

Exiting the European Union Committee

Oral evidence: The progress of the UK's negotiations on EU withdrawal, HC 372

Wednesday 9 January 2019

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Members present: Hilary Benn (Chair); Joanna Cherry; Sir Christopher Chope; Stephen Crabb; Mr Jonathan Djanogly; Peter Grant; Wera Hobhouse; Andrea Jenkyns; Stephen Kinnock; Jeremy Lefroy; Mr Pat McFadden; Mr Jacob Rees-Mogg; Emma Reynolds; Stephen Timms; Mr John Whittingdale; Hywel Williams; Sammy Wilson.

Questions 3551 - 3736

Witness

I: Chris Heaton-Harris MP, Parliamentary Under Secretary of State for Exiting the European Union.

Examination of witness

Witness: Chris Heaton-Harris.

Q3551 **Chair:** First of all, happy new year to you, Minister. Thank you very much for agreeing to appear before the Committee today. This is your first appearance; it may well not be the last. You are very welcome. As I am sure you can imagine, we have a lot of ground to cover in the time available, so as succinct answers as possible would greatly assist us. Can I begin by asking you about the Written Statement that is going to be tabled today? It says, "Minister for the Cabinet Office", "EU Exit Update". Do you know when it is going to be available?

Chris Heaton-Harris: I do not know the timing of it, sorry.

Q3552 **Chair:** Is this the Statement that has been trailed? Is that your understanding?

Chris Heaton-Harris: I honestly have no idea what it is.

Chair: You have no idea what it is.

Chris Heaton-Harris: No, I have none at all.

Q3553 **Chair:** Fine, if it becomes available during the session, we might enlighten ourselves as well as you. Now, the Prime Minister has always said that no deal is better than a bad deal. Just to clear this up, the deal that the Government have negotiated is not regarded by the Government as a bad deal, is it? The Government think it is a good deal.

Chris Heaton-Harris: The deal that the Government have negotiated is a very good deal.

Q3554 **Chair:** It is a good deal, in other words. No deal is now worse than the Government deal that has been negotiated. That is correct.

Chris Heaton-Harris: The Government obviously much prefer to have their deal passed, absolutely. The deal is what we want. The deal is preferable. The deal is our priority.

Chair: No deal would be worse than that.

Chris Heaton-Harris: No deal would be a suboptimal outcome.

Q3555 **Chair:** It would be suboptimal, okay. Your own assessment shows that it would do the greatest damage to the economy in terms of forgone growth of any of the potential outcomes. Could you briefly explain to the Committee why the Government have not therefore ruled it out?



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Chris Heaton-Harris: When we all together triggered Article 50 a clock started and the clock runs out on 29 March at 11 pm. If we do not leave with a deal, we leave without a deal.

Chair: The Government are happy to contemplate the kind of damage to the economy and disruption for which a lot of preparation is being made.

Chris Heaton-Harris: The Government are preparing for no deal. We want to get the deal over the line and we would like to persuade Members of this Committee that it is the best route forward and the best deal for the country. It is the only deal that is on offer. Obviously, if there is no deal passed by this House, we would leave the European Union without a deal, so a reasonable Government have to prepare for that eventuality.

Q3556 **Chair:** Would the £39 billion be paid to the EU in the event of leaving with no deal?

Chris Heaton-Harris: Some of it would have to be, because there are legal obligations that we have. We have had thousands of civil servants working in Europe over a long period, so there is lots of pension liability that resides there, but it would be nowhere near the billions of pounds that you quoted.

Q3557 **Chair:** Which bits would not be paid?

Chris Heaton-Harris: We would not be participating in the multiannual financial framework, so I imagine we would not have to pay those chunks. That is a seven-year budget programme that the European Commission runs. We signed up to the last one before the referendum even took place or was even mooted. It runs out at the end of 2020, so you could arguably say we do not have to pay a year and three-quarters of that. The lawyers would have a good look at this and probably come up with us having to pay the debts we are legally obliged to pay, but no more.

Q3558 **Chair:** We are not legally obliged to pay some of the £39 billion—that is what you are telling the Committee—in the event of there being no agreement.

Chris Heaton-Harris: I believe so.

Q3559 **Chair:** You believe so. Has the work been done to divide them up? You say that lawyers would have to look at it, but it is quite an important statement you have just made.

Chris Heaton-Harris: A huge amount of work is being done on the deal and the financial settlement for the deal. Less has been done on the area we are discussing at this time.

Q3560 **Chair:** It would be helpful if you could speedily give the Committee a note about what we would be obliged to pay and what we would not, because it is very significant information you have just given us.



Chris Heaton-Harris: I would be delighted to.

Q3561 **Chair:** Thank you very much indeed. What is your current planning assumption about the extent to which traffic would be delayed at the channel ports in the event of no deal?

Chris Heaton-Harris: The Government have a host of assumptions for this and we have to take into account a host of different factors. I know this Committee is very familiar with the 106 technical notices that the Government produced over the summer, and would have noticed that the thread that runs throughout those technical notices is a thread of continuity for things coming into the country. We do not expect to have any changes for goods coming into the country; we keep the same checks that we have now.

Everyone is aware of what happened in Dover and Kent in 2015, when there were strikes and bad weather, and the traffic problems and chaos that that caused at the time. There has been a lot of concern in the papers and elsewhere about what would happen should the European Commission insist that our French counterparts, first, take no measures at all and just keep the infrastructure that they have in place at Calais at this point, and impose the full third-country checks on a non-member state.

We work on a reasonable worst-case assumption based on all those things, but we are very, very aware and keep constant surveillance of what is going on in France. The French passed their no-deal legislation just before Christmas. On the 18th, France adopted its no-deal legislation in both chambers. Just before that, its European Affairs Minister Nathalie Loiseau said, "We stand ready for a no-deal. The French Government are now preparing the necessary decrees to protect the rights of citizens and maintain fluidity at the border in the event of a no-deal".

The laws I just mentioned give powers. The French have appointed a no-deal co-ordinator. He has powers and is instructed to ensure that flow continues on the French side of the channel. This is important to us, because problems would occur if the French side somehow got bunged up, for want of a better phrase. We have been talking to him at a technical level and he has been briefing businesses that are based in north France that use the short straits to import or export.

Q3562 **Chair:** Minister, the Government must be sufficiently worried to have done the trial queuing system at Manston and to have entered into the three ferry contracts. Are you saying to us that, given the planning that the French Government have put in place, you are more or less worried than you were previously or are you still preparing for the possibility of significant disruption?

Chris Heaton-Harris: Can I just finish on the preparations? What he has been telling businesses on the French side is that there are currently two border checkpoints in Calais, but they expect there to be 10 by 29 March.



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They will build a border inspection post, which is for phytosanitary and animal checks. I believe they already have planning permission for a site south of Calais for consignments on lorries that might not have the correct paperwork to move away the port itself and ensure flow-through. We will watch all this; however, we are a responsible Government. Until we see this being built and coming into operation, we will work on the most reasonable worst-case scenario, which is why we have taken the measures that we have.

Q3563 Chair: The fact that the French have announced they are going to have additional checking points suggests pretty clearly they intend to check things. Does it not?

Chris Heaton-Harris: I believe it might have been in the speech I quoted earlier, if not at an earlier date. Ms Loiseau said, "We are working with the measures taken to put in the customs infrastructures that ensure our controls are the least penalising possible at the entryway to the European territory". She also talked about there being three extra checks at that point. I shall quote bits of this throughout the meeting, the partnership pack that is on the GOV.UK website, in which we detail what those checks are likely to be.

Chair: Any additional time, which is why the Government have taken the contingency arrangements, leads to stuff backing up and that is the problem.

Chris Heaton-Harris: Based on what infrastructure is in Calais now, yes, we would have a problem.

Q3564 Chair: In 2014, there was a debate about whether we should rejoin the European arrest warrant and the Prime Minister said that a decision not to do so "would significantly diminish our power to remove these people, risking our biggest urban areas becoming safe havens for European criminals". If we leave with no deal, we would no longer be part of the European arrest warrant. Is that correct?

Chris Heaton-Harris: Yes, we would have to go back to agreements that we had previously had.

Q3565 Chair: Is it still the Government's view that, in that eventuality, our biggest urban areas would risk becoming safe havens for European criminals?

Chris Heaton-Harris: It is not my view and I have not heard it articulated by anybody else.

Q3566 Chair: The Prime Minister, when she was Home Secretary, said that in 2014. Have the Government's view on that changed?

Chris Heaton-Harris: I have not heard that from the Government since that point.

Chair: You have not.



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Chris Heaton-Harris: So I would say it is not the Government's view that that would be the case.

Chair: You disagree with what the Prime Minister said when she was Home Secretary in 2014.

Chris Heaton-Harris: I would say that that is just not the case any more.

Q3567 **Chair:** That is not the case any more, so what has changed?

Chris Heaton-Harris: We are much further down the line of being prepared for leaving without a deal, and therefore working up the instruments and things that we would need to maintain decent co-operation on security with our European partners.

Q3568 **Chair:** What would be the replacement mechanism for the European arrest warrant that would ensure that our biggest urban areas did not become safe havens for European criminals?

Chris Heaton-Harris: In my lobby briefing, I have a host of different reference points, but essentially we would revert to agreements we have and we would try to negotiate a new security arrangement on a bilateral basis with the European Union itself and with individual countries. We would use Interpol, because we would get the messages that we now receive about individuals using the SIS 2 system on an individual basis through Interpol. There is a host of things we could do; it just would not be as good as the current system we have.

Q3569 **Chair:** In the event of no deal, the Government would need to roll forward the 40 or so trade deals that we are currently party to because we are members of the European Union. Could you tell the Committee how many of those agreements the Government have the consent of the other party to roll forward, in the event of no deal?

Chris Heaton-Harris: I believe, when my Secretary of State appeared before you just before Christmas, there was a conversation about that here. We are party to a large number of EU international agreements through our EU membership, and the EU treaties database carries a hugely long list of them, but not all of these agreements need action as a result of our exit from the European Union. In fact, the majority do not. Some of them have been superseded because they have been amended over time, as the terms have changed or new countries have joined the European Union. For example, the old trade-related agreements for Canada have been superseded by CETA, and there are agreements with countries that have since acceded.

Some are not applicable to the United Kingdom, such as the agreement between the European Union and European microstates regarding the use of the euro and agreements with third countries relating to short-stay visa waivers, which the UK does not participate in. In some instances, we have signed the agreement as a member in our own right, so our



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membership will continue, including for a large number of multilateral agreements, such as the WTO and climate change agreements.

We have been working throughout the last couple of years to identify which agreements are relevant, important and need action. These discussions are well progressed and, in many cases, ongoing. It is difficult to put a precise number on the volume of agreements requiring transition as a result of our exit from the European Union; however, the number of replacement treaties will inevitably be much lower than the full list on the EU treaties database. We will always keep Parliament and stakeholders updated as replacement treaties are put in place but, for example, we have already announced that 10 new EU aviation agreements have been finalised with some of our most important routes and markets, including the US, Canada and Switzerland. We have signed five nuclear agreements that have already passed through parliamentary scrutiny here and we are working on a number of trade agreements in great detail.

These are ongoing negotiations with our partners, very important ones, which involve a great deal of work at the highest level. I am sure you would have noticed that Prime Minister Abe, the Japanese Government leader, is coming at the end of this week and that will be a matter for discussion then. There are a number of multilateral agreements on which we are working towards our own independent membership, including the global procurement agreements, and we have acceded to the common transit convention and the two Hague agreements that I know this Committee has shown interest in previously.

Q3570 Chair: There is obviously a lot of work going on, but I come back to my question: how many of the countries with which we have agreements relating to trade have, to date, said, "Yes, we will roll them forward"? Let us be specific: has Albania agreed to do so?

Chris Heaton-Harris: I have not seen the Albanian agreement. One of the most significant trade agreements that we have rolled forward, for British companies exporting £19 billion worth of goods and services, was the agreement that was announced just before Christmas with the Swiss, the Swiss trade agreement.

Q3571 Chair: I have the Swiss thing, but you cannot say for Albania. What about the Central American association agreement?

Chris Heaton-Harris: Again, it is ongoing.

Q3572 Chair: The discussions are ongoing. What about Chile?

Chris Heaton-Harris: It is ongoing. Most the ones you are about to read out to me are.

Q3573 Chair: If they are ongoing, they have not yet been concluded and that means that they have not yet agreed to roll forward the arrangements. Is that correct?



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Chris Heaton-Harris: The negotiations are ongoing.

Q3574 **Chair:** We have not yet concluded them. We have just over two months to go so, if I read out the whole list, you would say they are ongoing.

Chris Heaton-Harris: Yes.

Chair: With two months to go from a potential no-deal, for a large number of these agreements we do not have an undertaking from the other party to roll them forward.

Chris Heaton-Harris: We are not at the stage when we can initialise agreements and put them on the Floor of the House for the CRAG process to take place.

Q3575 **Chair:** There is not long to go. That was very helpful. Finally from me, what have the 1,000 or so British police officers been trained to do in Northern Ireland in the event of no deal?

Chris Heaton-Harris: Police numbers in Northern Ireland are being trained to do police work in Northern Ireland.

Q3576 **Chair:** What additional work is it expected they might have to do in the event of no deal?

Chris Heaton-Harris: I do not think there is any work they are expected to do in the event of no deal.

Q3577 **Chair:** Why are 1,000 British police officers, as has been reported, being trained to support the Police Service of Northern Ireland in the event of no deal?

Chris Heaton-Harris: A Member of your Committee, who represents a Northern Ireland constituency, might have commented on this, in saying that there is often a rise in police numbers as you head towards marching season.

Joanna Cherry: Did you say "marching season"?

Q3578 **Chair:** I am sorry; did you say "marching season"?

Chris Heaton-Harris: Yes, I did.

Q3579 **Chair:** There was a marching season last year, the year before and the year before that, and it is in July.

Chris Heaton-Harris: I know.

Q3580 **Chair:** I am not aware that there has been a rise in numbers previously. My understanding from the reports I have read was that this is specifically to provide assistance in the event of no deal. Can you confirm whether that is the case?

Chris Heaton-Harris: I do not believe that is the case.

Chair: You do not believe that is the case.



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Chris Heaton-Harris: No.

Q3581 **Wera Hobhouse:** First, earlier you conceded that a no-deal is not what the Government would like to see, because it is not good for the British economy in the short and long term. It is the hands of a responsible Government to make sure that no deal does not happen. How can a responsible Government not rule that out? That is my question. Preparing for something that is going to be bad is not the same as ruling it out, if it is in your gift to rule it out.

Chris Heaton-Harris: A responsible Government prepare for every eventuality. No deal is a possible eventuality.

Wera Hobhouse: The Government have it in their gift to rule out no deal.

Chris Heaton-Harris: But it is something that could happen to this country, based on the fact that we have activated Article 50. It could happen on 29 March. It would be irresponsible not to prepare for it.

Wera Hobhouse: The Government could rule out no deal. A responsible Government could rule it out. It is in your gift.

Chris Heaton-Harris: No, a responsible Government have to prepare for every eventuality. I am afraid I completely disagree with you.

Q3582 **Wera Hobhouse:** Can I come back to the Dover/Calais crossing? Over a year ago now, the Committee met with a representative from the port of Calais and we understood clearly that, while on the Dover side we can have holding stations, in Calais they are not going to make preparations, because, as they simply said, they have a migrant crisis. If there is anywhere that lorries can be stacked, they will have a huge issue with people trying to jump on these lorries, so it is not going to happen. He said quite clearly that, in that case, the port of Calais would close. Have you had similar discussions with them or has this now been resolved?

Chris Heaton-Harris: We have had plenty of discussions at a technical level with various people in Calais. However, as I hope I made clear in my earlier answers, we will prepare for a reasonable worst-case scenario, which is why you saw the testing of traffic flows in Kent earlier this week and why the Government have taken out the ferry contracts that were the subject of an Urgent Question in this place yesterday. We are well aware that the French are doing everything they can to ensure that flow continues there.

Q3583 **Wera Hobhouse:** In the worst-case scenario, the port of Calais will close. Have the Government considered that?

Chris Heaton-Harris: Yes, of course the Government have considered that.

Q3584 **Wera Hobhouse:** If the Government have considered that, what is the alternative to the port of Calais?



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Chris Heaton-Harris: First, this is a problem that has occurred before. What happened in 2015 with the strikes and the bad weather was dramatic. For 20 days the port of Calais was essentially offline. As someone who, pre-politics, used to import fruit and vegetables, and used that route a huge amount to do so, you have to make sure that the business has alternative routes to divert round. They exist. I used the word “suboptimal” earlier, but they are suboptimal. The best thing about the short straits is that it is a quick transition across.

Q3585 **Wera Hobhouse:** The worst-case scenario for which you are planning must be the closure of the port of Calais. What would be the alternative to the port of Calais?

Chris Heaton-Harris: First, I do not expect that to happen and so that is not a reasonable worst-case scenario. That is a worst worst-case scenario. As you have already seen, we have some alternative extra ferry capacity that the Government have purchased, and we have been talking to businesses and working with business sectors on how to use other ports and routes to market in the United Kingdom and out of the United Kingdom into mainland Europe and beyond.

Q3586 **Wera Hobhouse:** What would be the alternatives to the port of Calais on mainland Europe? Have you talked to other countries, Holland, Belgium?

Chris Heaton-Harris: Yes, conversations have taken place with Ostend, Rotterdam and Zeebrugge.

Q3587 **Wera Hobhouse:** Could they pick up the capacity of Calais?

Chris Heaton-Harris: I do not believe they could immediately, although there is a lot of capacity in those ports.

Q3588 **Peter Grant:** Good morning, Minister. You referred to a Member of this Committee suggesting that 1,000 additional police officers for Northern Ireland might be related to the marching season. You do not seriously believe that, do you? You know perfectly well that this is not to do with the marching season, is it?

Chris Heaton-Harris: I do not know why the extra numbers of police are going into Northern Ireland, but it is a regular occurrence that numbers are inflated.

Q3589 **Peter Grant:** It is a fact, is it not, that the additional funding from the Treasury that was included in the Statement shortly before Christmas explicitly referred to the recruitment of additional police officers in Northern Ireland, with no equivalent additional officers needed in the rest of the United Kingdom, specifically to deal with no-deal contingency planning? That is what that Treasury Statement was about, was it not?

Chris Heaton-Harris: If I recall, the Treasury Statement included funding for 390 extra police in Northern Ireland, at the time.

Q3590 **Peter Grant:** Part of your remit is contingency planning for no deal. That



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is correct, is it not?

Chris Heaton-Harris: I do not think the police numbers that you are talking about are related to contingency planning for no deal but, just in case I am incorrect, I will go away, I will check and I will come back to this Committee very quickly. I do not believe so and it has certainly not been included in any briefings around contingencies that I have seen in my ministerial role.

Q3591 **Peter Grant:** When I and some of my colleagues raised the question about freedom of movement at Brexit questions shortly before Christmas, your ministerial colleagues said that the decision to end free movement is a UK decision and that, as long as Scotland is part of the United Kingdom, these decisions will always be taken on a UK basis. Is that still the Government's position?

Chris Heaton-Harris: Yes.

Q3592 **Peter Grant:** Are there any major decisions of that kind where Scotland's and the Government's view should be allowed to take a different path from that of the United Kingdom?

Chris Heaton-Harris: You would have to identify what sort of decisions you are talking about. I do not know the sorts of things you mean.

Q3593 **Peter Grant:** Can I take you back to the document that was published by the Scottish Government early on in the Brexit process, *Scotland's Place in Europe*, which has been updated a number of times since then? Can you tell me which parts of either the withdrawal agreement or the political declaration are different as a result of those documents?

Chris Heaton-Harris: As someone who did not draw up either the withdrawal agreement or the political declaration, I cannot.

Q3594 **Peter Grant:** The fact is that nothing has changed as a result of those submissions, has it?

Chris Heaton-Harris: I honestly cannot say.

Q3595 **Peter Grant:** Can I ask you to write to the Committee once you have found out what, if anything, in the withdrawal agreement is different as a result of those submissions?

Chris Heaton-Harris: Yes, of course.

Q3596 **Peter Grant:** Thank you. Can you explain why the Government suddenly started to talk up the badness of no deal at exactly the same time as it became obvious that you were going to lose the vote, if you had taken it before the House before Christmas?

Chris Heaton-Harris: You will find that there has been a Minister in the Department for Exiting the European Union with responsibility for no deal from the very beginning, when the Department was set up. When you are negotiating in, hopefully, very good faith with friends to get a new



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agreement, you want to talk about the agreement that you hope to strike. There has been an ongoing debate within Government and indeed outside about how much planning for a deal not taking place you would openly talk about, while trying to get the deal that you passionately want over the line. However, when I took up this role last summer, one of the first things I did was to be introduced to an official who started work on planning for no deal in my Department, who told me his first commission was in August 2016.

Q3597 Peter Grant: Can I stop you, Minister? My question was not about planning for no deal. My question is about how we got it drummed into us that no deal is better than a bad deal and not a particularly bad thing. Then, over a very short period of time, the Government's position was that no deal is something very bad that must be avoided. Can you explain to me that change?

Chris Heaton-Harris: There were plenty of stories last summer, and some of them completely bizarre stories, but plenty of stories nearly every day last summer, dominating our press and media, about the consequences of no deal. I do not think you can say that there has not been a discussion on the suboptimal nature of us leaving the European Union without a deal.

Q3598 Peter Grant: It is fair to say that anything, whether it is a bad deal or a no-deal scenario, that leads the chief constable of the Police Service of Northern Ireland to ask for a significant increase in police officers is probably not going to be very good. The police do not tend to ask for additional officers to deal with good news, do they?

Chris Heaton-Harris: I will not comment on that.

Q3599 Peter Grant: Do you agree with the Prime Minister that, if the deal is voted down, it is possible that Brexit might not happen?

Chris Heaton-Harris: That is an excellent question. The legislation is set out now and we have activated Article 50. I actually still believe that we will be leaving the European Union on 29 March at 11 pm. Is there a parliamentary route by which Brexit can be stopped? I do not believe so.

Q3600 Peter Grant: You are disagreeing with the repeated statements from the Prime Minister, including statements she has made from the Dispatch Box before the House of Commons, when she has said that a possible consequence of voting down her deal is that Brexit might not happen. Are you going to tell me you disagree with her?

Chris Heaton-Harris: I am simply stating that we activated Article 50 nearly two years ago and, with the legislation that we have passed to run alongside it, if we do not leave with a deal currently, we will be leaving without a deal.

Q3601 Peter Grant: The Government have within their power, should they decide to do so, to ask Parliament for agreement either to unilaterally



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revoke Article 50 or to ask for an extension in order to avoid the damage of a no-deal. I am not asking whether the Government intend to do that or whether you think it would be a good idea, but it is the case that the Government could ask Parliament for that approval.

Chris Heaton-Harris: It is not Government policy to do that.

Q3602 **Peter Grant:** With respect, Minister, I am not asking what Government policy is. Part of our job is to scrutinise Government policy and maybe to suggest places where the Government have got it wrong. It is a fact, is it not, that, if Parliament refuses to endorse the deal the Prime Minister has just now, one option available to the Government, rather than to throw us into no deal, is to ask Parliament to put the brakes on, either temporarily or in the longer term, should the Government decide that. The Government at that point can effectively choose whether we plunge out with no deal or slow down the process to look for a better deal. The Government have that opportunity.

Chris Heaton-Harris: It is quite simply not Government policy to revoke Article 50. We saw what happened in the court case and understood the ramifications, but it is not Government policy.

Q3603 **Peter Grant:** I note that you are reluctant to disagree with my statement. I will give you a further chance to contradict me. The Government could prevent a no-deal from happening, even if Parliament refuses to back the Prime Minister's deal next week or at any other time.

Chris Heaton-Harris: Mr Grant, you could stop a no-deal from happening by voting for the deal.

Peter Grant: I could, yes.

Chris Heaton-Harris: Yes, you could. Are you likely to contemplate that?

Q3604 **Peter Grant:** Minister, I am quite happy at some point to be there answering the questions. My position, my national Parliament's position and indeed my nation's position is perfectly clear on this. I am asking you to confirm that, notwithstanding any decision that Parliament might take to try to initiate proceedings to slow the process down, the Government have that opportunity so that, in the event that the deal is voted down, either next week or at any other time in the future, it is not the case that the only course of action open is no deal. There is another course of action open. Why are the Government so determined to tell us that it is a straight choice between this deal and no deal when, patently obviously, that is not true?

Chris Heaton-Harris: It is because a large number of the people sat round this Committee room were elected on manifestos that were delivering on a referendum result where 17.4 million people voted to leave the European Union. Not doing so would be going against the wishes of the British people.



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Q3605 **Peter Grant:** How many people round this table were elected on manifestos that said we would leave the European Union without a deal?

Chris Heaton-Harris: If 80% of us were elected on manifestos to take us out of the single market and customs union, I would suggest that 20% would be the answer.

Q3606 **Peter Grant:** Is it a fact that nobody who is currently in the House of Commons was elected on that manifesto?

Chris Heaton-Harris: I am sorry; I might have misheard the question. Could you repeat your previous question?

Q3607 **Peter Grant:** You referred to the number of MPs who were elected on manifestos that said they would carry out the result of the referendum. Is it not a fact that none of those manifestos on which anybody was elected to the House of Commons said they wanted to leave without a deal? Nobody elected MPs who said they wanted to leave without a deal.

Chris Heaton-Harris: I do not believe there were many caveats in the manifestos at all.

Q3608 **Peter Grant:** You are suggesting that people who voted for a Conservative MP, because I would assume you are familiar with your own manifesto, read the Conservative manifesto and it was reasonable for them to think this could take us out without a deal, with all the damaging or suboptimal consequences of that.

Chris Heaton-Harris: When a party stands on a manifesto, the theme of which is to respect the result of the 2016 referendum on our membership of the European Union, and the result of that referendum was to leave the European Union, you would expect that party and any other party that stood on a similar manifesto to deliver on that commitment.

Q3609 **Peter Grant:** Which of the vote-leave campaigns during the referendum said it was campaigning to leave without a deal?

Chris Heaton-Harris: They all campaigned to leave the European Union.

Peter Grant: They all campaigned on the basis that there would be a good deal at the end of it.

Chris Heaton-Harris: I have to say that I am not sure this is relevant to us leaving without a deal, because there is a deal on the table that I genuinely wish people would take another look at. The one certain way to avoid leaving without a deal is to leave with a deal, which we have on the table. It is a perfectly good deal that has been negotiated over a long time. I am confident that, when the British people voted to leave the European Union, they voted to leave the European Union. There were not many debates at the time about the method of leaving. They just wanted to leave.

Q3610 **Peter Grant:** If this is such a good deal, have you been given any indication as to why the Secretary of State responsible for that deal



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resigned as soon as it was published?

Chris Heaton-Harris: I only have what I have read in the papers, so the same as you.

Peter Grant: It must be the first time in history that anybody has resigned in protest against the success of their own Department's work.

Chris Heaton-Harris: In British politics, I very much doubt that.

Q3611 **Stephen Timms:** Can I ask some questions about the position of UK citizens currently living elsewhere in the EU, in the event of exiting without a deal? The Department's paper on citizens' rights published last month called on member states to set out details of how they will protect the rights of UK nationals in the event of no deal. Have any of the 27 member states done that so far?

Chris Heaton-Harris: Yes. Earlier I was talking about the French suite of laws that were passed on the 18th. That includes those guarantees, I believe, if I may check my notes. I know you do not need the scene setting, but most people in this country and most people in Europe were hoping that the meaningful vote would get the deal over the line, and we would therefore not have to be preparing in this manner, but most member states have been doing some preparation, some behind the scenes and some quite overtly. From when the meaningful vote was delayed, there has been a lot of action and it has become much more visible.

For example, on 11 December Ireland announced a swathe of plans for its no deal. We have a special relationship with them and the common travel area. On 12 December, the German Cabinet adopted its no-deal legislation, including what it perceives to be reciprocal rights for Brits. On the same day, the Swedes had a big governmental preparation meeting. That week, the Dutch published their draft Brexit umbrella Bill or, as it is formally called, the consolidated Brexit Act. On the 18th, as I mentioned, the French adopted their no-deal legislation in both Chambers. On the 19th, the European Commission published its communication on preparedness, which detailed what it expects member states to do. Even in that last week before Christmas when, as you will understand, none of those countries want to be preparing for no deal—they would much rather get the deal over the line—there was a huge amount of movement.

Stephen Timms: It sounds like six or seven have said what the position is going to be.

Chris Heaton-Harris: The overarching one is the European Commission piece, which was published on the 19th, which I can happily share. I have it in my papers; I could read it out. It talked about the rights that UK citizens could expect in the European Union, going forward.

Q3612 **Stephen Timms:** Take the specific question of continued access to the



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health service locally. Clearly there will be UK citizens living elsewhere in the EU who will need to continue using the health services in those countries after Brexit. Can they now be reassured that they will have access to the health service in the event of no deal?

Chris Heaton-Harris: In some cases they can, but not in all, at this current time.

Q3613 **Stephen Timms:** Are you able to tell us where they can be reassured, in which countries?

Chris Heaton-Harris: If I may be so bold, I will make a tiny advert for the new portal on the GOV.UK website. As you come into the website, you get four options, if you are a business or an individual. A UK national living in the EU is one of those options. You then get a couple of click-down menus as to which country you are in and it then goes to the sort of information that you have been questioning me about and where we are currently. If you go there later today, it will show what has been assured so far. As we get more information and come to different agreements with different member states, that will be populated on a daily basis.

Q3614 **Stephen Timms:** Can UK citizens living in France at the moment be confident they will continue to be able to access the local health service if we leave the EU?

Chris Heaton-Harris: I believe that was mentioned in the no-deal legislation, yes. I believe it is part of that. Again, I have not read every single word of the French legislation, but I believe that is the case. If I may, I will write back. Actually, I will check on the website and come back to you.

Q3615 **Stephen Timms:** Is there anything yet from Spain?

Chris Heaton-Harris: No, those discussions are continuing.

Stephen Timms: At the moment the position in Spain is not clear.

Chris Heaton-Harris: That is correct.

Q3616 **Stephen Timms:** Access to the health service is obviously very important. Another area is around receipt of pensions. For those UK citizens who are receiving part of their income from state pensions elsewhere in the EU because they have worked in those countries in the past, will there be any potential difficulties in continuing to receive those pensions?

Chris Heaton-Harris: Not in continuing to receive them, no.

Stephen Timms: You are happy that will be fine.

Chris Heaton-Harris: Yes.

Q3617 **Stephen Timms:** The Government's paper in December accepted that some people will feel they need to come back to the UK in the event of a



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no-deal Brexit. If they come back and are jobseekers looking for work, would they have to satisfy the habitual residence test to qualify for benefit in the UK?

Chris Heaton-Harris: I do not want to give an incorrect answer so, if you do not mind, can I write back to you on that? I believe that is the case, but I am not 100% sure.

Q3618 **Stephen Timms:** It certainly is the case at the moment that, if you come back from somewhere else in the EU and you are looking for work, you have to satisfy it. That normally means you have to wait around three months.

Chris Heaton-Harris: I believe that is the case, but I have a flicker of doubt at the back of my mind, so I would much prefer to write back with a clear answer. I believe it is three months.

Q3619 **Stephen Timms:** It is quite important that we know that. Can I ask one final question in a rather different area? The British Retail Consortium was briefing Members of Parliament yesterday, and it made the point that meat products can only be exported from the EU through a border inspection point and, at the moment, Calais is not a border inspection point. Were you saying earlier that the French Government have announced that they intend to make Calais a border inspection point?

Chris Heaton-Harris: They have talked about building a border inspection point at the port of Calais, yes.

Q3620 **Stephen Timms:** Have they committed to doing so?

Chris Heaton-Harris: Yes.

Q3621 **Stephen Crabb:** Good morning, Minister. Can I start by asking you what it is about a no-deal outcome that makes you personally believe it is suboptimal?

Chris Heaton-Harris: That is a terrible question to ask a good Eurosceptic. As someone who worked in the European Parliament for 10 years, who has friendships and, I would like to think, some understanding of the people and the cultures of the European Union, I think it would be much better to have a deal that satisfies those friendships and allows them to continue uninterrupted, whether for trade, tourism or whatever it might be. While a no-deal outcome is suboptimal, it is nowhere near as bad as some of the newspaper reports have been in the past.

Q3622 **Stephen Crabb:** What concerns you most about it? Is it the potential short-term disruption and uncertainty or the longer-term consequences of taking the biggest possible step away from an integrated trading relationship with the single market?

Chris Heaton-Harris: I am going to get daggers from some people looking at me around this Committee table but, when I campaigned to leave in my constituency, I campaigned on ending freedom of movement, keeping control of our money, having control of our borders and our laws,



and the deal we have on the table does that. I see the deal as being optimal and therefore no deal is suboptimal.

Q3623 **Stephen Crabb:** Does the phrase “managed no deal” have any currency within Whitehall at all? Is that a phrase that you use on a day-to-day basis?

Chris Heaton-Harris: It is a phrase I do not use at all.

Q3624 **Stephen Crabb:** Would you agree with, say, the Institute for Government that it is a meaningless phrase?

Chris Heaton-Harris: I would suggest that, in the huge amount of preparation that the Government are doing for a no-deal, which we do not want to happen—we would much rather leave with a deal—we are doing our best to manage the process of no deal.

Q3625 **Stephen Crabb:** In your working assumptions of what a no-deal scenario might look like, you talked about a reasonable worst-case scenario as the basic planning assumption. What is the posture assumed of the EU and EU member states in that scenario? Is it one of co-operation, wanting to reach bilateral side deals, compromises and short-term working relationships?

Chris Heaton-Harris: It is based on more than that. For example, to talk about data adequacy, the European Commission has said that it will not give us a data adequacy agreement until we have become a third country and then we can negotiate a data adequacy agreement. That gives us a gap. It is one of the issues that my Department is looking at. Actually, we are not looking at it; all the no-deal preparation is done within individual Departments, which are in control of their own plans and policy. DCMS is in charge of that and the Information Commissioner launched, just before Christmas, a website to give companies the various wordings for how they need to change any contracts for data adequacy requirements.

However, we will be treated as a third country from 29 March and then, the European Commission has said, it will be willing to negotiate a data adequacy agreement with us. We believe that, as we were coming from an adequate position one minute before 11 pm on 29 March, that should be relatively quick, but it has taken in other situations in Europe six months to a year. I give that example to try to answer your question. Some of these things will be dealt with over time. The issues we have in the short term will be dealt with over time in co-operation with the European Commission. I do not see them as being negative or hostile, but I cannot take into account them treating us specially, more than they would any other third country.

Q3626 **Stephen Crabb:** Is it fair to say that we would be relying to a great extent on at least a basic measure of good will and co-operation from the likes of France, the Netherlands and some of the other closer member states to manage no-deal impacts?



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Chris Heaton-Harris: I do not think we will be relying on it. However, I would like to think it exists anyway.

Q3627 **Stephen Crabb:** In the event of no deal, is it likely that the EU, given that we are looking to it centrally and to some member states for assistance in managing no deal, will turn around and make asks of us that might look similar to the requirements currently in the withdrawal agreement on citizens' rights, money and maybe assurances around the border in Northern Ireland?

Chris Heaton-Harris: We make a big offer on rights to EU citizens in this country in the event of no deal, which goes further than the European Commission's offer back on 19 December. Would there be asks? I honestly do not know the answer to that question, because I think there would be residual understanding and good will, but I am not convinced and would not like to rely on it at all, in any of the plans that we would make as a Government. However, sometimes in this debate we forget that, on 30 March, we will have exactly the same standards for many of the items on which we are negotiating to have some sort of parity or agreement with our European partners as we did on 29 March. Where lots of the agreements that have taken place in the European Union with third countries take some time, because of the level of standards, we simply will not have that issue, but it will still require negotiation in some areas.

Q3628 **Stephen Crabb:** Can I have one more brief question to end? I am grateful, Minister. When you look across Whitehall and survey the levels of preparation going on for a no-deal, which Government Department keeps you awake at night?

Chris Heaton-Harris: I would never say the Treasury. None of them keeps me awake at night, because a huge amount of work has been going on across Whitehall on this for two years. If I may be so bold, I can only say I have been unbelievably impressed by the civil servants I have come across who are dealing with this, both in my Department and the others, because there are some complicated problems and issues.

I do not know if you recall, Mr Crabb, the balance of competences review that was done by the previous coalition Government. That review was commissioned to look at where the European Union and the UK were entwined at certain points to satisfy whether they could easily be un-entwined. I think that massively underestimated how entwined UK Government and European institutions and law are. The amount of work our civil servants are putting in to get to the point where we could leave with a deal and it would be very good for us, and to get to a point where we could leave without a deal and, while it was suboptimal, we would do well enough, is super impressive.

Q3629 **Mr Djanogly:** Good morning, Minister. One vital aspect of our Brexit preparations, whether or not we have a deal, will be dealing with the secondary legislation that needs to go through the House. In December,



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Professor Barnard came to the Committee and said there are about 700 pieces of secondary legislation that will need to be adopted. Could you say whether you agree with that figure? How many statutory instruments can Parliament expect over the coming weeks before Brexit and when are they expected to be laid?

Chris Heaton-Harris: Yes, I certainly can. I should start by thanking both Members of the Committee and other parliamentarians for the amount of work they have already done on this, because most people in this Committee and certainly everybody we know has been sat examining and scrutinising secondary legislation for a no-deal. A couple of months before Christmas, we asked Departments to distil what statutory instruments were essential to have in place, to finalise policy content and to combine measures where appropriate, in the hope that the final number of statutory instruments that we would require would decrease. Thanks to the innovation of the sifting committee, there has been a very good process, almost like a triage, that the sifting committee has done to make sure that the appropriate SIs are positive or negative.

We now anticipate the number of statutory instruments required before exit day to be below 600 but, as my Secretary of State in front of this Committee and on the Floor of the House has said, it is not possible to give a definitive number. To date, as of Monday, we have laid I think 304 of these SIs, which is more than half the number we anticipate we will need, and we will continue to progress the secondary legislation programme, as a responsible Government would, to ensure a functioning statute book on exit day. They are the numbers as we sit here.

Q3630 **Mr Djanogly:** There is a timing issue here. Your estimate for the number of SIs to be laid in October and November suggests that there should have been between 200 and 300 laid. You refer to the sifting committee. Well, in a letter to the sifting committee, you wrote that, as of November, only 138 SIs had been laid. Have you matched your estimate in any month?

Chris Heaton-Harris: Because of the prioritisation initiative we took, essentially we kicked the tyres on every SI to make sure they were imperative and all the important SIs will be at least through committee scrutiny in very good time, which is why you are seeing such a peak. Since that letter was written, we are now at the point where 304 have been through committee.

Q3631 **Mr Djanogly:** I am not sure exactly how many sitting days we still have before Brexit. It is probably under 40. How will Parliament be able to effectively scrutinise the remainder of them in that time?

Chris Heaton-Harris: It will be able to effectively scrutinise. I am extremely confident that they will be scrutinised in the proper way and in the appropriate time. Yes, I am confident we will have a functioning statute book.

Q3632 **Mr Whittingdale:** Just to follow on slightly from my colleague Jonathan



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Djanogly's question, can we therefore take it that, as you are confident that time is available to scrutinise all the necessary secondary legislation, dark rumours about the February recess being cancelled are unjustified?

Chris Heaton-Harris: Had you asked me that eight months ago when I was a Whip, I would have been able to give you an answer, but that is something for the Government business managers and I am certainly not one of those.

Q3633 **Mr Whittingdale:** But you are responsible for preparations for exit and, since this legislation is for that, you can tell the business managers that they do not need to worry about the February recess, because you believe that we can get all the secondary legislation through in the existing timeframe.

Chris Heaton-Harris: I can happily tell the business managers that I am confident we can get the secondary legislation through in the time we have timetabled, including with a nice February recess for you, Mr Whittingdale.

Q3634 **Mr Whittingdale:** That is excellent news, thank you. Did you hear the Mayor of Calais this morning?

Chris Heaton-Harris: I did not, but someone sent me a text saying that, I believe, there was an interview with him on the "Today" programme.

Q3635 **Mr Whittingdale:** There was. He said to the "Today" programme that "trucks will be passing as they are doing today". He said that his port will only be checking for veterinary and sanitary controls, "for which we have already been building infrastructure and parking, but that will not influence the traffic in Dover. We will not control exports, only asking the papers already [...] That's all". Is that your understanding as well?

Chris Heaton-Harris: My understanding is what I said earlier. I would like to think it would be as free-flowing as the Mayor of Calais thinks, but the European Commission can insist on extra checks at the border and, as I have described earlier and as detailed in the partnership pack that is online, we would expect there to be a tiny bit more of a check than the Mayor of Calais said then. Maybe he is privy to information that I am not, because France can apply to the European Commission to waive checks.

Q3636 **Mr Whittingdale:** He finished by saying, "There will not be a queue in Dover because there will not be control, so where is the problem?"

Chris Heaton-Harris: If everything works well—I have not had a report that the border checkpoints are under construction yet, so I am still working on a reasonable worst-case scenario where they are not—if conditions change and we see construction of these things, yes.

Q3637 **Mr Whittingdale:** Have you talked to the Mayor of Calais?



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Chris Heaton-Harris: I have not personally talked to the Mayor of Calais. Representatives of Government have talked to the Mayor of Calais.

Mr Whittingdale: I suggest you do talk to the Mayor of Calais.

Chris Heaton-Harris: I would be delighted to talk to the Mayor of Calais.

Q3638 **Mr Whittingdale:** If the Mayor of Calais is wrong and there are queues, that will impact on the UK, for which you are making preparations. Have you done any work on what the impact will be on the Republic of Ireland?

Chris Heaton-Harris: There has been work done, because we know that 53% of Irish goods exported essentially come through the land bridge of the United Kingdom and head towards Dover and Folkestone to enter the European Union. We understand the figures and we know what the figures are, but we are working to mitigate any problems. We hope that, as we would like British trade to be unaffected, Irish trade would be also.

Q3639 **Mr Whittingdale:** Given that one of the principal obstacles to obtaining the withdrawal agreement appears to be the attitude of the Irish Government, is this something that you have pointed out to the Irish Government?

Chris Heaton-Harris: Even though I know Mr Coveney of old, as he was a Member of the European Parliament when I was there and we both sat in the European People's Party grouping—he happily and me not so—I have not had any conversations with him or the Irish Government about that. That is for Ministers with grander titles than mine.

Q3640 **Mr Whittingdale:** Will the Government be including in their assessment of the consequences of potential delays the impacts not just on the UK, but also on other countries that use the UK to export into the EU?

Chris Heaton-Harris: Mr Coveney has talked about this himself. I know this is not lost on the Irish Government already but, if you would like me to ask my counterparts with grander titles to do that, I shall happily ask them to.

Q3641 **Sir Christopher Chope:** Minister, have you really not seen the Written Statement that is going to be issued today by the Minister for the Cabinet Office?

Chris Heaton-Harris: I genuinely have not seen it.

Q3642 **Sir Christopher Chope:** This is a Statement entitled "EU Exit Update". As the Minister responsible in the Department, are you not concerned that you have not even had the contents of this Statement shared with you?

Chris Heaton-Harris: I know it is gridded to go out, but I obviously did not explain well enough earlier that my Department is not in charge of plans or policy within each individual Government Department for its exit



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plans from the European Union. We co-ordinate and, where there are issues, we bring different Government Department's Ministers and officials together to overcome issues and try to make sure that this is as seamless as possible. While I know it is gridded to go, I have not seen it.

Q3643 Sir Christopher Chope: You are quite relaxed about that. It is par for the course not to be informed as to what the Cabinet Office or the Prime Minister's office is doing in relation to Brexit.

Chris Heaton-Harris: You are using it in a slightly different context. I know it is ready to go and it has been in the grid for a little while but, because the plan is flagged green, I have not looked at the detail of it at all.

Q3644 Sir Christopher Chope: You have told us that you regard the negotiated withdrawal agreement as a good deal, but do you accept that it is ultimately a matter for Parliament to decide whether it is a good deal?

Chris Heaton-Harris: It is a matter for Parliament and individual parliamentarians to decide in the meaningful vote, yes.

Q3645 Sir Christopher Chope: If individual parliamentarians collectively decide that it is not a good deal, we revert to the situation in which the Prime Minister is committed to the policy that no deal is better than a bad deal.

Chris Heaton-Harris: As I hope I articulated earlier, because we have triggered Article 50 and that two-year period runs out on 29 March at 11 pm, if we do not have a deal at that time, we will leave the European Union without a deal.

Q3646 Sir Christopher Chope: You and the rest of the Government would respect the decision of Parliament, if it finds that this deal is a bad deal.

Chris Heaton-Harris: Government and I would very much like there to be a deal with our European partners that gives us a transition period, gives business certainty and continuity, and gives us a chance to have a period of time in which we can negotiate a good future trade agreement with our European partners.

Sir Christopher Chope: I accept that that is what you would like.

Chris Heaton-Harris: A deal is far preferable to leaving without a deal.

Q3647 Sir Christopher Chope: My question is this: if Parliament decides, in its wisdom or ignorance, that this is a bad deal, will the Government respect that and, following from that, carry on with the commitment that no deal is better than a bad deal?

Chris Heaton-Harris: The Prime Minister ceased the debate on the meaningful vote before Christmas, because she listened to what Parliament was saying about the problems that Parliament perceives with the deal, so we absolutely have a Prime Minister and a Government that listen to Parliament.



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Q3648 Sir Christopher Chope: The Motion before the House has not been altered at all, because it still talks about approving the negotiated withdrawal agreement laid before the House on 26 November. There is no change to the Motion or the content of it, so the debate is just on the same issues as it was before Christmas.

Chris Heaton-Harris: I like forward to the debate and the extended contributions that people can now have, as we have an extra five days.

Q3649 Sir Christopher Chope: And we have the opportunity to speak on a second occasion. Can I ask you what will happen in Ireland on 30 March, in the event of there being no deal? How will things be different across the border, between the north and the south, on 30 March compared with 29 March?

Chris Heaton-Harris: I do not believe there will be much difference at all.

Q3650 Sir Christopher Chope: Does that not emphasise that all the problems put forward, scaremongering, in relation to the border between the north and the south are essentially a mirage that will disappear, as soon as we leave without a deal?

Chris Heaton-Harris: There are obviously going to be some issues, because Northern Ireland will be with us and treated as a third country by the European Union and Ireland itself will still be within the European Union. Initially on day one the differences will not be great, but there could be divergence in tariffs further down the line. To be fair to our European Union counterparts, they are right to be concerned about what that divergence might be and, therefore, I completely understand why the backstop is an important part of the agreement.

Q3651 Sir Christopher Chope: You are talking about further down the line but, from your earlier comments, it is clear that all the talk about a car crash or going off the cliff edge on 29/30 March is a complete exaggeration of the reality.

Chris Heaton-Harris: I would like to think that we are ever-more prepared for a no deal, on a daily basis. The Government's preferred option is to leave with a deal, but a huge amount of work has gone into what might happen and what we need to be planning for, were we to leave without a deal.

Q3652 Sir Christopher Chope: You can reassure us that, if there is no deal, there will still not be a hard border between the north and the south of Ireland.

Chris Heaton-Harris: I can, yes.

Q3653 Sir Christopher Chope: Where is all this speculation coming from, it seems being driven by the Government, to the effect that there may be a hard border if there is a no-deal?



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Chris Heaton-Harris: I do not know. It is an interesting debate but, as I said, I can see why the backstop is an important part of the withdrawal agreement. I do not think it relates to day one because, if you have the withdrawal agreement, it means you have voted for the deal. That means you have gone through the transition period, which means you have reached an agreement on the future partnership, which means you have an arrangement in which you do not need a hard border, because it is based on the goods that would flow across that border, tariffs and all sort of things.

Q3654 **Sir Christopher Chope:** Contrary to what you have just said, is it not correct that the backstop is a total irrelevance? There is no need to have a backstop any more than there will be a hard border if there is no deal.

Chris Heaton-Harris: Forgive me, but I suggest it is important for the European Commission for there to be a backstop.

Sir Christopher Chope: That is from the point of view of those in the European Commission, but ultimately that is a matter for them.

Chris Heaton-Harris: I agree it is a matter for them.

Sir Christopher Chope: If they want to introduce controls over the EU borders, that is for them and not for us.

Chris Heaton-Harris: In a negotiation, in which the European Commission will be looking to protect its four freedoms and the integrity of the single market, I can understand why it would perceive a backstop to be important. I really can.

Q3655 **Sir Christopher Chope:** You can understand their perspective, but is there any evidence that the EU understands the UK and the Irish Republic's perspective that a hard border is absolute anathema, and is contrary to the Good Friday agreement and the legislation passed in this House?

Chris Heaton-Harris: I am sure there is. I have seen quotes in the past from Presidents Juncker and Tusk saying that, and that is definitely understood from what our Prime Minister has said to them and what the Taoiseach has said to them about the importance of there not being a hard border for Northern Ireland, of the Belfast or Good Friday agreement, and of the arrangements that we have now being maintained.

Q3656 **Sir Christopher Chope:** Finally, can I ask whether you and your Department could do more to reassure people, both north and south of the border in Ireland, that in the event of no deal it will be business as usual on 30 March 2019?

Chris Heaton-Harris: I will happily take that away. In the event of no deal, we would become a third country to the European Union. Eventually, there would be some changes.

Sir Christopher Chope: Yes, eventually.



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Q3657 **Hywel Williams:** Good morning again, Minister. Can you tell the Committee how confident you are that the Government are ready to ensure that vital imports of food, medicines and other goods continue after 29 March, as before?

Chris Heaton-Harris: I am very confident.

Q3658 **Hywel Williams:** Are there any particular difficulties or sorts of goods, from ice cream to insulin, that are problematic at all?

Chris Heaton-Harris: No.

Q3659 **Hywel Williams:** So there will be no change whatsoever, you think.

Chris Heaton-Harris: I believe we are well planned and that there will be very little change at all.

Q3660 **Hywel Williams:** There has been a great deal of attention to food imports. How much attention are you giving to food exports? I am thinking specifically of agricultural goods, such as Welsh lamb and beef, which overwhelmingly go to the European Union and which might face tariffs from 40% upwards.

Chris Heaton-Harris: We are giving a huge amount of attention to that. I believe the Secretary of State for Defra has articulated his concerns and views on what might come, when it comes to tariffs on those products. We are well aware of the tariffs there would be and looking at ways of trying to ensure any problems are overcome.

Q3661 **Hywel Williams:** Could you expand on what sorts of ways you intend to take?

Chris Heaton-Harris: Actually, I cannot because, as I mentioned earlier, these plans and policies are owned within Departments. I know there is a huge amount of work going on within Defra. As for me and no-deal planning, which includes the tariff work that you have talked about, there is a database that we use for produce coming into the EU from third countries, called TRACES, which is a European-held database. Therefore, we have needed to set up our own database for import notifications, so we have set up an import notification system, held within Defra. My Department has been engaged in making sure that that is ready to go by ensuring that the Food Standards Agency, the Department of Health, Defra and all concerned are ready to ensure that food coming in and leaving the country is of appropriate quality. The policy that you have mentioned is being developed within Defra.

Q3662 **Hywel Williams:** I am more concerned at this point about the export of foods from Wales and from elsewhere, non-perishable foods as well, such as Scotch whisky. Do you know if Defra is talking to the Welsh Government or even to the Welsh farming unions, the NFU and others?

Chris Heaton-Harris: I would be amazed if it was not. There has been a huge amount of engagement across Government Departments with



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devolved Administrations and business representative organisations, in Wales, Scotland, Northern Ireland and across the whole country.

Q3663 Hywel Williams: Are you aware of the delay and confusion around the Welsh Government's agricultural support policy and, if you are, has it influenced the prospects for a continuation of exports of Welsh food?

Chris Heaton-Harris: I am afraid I am not.

Q3664 Hywel Williams: Can I suggest that you have a look?

Chris Heaton-Harris: I will talk to my colleagues in the Welsh Office.

Q3665 Hywel Williams: It is enlightening and highly entertaining as well for opposition parties. I turn now to the ferry question and specifically Seaborne. What assessment was carried out beforehand regarding the suitability of hiring a ferry provider that has no previous experience of running ferries and does not apparently own any ships? It has apparently used websites with terms and conditions that appear to have been intended for a takeaway food firm.

Chris Heaton-Harris: As you would expect of a responsible Government—and all these questions were answered by the Secretary of State for Transport yesterday in an Urgent Question—the appropriate due diligence was taken.

Q3666 Hywel Williams: Was this particular contract a one-off response to the urgent need to have extra ferry provision or are you establishing a new way of laying contracts that would not require the usual conditions of tendering?

Chris Heaton-Harris: It was one of three contracts that were announced—the other two were DFDS and Brittany Ferries—to ensure, in a reasonable worst-case scenario, that we have extra coverage for the short straits. Yes, I am convinced that everything was done correctly.

Q3667 Hywel Williams: Seaborne is the only British company of the three companies that were successful. Was there any motivation following the battle over the passport-printing contract that there should at least be one company from Britain providing ferry services?

Chris Heaton-Harris: I know nothing about that part of the tender process.

Q3668 Hywel Williams: How are you going to ensure that due diligence has not been compromised in the interests of contracting services in time? I feel that there was a pressure of time here, with 29 March approaching.

Chris Heaton-Harris: No, I do not feel that. The Secretary of State for Transport gave detail about the process, the people and the companies involved, and what due diligence the Government did in coming to agreement for these three contracts, remembering that nothing will be paid until services are delivered.



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Q3669 Hywel Williams: This is a domestic point for Wales. Have you made any assessment of the need for extra ferry services between Wales and Ireland, and the impact of the establishment of direct routes from Ireland to other parts of France and Belgium? Does that figure in your thinking?

Chris Heaton-Harris: I had the privilege of visiting Holyhead as a Minister. I cannot actually remember when. I think it was September, but it was at some point over the summer or just after. I spent a day looking around the port, seeing what goes on there and talking to the two ferry operators based there about the level of trade they have, the length of time of crossings and what challenges they would have, both in a deal and in a no-deal, so I am fully aware of that.

We are confident that all the plans we need for Holyhead are in place. I understand the point you are making, because the European Commission and the Irish Government have been talking, and I believe the Irish Government have asked the European Commission to look at whether there may be other routes to the single market from Ireland for products. The reason that so much comes to Holyhead, then flows down to Dover and goes across into the single market, is because it is cheap, effective and works well for those businesses. If flow is maintained, there is no reason for that to change whatsoever. Our goal and the French Government's goal is to maintain flow.

Q3670 Joanna Cherry: Good morning, Minister. You said earlier in response to a question from one of my colleagues that, from the beginning, a member of your Department was in charge of no-deal planning. That was from when the Department was set up. Is that correct?

Chris Heaton-Harris: Yes, it is.

Q3671 Joanna Cherry: You also referred to there having been plenty of stories last summer about the consequences of no deal. I have a copy of the contract notice here between the Department for Transport and Seaborne Freight. Now, you will be aware, because you are aware of what was discussed in the Commons yesterday, that this was not awarded by a competitive tender process. It was awarded under the negotiated procurement procedure without prior publication, as allowed for under regulation 32 of the Public Contracts Regulations. I am reading there from the Department for Transport's Statement. You will also be aware, if you are in charge of contingency planning, that regulation 32 allows the Government to avoid competitive tendering in cases of extreme urgency brought about by events unforeseeable to the contracting authority, i.e. the Government.

This contract, which is dated 28 December last year, just a couple of weeks ago, was awarded without a competitive tender basis for reasons of extreme urgency, brought about by unforeseeable events, yet your evidence says that there has been somebody in your Department from the very beginning, two years ago, planning for no deal. Can you explain why the Government have thought it appropriate, as a matter of law, to



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proceed under regulation 32 for reasons of extreme urgency and unforeseeable events, when the Government have had somebody in place planning for no deal for two years?

Chris Heaton-Harris: A range of operators were invited to tender, including new entrants into the market and longstanding providers. Seaborne is one of the companies that we have awarded contracts to. Due diligence was conducted and everything, I believe, was in order.

Q3672 **Joanna Cherry:** I will ask the question again. Can you explain why the Government proceeded under regulation 32 for reasons of extreme urgency and unforeseeable events, when you have been planning for no deal for two years? It is a very simple question, Minister. Can you answer it?

Chris Heaton-Harris: Yes, a range of operators were invited to tender and the correct due diligence was done to fulfil the plan that we required.

Q3673 **Joanna Cherry:** Was no deal an unforeseeable event?

Chris Heaton-Harris: Having spent so much time, energy and effort on trying to get a deal, and as the sole focus of everybody in Government—not sole focus, but the priority focus—has been trying to get the deal over the line, I suggest that we did everything correctly.

Q3674 **Joanna Cherry:** What was the unforeseeable event that justified the Government proceeding under regulation 32 of the Public Contracts Regulations?

Chris Heaton-Harris: The tenders were awarded correctly.

Joanna Cherry: What was the unforeseeable event that justified the Government proceeding under regulation 32 of the Public Contracts Regulations?

Chris Heaton-Harris: The tenders were awarded correctly.

Joanna Cherry: I will give you a third chance.

Chris Heaton-Harris: I will answer the same.

Q3675 **Joanna Cherry:** So you do not know what the unforeseeable event was. You cannot tell the Committee.

Chris Heaton-Harris: The tenders were awarded correctly and correct due diligence was done.

Q3676 **Joanna Cherry:** Who could tell us what the unforeseeable events were that justified proceeding under regulation 32?

Chris Heaton-Harris: I am not sure if anybody asked the Secretary of State for Transport that yesterday in the Urgent Question.

Q3677 **Joanna Cherry:** I did; he did not answer it. Who do you think could answer this? Do you think the Attorney-General could answer the



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question because, as you are aware, it is a matter of law and the Government could be sued for breach of the regulations and for damages?

Chris Heaton-Harris: I am not a lawyer nor as eminent a QC as you are, Ms Cherry, so I am afraid I do not know the answer to the question.

Joanna Cherry: Maybe I would be better to ask the Government's legal adviser what legal advice was given. Maybe he can tell us what the unforeseeable event was.

Chris Heaton-Harris: As a parliamentarian you are free to ask any Government Minister.

Q3678 **Mr Rees-Mogg:** Good morning, Minister. Thank you for coming in and for your comprehensive answers. The Federation of Small Businesses is concerned that small businesses have not been paying proper attention to your notices, saying that 86% have not done anything, although, as 87% of our economy is not trading with the EU, it seems that 1% of businesses have probably done something they did not need to do. Leading on from that and on the no-deal preparation notices, do you think this is an opportunity to remove burdens on business rather than uprate them to the level of those we have when we deal with countries outside the European Union? I am thinking particularly of the export regulations, where the Government's no-deal notice requires businesses to comply in the way that they now have to if trading with, for example, the United States? Would it not be simpler to deregulate and put businesses dealing with the United States, from UK Government purposes, on the same basis as those exporting to the European Union?

Chris Heaton-Harris: I understand the point you are making, but the policy decision was made to go down this route and that is what we have done.

Q3679 **Mr Rees-Mogg:** Does that not make no-deal preparations worse? Instead of saying we will have a level playing field that is easier for everybody, it says that, actually, we are going to put completely unnecessary burdens on those that export to the European Union.

Chris Heaton-Harris: I would suggest the opposite. It makes it slightly easier, because you know that any business that needs to export can use that partnership pack, go through the website and find the details of what it needs to do to get its customs number, its EORI number and export.

Q3680 **Mr Rees-Mogg:** Why are the British Government asking for these things? I can understand why the country to which you export requires them, but the British Government only want it for bureaucratic, statistical purposes. It is not any help to business. It is just a burden.

Chris Heaton-Harris: I hear what you are saying. I am afraid I am not a BEIS Minister, and I do not know what that Department might do with this fantastically important information, so I cannot answer. I do know,



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though, that we wanted to ensure that there was blanket coverage for businesses that want to export to the European Union and beyond, and so we have gone down the route I have described.

Q3681 Mr Rees-Mogg: Are the technical notices owned by you or by the Departments for each area?

Chris Heaton-Harris: Each Department is responsible for its own technical notice policy, publicity and other things.

Q3682 Mr Rees-Mogg: Is the responsibility for export form-filling with the Department for International Trade or BEIS?

Chris Heaton-Harris: I believe it is with BEIS.

Q3683 Mr Rees-Mogg: BEIS, which is not known to be the most enthusiastic Ministry for Brexit, is making the bureaucratic burden higher rather than lower and that is a policy decision.

Chris Heaton-Harris: Not having filled in the form, I do not know if it is a heavier bureaucratic burden, but the responsibility is with the responsible Department.

Q3684 Jeremy Lefroy: Good morning, Minister. What is the Government's policy in the event of leaving without a deal on imposing tariffs on European Union goods into the United Kingdom?

Chris Heaton-Harris: It is a matter under discussion at the highest level of Government at this time.

Q3685 Jeremy Lefroy: So we do not know.

Chris Heaton-Harris: It has not been formalised, and it will be announced very shortly.

Q3686 Jeremy Lefroy: Presumably we know that the European Union's policy would be to impose tariffs on UK goods entering the European Union.

Chris Heaton-Harris: Yes, absolutely.

Q3687 Jeremy Lefroy: At this moment, it is possible that we would not be charging tariffs on what we are importing and yet our exporters would be facing tariffs, so a kind of dissonance between the two.

Chris Heaton-Harris: I could not comment on that, because I do not know.

Q3688 Jeremy Lefroy: In the event that the United Kingdom decides not to impose tariffs on goods coming in from the European Union, what would your assessment be of how we would have to treat tariffs on goods coming in from the rest of the world under most-favoured nation rules?

Chris Heaton-Harris: Forgive me, because I do not want to prevaricate, but this policy is wholly owned by the Department for International Trade, alongside its partners in the Foreign Office and ultimately the



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Prime Minister. It is at a stage where it is being finalised and I am not privy to that information.

Q3689 **Jeremy Lefroy:** You are the Minister responsible for preparations in case we leave without a deal.

Chris Heaton-Harris: I am the Minister with that responsibility.

Q3690 **Jeremy Lefroy:** With all due respect, and I have a great deal of respect, it is not good enough that you are not in that position, two and a half months before the relevant date, to advise the Committee on that.

Chris Heaton-Harris: There is a host of elements at play here. I can tell you that the system we would need to run to collect and impose tariffs is ready to go. All the different tariffs would need to be entered into it for it to work, so the process that is required behind the scenes for it all to function properly is set up, but the policy is in its final stage of development now.

Q3691 **Jeremy Lefroy:** Can I turn briefly to the question of services? When I asked the Secretary of State on Monday regarding the position in the event of a no-deal on services, he responded, as you already mentioned, that there would be a considerable area of uncertainty around data, because we would not be a third country until 30 March and there would presumably be quite a lengthy period of time before an agreement on data adequacy was reached. What is your view of the impact that uncertainty over data will have on our services industry, particularly our extremely successful services exports to the European Union?

Chris Heaton-Harris: There has been a lot of communication, and part of the new advertising campaign that people would have seen was launched yesterday asked businesses and individuals to go to the GOV.UK website. This is one of the first questions a business finds: "Do you hold data and do you know where you hold it?" A whole range of information and advice appears at that time. Interestingly enough, the Government hold a huge amount of data offshore as well, in this modern world. I guess you kind of expect that now. A huge amount is held offshore and not in the European Union, but lots of people do not know where their business data is being held. Part of the advice is that you need to find out because, to successfully and legally fulfil adequacy requirements, you may need to change parts of contracts and parts of disclaimers on your website. All of that information is on the Information Commissioner's website and went up just before Christmas, but it ensures that businesses, especially businesses that deal with the European Union, are aware of that, take note of those plans and make the appropriate changes.

Q3692 **Jeremy Lefroy:** Finally, I have one specific question. Most exports from the UK these days, whether of goods or services, particularly high-value exports, require an awful lot of toing and froing of people to go and service them, whether it is to service or install software, to service aircraft engines or to service high-value machinery. In the, I hope never,



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event of a no-deal, what is your understanding of the position of those workers who are required to go and service? Would they be immediately required to get work permits? Under the political declaration there is provision for visa-free short-term working to cover precisely such arrangements, but what is the situation in the case of no deal, for instance for an aircraft engineer going to service an engine in Berlin the day after, on 30 March?

Chris Heaton-Harris: That was dealt with in the European Commission's announcement on 19 December. It was quite widely reported in the press, but one aspect of it is that, as we will become a third country in the future, Europe will have an ESTA-like document that third-country nationals would have to fill online before travelling, which will cost €7. The rest of the announcement went on to say that tourists and short-term business visitors, for up to 180 days, can continue without a visa, as normal.

Q3693 **Jeremy Lefroy:** Your understanding is that, even in the event of a no-deal, they would be able, next day, to work on software in Holland, aircraft engines in Germany or whatever.

Chris Heaton-Harris: Yes, indeed.

Q3694 **Andrea Jenkyns:** Minister, we saw what happened yesterday with the Finance Bill, with some of our colleagues trying to stop preparations and money going into no deal. I want to start by completely agreeing with you—this may be the only time I will in the Committee—that it would be irresponsible of Government not to prepare for no deal. Minister, would you agree that, by taking no deal off the table, it weakens our hand in negotiations with the EU?

Chris Heaton-Harris: I would, yes.

Q3695 **Andrea Jenkyns:** Should the Prime Minister's deal fall next week, how many times do you estimate it being brought back to the House?

Chris Heaton-Harris: I have not seen any plans that suggest it would be brought back to the House.

Andrea Jenkyns: That is good to hear. I was looking at what the Prime Minister said on Andrew Marr earlier in the week.

Chris Heaton-Harris: She will forgive me for not watching Andrew Marr or listening to the "Today" programme. Obviously I am completely out of touch.

Q3696 **Andrea Jenkyns:** Should the Prime Minister's deal fall next week, will the Government ramp up the fearmongering surrounding no deal?

Chris Heaton-Harris: I do not think the Government have been fearmongering in the slightest. There are some consequences of us leaving without a deal that we have to prepare for and I would like to think that, when I have been given the opportunity, I have articulated



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them in a calm and relatively precise manner, without scaring too many horses, but giving a level of understanding of the amount of work that has had to go into preparing for a no-deal.

Andrea Jenkyns: I agree with you, Minister. I know that, as a Brexiteer, you probably have not gone down that route. I am probably talking about the Treasury.

Chris Heaton-Harris: I disagree; I think the Government have handled their no-deal preparation responsibly.

Q3697 **Andrea Jenkyns:** Was Monday's no-deal wargame in Kent, when 100 lorries drove up and down the motorway, a success and what did it teach us about leaving under WTO rules?

Chris Heaton-Harris: It would not have taught us much about leaving under WTO rules, but it was a success. The Government works with a body called the Kent Resilience Forum. Whether there is a deal or no deal when we leave, there could still easily be problems with strikes and weather in the short straits that we need to prepare for as a Government. This was a way of finding out. There were enough lorries and I believe one dumper truck present for us to measure the flows of traffic that you could send out on to the A road that connected where they were parked to the port, the timings and what that might do to traffic so, yes, it was a success.

Q3698 **Andrea Jenkyns:** It has been two and a half years since the British people voted to leave. Is it a coincidence that the no-deal wargame that took place this week was before the Prime Minister's vote next week on the withdrawal deal? Why did it not take place months or even a year ago? Is it a coincidence?

Chris Heaton-Harris: Yes, it is a coincidence.

Q3699 **Andrea Jenkyns:** Regarding your previous answer on Calais that the EU could enforce more strident checks if it wanted to, would you not agree that that would be counterproductive because we could do the same with the goods that come into the UK as well? It would be counterproductive for both sides really.

Chris Heaton-Harris: It would be counterproductive. I mentioned earlier that I used to import wholesale huge amounts of fresh produce using the short straits. I know that, at that time of year, a huge number of the lorries coming into the country contain fresh produce from French, Italian, Portuguese and Spanish farmers, not so much the Dutch and Belgians, because they use other routes. It would be in nobody's interest to impose any extra checks.

Q3700 **Andrea Jenkyns:** Finally, Minister, I was in Kenya back in July and they export flowers under WTO rules. If they can do it easily enough, get through our checks and still get goods that have a short shelf life to us on time, can you realistically and honestly see any problems if we leave



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under WTO?

Chris Heaton-Harris: I also used to import fresh produce from around the globe and it is eminently doable in good time for fresh produce to have a long shelf life in the United Kingdom, from other countries outside the European Union.

Q3701 **Stephen Kinnock:** Thank you very much, Minister, for coming to see us this morning. Do you think that a no-deal Brexit makes the reunification of Ireland more or less likely?

Chris Heaton-Harris: No, I do not.

Q3702 **Stephen Kinnock:** It has been reported that the Northern Ireland Secretary said at Cabinet yesterday that a so-called border poll on the reunification of Ireland was far more likely if the UK crashes out of the EU without a withdrawal agreement. Do you not agree with the Northern Ireland Secretary?

Chris Heaton-Harris: I was not at Cabinet to hear those words uttered. Thank you for elevating me into the Cabinet. I very much appreciate it.

Stephen Kinnock: I was saying it was widely reported and has not been denied.

Chris Heaton-Harris: Lots of things are widely reported. You will have to ask the Northern Ireland Secretary that.

Q3703 **Stephen Kinnock:** Given the terms of the Good Friday agreement and that an Irish referendum can only be called by the Northern Ireland Secretary if there is evidence that a majority in Northern Ireland would support reunification, if we end up crashing out of the European Union without a deal, do you not think that Sinn Féin would immediately request a referendum in Northern Ireland?

Chris Heaton-Harris: First, I have not spoken to a Sinn Féin Member in this place since the general election in 2017. Secondly, that is a matter for those people responsible. I would just push back slightly. We would not be crashing out of the European Union without a deal on 29 March this year. A huge amount of preparation has gone on. I would much prefer to have a deal. If you and your parliamentary colleagues cannot bring yourselves to vote for the deal that is on the table, we will leave without a deal. A huge amount of preparation has gone into making that suboptimal outcome as comfortable as possible.

Q3704 **Stephen Kinnock:** Your role is to assess all the risks and I am sure you see opportunities there as well so, for the sake of argument, let us call them risks and opportunities that relate to leaving the European Union without a deal. Do you agree that one of those is a risk to the constitutional integrity of the United Kingdom that is represented by a no-deal outcome?

Chris Heaton-Harris: No.



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Q3705 **Stephen Kinnock:** You do not think that leaving the UK with a no-deal outcome entails any risk of the potential break-up of the United Kingdom.

Chris Heaton-Harris: No.

Q3706 **Stephen Kinnock:** Can you explain why not? If you were drawing up a scale of 1 to 10, with no deal versus a deal versus other options, would you seriously argue that leaving with no deal would have no impact on the risk of a break-up of the United Kingdom and, specifically, the reunification of Ireland?

Chris Heaton-Harris: I genuinely believe the union is a very strong union and it would maintain its strength.

Q3707 **Stephen Kinnock:** It is correct that, under the terms of the Good Friday agreement, it is possible to hold a referendum in Northern Ireland if the Northern Ireland Secretary has clear evidence that a majority in Northern Ireland would support reunification. Is that true, yes or no?

Chris Heaton-Harris: It has been ever since that agreement was signed.

Q3708 **Stephen Kinnock:** Do you agree that leaving the European Union without a deal increases the likelihood of support for a referendum in Northern Ireland?

Chris Heaton-Harris: No.

Q3709 **Stephen Kinnock:** Why not?

Chris Heaton-Harris: I just do not. It is a personal belief. I have not travelled to Northern Ireland for a number of months. It is a personal belief. I do not.

Q3710 **Stephen Kinnock:** That is just a personal belief. In your role as the Minister responsible for assessing the risks that are associated with no deal, you have not conducted any deeper research into what most people would think is quite an important issue, the future of our union.

Chris Heaton-Harris: The future of our union is strong and I have every confidence in it being maintained.

Q3711 **Stephen Kinnock:** Can you confirm that, in your role as the Minister responsible for assessing the risks around a no-deal outcome, no research, thinking or discussion has been done on the scenario whereby we leave the EU without a deal and the impact that has on the likelihood that a party such as Sinn Féin would immediately request a referendum in Northern Ireland? No work has been done on assessing that risk.

Chris Heaton-Harris: I confirm that I have not commissioned nor have I seen any work on that basis.

Q3712 **Stephen Kinnock:** Do you think it is a responsible attitude of the Government not to be commissioning some work, thinking and assessing the political risks, on what most people would consider is an important



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issue, the future of our union?

Chris Heaton-Harris: I am sure that the Northern Ireland Secretary and the Northern Ireland Office consider all sorts of matters relating to that on an ongoing basis and have done ever since the Good Friday agreement was signed.

Q3713 **Stephen Kinnock:** I recognise this was reported in the media, but it has not been denied. The Northern Ireland Secretary told the Cabinet yesterday that leaving the EU without a deal would significantly increase the chances of a so-called border poll in Northern Ireland. Do you not think that the Brexit Department and the Northern Ireland Office should co-ordinate and work closely together to assess the risk of a request to have a referendum in Northern Ireland, which in essence would have to be accepted by the Northern Ireland Secretary under the terms of the Good Friday agreement? Were you surprised to read the report of what she said?

Chris Heaton-Harris: Forgive me, Mr Kinnock, but I refuse to comment on leaks of that nature. You are more than welcome to ask the Northern Ireland Secretary herself.

Q3714 **Sammy Wilson:** To follow on that question briefly, given some of the extreme statements that have been made by the Secretary of State for Northern Ireland, especially about this agreement and attempts to sell this agreement, does it surprise you that she may have been reported as making another wild claim about why this agreement should be supported?

Chris Heaton-Harris: Mr Wilson, as I said to Mr Kinnock, I refuse to comment on leaks. I was not there and I am not going to comment on that. However, like the Secretary of State for Northern Ireland—and please forgive me, because I understand the position you have taken on the agreement—I am also someone who is out there selling the agreement.

Q3715 **Sammy Wilson:** Just to clear up the referendum issue, a request by Sinn Féin for a referendum under the terms of the Good Friday agreement is not the trigger for a referendum to be started or catered for. It is only when it is clear there has been a substantial shift in opinion in Northern Ireland, indicating that the majority of people wish to break with the United Kingdom. Is that not the case? Therefore, the premise of the question that Sinn Féin would ask for a referendum in the situation of no deal is irrelevant.

Chris Heaton-Harris: It is my understanding that you are completely correct.

Q3716 **Sammy Wilson:** Can I just ask two questions, first about the Irish Government? The Irish Government have produced their proposals for what they would do in the event of a no-deal. Have any of those been shared with your Department or the Government of the United Kingdom



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and have any of those proposals shown what infrastructure the Irish Government wish to place along the border between Northern Ireland and the Irish Republic? Have they requested any similar information from the UK Government on what they would do on the Northern Ireland side?

Chris Heaton-Harris: I guess this is one of those committees where you get asked questions that people know the answers to better than you do. As you would have seen from numerous statements from the Irish Government and indeed ours, there are no plans for any infrastructure to be built on the Irish border.

Q3717 **Sammy Wilson:** Does it surprise you that, in the event of a no-deal, the Irish Government do not propose any infrastructure on the Irish border, given that the EU has said that infrastructure is essential to guard the integrity of the single market? There have been no proposals by the Irish Government and they have not even discussed with the UK Government what we might do on the Northern Ireland side.

Chris Heaton-Harris: It does not surprise me, because the Irish Government, like the UK Government, have a very good understanding of the history, political and social, and the general culture of the island of Ireland. No, it does not surprise me in the slightest.

Q3718 **Sammy Wilson:** You said earlier you understood why the backstop arrangements were required in the withdrawal agreement, but does it not appear somewhat contradictory that the backstop arrangements are required in the withdrawal agreement and yet, in the event of a no-deal, the Irish Government are not planning any infrastructure to protect the integrity of the single market on their side, and have not asked the UK Government to put any infrastructure on their side of the border?

Chris Heaton-Harris: No, it does not surprise me, because that is what I would have expected.

Q3719 **Sammy Wilson:** Why, then, do you conclude that the backstop arrangement is necessary?

Chris Heaton-Harris: I guess it is from 10 years of being a Member of the European Parliament before this particular role, and I hope I emphasised that I had a proper job before politics as well. One of the purposes of the European Commission is to protect its four freedoms and the single market, and I can understand why the European Commission would be concerned about that border.

Sammy Wilson: It seems that the Irish Government are prepared to defy the European Commission and say they are not putting in any infrastructure and are not even asking the UK Government what they are going to do on their side of the border.

Chris Heaton-Harris: A huge amount of common sense comes out of Dublin and a huge amount of common sense comes out Westminster on this matter.



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Q3720 Sammy Wilson: Can I ask another question? It has been widely reported that the police in Northern Ireland have, under the mutual aid agreement, asked for 1,000 additional officers. It was reported that this was in the event of street disorders due to Brexit and leaving with no deal. Are you aware of the application that was made under the mutual aid arrangements and the terms by which the police asked for that support in the first place?

Chris Heaton-Harris: I am afraid I prayed you in aid in your absence, at the beginning of this, because I was asked about this and I quoted from a statement that you put out about these numbers. In the no-deal plans that I have seen in my Department, there are no plans that require extra police on the ground in Northern Ireland in the event of a no-deal.

Q3721 Sammy Wilson: Is it your understanding that this application for 1,000 additional police officers is the regular application that is made every year, in respect of possible street disorders there may be around parading in the July period and officers that are normally required for that?

Chris Heaton-Harris: I mentioned that earlier. Other Members of the Committee might not have believed me.

Q3722 Sammy Wilson: Can you confirm it is a fact that this is a yearly application made by the police in Northern Ireland, and that it is an application they have never had to draw down the officers from?

Chris Heaton-Harris: I believe that is the case, yes.

Q3723 Sammy Wilson: There is one last area in relation to the preparations in Northern Ireland. Who is responsible for liaising with Government Departments in Northern Ireland on the preparations for no-deal Brexit? Is it your Department? Is it the Northern Ireland Office or, if the Health Department has preparations, should it contact the Department of Health in Northern Ireland, and should the Business Department contact the Department for the Economy?

Chris Heaton-Harris: My Department co-ordinates the whole thing, but departmental responsibilities are extended. It would be Defra when it comes to agriculture, for example.

Q3724 Sammy Wilson: Where has the breakdown occurred, then? The head of the Civil Service in Northern Ireland recently complained that there appears to be a very poor flow of information on what the preparations are. Government Departments in Northern Ireland have not been well prepared. In fact, he has talked about massive smuggling across the border. I do not know who is going to buy all these smuggled goods, given that supermarkets have great traceability requirements when it comes to the food that they sell, but he has made this claim in a letter anyway. Where do you see the breakdown occurring? Is it that Departments here at Westminster are not making contact with Departments in Northern Ireland or that the Northern Ireland Office is



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failing to pass on information to Departments in Northern Ireland?

Chris Heaton-Harris: Theoretically, the Departments are responsible for their plans and policies. In Northern Ireland's case it would be co-ordinated by the Northern Ireland Office. I would be very surprised if the appropriate information has not been flowing. Following this, I will go away and check what level of information has been flowing and ensure that any pipeline that might be blocked is unblocked, because there should be no reason for that flow of information being interrupted.

Q3725 **Sammy Wilson:** You have no fear, given the vigour the Secretary of State seems to have found for her role recently, which was noticeably absent before, in defending this deal, that the Northern Ireland Office may have been reluctant or not as diligent to share information on how to prepare for no deal as it could have been.

Chris Heaton-Harris: No.

Q3726 **Sammy Wilson:** It might be helpful if you can come back to us and let us know if you have identified where the roadblock has been, because the head of the Civil Service seems to be making the claim that information is not flowing as freely as it should.

Chris Heaton-Harris: I will happily go away on that basis.

Q3727 **Chair:** Can I ask you, Minister, why you think so many businesses are anxious about the prospect of no deal?

Chris Heaton-Harris: They would much rather have a deal and the certainty that that provides.

Q3728 **Chair:** Let us take the farming industry. In just over two months, beef and dairy farmers could be facing tariffs as high as 40%, which the NFU Cymru president has described as "catastrophic" and the president of the NFU has described as "the worst possible outcome" for the farming industry. What do you say to them when the Government say we might leave with no deal?

Chris Heaton-Harris: I say to them that the Government have a deal on the table, which they would agree is eminently preferable to leaving without a deal. It is incumbent on Members of this Parliament to vote appropriately, as they feel fit, but to look seriously at the deal that is on the table, which provides the certainty that that industry and others ask for.

Q3729 **Chair:** What is your plan to help them in the event that we leave with no deal?

Chris Heaton-Harris: As I mentioned earlier, I shall ensure that the Committee hears, as quickly as I do, about the outcome of the arrangements that DIT and Defra are talking about.

Q3730 **Chair:** You said the Government have yet to make a decision on what tariffs they might charge EU member states in the event of us leaving



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with no deal. Is it the Government's understanding that, if the Government decided charge no tariffs, they would have to apply the same policy to every other country in the world under the MFN rules?

Chris Heaton-Harris: I am not an expert on tariffs, so I will vie away from answering the questions. I believe you get a short period of time when you can vary tariffs but, eventually, you have to come back to the position that you articulated.

Q3731 **Chair:** If we had to come back to the position that we cut the tariffs for everyone, what do we have to offer in any trade negotiations, if we have already given it away?

Chris Heaton-Harris: While not accepting the whole premise of your question, we have to offer the fifth-largest economy in the world, with a growing and dynamic economy and market.

Chair: We would already have given away the offer of reduced tariffs in those circumstances.

Chris Heaton-Harris: I do not accept the premise of your question.

Q3732 **Chair:** Okay, you do not accept that. Finally, what primary legislation will be required between now and the end of March for no deal?

Chris Heaton-Harris: We have a number of pieces of primary legislation currently before Parliament that are required. We have the Trade Bill, the Fisheries Bill, the Agriculture Bill, the Financial Services (Implementation of Legislation) Bill especially for no deal, the Healthcare (International Arrangements) Bill, the Immigration and Social Security Co-ordination (EU Withdrawal) Bill and the EU (Withdrawal) Bill itself, introduced when Parliament has approved the final deal.

Q3733 **Chair:** What about in the event of no deal?

Chris Heaton-Harris: The inflight financial services Bill makes sure there is certainty for pieces of legislation that are currently on track. The Healthcare (International Arrangements) Bill is a reciprocal health Bill.

Chair: The point I am trying to understand is that those are all Bills the Government are bringing forward in anticipation of there being an agreement.

Chris Heaton-Harris: No, those two are for no deal.

Q3734 **Chair:** They are for no deal, but do you expect any additional Bills to deal with the consequences of leaving with no deal, other than the list you have just read out?

Chris Heaton-Harris: I cannot say for certain that I do not expect any extra pieces of primary legislation, but I am fairly confident that that is the complete list.

Q3735 **Chair:** That is the complete list, but there might be Government



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amendments to those Bills.

Chris Heaton-Harris: And things change in all sorts of areas. I described earlier how quickly things are changing, as we are now pivoting the primary focus of Government to no-deal preparation. If extra things are found, there might be extra legislation required.

Q3736 **Chair:** Are you confident that all of the necessary bits of legislation to deal with no deal would be completed by 29 March?

Chris Heaton-Harris: Yes.

Chair: Thank you very much for coming today. Your evidence has been extremely helpful.