

Brexit: pressure on PM to clarify vision as new cabinet split emerges

Calls for Theresa May to define position on EU customs union after ministers' divisive remarks.



Theresa May is under pressure to spell out her vision for the UK's future trading relations after a new cabinet split emerged on whether the country should remain part of a customs union with the EU.

The prime minister did not rule out such an arrangement, which would limit Britain's ability to reach free trade agreements with non-EU countries, but failed to say what she thought should happen.

She is facing calls to clarify the government's position after the Financial Times reported on Friday that the chancellor, Philip Hammond, and the business secretary, Greg Clark, favoured staying in a customs union for goods.

The international trade secretary, Liam Fox, was quick to slap down the idea, saying the government was not considering such an arrangement with the EU. He insisted it would restrict the UK in forging new trade deals with the rest of the world.

His comments poured cold water on reports that the government was considering a deal under which trade in goods would be covered by a customs union arrangement, while the UK would retain independent policy on services.

Speaking to Bloomberg TV in China on the final day of the prime minister's three-day visit, Fox said being part of a customs union would prevent Britain from setting trade regulation.

"It is very difficult to see how being in a customs union is compatible with having an independent trade policy, because we would therefore be dependent on what the EU negotiated in terms of its trading policies, and we'd be following behind that," he said.

Asked if he was ruling out any form of customs union in future, Fox said: "We have to be outside of that to take advantage of those growing markets. One of the reasons we are leaving the European Union is to take control and that's not possible with a common external tariff."

May was more vague about the government's intention.

"What I want to do is ensure that we have got the best possible trade arrangements with China and with other countries around the world once we have left the European Union," she told Sky News on Friday.

"I do want to do those free trade agreements. There is more trade that we can do even before we get to those free trade agreements."

Fox said the Chinese were impressed with May's visit and it should silence her backbench critics. "Theresa May's middle name is resilience," he told Bloomberg.

"And that's exactly what she's showing and I do wish more people could have seen the commitment she was showing to Britain's national interest on this trip to China."

May also avoided questions about her future. Asked by Sky News whether she planned to deliver her vision of Brexit into the next election, she said: "That's what I'm doing here in China. I'm getting on with delivering on exactly what the British people want us to do."

In an interview with the BBC, May repeated her assertion that she was not a quitter, but pointedly used the past and present tense in relation to her role as prime minister, not the future tense.

In answer to the question: "Do you want to be the Tory leader at the next general

election?" she replied: "I've been asked this question on a number of occasions. I've said very clearly throughout my political career: I've served my country and I've served my party. I'm not a quitter.

"I'm in this because there is a job to be done here, and that's delivering for the British people and doing that in a way that ensures the future prosperity of our country."

Source: <https://www.theguardian.com/politics/2018/feb/02/liam-fox-no-customs-union-eu-brexit>

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