

**Tánaiste's appearance at JCFATD**

**14 February 2019**

**Opening Remarks**

Chairperson,

I would like to thank the Committee for the invitation to come here today and discuss the 'Miscellaneous Provisions (Withdrawal of the United Kingdom from the European Union on 29 March 2019) Bill 2019'. I would also like to thank you for facilitating me by holding this session at 4pm. I appreciate the attendance of members of the Joint Committee on European Affairs at this session.

I very much appreciate your time and engagement as we bring forward this omnibus Bill to address a range of critical issues that may arise in the context of a no deal Brexit.

While there are six weeks to go until Brexit happens on 29 March, the political process is continuing. However, as they have done since the decision to leave the EU was first taken, the answers lie with Westminster.

The EU remains committed to achieving an ambitious and comprehensive future partnership with the UK. Should the UK's intentions for the future partnership evolve, the EU will adjust the level of ambition of the Political Declaration on the future relationship.

But the EU has made it absolutely clear that it stands by the Withdrawal Agreement, and it is not open for renegotiation.

President Tusk and President Juncker reaffirmed this during the Taoiseach's visit to Brussels last week. And they reaffirmed the EU's continued solidarity on the backstop. The Taoiseach also met with Prime Minister May, at her request, in Dublin last Friday.

Throughout, our focus has been on securing the Withdrawal Agreement which is the best and only way to ensure an orderly withdrawal.

While we have been working to secure agreement, preparations for Brexit and the changes it will bring have been underway since the beginning.

More recently with the impending approach of the Brexit deadline and the uncertainty in London, we have no choice but to ramp up our no deal preparations.

This Bill is one of the most tangible expressions of the deep and broad preparations that are underway across Government. Our work at national level is complementary to the significant work underway across the EU to be as prepared as we can be for the possibility that the UK might leave the EU without a deal on the 29<sup>th</sup> of March.

While certain areas of our contingency planning require legislation, many do not and a wide range of other measures are underway such as the recruitment of customs and SPS officials, preparations at our ports and airports, and a range of financial and advisory supports for businesses to help them to prepare for Brexit.

This omnibus Bill covers the issues in primary legislation that need to be addressed immediately in the event of a no deal Brexit. It also contains an amendment to the Interpretation Act which would be needed should the Withdrawal Agreement be ratified in order to facilitate a transition period.

Measures relevant in the case of a no deal Brexit were identified following a detailed screening by all Departments of legislation currently in force. The Government published the General Scheme of the Omnibus Bill on 24 January. The draft Bill contains 16 parts, addressing primary legislative issues which would require immediate attention in a no deal scenario.

This is a very wide ranging Bill, but given the emergency nature of this legislation, the Government took the decision that progressing this through the Houses as an omnibus Bill is the most sensible way to ensure that we have the necessary legislation enacted before 29 March.

This Bill focuses on protecting our citizens and supporting the economy, enterprise and jobs, particularly in key economic sectors.

It will underpin the **Common Travel Area** (CTA), and help to ensure that the associated rights and entitlements of Irish and British citizens under this longstanding arrangement, will continue in any circumstance.

In the area of health, the Bill will provide for a range of existing reciprocal healthcare arrangements between Ireland and the UK to be maintained after the UK leaves the EU. The Minister for Health will be provided with the power to make regulations in a number of matters including to enable persons from Ireland to access healthcare in the UK.

This Bill will also provide for the continued payment of 21 social protection benefits, including payments such as old age pensions, illness benefits and child benefit, in any circumstance. It also provide protection for workers whose UK-based employer becomes insolvent.

Furthermore, the Bill will allow for SUSI grants to be paid to eligible Irish students studying in the UK, as well as to UK students in Irish higher education institutions.

Provisions in transport will ensure that cross border bus and rail services will continue to operate, ensuring continued service provision for passengers and commuters on the island of Ireland.

Enterprise Ireland will be given additional enabling power to further support businesses through investment, loans and RD&I grants so as to assist Irish businesses in remaining competitive and resilient in a no deal Brexit context.

Since the publication of the General Scheme of the Omnibus Bill, intensive work has been underway between Government Departments and the Attorney General's Office. On the basis of this work there have been some updates and amendments to the draft Bill.

These include new provisions which will introduce postponed accounting for VAT purposes in a no deal scenario. This will mitigate against a potential cash-flow burden faced by businesses post Brexit. This issue was highlighted by industry, and this is a practical measure which will support businesses.

Following consultation with the Attorney General's Office, the original part 16 of the draft Bill, which contained amendments to the Data Protection Act, will now be covered by statutory instrument. Similarly, certain health provisions which were in the original draft bill will now be provided for through secondary legislation.

While this Bill covers a range of areas, it is very much operational legislation to allow for many of our current arrangements with the UK to continue to function after they leave the EU and become a third country.

Government has discussed this proposed legislation throughout our meetings in January and February. Its provisions are the subject of daily engagements between Departments and Parliamentary Counsel.

We expect to publish the full Single Omnibus Bill on 22 February. And we will continue to work closely with the Business Committee to confirm timelines. It is our intention that:

- it would go before the Dáil for second stage from 26-28 February;
- it would go through Dáil Committee and Report Stage from 4 – 8 March;
- it would then go to the Seanad for Second Stage on 11-12 March;
- followed by Committee and Report Stage in the Seanad on 13-14 March.

This legislation is an essential part of our whole-of-Government preparations for Brexit. Our Contingency Action Plan was published on 19 December, and an update to this was published on 30 January. We will continue to provide such updates.

I appreciate the cooperation from all members in the Houses for their assistance and cooperation to ensure that we can get this Bill through the relevant stages and enact this legislation by 29 March.

The potential impact of a no deal Brexit on Ireland would be severe. Minister Donohoe recently outlined the potential macroeconomic impacts, and there would be negative impacts across a number of sectors. Our preparations, including through our legislative proposals, are focussed on minimising these impacts.

Ireland will remain an active and enthusiastic member of the EU. The Government is committed to working with the European Commission, and with our EU partners, to minimise any disruption for our citizens and businesses as much as possible, and to forge a positive role in the EU27.

Chairperson and members of the Committee, thank you for allowing me to outline some aspects of our legislative planning. I would like to thank you for your attention and I will be happy to respond to any questions that Members may have.

[ENDS]