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Chief Minister Statement to Parliament Regarding EU Withdrawal Developments

Mr Speaker,

The events of last night in Westminster are unprecedented.

The Prime Minister told the House of Commons at 1 o'clock yesterday afternoon that she would, of course, be voting in favour of the motion standing in her name later yesterday evening.

But yet, later yesterday evening, she voted against her own motion, as it had been amended - but although it was still standing in her name.

The Commons voted by motion to rule out a No Deal Exit from the European Union - but that the UK and Gibraltar will still leave on the 29th March is still the position in law. It is not changed and the Article 50 notification can still be revoked or the period of two years provided for it extended, but that has not happened yet.

The motion before the Commons today seeks an extension to the 30th June, so long as there is a Withdrawal Agreement in place before the end of next week - or a longer extension otherwise.

But that motion is amendable. In fact, Honourable Members will have seen that a number of amendments have been tabled.

So the final motion of the Commons will not be clear until late this evening.

As I told our nation late yesterday, this is a time of unprecedented flux.

We have not seen the like of such political uncertainty in the post-war, modern democracy of the United Kingdom.

The British Government is being repeatedly defeated in its own House of Commons.

The whipping system of parliamentary discipline has entirely broken down.

As a result, I am sure I speak for all of us when I say that I am pleased that I believe that we are closer to a No Deal Exit from the EU being entirely off the table.



But let us be clear:

We are not safely there yet.

For now, the default position in law is still that we leave on the 29th March, Deal or No Deal.

Until the Withdrawal Act is amended - if the legislation to do so passes the Commons - the default in UK law is unchanged.

Even if the Act is amended, the UK will leave the EU on the 29th March if the EU does not agree to an extension of the Article 50 process. Because, at the other end of the spectrum, the UK may seek an extension of the Article 50 process but that depends on the EU agreeing that extension, or the UK may revoke the Article 50 notification unilaterally in the absence of such an extension.

The Government must, therefore, in Gibraltar continue to plan for all options - including a now less likely No Deal Exit.

At the moment all permutations remain possible.

Too many still remain probable.

We must plan for all the eventualities that could emerge.

Revocation of the Article 50 notification is, nonetheless, also now a likely possibility.

It is now being increasingly mentioned. Indeed, the Prime Minister mentioned it yesterday on a number of occasions and Honourable Members will know that the Father of the House at Westminster Ken Clarke moved an amendment with Vince Cable and one other member from the Labour Party also, which was not selected by the Speaker and which was not voted on, seeking that the House vote for the revocation of the Article 50 notification.

Mr Speaker, I believe that an Article 50 revocation leading to the United Kingdom and Gibraltar remaining within the European Union indefinitely would undoubtedly be the best outcome for Gibraltar.

A vote may also manifest itself also.

It may happen as a new referendum – Honourable Members know I try never to call it a second referendum, as it would have to be a new referendum on a new question, which I think would be the legitimate way to go about a new plebiscite.

Indeed, as I have said since July 2016, the most legitimate new vote would be to put whatever mechanism for Withdrawal or new deal has been agreed to the vote, with remaining in the European Union as the alternative.



That option is now in my view undoubtedly the right one as the Commons has said no to a No Deal Exit.

It is also possible that the vote could manifest itself as a General Election in the United Kingdom.

We cannot let our guard down.

And we will not let our guard down.

We will not let Gibraltar down as we ensure we are ready for whatever Brexit and the Commons throws at us.

We must continue, we will continue and we do continue, in these times of unprecedented flux, to plan for every eventuality now.

For that reason, today the Government has published a Bill amending the Tobacco Act 1997 allowing the Collector to publish minimum retail prices of tobacco.

Honourable Members will know that that is pursuant to one of the MoUs entered into in the context of the Withdrawal Agreement.

And I have already given instructions for the drafting of whatever domestic legislation is necessary in order to give effect to the historic tax treaty we have reached with Spain. As I have already stated, I welcome the tax treaty, which I am confident will lead to putting an end to the irritating myth that Gibraltar is anything other than entirely cooperative when it comes to the exchange of tax information. This treaty and the cooperation it supports should put an end to that myth.

I have this afternoon tabled a motion that Honourable Members may have seen, to enable this House to note the existence of this Tax Treaty. I intend to lay it on the table, Mr Speaker, at the end of this statement also so that it is formally before the House.

Finally, Mr Speaker, the past 48 hours in Westminster really have left me with a feeling of politics and democracy being practiced almost as an extreme sport for thrill seekers. But we must hold our nerve and we must hold our heads up high, and we must hold on for any result. But we must hope for developments that enable us, at best to remain in the European Union or at the very worst to leave, but with a deal.

And in doing so we must be clear that reports of Mrs May's political demise have been premature before. We have heard for the better part of a year, in sometimes pretty distasteful terms, how she has entered the kill zone, how this is her week of reckoning et cetera, et cetera.

We've heard it week after week. And yet she may still emerge as the 'Rocky Balboa' type, with a last-second victory for her deal.

But if it came to it and we were asked for our advice, what I would say to all colleagues in Westminster is that the best way to take back control of the process of leaving would be to revoke the Article 50 notification and remove the EU's ability to pressure the United Kingdom.



Mr Speaker, after the events of the past 48 hours the Government today will only be able to deal with two bills. I expect to be able to come back to the House next Thursday to deal with other Bills and other mechanisms which may need to be put in place in time for Gibraltar leaving on 29th March, if that were still the date by which we leave. And because every eventuality is on the table we must prepare for that.

Mr Speaker, I'm sure that the Clerk will enjoy the support of the whole House if he has to quickly plan for European Parliamentary elections. I'm sure it would be a problem that we would all like to have and that we would all lend him our support by registering early and voting early also if it came to that.

Mr Speaker, I think at this stage that is all I can reasonably say to the House in respect of the past week and in particular of the past 48 hours. I know that all Honourable Members will want to know what happens this evening in Westminster, which may deal with at least a further part of the conundrum of how Brexit will be resolved finally falling into place.