people who would normally have voted for those parties decided to take a different view. So there was some dissent from the views that were expressed by their own leaders.

Within the unionist population you would have expected a greater divide, because there were a number of views. For example, the Ulster Unionist Party was advocating to stay in the EU—or at least most of them were; a minority took the same side that we did. Again, that bears out the view I expressed that most people voted along party-political lines according to the leadership that was given by their politicians. But on the nationalist side, 11%, or one in nine people, did not take that leadership.

Whether or not it reinforced or resurrected some of the divides, it was an issue that the Government in Westminster decided to put to the population.

Baroness Kennedy of The Shaws: And the people of Northern Ireland spoke.

The Chairman: I think that we need to move on from this in a minute.

Sammy Wilson MP: The people of Northern Ireland spoke, but let me emphasise this. We were not asked for a vote on the basis of what the people of Northern Ireland think, what the people of Scotland think, what the people of Wales think and what the people of England think; we were asked what the people of the United Kingdom think. The verdict of the people of the United Kingdom was the guidance that the Government were going to take on this issue. Given that those were the terms of the referendum, we should of course expect to abide by those terms.

The Chairman: We will go on now to Lord Kinnoull, whose question follows on from that.

Q117 **Earl of Kinnoull:** I want to bring the conversation back to asymmetry. There are three areas on which I hope you can help the Committee. The first is a sort of general view about whether you feel that it is at all possible to have differential settlements for each of the segments of the United Kingdom or whether the only viable solution is a uniform one for the UK.

Secondly, following on from that, I have a question on something that Arlene Foster said. She said that Northern Ireland has a "unique set of circumstances" that need to be "taken into account" in the Brexit negotiations. I wondered whether you could help us a bit with what that unique set of circumstances is and how it might be taken into account in the negotiations.

Thirdly, and finally, you yourself sought some assurances from the Secretary of State for Northern Ireland recently that "Northern Ireland will leave the EU on the same basis as the rest of the UK" and that "there will be no special status, separate arrangements or different conditions which would mean that Northern Ireland's position as a part of the UK would be changed". Is there any scope in what you said for taking account of the specific circumstances in Northern Ireland that Arlene Foster mentioned without formalising a "special status"? I realise that "special status" has all sorts of old and not good connotations, so I am sorry for using those words, but it would be helpful to have your thoughts on those areas.

Sammy Wilson MP: The term "special status" has been bandied around by a lot of people who want to have different arrangements for Northern Ireland, so it is not inappropriate to use that terminology. Is it desirable or possible to have different arrangements for different parts of the United Kingdom? We can look at it in a couple of ways. First, the Prime Minister said in her Lancaster House speech and in the White Paper that, as far as she is concerned, we will all be leaving the EU on the same terms. We welcome that.

Secondly, if you were to try to arrange for differential consequences for different parts of the United Kingdom, you would probably find huge resistance from other EU countries. Already, Spain has made it clear that it would not be happy with that. Other EU countries feel the same, because it would encourage some of the separatist movements and the issues that they have within their own countries. I do not think that when

it comes to the negotiations there will be any real desire to allow for those differential arrangements.

Thirdly, as a unionist, I would not see it as desirable, because I believe that it would make a real political difference between Northern Ireland and the rest of the United Kingdom. Lastly, since it was a national decision, it should apply nationally.

However, as you have pointed out and Arlene Foster has pointed out, there are unique circumstances. Leaving the EU will affect Northern Ireland in a different, or perhaps in a more concentrated, way from the ways it will affect other parts of the United Kingdom. But that is not just true of Northern Ireland; it is also true of London, for example. London has a particular set of concerns that perhaps do not affect Northern Ireland. In London, there are the concerns of the City and finance. There is also a high presence of specialist and world-class universities, which are concerned about research and development and the impact that leaving the EU might have on that.

In Northern Ireland, some of the unique circumstances are: first, our land border, which has been highlighted; secondly, the importance of agriculture to our economy; and, thirdly, the dependence—although, as I pointed it, it is not so much the case now—on EU finance, structural funds and community-type programmes. Those can be dealt with, I think, without special status being conferred on Northern Ireland. We have asked the Government to explore those kinds of issues, primarily with the Irish Republic but also in the negotiating position that they will have to adopt with the rest of Europe. Some of the issues, such as agriculture and perhaps some of the infrastructure funding for an area that still suffers from marginalisation because of our position in the United Kingdom, can be dealt with only when we have left the EU, when we can talk about which issues are devolved, how they are devolved and how they are financed.

Earl of Kinnoull: I do not want to interrupt the smooth flow of the argument that you are developing, but I wonder whether I could probe you a bit on agriculture: it is a big subject and just using the word does not help us that much. What aspect of agriculture do you think is a circumstance that needs to be taken into account?

Sammy Wilson MP: As a party, we have not made up our minds on our exact approach. Agriculture is a bigger component of our economy than it is of the economies of many other parts of the United Kingdom. Therefore, agricultural policy, as we touched on earlier, will be important to us. As to the national framework that there will be, how much of the decision-making will be devolved to the Administration in Northern Ireland, how that will be financed and how much liberty the devolved Administration would have in setting rules that may then mean that there is no common policy across the United Kingdom are the kinds of issues that we need to explore with the Government and to which Arlene Foster was referring as being unique and needing to be addressed.

Q118 Baroness Prashar: How would you respond to concerns about the implications of Brexit for the Irish land border and, in particular, the cross-border movement of goods, services and people?

Sammy Wilson MP: The position that we will find ourselves in in relation to the boundary with the Irish Republic is probably no different from the situation that pertains for Norway and Sweden. Norway is outside the EU and the customs union but has a land boundary with Sweden which I think is three or four times longer than the land boundary that we have with the Irish Republic and has about 80 crossing points. The issue of the movement of goods and people has been dealt with in that case. The problem is faced elsewhere and has been dealt with effectively elsewhere.

Secondly, we have been pleased at the effort and time that the Government have put in to discussing this with the Irish Government. We recognise that the Irish Government have as much of an interest in this as the United Kingdom Government have. Good relationships between the two will, we believe, help them to reach a common position. When it comes to negotiations, that will help to persuade the EU of the need to look at some of the solutions that have been suggested.

The third thing that I would point out is that, although the land boundary with the Irish Republic sharpens the issue in Northern Ireland, the movement of goods and people is no different—it affects other parts of the United Kingdom, too. This morning, at the Brexit Committee in the other House, it was significant that one of the points made by the Mayor of London was that the common travel area is perhaps as important to London as it is to us because of the movement of peoples with skills, the number of Irish people who live in London and the need to have that movement. It is not a problem that is unique to Northern Ireland, although it is probably more focused in Northern Ireland.

Baroness Prashar: Are you suggesting that there is sufficient engagement and mutual understanding between London, Belfast and Dublin on this issue?

Sammy Wilson MP: We have been very pleased at the responses that there have been. In the private briefings that we have had with the Brexit Minister it is clear that serious solutions are being looked at, not all of which can be made public. The Irish Government are taking it seriously and our Government are taking it seriously. One of the few things that united all the parties in the Executive was that they, too, wanted to find a workable solution and were prepared to investigate ways of doing that.

When it comes to the movement of people, for example, if the Irish Republic was a vulnerable route into the United Kingdom for people who we did not want here, that would have been seen. Checks are already carried out by the Irish Government at the ports of entry there that enable free movement from the Republic into the United Kingdom. There is no sign that it has become a serious route for illegals coming into the United Kingdom. Some of that co-operation needs to be strengthened, and when it comes to the movement of goods between Northern Ireland

and the Republic, and indeed between Northern Ireland and ports in GB, it is perfectly possible to use the electronic surveillance that is used on the Norway-Sweden border.

Baroness Prashar: The UK Government have asserted that they want to see “as frictionless arrangements as possible” in relation to goods. Do you think there is a recognition that there will be friction?

Sammy Wilson MP: I believe it is possible that we will be able to get a free trade arrangement with the rest of the EU to ensure that no tariffs are imposed, because it is mutually beneficial for us to do that. However, if we are outside the customs union, we may have different arrangements with other parts of the world where tariffs may be different. Where you do have different standards there has to be some checking.

Are we going to have a totally frictionless border? Probably not. Are there models to show that you can still check on and trace the movement of goods and ensure that duty is paid? Yes, there are plenty of examples. Gibraltar is outside the customs union at present, but there is still a massive amount of trade that goes through the free port in Gibraltar into Spain or from Algeciras into Gibraltar without long delays. Again, in evidence to the Brexit committee, the Minister from Gibraltar indicated that very often the delays were more about somebody waking up in Madrid and being in a bad mood and deciding that the border controls were going to be a bit harder that day. We have the same between Switzerland and Germany and France. We also have the same issues of goods having to be checked between Norway and Sweden. All of them allow the free movement of goods without huge delays. As the *Financial Times* showed last week, the maximum delay at the Norway-Sweden border is about 30 minutes on a bad day. If that is as much friction as there is, I think we can live with that.

Lord Jay of Ewelme: You mentioned, as a number of others have, the example of the Norway-Sweden border. I may be wrong about this, but I understand that there are Norwegian security forces on the Swedish side and Swedish forces on the Norwegian side. Is that the sort of thing that would be possible across the border between Northern Ireland and the Republic?

Sammy Wilson MP: I see no reason why it should be. Rather than having two sets of border posts, I do not see why you could not have co-operation on simply checking trade. If that is one of the solutions we look out and one of the outcomes that we eventually come to in order to make the movement as frictionless as possible and not have two sets of checks, we would not be averse to exploring that.

Lord Jay of Ewelme: So do you envisage there being customs posts? That always seemed to me to be one of the things that would be rather dangerous.

Sammy Wilson MP: It would not have to be customs posts. Vehicle number recognition and electronic surveillance are possible. We have that

at the moment. If I drive down to Dublin and do not pay the toll on the road around Dublin, my vehicle number is photographed and a bill is sent to me in Northern Ireland, because there is a free exchange of information between the DVLA in Northern Ireland and the Dublin Government. With the electronic surveillance that there is now, all these things are possible and do not mean that somebody would have to stand in a uniform at the border.

Q119 Lord Green of Hurstpierpoint: Could I ask you to reflect on the political implications of moving from a border that is essentially invisible and frictionless for the movement of goods and people to one that, even with a high degree of electronic surveillance and the mechanisms you have described, would be different from what it is at the moment once Britain has left the EU? To what extent will the symbolic significance of that pose challenges within the Northern Irish social fabric?

Sammy Wilson MP: I do not think it needs to be any more symbolic than the fact that when you drive across the border, suddenly the shape of the road signs and the language on the road signs changes. There is physical evidence of the border still there at present, albeit in a very low-key way. Equally, as I have said, when we cross the border there is electronic surveillance of cars and lorries using the toll roads in the Republic. Those are low-key ways of showing that you are in a different jurisdiction. That has not caused any massive upheaval or dissent, and I cannot see it being different for the low-level surveillance that we are talking about that would be essential to check the movement of goods.

The more important issue is the movement of people. That is entirely possible, simply because of the Irish Government not being part of the Schengen arrangements and having checks on their own ports. Once people come into the Irish Republic, ostensibly they have as much freedom and have as many checks on them as they would if they came into the United Kingdom. Once we come to arrangements for that, the highly divisive issue of the nature of the border would be obliterated.

Lord Green of Hurstpierpoint: On a spectrum between very highly electronic means of surveillance of the movement of goods and people through to physical border posts with truck stops at which all trucks have to stop, in an ideal world you would get as near to the electronic end of the spectrum as possible. You have described very convincingly how much of that can be done. Where are the trigger points for real concern in your mind? Is it the physical border or lorry parks at the border? Is there a point at which you think it becomes dangerous?

Sammy Wilson MP: Again, there is a great deal of talk about it. There are checks on vehicles crossing the border anyway, for security reasons, reasons of animal safety and so on, so those checks do occur. The real problem for political division is whether or not, for their own ends, parties in Northern Ireland decide to wind this up and make issues out of things that do not need to be issues. We saw some evidence of that during the recent election in which Sinn Féin tried to wind up the issue of the border, including referencing the fake border checks going back to the 1950s with

guards standing there in their big coats with their wee boxes. Sinn Féin gave the impression that that is what we would be moving back to. You cannot stop that: if a political party decides to wind up a situation for its own short-term gain, of course it is free to do so. We have to try to ensure that the nature of any checks that are going to take place is understood by everyone realistically.

Baroness Browning: You mentioned the checks at Irish ports. When this Committee visited Dublin we did not get the sense that there was a lot of enthusiasm for that. I wonder whether your discussions with the Irish Government have managed to persuade them that that might be a way forward.

Sammy Wilson MP: The Irish Government have made it very clear that vast numbers of people move between Ireland and GB. We have focused so far on the movement of goods and people between Northern Ireland and the Irish Republic or vice versa. But there are millions of travel journeys every year between the Irish Republic and GB for business, family visits, holidays and a whole range of other reasons. Therefore the Irish Government are concerned about those movements. If that is the price of ensuring that those movements are as frictionless as possible and that the common travel area can stay in place, there will be a willingness to consider how the Irish ports are policed and monitored.

The Irish Government will always have difficulty in saying publicly that they are prepared to do this, for the simple reason that politics is involved and they probably do not want to be seen as agents of the British on this. But they have as much interest in this as we do. Indeed, all the main politicians and parties have expressed that they have as much interest as we do in having free movement. If the price to be paid is more checks and a greater exchange of information between the authorities in the United Kingdom and Ireland, that will happen.

Do not forget that a lot of those checks are done already for people coming from outside the EU. If you come into Dublin from America, you will go through the same checks as you would if you had come into Heathrow from America. For people coming from outside the EU those checks are in place. As Ireland is not part of the Schengen arrangements, there is absolutely no reason why those checks should not be done for people coming from EU countries.

Baroness Browning: If I may just press you, you seem quite confident that the Irish Government will go down that route.

Sammy Wilson MP: Given that millions of people every year move between the Irish Republic and all of the United Kingdom, and given that 40% of Ireland's trade is with the UK, they would be cutting their nose off to spite their face if they did not look at the arrangements that could be put in place. They are publicly committed to working with the UK Government in trying to resolve these issues.

I have to say that we are pleased by the amount of attention which the UK Government have given to this issue. It is raised regularly at the JMC meetings and has been raised with our MPs at Westminster on three occasions by the Brexit committee. The Prime Minister has given assurances in the House. There have been visits by Ministers to Northern Ireland to try to give assurances to the people and parties there. So this will not be put down as a low priority; this has a high priority for the Government. If you put all that together, you come to the conclusion that there is a political will to do something, and I believe that there are technical opportunities to put that into effect.

The Chairman: Thank you. Clearly the Committee should pay attention to what has always been acknowledged as a critical issue. We will need to move on at a slightly faster pace. Perhaps I can ask you to conclude in one sentence this exchange on the border. We heard a lot of evidence in our earlier inquiries about the development of police cross-border understanding in relation to whether people can move across easily, such as for medical services, and some related issues about infrastructure. Do you foresee any problems in at least being able to maintain that active collaboration between the Governments and indeed the Executive in Northern Ireland?

Sammy Wilson MP: None whatever. Indeed, when I was Finance Minister, one initiative that I put money into was a cancer centre at Altnagelvin Area Hospital in Londonderry. That would not have been possible had there not been the co-operation of the Irish Government, because they bought into those services for people living in Donegal in the north-west of Ireland. It made it economical for us to put that service in the north of Northern Ireland. There are good economic reasons for that co-operation, and I see no reason why, because we are not in the EU, government-to-government arrangements should not take place. It saves the public purse money in both jurisdictions.

Q120 **Baroness Kennedy of The Shaws:** I will be brief. The Scottish and Welsh Governments have produced papers on the implications of Brexit. The Northern Ireland Executive have yet to do so. Is there any chance, given that you have now had elections, of such a paper being produced, or are the divisions too deeply set between the parties?

Sammy Wilson MP: The first thing we have to get is an Executive.

Baroness Kennedy of The Shaws: That is right.

Sammy Wilson MP: I am fairly pessimistic as to whether we can get an Executive up and running in the near or medium future. One of my worries is that by default we will not have a Northern Ireland position for the Government to consider. That is one reason why it is important that we explore finding other ways for Northern Ireland to input its concerns into the Government's negotiation position.

Baroness Kennedy of The Shaws: You have expressed satisfaction at the fact that the Government have, in your view, taken things seriously

and met with you a number of times and so on. Would the same thing be said by those who represent the 80-something per cent of the people from the Catholic community who voted to stay in, the 40% of the unionist people who voted to stay in, or even indeed the 30% of your own party who wanted to stay in Europe? The majority of people wanted to stay in. Are they as content with the interaction with the Westminster Government over all this?

Sammy Wilson MP: The issues that we are raising are not unique to the people who voted to leave. They are also, and perhaps more deeply, a concern of people who voted to stay. I do not look upon the kind of issues that I have talked about today as concerning only those who advocated leaving.

Baroness Kennedy of The Shaws: No, but the concern is that, as someone who is very keen on Brexit, you might be giving us a rather positive view and there might be things that we are not hearing, including people's fears of the negative side of leaving. Perhaps the Government need to hear that too.

Sammy Wilson MP: I am sure the Committee is well aware that there are those on the remain side who are advocating, rather like the Scots, that Northern Ireland should be allowed to stay part of the single market and part of the customs union at least, and that Northern Ireland should semi stay in the EU while the rest of the United Kingdom leaves.

The Government have certainly closed the door on those kinds of issues—and in my view rightly so, although probably wrongly so in the view of those who take a different view than I do. Of course there will be people who are dissatisfied with the Government's current stance, because the Government have made it quite clear that the whole of the United Kingdom will leave the single market and will be outside the customs union, and that results in opposition.

Baroness Kennedy of The Shaws: Not having a unified position on what the pros and cons might be might mean that Northern Ireland's position is not heard well by the Government when they come to the negotiating table. Do you have that fear?

Sammy Wilson MP: There are some issues that you will never get a unified position on anyhow. Indeed, the letter, which has been referred to already, that was sent by Arlene Foster and Martin McGuinness to the Government was a distillation of the issues on which we could agree what the concerns were. Those are being addressed, and I think in a reasonable way.

However, there are issues that were not included in that letter and which Sinn Féin would have a different view on than we would, and I suppose it is up to individual parties to make their views known on those particular issues.

The Chairman: And certainly your experience is that the Northern

Ireland Office would, without fear or favour, take account of what you and indeed other counterpart parties might say to them.

Sammy Wilson MP: All the indications that we have had so far are that the Government have been addressing the kinds of issues that were addressed in the letter that was signed jointly by Martin McGuinness and Arlene Foster, although I must emphasise that there were issues on which there could not be agreement and that therefore would not have been included in that letter and will be areas of controversy. Of course, Sinn Féin, the SDLP and others have already said that they would like to see the same position for Northern Ireland as Nicola Sturgeon is arguing for Scotland. The Government have, in my view, ruled that out, because they have said that we will all leave the EU together.

Q121 **Lord Selkirk of Douglas:** I will split my question in two halves. It is basically about the role that you might envisage the Northern Ireland Assembly obtaining in connection with the forthcoming great repeal Bill. Will it need to indicate its assent, and if so how? Which EU competences do you believe should be transferred to the devolved Governments after Brexit?

Sammy Wilson MP: My own view is that the Northern Ireland Assembly will probably not be in place by the time the great repeal Bill comes before the House. Therefore, there will be no input from the Assembly. However, should it require a legislative consent Motion, I see no great difficulty in that being granted, simply because the Bill is writing into UK law all the arrangements that are currently in place, and no one should have any objection to that, especially since many in the Northern Ireland Assembly, not just in my own party but in other parties, have said that they would like to have more of a say in some of the rules and regulations that affect business. The first step to being able to do that is to have the great repeal Bill bring the legislation under UK jurisdiction.

I do not have an answer to the second part of your question about how much of that would come back to the devolved Administrations, for the simple reason that there are so many issues that we have not really had a chance to discuss. If competences were to come back to the Assembly, one of the first questions that people would ask would be, "Will money come along with it", or, "If we want to do something different, will we be required to finance it ourselves?" That will concentrate minds. "What impact would it have if we decided to go a different route from other parts of the United Kingdom? Would that impact on our ability to tap into the UK market? Will it cause difficulties when it comes to standards being affected, or whatever?"

Without having a proper discussion about the implications of those competences coming over, no view has been expressed. It does not need to be dealt with in negotiations. The negotiations are about getting the powers back to the United Kingdom. Then the debates have to happen between Members of this House and the legislative Assemblies about which powers we wish to be taken back and on which terms, what

parameters will be set for the exercise of those powers, and the financial implications of them.

Lord Selkirk of Douglas: You have very kindly answered the questions that I was about to ask, but for the sake of clarity can I run through them, as you may wish to reply to them briefly? Can the devolution of such powers be reconciled with the need to protect the integrity of the UK single market, and is there a case for a shared competence model between the UK and devolved Governments?

Further to that, are any powers currently reserved to the UK Government that you believe should be devolved as a result of Brexit?

Sammy Wilson MP: I suppose we take a much more relaxed view about shared competences between the UK Government and the local Assembly, because we are a unionist party so we do not want as much taken back to Northern Ireland or to have as much independence as possible. Where there are good arguments for shared competences, we would be relaxed about that.

One of our main concerns is that if we took the powers back and had a different regime in Northern Ireland, what impact would that have on the UK-wide market and for our producers in access to that market? Those are all considerations that we would want to look at. But we have no definitive view on that at present, other than that in some cases there might be good arguments for taking the total competency back to the Assembly, in other cases there might be a case for saying, "Leave it at the UK level and don't devolve it", and in others there might be a case for having some kind of sharing.

The Chairman: Now we go to Baroness Falkner, who has a series of little questions to tidy up.

Q122 **Baroness Falkner of Margravine:** Mr Wilson, I have to confess that I am completely confused, because it seems to me that you are extremely satisfied with what the future might look like for Northern Ireland. You have told us over and over again that you do not believe there are specific or special circumstances that need to be taken into account. But as we go around the table you always keep coming back to the need to take different routes for different things. That seems contradictory to me, but never mind that; perhaps I am confusable.

The Chairman: Perhaps we can take note of that.

Baroness Falkner of Margravine: Coming to the relations with the EU institutions and other member states, do you accept that there are specific and special circumstances? Obviously the second part of my question will depend on what you say. If you give a one-word answer, no, we need go no further. But if you do think so, what arrangements do you have for direct engagement with the EU, rather than with the UK Government as in the earlier question? How do you think the implications of Brexit will impact?

Sammy Wilson MP: I do not know why you are confused by my answers, because the situation in Northern Ireland is no different than the situation in many other regions of the United Kingdom, or indeed in many other sectors of the United Kingdom. Each region and each sector will have particular aspects that are more important to them than they would be to other regions or sectors, but that does not mean that you have to have special arrangements for them.

Baroness Falkner of Margravine: Your thinking about that is very evident from where you sit. From where I sit, I see Northern Ireland, from all the evidence that we have taken and everything that we have heard, as being rather different. So let us just accept that. It would be helpful if you could tell us how, if you think you need different arrangements with the EU, you are going to interact with EU member states and institutions as we go forward?

The Chairman: May I just come in on that? My concern is whether the EU institutions and the 26 other member states—we have already spoken about the Republic of Ireland—have got the point that there is a series of issues affecting Northern Ireland that they need to take account of.

Sammy Wilson MP: Because of the involvement over the years of EU officials in Northern Ireland, the EU is well aware of the particular issues that affect it. Will that mean that they are prepared to give special dispensation to Northern Ireland? I think probably not. Where it might help is if an issue is a close call or involves marginal changes that may have a beneficial impact for Northern Ireland, they might be prepared to give the benefit of the doubt in negotiations. But will they be prepared to say, "Northern Ireland is totally different and therefore we should take a totally different approach to it in the negotiations"? I think the answer is no.

The Chairman: I would like to wrap up with a final two-header question from Baroness Suttie and Lord Trees.

Q123 **Baroness Suttie:** Do you think the current mechanisms for interparliamentary dialogue between Westminster and the devolved Assemblies and Parliaments are sufficient to deal with Brexit? Given that you have said that you are pessimistic about a new Executive being formed, do you think that interparliamentary dialogue should play an even more important role during negotiating Brexit for the Northern Ireland Assembly, assuming that it remains in some form or another?

Lord Trees: My question is also about efficiencies. Bearing in mind that the Northern Ireland Assembly has been reduced in size, does it have sufficient capacity to take on additional responsibilities and the competencies to which you referred in answer to an earlier question? If not, what steps need to be taken to ensure that it does?

Sammy Wilson MP: I will take the second question first. I do not think that the capacity of the Northern Ireland Assembly is the issue here; it is the capacity of the Northern Ireland Civil Service. In the past, all the

negotiations on our relationship with the EU have been done by the Government and departments at Westminster. Whether there is the capacity in the Civil Service in Northern Ireland to carry out those functions I am not so sure. There may be some shortcomings there. As far as the Assembly is concerned, its role will be fairly limited anyhow. The expertise, background information and preparation of cases will be done at official level, and there may be difficulties.

Under the current arrangements, there are a number of ways in which things happen. The JMC has met on four occasions. Indeed, on the last occasion we did not have an Executive in place because the Assembly had been dissolved for the election, but an invitation was still sent to Ministers to attend. Every attempt has been made to accommodate at least the attendance of people from Northern Ireland. It seems that a lot of the focus at those meetings has been on the particular Northern Ireland issue of the border. There has also been contact with Ministers.

Until we get into the negotiations, we will not know how well people have listened to the representations that have been made. There seems to be a listening ear at present and an awareness of the issues, but the real test will be whether or not those things are given priority in the negotiations. The ongoing dialogue during negotiations will be important too.

We will probably have to look at some kind of mechanism that does not include Ministers from the Executive. This is the pessimist in me talking, or perhaps the realist. I see all the problems at present even in trying to get talks going, let alone finding common ground and getting an Executive up and running. If the Executive are not in place, there will need to be some formal way in which the positions of people in Northern Ireland are met.

Of course, even if we did get an Executive up and running, they would be deeply divided. As I said in an earlier answer to Baroness Kennedy, there will be fairly important issues on which it will not be possible to reach a common position. The Government will then have the additional difficulty of ensuring that the range of views is heard.

Lord Whitty: I have a Civil Service point. To your knowledge, has any member of the Northern Ireland Civil Service been seconded to the Brexit department?

Sammy Wilson MP: Not that I know of. I know that there is regular contact between the officials in the Brexit department and the relevant departments in Northern Ireland. That input is important. I do not get the impression that the Government would simply ignore "that lot over there". It is more a question of whether, when we get to the negotiations, there is an awareness of the detail of the concerns that need to be addressed. That is where the contact between officials in the Brexit department and officials at Stormont, or Ministers if we get the Executive up and running, will be very important.

The Chairman: Thank you very much, Sammy Wilson MP. We very much appreciate your attendance and the helpful answers you have given us. We will send you a transcript so that you can make any factual corrections. We all know that this will be quite a demanding time for the whole political system and those involved in it. You may feel free, with your colleagues, to continue to keep in touch with us. We would appreciate that. For this afternoon, we would like to register our thanks and close this formal public evidence session.