

News from the Brexit Cliff Edge

1st Mar 2019

News Highlights

Welcome to the Brexit Cliff Edge

- The Office of National Statistics published its last set of figures before Brexit. It showed net migration from Europe has fallen to its lowest level in a decade. However, numbers from elsewhere in the world have soared, with the PM's target of 100,000 net being smashed by the final tally of 261,000
- UK business confidence slid to its lowest level since June 2016 in February, a Lloyds Business Barometer survey showed, with the services sector most pessimistic - indicating Brexit uncertainty is having a strong impact
- Biofuel production came back online at Wilton, near Redcar, but CropEnergies said it was waiting to see what the regime for imports and exports to the UK and Europe would like before confirming the plant's longer term future
- Global investment bank, JPMorgan, has secured additional office space in Paris for around 200 staff at short notice, under its contingency plans for a No Deal Brexit
- A Wearside MP with Nissan in her constituency said she was alarmed at the lack of details from Ministers with regards to Brexit and any impact it might have on the plant's longer term future
- Aston Martin will spend £30m on contingency plans for a hard Brexit, according to its financial results
- Rolls Royce is axing 4,500 jobs as part of a cost cutting drive, as it delivers its turnaround plan, which stemmed from losses it has had in the manufacturing cycle
- Southend Airport said Air Malta had pulled all Italian flights from the airport
- The East Anglian Daily Times reported a rise in food bank usage and said it is linked to job cuts and Brexit uncertainty
- The Russel Group of Universities called on the government to rethink its plans to give 3 year visas to EU students as it would discriminate against universities offering 4 year courses
- Nigel Farage said he planned to lead a march from Wearside to London to promote Brexit
- Attorney General Geoffrey Cox has Theresa May's fate in his hands as he tries to persuade the EU to agree substantive legal changes to the political declaration attached to the Withdrawal Agreement
- The Tory hardline ERG group appeared to be softening its hardline stance over the Irish backstop. Both Jacob Rees Mogg and the DUP have suggested that a time limit to the Irish Backstop of around 21 months would be something they would both support
- Brussels is signalling that any extension of Article 50 must be one-off and underpinned by concrete reasons before it would be agreed
- A by-election in Newport West to fill the vacant seat of the late Paul Flynn has been announced. Brexit is likely to dominate as an issue
- Labour plans to offer a rehash for the Kyle-Wilson amendment to Theresa May. It will suggest Labour will agree to abstain from voting on her deal. In return she will agree to put the deal to the country in a public vote
- George Eustice resigned from the government in protest at Theresa May's intention to consider extending Article 50

- Top UK scientist Sir Paul Nurse said the UK is sleepwalking into a disaster. The UK is set to lose up to £1bn a year in research funds because of Brexit. This will have lasting consequences for the country's future he added
- The Leave campaign now seem to be placing 'paid for stories' in mainstream media to promote their messages. Spiked's Ella Whelan wrote a piece attacking the idea of a second referendum on Brexit for the Irish Times. Former Australian PM Tony Abbott sung the praises of 'economic independence' from the EU in The Spectator

Jobs at Risk

Aston Martin sets aside £30m for hard Brexit as costs hit profits

Aston Martin set aside £30m to deal with a hard Brexit as spiralling costs hit profits at the British luxury carmaker and triggered a sharp fall in its share price on Thursday. The group posted a pre-tax loss of £68m for last year, largely because of £136m in costs from its stock market flotation in October. But even once the exceptional charges were stripped out, pre-tax profit declined by 7 per cent to £68m, due in part to a one-off pension gain that it booked during 2017 and accounting changes last year.

<https://www.ft.com/content/9b5c3be2-3b3c-11e9-b856-5404d3811663>

Rolls-Royce hails 'breakthrough year' despite swinging to £2.9bn loss

Rolls-Royce hailed a "breakthrough year" despite suffering a £2.9bn loss last year partly thanks to technical problems with its engines. Company is axeing 4,600 jobs as part of a cost-cutting drive and has suffered from a series of technical issues with its engines

<https://www.independent.co.uk/news/business/news/rolls-royce-loss-job-cuts-trent-engine-a8801061.html>

Lack of detail over Brexit is 'hugely concerning' says Sunderland MP

A Wearside MP says she has finally received a reply to a letter she sent Prime minister Theresa May calling for more clarity over Brexit. But Sharon Hodgson, whose Washington and Sunderland West constituency covers the Nissan plant, says the reply leaves her questions unanswered. She has now received a reply which Business and Industry Minister Richard Harrington MP sent on February 22, which can be viewed here. Mrs Hodgson said the Minister had been unable to provide any further information regarding what trading arrangements will be when we leave the European Union (EU) and refused to rule out a 'hugely damaging' No-Deal Brexit.

<https://www.sunderlandecho.com/news/business/lack-of-detail-over-brexit-is-hugely-concerning-says-sunderland-mp-1-9623257>

Ensus refinery at Wilton to resume production but bosses warn of threat to future from Brexit

German parent company CropEnergies has now confirmed a decision to bring the Wilton plant back online at a "reduced capacity" from the beginning of March. Around 90 staff work at the plant near Redcar but it also directly supports around 2,000 supply chain workers in areas from farming to haulage. But in a statement, the company said: "Questions related to Brexit regarding customs for imports and exports to and from the United Kingdom need to be clarified immediately. "The future customs regulations are of existential importance for the production site (at) Wilton." Labour MP for Redcar, Anna Turley, challenged Ministers in Parliament on Thursday to protect the British biofuels industry after Brexit. She warned of a potentially "devastating impact" of tariffs being removed on biofuel, and said as Ensus' decision to limit production shows jobs "still hang in the balance".

<https://www.gazettelive.co.uk/news/teesside-news/enssus-refinery-wilton-resume-production-15901665>

JPMorgan plans temporary Paris hub for 200 staff if no-deal Brexit

JPMorgan has secured additional office space on the outskirts of Paris to house up to 200 staff who could be billeted to the French capital at short notice, under plans to cope with the fallout from a 'no

deal' Brexit, sources told Reuters. The U.S. investment bank has expanded an existing lease at the temporary base so it can accommodate a swift transfer of crucial operations to the city by April 1 if Britain were to leave the EU without a deal on March 29, the sources familiar with the matter said.

<https://uk.reuters.com/article/uk-britain-eu-jpmorgan-paris/jpmorgan-plans-temporary-paris-hub-for-200-staff-if-no-deal-brexid-idUKKCN1QH205>

Economic Impact

Theresa May hit by migrant target farce as record numbers of Europeans leave UK

Theresa May's immigration policy was engulfed in fresh criticism today as figures revealed a slump in EU workers coming to Britain — and a surge in arrivals from outside Europe. The Office for National Statistics said that an outflow of Eastern Europeans means that net migration from Europe has fallen to its lowest level in a decade. But at the same time the numbers coming to the UK from the rest of the world has soared to 261,000 — more than double the Prime Minister's target of cutting net migration to below 100,000.

<https://www.standard.co.uk/news/politics/theresa-may-hit-by-migrant-target-farce-as-record-numbers-of-europeans-leave-uk-a4079276.html>

UK migration: Rise in net migration from outside EU

Net migration to the UK from countries outside the European Union has hit its highest level for 15 years, the Office for National Statistics says. Figures show 261,000 more non-EU citizens came to the UK than left in the year ending September 2018 - the highest since 2004. In contrast, net migration from EU countries has continued to fall to a level last seen in 2009. The figures are the last set before the UK is due to leave the EU next month. And separate figures released by the Home Office show the number of EU nationals applying for British citizenship hit an all-time high last year, rising by 23% to about 48,000.

<https://www.bbc.co.uk/news/uk-47400679>

Brexit Uncertainty Has Hurt Our Economy - Extending Article 50 Could Hurt It Even More

Extending the Brexit process will lift uncertainty in Westminster, but will do little to reassure businesses and consumers there is light at the end of the tunnel. Both consumers and businesses are paying the Brexit price. This is because, in the presence of ongoing economic policy uncertainty, the sterling exchange rate takes a hit as foreign investors become less willing to trust, and therefore invest, in the UK economy.

https://www.huffingtonpost.co.uk/entry/extending-article-50_uk_5c77a865e4b010e7c5640f05

UK business confidence slides to lowest since month of Brexit referendum - Lloyds

British business confidence slid in February to its lowest level since June 2016, the month of the Brexit vote, a survey showed on Thursday, adding to other signs that Brexit uncertainty is hurting companies. Business confidence fell by 15 points to 4 percent in February, according to the Lloyds Bank Business Barometer. The services sector, which accounts for the bulk of British economic output, accounted for the biggest fall in morale.

<https://uk.reuters.com/article/uk-britain-economy-confidence/uk-business-confidence-slides-to-lowest-since-month-of-brexid-referendum-lloyds-idUKKCN1QH13C>

Air Malta's Italian routes 'pulled' from Southend Airport

There are now no options on Air Malta's website to book any flights from Southend to Catania and Cagliari on any date. Travellers believe they are cancelling the flights six weeks before departure date and not giving passengers any options to book them.

<https://www.echo-news.co.uk/news/17466575.air-maltas-italian-routes-pulled-from-southend-airport/?ref=twtr>

Migration to UK climbs as more workers and students come from beyond Europe

The net migration of EU nationals to the UK has fallen 70 per cent since the 2016 vote to leave the

bloc, but arrivals from outside Europe have increased markedly, in an indication of Brexit's impact on flows of people to the country. Figures released by the Office for National Statistics on Thursday show the net migration of EU nationals fell to 57,000 in the year to September 2018, the lowest level in a decade. This compares with a net inflow of 189,000 EU nationals in the year to June 2016, when the Brexit referendum was held. The change is even more stark for those people who come from the eight central and eastern European member states that joined the EU in 2004 — countries such as Poland. The number of people from such countries who are leaving the UK now outstrips those arriving. Overall, National Insurance number allocations to EU nationals fell by a third to 419,000 between 2016 and 2018.

<https://www.ft.com/content/960b4672-3b3e-11e9-b72b-2c7f526ca5d0>

Administrative Fall Out

Brexit uncertainty and job cuts 'fuelling spike in foodbank use'

Firms are slashing hours and cutting jobs over Brexit fears - prompting more people than ever before to turn to foodbanks for help, it has been claimed. Frontline volunteers say the uncertainty surrounding Britain's EU exit is playing a significant role in why so many people are struggling to put food on the table, alongside Universal Credit payment delays. It comes as demand for foodbanks in parts of Suffolk and north Essex soared by as much as 50% year-on-year in February. Stowmarket and area foodbank manager Mike Smith warned local people are "really struggling" at the moment after sending out 100 emergency food parcels this month, up 51% from 66 in 2018.

<https://www.eadt.co.uk/news/brexit-suffolk-and-north-essex-foodbank-demand-1-5911583>

Border IT Systems Aren't Ready for Brexit: Plan A Scratched, Plan B Troubled

"The government assesses readiness of traders as one of its most significant risks" Six of the eight IT systems deemed "most critical for day one" after Brexit are at serious risk of not being delivered on time or in an adequate condition. Worrying, it said that HMRC had decided last month that a flagship new Customs Declaration Service (CDS) to handle and risk-assess customs declarations, and account for payment of duties, would not be ready for a no-deal Brexit. But the fall-back option, the existing Customs Handling of Import and Export Freight (CHIEF) system, is riddled with issues and also may not be ready in time.

<https://www.cbronline.com/news/customs-declaration-service-nao>

How EU-reliant small British businesses are preparing for Brexit

Hardly a day goes by without a business announcing relocation to the EU, or warning of how dangerous Brexit would be for the UK economy. These have included aerospace firm Airbus, which employs more than 14,000 people in the UK. Electronics multinationals Sony and Panasonic have both moved their European headquarters from the UK to the Netherlands, while financial services company JP Morgan announced 4,000 of its staff could be moved from London in the event the UK crashes out of the EU. While multinational firms have sufficient capital and resources to plan and pivot, just over a month before the UK is due to leave the EU, most smaller businesses can only wait and hope.

<https://www.aljazeera.com/indepth/features/eu-reliant-small-british-businesses-preparing-brexit-190226064356993.html>

FCA gives finance firms 15-month reprieve in case of no-deal Brexit

The UK financial regulator confirmed that firms will have a 15-month grace period to comply with rule changes in the event of a cliff-edge Brexit in 29 days' time. The Financial Conduct Authority on Thursday published a series of "near-final" rules around Brexit, although they still need approval from the Treasury. They include a waiver for firms around changes that the FCA has had to introduce as a result of the UK leaving the European Union and therefore the bloc's rule book.

<https://www.ft.com/content/e74cffe0-3b7e-11e9-b856-5404d3811663>

Scrap plans for No Deal visas

The Russell Group is calling on the Home Secretary and Immigration Minister to scrap plans for a 36-month visa for EU nationals coming to the UK in the event of a No Deal Brexit. The European Temporary Leave to Remain (ETLR) scheme would discriminate against Scottish universities and any future EU students wanting to study engineering and medicine courses, which last more than three years.

<https://russellgroup.ac.uk/news/scrap-plans-for-no-deal-visas/>

Womad festival struggling to book artists due to Brexit uncertainty

Chris Smith, the festival's director, said it was getting harder each year to get people to perform. "It is harder to book artists because of Brexit ... We are struggling to overcome it and let artists know they are welcome here and [that] people still want to experience their great music," he said. "Lots of artists are finding they can get to Europe but fear taking the next step to the UK, particularly if there is there is no passport union. It will become more complicated. When we are out of the EU the passport arrangements will change, so artists coming from wherever will get into Europe but worry they then won't be able to cross the Channel." While he noted their concerns may be unfounded because it was too early for artists to make official visa applications, he said there was a feeling this year of people asking: "Can we be bothered? Is this a process we want to put ourselves through?"

<https://www.theguardian.com/culture/2019/feb/28/womad-uk-festival-artists-performers-brexit-visas>

UK house prices growth subdued in February with Brexit looming

"After almost grinding to a complete halt in January, annual house price growth remained subdued in February," Robert Gardner, Nationwide's chief economist, said. "Indicators of housing market activity, such as the number of property transactions and the number of mortgages approved for house purchase, have remained broadly stable in recent months, but survey data suggests that sentiment has softened." He added that "measures of consumer confidence weakened around the turn of the year and surveyors reported a further fall in new buyer enquiries over the same period".

<https://www.ft.com/content/4144c334-3b25-11e9-b72b-2c7f526ca5d0>

Uncertainty over Brexit is ruining our personal lives

I have never been here before. I don't mean: "I've never looked at the ranks of government with such distaste and despair," because there was no way of knowing, 10 years ago, that things would get this much worse. No, I mean, I've never felt the public realm bleed so relentlessly into my personal life that I'm drenched in unknowables and can't make any decisions at all. All questions end: "Wait and see what happens in March, I guess." "Do we move house?" is merely the headline uncertainty that probably only affects a few. Where do you go on holiday when you don't know what's going to happen to the pound? This stuff matters

<https://www.theguardian.com/commentisfree/2019/feb/28/brexit-uncertainty-ruining-personal-lives-cant-make-decisions>

Former Ukip leader Nigel Farage to lead nationwide Brexit march through Sunderland and Hartlepool

Former Ukip leader Nigel Farage is to lead a nationwide Brexit march to London through both Sunderland and Hartlepool. The Leave Means Leave protest - which begins on Wearside on Saturday, March 16 - will end in the capital on Friday, March 29, to mark the planned day the United Kingdom leaves the European Union.

<https://www.sunderlandecho.com/news/former-ukip-leader-nigel-farage-to-lead-nationwide-brexit-march-through-sunderland-and-hartlepool-1-9622788>

What to do if you get injured on holiday and how this might change after Brexit

As much as we like to think it will never happen, getting injured when abroad is commonplace, but how many Brits know what action to take should the unthinkable happen when on their travels? Paul

McClorry, Head of Travel Litigation at specialist injury lawyers, Hudgeell Solicitors, has given his advice on what to do if you are injured on holiday, and how this might change once Britain leaves the EU

<https://www.doncasterfreepress.co.uk/lifestyle/travel/what-to-do-if-you-get-injured-on-holiday-and-how-this-might-change-after-brexit-1-9623164>

'I'd vote Leave more emphatically than in 2016': Three farmers on why they still back Brexit

Some farmers have absolutely no regrets about losing their EU subsidies after voting Vote Leave and say they would do so with even more gusto this time

<https://inews.co.uk/news/brexit/brexit-farmers-vote-leave-eu-referendum/>

Brexit warning: UK farmers feeling 'stark' impact of deal uncertainty - 'irresponsible!'

With the March 29 Brexit day fast approaching and Theresa May still attempting to convince Parliament to back her deal, a delay to Britain's departure is looking increasingly likely. But a lack of clarity over future trading arrangements means £514 million worth of British grain exports are at risk as farmers struggle to plan ahead. NFU combinable crops board chairman Tom Bradshaw said a divorce deal is needed to allow trading contracts to be put in place with European buyers

<https://www.express.co.uk/news/uk/1094015/brexit-news-uk-farmers-national-farmers-union-nfu-no-deal-brexit-latest>

Political Shenanigans

Huge obstacles remain to a second Brexit referendum

Advocates of a second referendum have a new plan: to push for a "ratification referendum", meaning a public vote after Theresa May's deal goes through. This would still require lots of Labour MPs to support a Tory Brexit, something the party seems set against. Some believe that the threat of a delay to Brexit also means it is more likely that Brexiteers vote for Mrs May's deal. However, huge obstacles remain to a second vote. Ultimately it is very hard to push through a referendum unless the government agrees. Some MPs backing a second referendum hope that the binding nature of the forthcoming vote could make it impossible for the government to ignore. However, it requires parliamentary time and government money to set up, as well as an extension to Article 50.

<https://www.thetimes.co.uk/article/huge-obstacles-remain-to-a-second-brexit-referendum-bsfjn8b7n>

Brexit: Cox has Theresa May's fate in his hands

The man who is arguably the most powerful force in the land at the moment was a stranger to many in Westminster until last summer. Geoffrey Cox, a more familiar face at the Bar until his appointment as attorney general in July, now holds the fate of Theresa May in his hands. There are signs that Brexiteer Tories and the DUP may be able to accept the key change Cox is seeking: a legally binding time limit to the Northern Ireland backstop. The backstop is designed to avoid a hard border by tying Northern Ireland closely to the rules of the EU if the UK and Brussels fail to negotiate a future relationship by the end of a planned transition period.

<https://www.bbc.co.uk/news/uk-politics-47409659>

Breakthrough for May - after Rees-Mogg, now DUP say they could back her deal

The DUP's Westminster spokesman Sammy Wilson admitted they could back the Prime Minister's deal if the EU agreed a time limit to the Northern Ireland backstop. Mr Wilson said: "We have 21 months before the implementation period would be finished anyway. We believe there are possibilities to have the monitoring of trade across the border solved in that time. "That's the kind of time limit we would be looking for." It comes after Jacob Rees-Mogg, who chairs the powerful European Research Group (ERG) of pro-Brexit Tory MPs, softened his stance for legal guarantees limiting the Northern Ireland backstop. Mr Rees-Mogg suggested he could support Mrs May's deal if binding legal assurances were added to an appendix to the Withdrawal Agreement, rather than put

in the treaty itself.

<https://www.express.co.uk/news/politics/1093629/brexit-news-latest-EU-deal-vote-today-no-deal-referendum-live-update>

Why the PM can dare to dream that her Brexit deal will pass

Can the prime minister dare to dream that her Brexit deal will pass - perhaps as soon as next week? It is striking how Brexiters from the ERG group are lining up to tell me how reasonable they are trying to be. After well over a hundred Tory MPs failed to vote for Yvette Cooper's amendment on Wednesday evening, which simply captured the PM's u-turn pledge to allow MPs to delay Brexit, one senior Tory texted me to insist this was "more cock up than conspiracy".

<https://www.itv.com/news/2019-02-28/why-the-pm-can-dare-to-dream-that-her-brexit-deal-will-pass/>

SET THE DAY, MAY Brexiteer Tories tell Theresa May they will back her deal if she lays out timetable to quit Downing Street this year

Brexiteer Tory MPs have told Theresa May they can deliver a majority for her EU deal if she lays out a timetable to leave No10 this year. The Sun has been told that "dozens" of sceptical backbenchers are now ready to hold their noses and vote for the PM's revised divorce agreement, even if she can only win small tweaks to it, so long as she names the day she'll go

<https://www.thesun.co.uk/news/8535274/brexiteer-tories-call-may-quit/>

March on Westminster: Farage to lead HUGE Brexit protest march from Sunderland to London

The nationwide event will see marches begin in North East England on March 16 and culminate with a mass rally in London on March 29 - the day Theresa May had pledged Britain would quit the EU. Organised by pro-Brexit pressure group Leave Means Leave, the protest aims to "show the level of popular dissatisfaction" with how the divorce from Brussels is being handled. Brexiteer Nigel Farage, who serves as an MEP for South East England, said: "The Westminster elite are in the process of betraying the British people over Brexit.

<https://www.express.co.uk/news/uk/1093922/brexit-news-leave-means-leave-march-nigel-farage-sunderland-london-brexiteer-betrayal>

Can Brexit be stopped? How leaving EU could be delayed or cancelled - in theory

Less than a month before we leave the EU, there's a question on a lot of people's lips - can Brexit be stopped? The short answer is yes. It takes only a crucial few decisions to un-chisel the March 29 exit date in stone. But the long answer is it's complicated - the Daily Mirror explains the options

<https://www.mirror.co.uk/news/politics/can-brexit-stopped-how-leaving-14069362>

Theresa May's biggest Brexit u-turns

The UK staying in the customs union - could have been avoided if she's made concessions elsewhere. She could have accepted Brussels' offer to allow Northern Ireland to stay part of the EU customs union if no agreement was reached. Mrs May dismissed this option as "unacceptable" because, in her view, it would amount to breaking up the UK. No doubt the staunch opposition from her parliamentary lifeline, the DUP, also weighed on her mind as she considered that proposal.

<https://www.channel4.com/news/factcheck/factcheck-theresa-mays-biggest-brexit-u-turns>

Any extension of article 50 must be a one-off, Brussels to insist

Brussels is to insist that any Brexit delay is a one-off, according to senior EU diplomats, setting the stage for Theresa May to present MPs with the choice of her deal or a chaotic no-deal exit this summer. The prime minister has suggested that she will seek a two-month extension if MPs vote down her deal again in mid-March to allow further time for negotiations. But EU27 heads of state and government are said by senior sources to hate the idea of the UK then asking for a further delay when the initial extension proves to be insufficient for renegotiations. Key member states are

understood to be planning to put pressure on the European council president, Donald Tusk, to rule out a second extension in writing. "Some member states will insist on that being on paper," said one diplomat.

<https://www.theguardian.com/politics/2019/feb/28/extension-article-50-must-be-one-off-brussels-eu27-uk-brexit-delay>

The EU's options for extending Brexit

For Donald Tusk, the president of the European Council of EU states, delaying Brexit is the "rational" choice for the UK. Given UK prime minister Theresa May's difficulties in Westminster, European officials almost universally concur that Britain needs to postpone its March 29 exit date from the EU. But beyond that there is little EU consensus. Senior diplomats are discussing delays ranging from two to 21 months. Some officials have even questioned whether a deadline need be set at all. The final word will come from EU leaders, who must unanimously agree to any UK request to extend the formal Article 50 divorce process. Their minds are far from made up.

<https://www.ft.com/content/dea1fca8-3915-11e9-b72b-2c7f526ca5d0?segmentId=0052c4bc-c54e-19c6-b165-8800c56b8254&campaign=brexit>

Brexit: Why Remain would win second referendum - Kenny MacAskill

Theresa May's unpopularity and the difference between the emerging reality of Brexit and the Leave campaign's rhetoric would help Remain triumph in a second vote, writes Kenny MacAskill. Theresa May continues to play with fire, running the clock down trying to deliver her Brexit deal. Meanwhile Jeremy Corbyn still vacillates but at least has been progressed to supporting a second referendum. Whether it'll come about still isn't clear but it'll only happen if MPs hold their nerve and exert their authority. But, another vote is looking like the only way out of the morass and, what's more, Remain will win. It's not just that leading pollsters have been saying that Remain has had a narrow lead in the polls for a while now but, more importantly, the wider circumstances in which it would be held.

<https://www.scotsman.com/news/opinion/brexit-why-remain-would-win-second-referendum-kenny-macaskill-1-4880547>

Brexit: Republic to recruit 600 new customs staff

The Irish minister for finance has told the Dáil there will be 400 extra customs staff recruited before the end of the March. The hiring of some 200 more would follow soon after, minister Paschal Donohoe told the Irish parliament. These workers will be required to deal with a new customs systems resulting from Brexit. The minister insisted that the new staff will not be placed at or near the border with Northern Ireland.

<https://www.bbc.com/news/world-europe-47406499>

ANALYSIS: Brexit set to dominate at the Newport West by-election following death of Paul Flynn

Labour and the Conservatives gearing up for a fresh clash over Brexit in Wales. The two parties will duke it out in the Newport West by-election, set for 4 April - just days after the UK is due to leave the EU. The seat was vacated by Labour veteran Paul Flynn after he died aged 84 last month. The seat has been held by Labour since 1987, when Flynn snatched it from Conservative Mark Robinson, who served as a junior minister under Margaret Thatcher. The majorities secured by Flynn in the eight elections he fought ranged from 2,708 in his first victory and 14,357 in the Blair surge of 1997. His majority at the 2017 snap election was 5,658 - so not a wildly safe bet when the political climate is so volatile.

<https://www.politicshome.com/news/uk/political-parties/labour-party/analysis/102182/analysis-brexit-set-dominate-newport-west>

Labour moving towards plan to let May's Brexit deal pass if it faces public vote

Amendment proposed by backbenchers would see party abstain on PM's deal in return for second referendum. Those involved in talks said the Labour leadership was in favour of a redrafted

amendment proposed by backbenchers Peter Kyle and Phil Wilson, which would see the party abstain on the Brexit deal if a second referendum were promised on those terms. Labour is moving towards a compromise plan that would allow Theresa May's Brexit deal to pass but make clear that parliament "withholds support" until it has been put to a public vote, according to multiple party sources. Kyle said he was now confident the Labour leadership would back his rewritten amendment, along with a number of Conservative MPs, meaning there was an increasing prospect it would succeed. "I have every reason to believe

https://www.theguardian.com/politics/2019/feb/28/labour-moving-towards-plan-to-let-mays-brexit-deal-pass-if-it-faces-public-vote?utm_source=dlvr.it&utm_medium=twitter

Labour must make a principled case for free movement

Undermining existing rights to free movement undermines the rights of the whole working class. Labour must offer a vision of an open, democratic, egalitarian Britain.

<https://www.newstatesman.com/politics/uk/2019/02/labour-must-make-principled-case-free-movement>

Political Setbacks

Brexit delay: Tory minister George Eustice resigns in protest at 'humiliating' plan to extend Article 50

A government minister has quit his job protesting that Theresa May has risked the UK's "final humiliation" by opening the door to delaying Brexit. George Eustice resigned as farming and fisheries minister, warning: "Developments this week will lead to a sequence of events culminating in the EU dictating the terms of any extension requested and the final humiliation of our country." In a letter, Mr Eustice - a supporter of the prime minister's stalled deal - attacked her for preparing the ground for taking a no-deal Brexit off the table. "If the position of parliament is now that we will refuse to leave without an agreement then we are somewhat stuck," he wrote.

<https://www.independent.co.uk/news/uk/politics/george-eustice-resigns-brexit-theresa-may-delay-article-50-a8801561.html>

Additional sources: (Yahoo!) (BBC News) (Politico)

Theresa May under growing pressure as minister resigns in protest at 'humiliating' plan to extend Article 50

Theresa May faced fresh pressure over her Brexit strategy after farming minister George Eustice resigned from government to oppose any delay to Britain's exit day next month. Mr Eustice said he had backed the prime minister through "a series of rather undignified retreats" but he was afraid that the prospect of a vote on extending article 50 would lead to the "final humiliation of our country". His resignation came after MPs overwhelmingly voted to lock in the prime minister's promise to give parliament a veto over a no-deal Brexit, while Ms May opened the door to a "limited" delay to Brexit.

<https://www.independent.co.uk/news/uk/politics/brexit-news-live-no-deal-theresa-may-vote-second-referendum-a8800856.html>

George Eustice praised as 'brave and right' by Boris Johnson for quitting Government over Brexit

Theresa May's credibility suffered a fresh blow as another minister quit over her Brexit plans and was immediately praised by Boris Johnson for being "brave and right". George Eustice, a long-serving agriculture minister, resigned in protest at Mrs May's decision this week to give MPs the chance to delay Brexit. He has quit amid fevered speculation in Westminster that the Prime Minister is planning to force MPs to vote on her Brexit deal on Wednesday next week.

<https://www.telegraph.co.uk/politics/2019/02/28/george-eustice-praised-brave-right-boris-johnson-quitting-governme>
[nt/](#)

Paul Nurse on Brexit: 'UK is sleepwalking into a disaster'

Currently, the United Kingdom gets back from the EU science budget between £500 million (US\$666 million) and £1 billion a year more than we put in. Beyond any Brexit transition period, there is absolutely no guarantee from the Treasury that they will replace that funding. That means that UK research will lose up to £1 billion a year after Brexit. Over the past year, I've repeatedly asked ministers: 'Where is that money coming from?' They have no answer, so the United Kingdom is almost guaranteed to lose that money. In the long term, the government needs to find another billion and that has to come from another department's budget.

<https://www.nature.com/articles/d41586-019-00694-w>

Macron: We need a 'clear' reason to grant Brexit extension

French President Emmanuel Macron said the EU would only grant the U.K. an extension to the Brexit negotiations if there is a "clear" reason for doing so, as he took a stronger line than German Chancellor Angela Merkel. "The time has come for the British to make choices," Macron said on Wednesday at a joint press conference with Merkel. "We could examine a request for an extension, if it is justified by new choices by the British. But under no circumstances would we accept an extension without a clear perspective" on the objective pursued.

<https://www.politico.eu/article/macron-we-need-a-clear-reason-to-grant-brexit-extension/>

That I had to seek guarantees on EU citizens' rights is a sad state of affairs

Despite the fact it has necessitated the end of my role in government, I have been delighted with the tremendous cross-party support my amendment has received over the past week. From prominent Brexiteers within my own party to Remain advocates in the opposition, my amendment has clearly chimed with the overall mood of the House. A mood that would seem to suggest that while border and backstop discussions continue, the matter of citizens' rights is something of a unifying force.

<https://www.thetimes.co.uk/article/c8a55ce6-3ad8-11e9-a664-d81d3e2c8975>

It is not normal that oblivion remains on the government's policy agenda

We have to stop pretending everything is as it was. Brexit represents a unique rupture and the old ways of thinking no longer work. Brexit represents a unique rupture, and we must adapt our political rituals and approaches to accommodate it. We no longer live in an innocent age where familiar problems result in familiar consequences. These times are as dangerous as we have ever known, and we need to start acting like it.

<https://www.prospectmagazine.co.uk/politics/it-is-not-normal-that-oblivion-remains-on-the-governments-policy-agenda>

Watch lawyer explain Brexit vote would be void for corruption if only it was binding...

Barrister Jessica Simor took May's government to court for proceeding with Brexit on the basis that the referendum was lawful, despite their full knowledge of the illegal behaviour of the campaign to leave the EU. Based on the Electoral Commission's rulings of last minute overspending by Vote Leave on a highly targeted Facebook campaign, Brits affected by Brexit living in Europe launched a legal case arguing the referendum result should not stand. But last week, the Court of Appeal denied the ex pats and Jessica Simor representing them permission to appeal. She appeared on James O'Brien's LBC show to explain the appalling contradictions of the case.

<https://www.thelondoneconomic.com/news/watch-lawyer-explain-brexit-vote-would-be-void-for-corruption-if-only-it-was-binding/26/02/>

Tory MEP warns Brexit will 'end in tears' as May continues 'to kick can down the road'

Speaking to Euronews, the Tory member of the European Parliament claimed he could not support any Brexit that would be detrimental to the British economy. He argued he was not elected on a Brexit manifesto and did not support Britons' decision to leave the Brussels bloc. He said: "I

obviously can't quibble with the views of the Prime Minister in what she considers to be her duty. "My duty is to look after the UK economy. "I wasn't elected on any Brexit manifesto and I happened to believe that Brexit - particularly the hard Brexit which she has chosen in her Political Declaration out of the single market and the customs union, and a no deal Brexit which would be even worse - is very damaging to the British economy. "It will not deliver frictionless trade and the Government's own research suggests a nine percent hit on the British economy if there is no deal."

<https://www.express.co.uk/news/uk/1093998/Brexit-news-update-Theresa-May-hard-Brexit-EU-UK-no-deal-Charles-Tannock-MEP>

Sir Tom Hunter: Politicians 'have let us down' on Brexit

One of Scotland's richest men has accused politicians of letting down the country as he called for another referendum to be held on Brexit. Sir Tom Hunter said voters had been lied to by the Leave campaign during the EU referendum in 2016. They had therefore made their decision without knowing the facts about what Brexit would mean, he added. The entrepreneur also said he believed there should be another referendum on independence - but "not now".

<https://www.bbc.co.uk/news/uk-scotland-scotland-politics-47392422>

Scotland's small fishermen see little benefit from Brexit

Scotland's biggest fishing lobby says Brexit and the end of EU influence over UK waters will create a "sea of opportunity" for the industry. But that is not how it looks to many fishermen plying their trade among the estuaries and islands of Scotland's inshore waters. "It's only a sea of opportunity for a few. It's not a sea of opportunity for the west coast inshore fleet," said Kenneth MacNab, chairman of the Clyde Fishermen's Association, whose family has fished for generations in the waters off Tarbert in Argyll and Bute.

<https://www.ft.com/content/4ffe9624-2951-11e9-a5ab-ff8ef2b976c7>

Through the Looking Glass: The latest topsy-turvy logic of Brexit

Farce number one. Last Thursday the Court of Appeal heard the final attempt by the UK in the EU group to have Theresa May's decision to trigger Article 50 declared invalid, on the basis that Vote Leave had broken electoral law and been given the maximum fine by Electoral Commission. The court rejected their appeal on the grounds that, while illegalities did take place, the referendum of 2016 was advisory only, so the result could not be voided by the courts. It's quite remarkable. Precisely because the referendum was not binding, May was free to cite the will of the people and plough on ahead.

<http://www.politics.co.uk/comment-analysis/2019/02/28/through-the-looking-glass-the-latest-topsy-turvy-logic-of-br>

Corbyn's handling of Brexit has been magnificently opportunistic

Three ministers co-wrote an article in Tuesday's Daily Mail (over the undead body of Paul Dacre) in this sense. They would never have dared to do so unless they had been sure that they would go unpunished by the government. If you follow the sequence of how a variety of ministers emerged on this subject, you will see orchestration. Mrs May's spin doctor, Robbie Gibb, ex-BBC, briefs programmes like Newsnight all the time: the official line was to say how 'troubling' the behaviour of the ministers was. But you do not get three ministers to co-author an attack on stated government policy without government acquiescence.

<https://www.spectator.co.uk/2019/03/corbys-handling-of-brexit-has-been-magnificently-opportunistic/>

Brexit - we didn't vote for this!

Every Scottish Government department, every local authority and every business in every part of the land is spending money preparing for a no-deal, because the consequences of a no-deal will be so catastrophic. That's money that we all actually hope will be entirely wasted. The chief economic advisor to Scotland reported last week that a no-deal Brexit has the potential to push the Scottish economy into recession with unemployment rising and trade and investment disrupted. If prolonged,

the shock of Scotland's departure from the EU could lead to significant structural change in the economy, with national Gross Domestic Product (GDP) predicted to fall by up to seven per cent. Shetland could be one of hardest hit places in Scotland. The report notes that over 25 per cent of the workforce here face economic damage from a no-deal Brexit.

<https://www.shetnews.co.uk/2019/02/28/viewpoint-brexit-we-didnt-vote-for-this/>

Liam Fox blows £100,000 on 'vanity project' podcast heard by just 8,400 people

Tory Trade Secretary Liam Fox blew more than £100,000 on a podcast 'vanity project' listened to by just 8,398 people. The online radio series has been branded a "complete waste of money" which should have been spent on public services. 'Local to Global', part of the Government's 'Exporting is Great' campaign, was recorded a bid to encourage British firms to export their wares. It's a series of interviews by former Apprentice co-host Nick Hewer, speaking to British entrepreneurs to discover the "personal stories and memorable moments" that inspired them to start exporting. But the government has revealed there have been just 8,398 downloads or listens in total, across the 6 episodes of the podcast, plus a 1 minute preview episode.

<https://www.mirror.co.uk/news/politics/liam-fox-blows-100000-vanity-14069762>

Brexit is the last straw for young people like me - we need a Final Say referendum to protect our futures

...And it's also why I will be joining the hundreds of thousands of protestors on Saturday 23 March calling upon our politicians to put it to the electorate. Young people from around the country should join me in demanding again a Final Say on the Brexit deal. Apparently 700,000 frustrated protestors wasn't enough.

<https://www.independent.co.uk/voices/brexit-second-referendum-young-voters-corbyn-may-a8801511.html>

May's deal is so far removed from the Brexit promised by the Leave campaign

Ben Bradshaw MP says there is a moral as well as a practical argument for going back to the public for a legally-binding vote to ask people is this Brexit deal what you really want?

<https://www.devonlive.com/news/news-opinion/mays-deal-far-removed-brexit-2592755>

'Spending even more public funds on TV ads to scare the public' - No-deal Brexit adverts to air

Anti-Brexit campaigners have said that the prime minister is "playing political games with public money" by spending money on no-deal Brexit television adverts. Sir Mark Sedwill, head of the civil service announced before the Public Administration and Constitutional Affairs Select Committee that the adverts would help "individuals and citizens and businesses" to make their own judgements. The move comes as part of the government's communication campaign, which has already seen advertisements on the radio and online. Jo Stevens MP, a Best For Britain supporter and MP for Cardiff Central, responded: "Not content with wasting £50,000 of taxpayers money last year to promote the government's failed Brexit deal via online advertising, it seems the powers that be now plan to spend even more public funds on TV ads to scare the public about a no-deal scenario.

<https://www.theneweuropean.co.uk/top-stories/government-no-deal-brexit-adverts-for-tv-1-5911427>

The fight for EU citizens' rights could become another Windrush

The surprise hero was an unknown, Tory MP Alberto Costa, who rode to the rescue of EU citizens living here and Brits living abroad, together numbering at least 5 million. Their rights will be assured in any kind of Brexit. All this time May has resisted giving security to people whose lives are deeply, invisibly, indivisibly interwoven into the fabric of British life. Her hostile environment has terrified families, some of whom have departed already, unwelcome under her chill xenophobic glare.

https://www.theguardian.com/commentisfree/2019/feb/28/alberto-costa-eu-citizens-uk-brexit-windrush-home-office?CMP=Share_iOSApp_Other

NICK COHEN: Theresa May is too stupid by half

May's dismal achievement has been to shut Britain in a room without adults. Within a month – or, more probably, four months – we could be facing a recession as more than 40 years of legal and trade relations disappear, food shortages as perishable imports are left at the docks, and a health crisis as a no-deal Brexit has “an immediate and drastic effect” on supply chains for medicines, vaccines, medical devices and equipment, as the Lancet put it. Not even the greatest project fearmonger predicted in 2016 that four weeks from our departure the British prime minister would be playing Russian roulette with the country's future: spinning the chamber and clicking the trigger until she gets her way.

<https://www.theneweuropean.co.uk/top-stories/theresa-may-damning-verdicting-by-nich-cohen-1-5910468>

Revealed: Wife of former Vladimir Putin minister is major Tory party donor

The Conservatives received almost £250,000 in donations last year from the wife of a former minister in Vladimir Putin's government, new figures revealed. Lubov Chernukhin, whose ex-deputy finance minister husband Vladimir fell out with the Kremlin, is among the most generous donors to Tory coffers. She handed over £146,750 in November and December in addition to £100,000 earlier in the year. The party also accepted £150,000 from Ann Said, whose Syria-born husband, Wafic, is a former broker of arms deals with links to Bashar al-Assad's regime.

<https://inews.co.uk/news/politics/who-funds-conservative-party-donor-russia-vladimir-putin-link/>

Lord Barker of Battle quits Lords to run Oleg Deripaska's energy group En+

Lord Barker of Battle, the former energy minister, has taken a leave of absence from the House of Lords to run an aluminium and energy group owned by Oleg Deripaska, the Russian oligarch, with revenues of \$12 billion. En+ appointed Lord Barker, 52, as executive chairman this month for a three-year term after the United States said it would lift sanctions on the company. The former Conservative MP told the Lords of his plans to hang up his robes on February 11 and has not voted since. He will keep his title during his absence but will not be able to attend the House, vote or claim expenses.

<https://www.thetimes.co.uk/article/lord-barker-of-battle-quits-lords-to-run-oleg-deripaska-s-energy-group-en-n3k52cg78>

No deal? No problem

Here in Australia, this story just doesn't fit with the Britain that we know. A disorderly Brexit would mean, at most, a few months of inconvenience. Perhaps some modest transition costs. But these difficulties would quickly pass. By far the more serious threat comes from Britain caving in and agreeing to a bad deal that imposes most of the burdens of EU membership but with few of the benefits. Or, almost as bad, a Brexit delay that would keep the UK as a tethered goat — while the EU shows how it will humiliate any country with the temerity to leave. For Britain to lose its nerve now would represent failure on an epic scale.

<https://www.spectator.co.uk/2019/03/no-deal-no-problem/>

A second Brexit vote will destroy what little trust is left in British politics

2nd Brexit vote will destroy trust left in British politics - Spiked writer Ella Whelan writes an Irish Times 'paid for advocacy hit piece.' A repeat vote reinforces sense of insignificance in dejected electorate she claims for an unknown funder

<https://www.irishtimes.com/opinion/a-second-brexit-vote-will-destroy-what-little-trust-is-left-in-british-politics-1.3808610>

Trade Deals/Negotiations

The U.K. and World Trade Organization Agree on a Post-Brexit Deal

Britain struck a trade deal Wednesday for a post-Brexit world, obtaining approval from other World

Trade Organization members to stay part of a competitive market for lucrative government contracts after the country leaves the European Union. The agreement allows Britain to retain its place among the 47 WTO countries that are involved in the Government Procurement Agreement. The EU's 28 member nations belong as a single entity, so the bidding agreement's participating countries signed off on allowing Britain to join as an independent party to the pact.

<http://time.com/5540240/uk-wto-post-brexite-deal/>