



Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales

Cofnod y Trafodion The Record of Proceedings

[Y Pwyllgor Materion Allanol a Deddfwriaeth
Ychwanegol](#)

[The External Affairs and Additional Legislation
Committee](#)

10/07/2017

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Public for the Remainder of the Meeting

Cofnodir y trafodion yn yr iaith y llefarwyd hwy ynnddi yn y pwyllgor. Yn ogystal, cynhwysir trawsgrifiad o'r cyfieithu ar y pryd. Lle y mae cyfranwyr wedi darparu cywiriadau i'w tystiolaeth, nodir y rheini yn y trawsgrifiad.

The proceedings are reported in the language in which they were spoken in the committee. In addition, a transcription of the simultaneous interpretation is included. Where contributors have supplied corrections to their evidence, these are noted in the transcript.

Aelodau'r pwyllgor yn bresennol
Committee members in attendance

Dawn Bowden Bywgraffiad Biography	Llafur Labour
Michelle Brown Bywgraffiad Biography	UKIP Cymru UKIP Wales
Suzy Davies Bywgraffiad Biography	Ceidwadwyr Cymreig Welsh Conservatives
Mark Isherwood Bywgraffiad Biography	Ceidwadwyr Cymreig Welsh Conservatives
Steffan Lewis Bywgraffiad Biography	Plaid Cymru The Party of Wales
Jeremy Miles Bywgraffiad Biography	Llafur Labour
Eluned Morgan Bywgraffiad Biography	Llafur Labour
David Rees Bywgraffiad Biography	Llafur (Cadeirydd y Pwyllgor) Labour (Committee Chair)

Eraill yn bresennol
Others in attendance

Desmond Clifford	Cyfarwyddwr Swyddfa y Prif Weinidog, Llywodraeth Cymru Director of the Office of the First Minister, Welsh Government
Carwyn Jones Bywgraffiad Biography	Aelod Cynulliad, Llafur (Y Prif Weinidog) Assembly Member, Labour (The First Minister)
Dr Hugh Rawlings	Cyfarwyddwr, Materion Cyfansoddiadol, Llywodraeth Cymru Director, Constitutional Affairs, Welsh Government

**Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance**

Alun Davidson	Clerc Clerk
Elisabeth Jones	Prif Gynghorydd Cyfreithiol Chief Legal Adviser
Rhys Morgan	Ail Glerc Second Clerk
Nia Moss	Y Gwasanaeth Ymchwil The Research Service
Sara Rees	Dirprwy Glerc Deputy Clerk
Alys Thomas	Y Gwasanaeth Ymchwil The Research Service

*Dechreuodd y cyfarfod am 13:05.
The meeting began at 13:05.*

**Cyflwyniad, Ymddiheuriadau, Dirprwyon a Datgan Buddiannau
Introductions, Apologies, Substitutions and Declarations of Interest**

[1] **David Rees:** Good afternoon. Could I welcome Members and the public to this afternoon's session of the External Affairs and Additional Legislation Committee? Can I remind Members to please turn their mobile phones off or on silent, and the public? Can I also remind Members that the meeting is bilingual, and if you require simultaneous translation from Welsh to English, it's on channel 1? If you require amplification, that's available on channel 0. There are no scheduled fire alarms this afternoon. So, if one does take place, please follow the directions of the ushers. We've not received any apologies, but Mark Isherwood will be arriving late this afternoon.

**Gadael yr Undeb Ewropeaidd: Monitro Trafodaethau rhwng y DU a'r
UE—Sesiwn Dystiolaeth gyda'r Prif Weinidog
Leaving the European Union: Monitoring Negotiations between the UK
and the EU's—Evidence Session with the First Minister**

[2] **David Rees:** Moving to the next item on our agenda, we continue our consideration of the implications of Brexit for the Welsh public. This afternoon, we can welcome the First Minister to the session for evidence regarding the processes and progress being made by the Welsh Government. First Minister, would you like to introduce your officials and their posts?

[3] **The First Minister (Carwyn Jones):** Yes. On my right is Des Clifford, who is the director of the First Minister's office. On my left is Dr Hugh Rawlings, who is the director of constitutional affairs and inter-governmental relations.

[4] **David Rees:** Thank you very much. Can I thank you for attending, and can I also thank you for the response you provided to us and our report on what was then the great repeal Bill, but which now appears to be the repeal Bill, and also for your White Paper report as well? I'm disappointed that we have not yet received any response from the UK Government in relation to our reports. I hope that they will come sometime in the near future.

[5] We'll move into our evidence session, and if I start off with Steffan Lewis.

[6] **Steffan Lewis:** Thank you, Chair. First Minister, last week we had an evidence session with the economy Secretary, and there were a couple of items that I think caused concern to a number of us. One in particular was conversations between his department and the Irish Government on a number of issues covering business and economic links and, of course, the issue of the border and the ports in particular. He hasn't yet met with the Irish transport Minister, for example, and he said that was due to time constraints, although the referendum was over a year ago, as you'll be aware. He's also said that, primarily, issues of that nature are pursued through the Joint Ministerial Committee, but your Government itself has said that the JMC is not fit for purpose and does not yield tangible results for that kind of discussion, and, obviously, the Irish Republic doesn't sit on the JMC either. I wonder if you could clarify how individual departments in Welsh Government are engaging externally with other Governments on matters such as this.

[7] **The First Minister:** There have been meetings between officials and the officials from the Republic of Ireland—I know, Des, you’ve been part of that process. Just to inform Members, of course, there has been a change of Taoiseach in the republic. I will be having a conversation with him this afternoon; it’s the first time we’ve been able to arrange a telephone conversation since he came into office. I did have a one-to-one meeting with the previous Taoiseach, Enda Kenny, in March. It is right to say, though, that the British–Irish Council does provide an opportunity for bilaterals, but seeing as there hasn’t been one since November, that’s been hugely difficult to organise because of the lack of an event where everybody is in the same place. Nevertheless, I have a telephone call planned with him this afternoon.

[8] **Steffan Lewis:** But why hasn’t the Welsh economy Minister met with his counterpart to date?

[9] **The First Minister:** Bear in mind, of course, that there has been a change of Taoiseach, and that inevitably means that there are often changes in Ministers. We can’t predict these things. But, at an official level, I can say that meetings have taken place. Des, if I could ask you just to fill in more of the detail.

[10] **Mr Clifford:** Yes, we’ve got a fairly extensive range of contacts at official level, so I’ve been in Dublin—in fact, I was there a week before you, actually, quite recently—and, through telephone and other contacts, we have developed close relationships with officials in the Taoiseach’s department who are driving the Irish Government’s approach to Brexit. We’ve also got very close working relationships on a continuing basis with the Irish embassy in London, with whom we work closely as well.

[11] **Steffan Lewis:** With respect, though, shouldn’t this issue, and all the repercussions of it, merit Minister-to-Minister meetings with our closest neighbour on a fairly regular basis?

[12] **The First Minister:** Yes, but they’re not easy to organise. The discussion I’m having with Leo Varadkar this afternoon has taken some weeks to actually organise, to get a slot when we’re both available, which is why, of course, the British–Irish Council is so important, because it’s known who will be there—UK Government isn’t represented at the highest level, but it’s known who will be there—and that’s often been the opportunity for us to hold such meetings. But I do plan, off the back of the conversation this

afternoon, to meet with the new Taoiseach as soon as possible.

[13] **Steffan Lewis:** So, could it be the case then that—? Obviously, there hasn't been any ministerial change in Wales since the referendum, so is it the case that Mr Skates has been trying to arrange a meeting since June last year and it's the Irish side that haven't been able to provide opportunities?

[14] **The First Minister:** Well, meetings have taken place between me and the Taoiseach. The previous Taoiseach, Enda Kenny, came to Wales in March. I met with him in November. I've had several meetings, bilaterals, with him where Brexit has been discussed in that time. So, we've tended to deal with these issues at a head-of-Government level rather than at the level of a Government Minister.

[15] **Steffan Lewis:** And in terms of keeping things at heads-of-Government level, do you think that's a sustainable model for Welsh Government? Or, as we get into the detail of the negotiations with the European Union, do you think that it might be the case that you have to look at allowing individual departments to progress things, Minister to Minister, as we move forward?

[16] **The First Minister:** The difficulty that the Republic of Ireland has is that it's part of the EU-27. It can't have separate discussions with us. This is a problem that will arise in the British-Irish Council when Brexit is discussed. Then, the Republic of Ireland either has to not be in the room or not say anything, because officially it's part of the block of 27 in terms of negotiation. So, what we have focused on are issues in terms of the relationship between Wales and Ireland and looking at issues like the maritime border. But when it comes to Brexit issues, inevitably, the negotiation goes back to the negotiation that's taking place between the UK and the EU, and Ireland wouldn't have a different stream of negotiations with anybody else.

[17] **Steffan Lewis:** My understanding is that Irish Ministers wouldn't have any issue with meeting with Welsh Ministers to discuss any issues privately. But moving on from that, one of the other points from the evidence session that we had last week raises concerns about the nature of the Government's internal communications when it comes to Brexit. Is it the case that the Brexit team in your office is the only apparatus within Government that is able to proactively take on Brexit issues? How does it work cross-Government in terms of ensuring that other departments that are heavily affected, such as

the environment and the economy, do not take for granted that the Brexit team in your office is dealing with the matter, or vice versa?

[18] **The First Minister:** It leads, and where other departments need to be involved, they are involved. But, ultimately, of course, in terms of Brexit issues, they're dealt with by the Brexit department—if I can call it that—calling on expertise from other departments when needed. I don't know, Des, if you want to add anything to that.

[19] **Mr Clifford:** Yes. So, what we have is a central European-transition team, as we call it. That's our Brexit team. It's 'transition' because we're transitioning from one form of relationship with the European Union to a different form of relationship with Europe, rather than turning our back on it. That's a central team that aims to co-ordinate the Welsh Government's position as a whole, so that's the apparatus through which we produced the White Paper and then the succession of discussion documents that we're now releasing. There are, of course, significant numbers of staff working on Brexit issues in other departments, of course—constitutional affairs colleagues, legal department, agriculture, environment, and so on—and we co-ordinate, then, through a regular committee of officials, which meets roughly on a fortnightly basis to cohere the work.

[20] **Steffan Lewis:** So, who would it be down to, for example, to engage with the Welsh business sector to get them prepared and aware of the risks and challenges that Brexit poses? So, for example—again referring to the Irish example—Bord Bia in Ireland have a Brexit system where SMEs and exporting companies in the food sector in Ireland can go online and engage with Government officials and they will give company-by-company analysis of the potential exposure of that company to Brexit. Is that something that your department, First Minister, will be responsible for, or would that be Mr Skates?

[21] **The First Minister:** Both. It depends. First of all, if we're dealing with individual businesses—the anchor companies, of course, have officials that they liaise with and they're able to work with us for us to understand the impact of Brexit on them, and vice versa. I also meet with organisations. I was with the Confederation of British Industry some weeks ago where we discussed Brexit. So, the work is shared between myself and the economy Minister. As I say, on a day-to-day basis, it's open for businesses to talk to the officials that they have access to, as anchor companies, in order to discuss these issues.

[22] **Steffan Lewis:** Are there any plans to launch a Brexit barometer for Welsh businesses so that you could proactively engage with individual companies, now that the article 50 process is under way, in order to evaluate the potential exposure to Welsh companies?

[23] **The First Minister:** We already do it, of course, via officials. For some companies, they're not entirely sure what the effects of Brexit will be. Some companies are not willing to discuss the effects at the moment in public, although those days might change. And, of course, we work with the CBI particularly to ensure that we have an understanding of what the business world's view is, generally, of what Brexit might mean for them. Indeed, I went to a CBI round-table event about a fortnight ago when we had extensive discussions on where Brexit might lead them.

13:15

[24] **Steffan Lewis:** But no specific plans for a Brexit barometer portal for individual companies to privately engage with Welsh Government in order to assess their potential Brexit—

[25] **The First Minister:** As I say, anchor companies can do that now. There's no difficulty with them doing that. In terms of those who are not anchor companies, the way of doing that has tended to be through the CBI, but officials are always willing to engage with businesses on European issues and other issues.

[26] **David Rees:** Can I just clarify that point? If it's a company that is not an anchor company, doesn't necessarily go through the CBI, doesn't necessarily want to—*[Inaudible.]*—the CBI, who will they contact? Your department, or will they contact the economy and infrastructure department?

[27] **The First Minister:** They will contact the economy department—the officials there.

[28] **David Rees:** Are there individuals within that department who are identified as that point of contact?

[29] **The First Minister:** Yes. It depends on the sector.

[30] **David Rees:** The sector leads. Dawn, did you want to raise a particular

point?

[31] **Dawn Bowden:** Yes, thank you, Chair. The discussion's moved on a little bit, but I wanted to really pick up on Steffan's first point about the Minister-to-Minister contact with Ireland and just expand that a little bit to Minister-to-Minister contact in other member states. One of the things we heard on our visit to Brussels a couple of weeks ago was that the Irish, for example, because of their own vested interests, have been making their own individual contact with every member state. They've been going to visit every member state to put their case. So, my question, really, is whether you have or whether you have plans to also visit other member states to set out the Welsh Government's position, to inform them ahead of the negotiations.

[32] **The First Minister:** Well, I'll be in Brussels in Thursday. One of the meetings that I have will be with Michel Barnier so that he understands our position as a Government. There have also been extensive discussions with a number of ambassadors who've come to Wales, seeking out our views. A number of them have read the White Paper, which seems to have been widely read in Brussels as well. So, the contact has tended to be through ambassadors and, of course, through Brussels, particularly on Thursday when I'll be there.

[33] **Dawn Bowden:** Right, and what about the EU organisations as such? Again, has there been any, if not ministerial contact then official contact with some of the European organisations? For instance, again, we met with EFTA when we were in Brussels and they were telling us that they had had regular contact with Scottish Government—they had had several meetings with Scottish Government—but they hadn't met anybody from Welsh Government to discuss the possibilities around EEA and EFTA. Is that planned as well?

[34] **The First Minister:** Well, I was in Norway in January and I also met the Icelandic ambassador in Brussels, and also the Swiss ambassador, to gauge their views on how the model works for them, and what they would be comfortable with. I also met the president of the EFTA court to discuss issues with him. So, we've tended to work through the Brussels office, through our contacts with the legations in Brussels, and also, of course, sometimes directly, as I did in Norway in January.

[35] **Dawn Bowden:** Okay. Just one final point on this, Chair, if I might. Again, from our discussions in Brussels, we met with Guy Verhofstadt—if I got his name right—and he was saying that he would be very interested to

see any direct papers from Welsh Government, whether the UK Government accept our position or not. Is that something you propose to do as well?

[36] **The First Minister:** He's seen the White Paper, because I know he's made a reference to it.

[37] **Dawn Bowden:** Yes. He had the White Paper with him when we were there.

[38] **The First Minister:** Of course, on 15 June we published 'Brexit and Devolution'—not directly related to the EU—but they're fully aware of what our position is because of the White Paper.

[39] **Dawn Bowden:** Sure. Okay, that's fine. Thank you.

[40] **David Rees:** Jeremy, do you want to come in on this point?

[41] **Jeremy Miles:** Yes, on both those points, actually. We met with the representatives from EFTA and they were actually saying they hadn't had any visibility of the UK Government's position in relation to article 127 of the EEA agreement and they were getting a little anxious, I think, that there wasn't clarity around that. What's your reading of that?

[42] **The First Minister:** It's impossible to know. On this, as other issues, it's not clear what the direction of travel of the UK Government is at the moment. We discussed the issue of possible EFTA membership, particularly with Norway. They have some concerns about the size of the UK coming into an organisation where there are three members, all of whom are much, much smaller. If at some point the UK wanted to join EFTA, then those countries would need to be satisfied that the UK wasn't so big that it would effectively overwhelm the other three members. The view of the Prime Minister is that we leave the single market, and therefore it seems to me, in her reading, any of the European structures, whether it's the EEA, whether it's EFTA, or anything that seems to involve the jurisdiction of a court outside the UK, and that, of course, would seem to rule out EFTA membership as well, as far as she's concerned.

[43] **Jeremy Miles:** On the second point, which you've just responded to, Dawn, about—. It is the case—we've heard it first-hand—that the Plaid Cymru and Welsh Government paper and the 'Brexit and Devolution' paper had an impact, because people had read it and engaged with it, and it seems,

in light of that, that where the UK Government is publishing on this monthly cycle their position papers, where the Welsh Government differs from the UK Government in the detail of that, some of which is captured in existing publications, but some, presumably, may not be, as events unfold over the coming months—. Would the Government consider, in those circumstances, putting into the public domain its own analysis of where that differs from the UK's position?

[44] **Carwyn Jones:** I think it's very clear where the differences have been. The UK's position seems unclear. It was clear before the general election—now far less clear. The White Paper that was jointly produced by the Welsh Government and Plaid Cymru was detailed, clear, and provided a way forward, to my mind, not just for Wales but for the rest of the UK. To my mind, there's no need to revise that. The UK Government have been changing their position, but that's because of the circumstances that the UK Government have found themselves in, and I believe that what was published originally, as a White Paper, is still valid now.

[45] **David Rees:** Suzy, did you want to come in on this point?

[46] **Suzy Davies:** Yes. You say, First Minister, that your White Paper is a blueprint for the whole of the UK, not just for Wales. Can you tell me what Government's been doing in terms of contacting local authority areas in England, where particularly there are economic similarities, if you like? One of the things we discovered in Brussels is that various English counties seem to be feeding into the UK position in very, very different ways, and we're wondering is it at official level that you might be working with some of the English local authorities, or are you doing it at all?

[47] **Carwyn Jones:** Well, there is a relationship with Cornwall, through the local government office in Brussels, but, of course, our relationship, at the level of Government we are, has tended to be with the UK Government, and with the Scottish Government, and—whenever it's set up again—the Northern Ireland Executive. I wrote to the Prime Minister not long after the general election. I didn't get a response. I had a response from the Secretary of State, but that's not quite the same. So, from our perspective, we have been asking constantly for JMCs. They've been refused, so no JMCs. There have been conversations bilaterally, but I think it's absolutely crucial now—. I welcome what was said this morning, that was trailed on the news, that there would be a need to co-operate across party, although it mentioned Westminster and nowhere else. It is hugely important that we have a JMC soon in order to

understand what common ground there is. I've made it very clear to the UK Government and David Davis, particularly, that I start from the position not of trying to disrupt the talks, but of trying to win common ground. But if the UK Government takes a position with which we disagree, we'll say so publicly, but that's not where to start, and it is a shame that we've not yet had a JMC

[48] **Suzy Davies:** Look, I understand your dissatisfaction with the JMC. You've made that point a number of times before. So, in terms of tactics, is there not a space for Welsh Government to be working with allies in other parts of England—admittedly at a local government level, because they don't have regional government? But presumably you'll spot that there are similarities in agriculture, certainly along the west coast, all the way up to Scotland, that you might be able to take advantage of in putting a combined message together.

[49] **Carwyn Jones:** There are, but the nature of agriculture is different in Scotland compared to Wales—slightly different. It's the same in the English west country. We work with—. We wouldn't refuse to work with somebody because they were local government—of course not. We'd work with anybody who shared concerns, in the same way as we work with Gibraltar. I was in Gibraltar last week, holding a bilateral with their Chief Minister, and their concerns, again, are similar to ours. The nature of the economy is different, but they do share our concerns that they may be forgotten about as part of the negotiations. But, as I say, Cornwall, particularly, there have been discussions with, but in terms of other English regions—. That's going to get me into trouble in Cornwall. In terms of English regions outside Cornwall, then, no, there won't be ministerial discussions, but at official level there will be no difficulty in doing that.

[50] **Suzy Davies:** Okay. Well, is it happening? That's what I'm asking.

[51] **Mr Clifford:** We have a relationship with the WLGA, of course, which is very well plugged into local government in England through the LGA apparatus, which meets in London, and we had a more direct relationship with the GLA, the Greater London Authority, in relation to migration and work permit-type issues where we've also got concerns, as we outlined in the original White Paper.

[52] **Suzy Davies:** And, with the LGA, have you found that there are particular parts of England, obviously, that are showing more interest than

others in the White Paper, the Welsh White Paper?

[53] **Mr Clifford:** I don't know specifically, but it would be, clearly—. It would be very surprising if, in different parts of England, there aren't similar concerns about some of the issues that were highlighted in our original White Paper, particularly in relation to migration and the division of European finance—when the money is repatriated to the UK, certainly.

[54] **Suzy Davies:** Okay, thank you. Thank you, Chair.

[55] **David Rees:** Jeremy, do you want to come in on this point before I move on to Eluned who wants to ask—? Or is it particularly a question on this issue?

[56] **Jeremy Miles:** Yes, if I may. You mentioned the statement Theresa May has made about seeking proposals, if you like, from other parties in Westminster. What will, now, the Government in Wales be doing to influence that agenda? Although it's a discussion between Westminster parties, will we be taking steps—will the Welsh Government be taking steps—to influence those discussions, to put forward suggestions that would protect the Welsh national interest in the discussions?

[57] **The First Minister:** Well, we're doing that at a party level, that's true, but the oddity about the announcement today was that it was a discussion only at Westminster, inside the bubble. We've put forward proposals from Wales. The Scots will have their own perspective. It seems those views are not as important. Well, Brexit carries with it the seed of division within the UK unless steps are taken to make sure that the UK's unity is still robust, and you do that by changing the JMC into a proper council of Ministers, you have rules that govern the UK's internal single market, and you have an independent adjudicator that polices those rules. This is not understood in Westminster. So, the dialogue, or the discussion, rather, can't just be between political parties in Westminster. It has to be wider than that, across the whole of the UK.

[58] **Jeremy Miles:** And are you—? I agree with that, but, pending that becoming a reality, do you see there is potential to influence the discussion happening between Westminster parties to secure the advance of those ideas in the White Paper to start with?

[59] **The First Minister:** I'm hesitant to say that it would be a matter for the

Welsh Government—rather for the party that I lead to do that, in terms of the relationship that my party has, as others will do, with representation in the House of Commons, and each party in Wales will take its view as to how best to work with colleagues in Westminster. As a Welsh Government, we've sought to influence the UK Government, that much is true, to strengthen the hand of those who are pragmatic about Brexit. There are others who are unrealistic about what Brexit might mean and what it might mean for the UK. It is important, I believe, for Wales to make sure that those people who are the pragmatists, who see the value of putting jobs first, they receive support from ourselves as a Welsh Government in order to strengthen their hand in Whitehall.

[60] **Jeremy Miles:** Thank you.

[61] **David Rees:** Eluned, do you want one more question on this particular issue?

[62] **Eluned Morgan:** Yes. You mentioned co-operating with other English regions. I just wondered if you could explain how Sadiq Khan has managed to gain monthly meetings with David Davis, and, presumably, you haven't. How do you explain that?

[63] **The First Minister:** There have been regular meetings with David Davis and Mark Drakeford, who's been leading on JMC European negotiations. Perhaps it's to do with geography and the fact they're close to each other. But I know there have been discussions between Mark and David Davis recently. There has been a discussion quite recently indeed, which was—. Well, there's one this afternoon, there was one on 15 June, one on 3 July—so, telephone conversations have been happening on a regular basis.

[64] **Eluned Morgan:** With David Davis, yes?

[65] **The First Minister:** Yes.

[66] **Eluned Morgan:** Excellent. Okay, thank you. Can I go on to something else? I just wondered, in terms of the politics of what's going on at the moment, whether you could tell me what your views were on the Queen's Speech in relation to Brexit?

[67] **The First Minister:** Until we see the text of the repeal Bill, it's very difficult to see what the direction of travel actually is. So, the repeal Bill

contained a general statement as to what the UK Government's view was on Brexit, but we'll just have to wait and see what the repeal Bill actually says. Particularly, it's important that we examine the repeal Bill to see what effect it has on devolution.

[68] **Eluned Morgan:** There were some other key items in the Queen's Speech. One was the suggestion that we need a customs Bill, and another one that we should have a trade Bill. Now, if we were to remain in the customs union, you wouldn't need either of those Bills. So, where are you politically on that? Should you be encouraging Labour Welsh, or Welsh MPs generally, to not vote in favour of those two Bills in particular, if you are in favour of staying in the customs union?

13:30

[69] **The First Minister:** I don't believe we should leave the single market or the customs union, and my position is quite clear, that I think it is a mistake to support legislation that undermines those two ideas, those two concepts, but others hold different views. It's been publicly seen that others hold different views within my party. I disagree with them. I know the single market is hugely important for Wales; I know that being within the customs union is hugely important.

[70] I don't believe for one moment that, in March 2019, the UK will have a deal with the EU. I've spoken to people who've been involved in trade negotiations and they all tell me it takes 18 months roughly to decide what you're going to talk about. In fact it's fanciful to obtain a deal when, effectively, proper discussions would only really start after the German elections, and then, of course, there's a ratification process in 27 nations, the European Parliament, in Belgium two Parliaments. That takes months. So, it would suggest that there would be a comprehensive deal before September next year—that's impossible, which is why, of course, the transitional arrangements become hugely important.

[71] I don't believe that we are anywhere close to having trade deals with any other country and, indeed, with some countries, it would be a mistake to have a free-trade deal with them. So, free-trade deals are not the answer as far as the future of the UK is concerned, if we are going to ignore the huge market we have on our own doorstep. The US is no substitute for the EU: it's a smaller market and it's further away, so it could never be a substitute for the market that we enjoy and the fact that 67 per cent of our exports go into

that market. If we were looking at this from the other direction, we would no doubt be desperate to join that market and have access to that market rather than, apparently, as far as the UK Government is concerned, seeming willing to leave it.

[72] **Eluned Morgan:** So, just to be clear, you would be encouraging Welsh representatives in Westminster, both in the House of Commons and in the House of Lords, to vote against the customs union Bill and the trade Bill.

[73] **The First Minister:** Well, let's look at the text of the Bill, but I would urge representatives to vote against anything that undermined our access to the single market or took us out of the customs union.

[74] **Eluned Morgan:** Okay. And can—

[75] **David Rees:** Before you move on, can I ask a question on this? You've highlighted the trade Bill and the customs Bill as an issue, and you've talked about free-trade agreements being discussed. It's quite clear that Theresa May, over the weekend, has had discussions with China and has had discussions with Donald Trump—with Donald Trump even saying that we can get a deal quickly. How are you working to ensure that any trade deal that is put in place is not putting Welsh industries at risk, particularly, for example, in my constituency, the steel industry?

[76] **The First Minister:** Well, a free-trade deal with China that involved steel would put Port Talbot at risk. I don't believe, I'm afraid, the words of the US President—a trade deal very quickly. He's not done any of these deals before. Quite often, of course, the sticking point for trade deals is agriculture. People tend to be very protective of their agricultural industry. For Norway, for example, their trade deal excludes agriculture and fisheries. So, it can be very difficult; farming is in the front line, as far as trade deals are concerned. So, I don't believe that it will be possible to conclude any free-trade deals within weeks or months of leaving the EU, if that involves leaving the single market and the customs union.

[77] I think there are great dangers if free-trade deals are done on a basis that undermines industry within the UK. And that is perfectly possible, whether it's with a country that's a manufacturer or a country that's an agricultural producer, so great care should be exercised when that's done. It is the view of Liam Fox—because he's told me this himself—that the trade deals that currently exist between the EU and 53 other countries will simply

grandfather over to the UK. I don't believe that. I just don't see how that works. The EU has just signed a free-trade deal with Japan. My concern with that now is that, when the UK leaves the EU, that will no longer apply to the UK; it'll have to be renegotiated. I just don't see how you can be part of an organisation that agrees a free-trade deal and then claim it still applies to you when you've left it. I don't share the analysis of Liam Fox.

[78] **David Rees:** So, how are you positioning the Welsh Government to protect Welsh industries?

[79] **The First Minister:** At the moment, all we know is that a lot of this is talk. There seem to be no plans, certainly no concrete plans, to take forward any discussions with any other countries when it comes to free-trade deals. Nothing can happen anyway until the UK is able to look at such deals. We've made it very clear publicly that we would not support any deal that undermines Welsh manufacturing and would not support any deal that undermines Welsh farming.

[80] **David Rees:** Steffan on this point.

[81] **Steffan Lewis:** Yes, just on the point of trade and the customs union, whilst I don't believe, by any means, that the argument over continued membership of the customs union is finished, if we envisage that we are taken out of the customs union, or at least partially, by Theresa May's Government, can you clarify what the future structure should be in that scenario if that occurs in terms of how UK trade deals are concluded in the future? Do you believe in the federalisation of trade policy so that the permission of all four Governments is required to conclude future trade deals—i.e. Belgium, Canada, et cetera—or do you believe that the Welsh Government should be a consultee in future trade deals where there are 'specific Welsh interests'?

[82] **The First Minister:** Well, it has to be stronger than merely being a consultee. Trade is not devolved, that much is true, but trade, of course, can affect very substantially areas that are devolved. We come back to agriculture and the effect that a free-trade deal could have on agriculture. I don't think it is enough for devolved Governments simply to be consultees. As I say, it has to be stronger than that.

[83] **Steffan Lewis:** How much stronger?

[84] **The First Minister:** Well, there is an argument—

[85] **Steffan Lewis:** Should it be shared competence?

[86] **The First Minister:** There is an argument for saying that—. I'm not keen to talk about shared competence, because that opens doors elsewhere that will be unwelcome to us. However, should there be an element of agreement by the legislative Parliaments? Yes, I think that's something that we should consider. The UK Government, through David Davis, made a very significant concession in the last fortnight when David Davis said that the repeal Bill will need the consent of the devolved legislatures. That is welcome. That is something that is a significant step forward as far as we're concerned. What I would not welcome is that, if the decision was taken that we could not consent to the repeal Bill, particularly if there are areas that are unacceptable as far as devolution is concerned, somehow we would be overruled because we were trying to stop Brexit. The UK Government truly needs the consent of the Assembly, and then it must accept that that consent is not automatically going to be given.

[87] **Steffan Lewis:** Sorry, just on—not on the repeal Bill, on future trade agreements. Should the devolved legislatures have a more meaningful say along the lines of Belgian provinces or Canadian provinces when it comes to concluding future trade agreements? I don't understand what you mean by more meaningful than consultee, but short of it being a shared competence. I don't understand why you're reluctant to support a shared competence.

[88] **The First Minister:** Where there is a devolved competence that would be affected, then I believe that there should be agreement to a trade deal from this Assembly.

[89] **David Rees:** Suzy, on this particular point, then I want to go back to Eluned.

[90] **Suzy Davies:** Yes, it is on this. You're quite right, of course, trade isn't devolved, but economic development is. What sort of intelligence are you getting back from the EU transition team in Brussels about how other members of the European Union kind of feel about the role of Wales as part of the UK in any future deal? Is there any soft information coming back from them?

[91] **The First Minister:** They don't see that there's a difference. Scotland

tried this, looked at whether there were options that would put Scotland in a different position, but the EU doesn't see it that way—it doesn't see it as possible; the UK is the UK, and it has to be treated as one unit. There's an appreciation there are different views in the different Governments, and, indeed, within the UK Government, as to what Brexit should look like. At the moment, the worrying thing for me is that the EU has never been more united, but it's united against us, and that's something that needs to be changed. Diplomacy needs to come into play there to make sure that we do have a fair deal for everybody involved. Because there was a thought by some who advocated Brexit that the EU would start to fall apart, that it would fragment, that countries could be—'bought off' is the wrong phrase; countries could be moved away from the position that the EU itself had taken. That's clearly not happening. It is very, very united now.

[92] **Suzy Davies:** Very united, but not necessarily against us, I suspect.

[93] **David Rees:** No, I'd say—

[94] **Suzy Davies:** That's not the impression we—

[95] **The First Minister:** The worrying thing for me is that I think there is an element of that. It is said that everyone wants to have a good deal. I think that still remains the case, but the dialogue so far has not been constructive on either side and I think, at the moment, it's seen as we're going to stand our ground against anything the UK wants. Now, we have to bear that in mind and then, of course, diplomacy and cooler heads have to come into play over the next few months in order to get the best deal for everybody.

[96] **David Rees:** I will clarify. I think the impression we get, when we visit and talk to them, is that they are united for a strong 27 in the best interests of the 27, not necessarily against us personally.

[97] **The First Minister:** Yes, but—.

[98] **David Rees:** I know it's a dichotomy in one sense, but—

[99] **The First Minister:** The relationship is fraught, and it needs to be less fraught in the future if there's going to be a fair deal for all.

[100] **David Rees:** That I agree with. Eluned, do you want to—?

[101] **Eluned Morgan:** Yes. You've mentioned agriculture a couple of times and, of course, in the Queen's Speech, there was a suggestion that there should be new national policies on agriculture and fisheries. I just wondered—did you formally write to Theresa May to step off your turf?

[102] **The First Minister:** Yes, our position is well known; we would not accept at all, under any circumstances, any situation where powers came from Brussels that should have come to Wales but are, as a result of the repeal Bill, kept in London. I understand the need for there to be UK-wide policy frameworks in agriculture or fisheries, potentially, and I think there's an element of sense in that. But, again, the point I've made is they should be agreed, not imposed. The UK Government has a clear conflict of interest that cannot be resolved because the UK Government is only responsible for agriculture in England. What confidence can we have that any policy framework they produce isn't going to be geared towards England? Because that's the country they're responsible for in agriculture. With fisheries, it's the same. For years there has been, if I remember rightly, a dispute over the quota—I think it's to do with smaller fishing boats in Wales—where England have argued that our quota's too large and their quota is too small and have lobbied for part of the quota to be transferred. The Commission has always said no to that. Well, of course, if the UK Government now is in charge of it, they're the final arbiter. So, in an area like agriculture or in an area like fisheries there is an unresolvable conflict of interest. The UK Government cannot possibly be a neutral and objective broker when it comes to agriculture and fisheries.

[103] **Eluned Morgan:** Obviously, you've made that clear in the White Paper, you've made it clear in other papers, but have you written formally, for example to the new agriculture Secretary in England, to make that clear?

[104] **The First Minister:** If I remember rightly, it was in the letter that I wrote to Theresa May after the general election. And I know that Lesley Griffiths has made the point. You have to remember that Michael Gove—one of his first acts was to cancel the joint ministerial meetings for both last month and this month with colleagues elsewhere in the UK. So she's not yet had the opportunity to tell him this to his face, but will have, I understand, at the Royal Welsh.

[105] **Eluned Morgan:** Good. Can I just ask one more question?

[106] **David Rees:** I'll come back to you. Jeremy had a small point on this,

and then Dawn wanted a small question on this.

[107] **Jeremy Miles:** Yes, just on the question of the inter-governmental arrangements and the new frameworks. The Welsh Government propose a mechanism for agreeing those frameworks based on UK plus 1. Is your analysis of whether that sufficiently protects Welsh interests changed by the deal between the Conservatives and the DUP, which doesn't seem to have much regard to any other part of the UK?

[108] **The First Minister:** Interesting. We think UK plus 1 is workable. My reading of the situation in Northern Ireland is that if there was a functioning Northern Ireland Executive, it isn't, of course, the decision of the DUP—it would be the decision jointly between the DUP and the other parties in the Executive, and I can't see that they would take a decision that would undermine devolution in Northern Ireland. So, UK plus 1 still holds, given the fact that the Executive will be a different creature to the DUP acting alone.

[109] **Jeremy Miles:** Thank you.

[110] **David Rees:** Dawn, on this point.

[111] **Dawn Bowden:** That partly answers the question I was going to ask you in terms of your proposal around a UK council of Ministers and whether that would help the kind of scenario you were just—in your answer to Eluned earlier on—where the English interest would outweigh the rest. I was just wondering what kind of support, if any, that proposal has from the rest of the UK—from the other devolved nations and from England.

[112] **The First Minister:** At the moment we're only talking about Scotland. Northern Ireland is off the radar at the moment. Scotland has engaged very closely with us in the last few weeks, I have to say, more than has been the case in the past, which we very much welcome. We're very keen, of course, as well, to work with Gibraltar, which is why I was there, and them with us. Their issues are different, but there's still a lot of common ground between us. We've not yet managed to engage with the Isle of Man, Jersey or Guernsey, who are affected by this. We tend to meet with them in the British-Irish Council, but there hasn't been one recently. Because they are not in the EU but in the customs union. So, if the UK leaves the customs union, they will be taken out whether they like it or not.

[113] **Dawn Bowden:** And would you see them as part of a UK council of

Ministers as well?

[114] **The First Minister:** No. They're outside the EU at the moment—

[115] **Dawn Bowden:** But post EU, if we were to have a UK council of Ministers, would you see Guernsey, Jersey and the Isle of Man being part of that?

[116] **The First Minister:** I don't see why not. And Gibraltar, for that matter. That is an interesting suggestion. The JMC is just the four at the moment, but there's no reason why it shouldn't be expanded in the future as we leave the EU. Because ultimately, if we are outside of the EU and the customs union, then effectively we're all in the same place. The Isle of Man, Jersey and Guernsey are out of the EU but in the customs union; Gibraltar is in the EU, but out of the customs union. If those circumstances change so that everybody's in the same place, there is no strong reason why, then, they shouldn't play a stronger part in a council of Ministers.

13:45

[117] **Dawn Bowden:** Okay. Thank you.

[118] **David Rees:** Eluned, back to you.

[119] **Eluned Morgan:** On the agriculture point—sorry to come back to this again—I was just wondering, in terms of risk management, we are 18 months away, if we don't get a deal, from falling off a cliff. To what extent are we preparing for that worst-case scenario, in particular in relation to agriculture, where we could see tariffs of 84 per cent on beef and 45 per cent on lamb, and basically that killing off the export market in Wales? Are we preparing for that?

[120] **The First Minister:** Yes. Lesley Griffiths has been meeting with the farming unions. I'm meeting with them on Wednesday morning. The reality is we can't prepare for WTO rules and tariffs on farming. There is no mitigation. If that's what happens, then farming will fall off the edge of the cliff as well. We would not be able to access our major market. Ninety per cent of our exports go into the European market. To put ourselves at a substantial disadvantage in selling in that market would be crazy. Why jump off the edge of a cliff when there's a bridge you can walk over? That bridge could be EEA membership, temporarily. It could be EFTA membership temporarily. But to

have absolutely nothing makes no sense at all economically.

[121] Farming is, I think, in the most vulnerable position of all—I've said this before—in the sense that it could be hampered in its major market, lose subsidies and potentially see a free-trade deal with a major agricultural producer. All these things—farming could not survive in Wales. It may sound dramatic to say that, but I just cannot see how farming could survive these things. It's massively important that we are able to export into the European market, our major market, on no worse terms than we have at the moment. We haven't been able to export to the States for many years, particularly meat, and we know how protectionist countries' markets can be of their agricultural produce. To be hampered in one market without access to any other—well, it's there to see what effect that would have on Welsh farming.

[122] **David Rees:** Steffan.

[123] **Steffan Lewis:** To pick up a point, you said there was nothing we could do for the agriculture sector if we went to WTO rules. That isn't strictly true, is it? There are things we could be doing now to prepare the agriculture sector, particularly the food exporting sector. Again, I refer to the Irish Government and the action they're taking: Bord Bia has met with 180 food and drink exporters already; has undertaken one-to-one Brexit client meetings; there's a €150 million agriculture cash flow to support loan schemes, making funds available to farmers in Ireland in case of further currency volatility; there's a rainy day fund being established; and we know that the Chartered Institute of Procurement and Supply has unveiled research now saying that 46 per cent of European companies are now beginning to look at replacing UK imports with European ones in their supply chain. So, how can you say there is nothing we can do for the agriculture sector if we're going towards WTO rules when the Irish Government are taking steps right now? They're doing one-to-one—.

[124] **The First Minister:** But the Irish Government won't be affected in that way.

[125] **Steffan Lewis:** Of course they will. They'll be facing tariffs with the United Kingdom. We're their biggest trading partner.

[126] **The First Minister:** With the UK, yes, but not with the big European market. The UK market is much smaller. It's important, but it's much smaller than the European market. They will not lose their subsidies. Our farmers

potentially will lose their subsidies. That's £260 million a year. The Irish will still have those subsidies—

[127] **Steffan Lewis:** Well, I think there's one point on the subsidies, but there's another point in terms of preparing ourselves for possible customs barriers. I think that's what—

[128] **The First Minister:** The issue for us is that 90 per cent of our exports go to the EU. If we have barriers, whether they're regulatory or customs barriers, if we have tariffs at the level that we know exist under WTO rules, we cannot mitigate those in any way, shape or form, especially at the same time as our farmers potentially would lose their subsidies as well. So, the effect on Wales is massive compared to the effect on Ireland. Yes, I understand that the Irish will be looking at how they can seek to protect their export market to the UK, and it may be that some kind of deal is done with regard to Ireland, although how that happens, we don't know. But for us, of course, our major export market is not Ireland—it's the other EU countries, particularly southern Europe. It would be impossible to protect our farmers against that, which is why, of course, we need to make sure that we don't make things worse for our farmers in terms of selling into the single market, and why, of course, we need the UK Government to agree that the current pot of money that's available for agricultural subsidies remains there, and it's distributed in the same way until such time as an agreement is reached between the four countries as to how it should be distributed in the future.

[129] **David Rees:** Can I ask on this particular point—? Clearly, there's a market two ways. Is your Government looking at the agricultural sector to look at where the opportunities are within the UK perhaps to replace markets EU countries may lose because of the tariffs coming in, as well as going out?

[130] **The First Minister:** No. The problem we have is that, if we look at Welsh lamb, there's much more demand for the type of lamb we produce in southern Europe and the middle east than there is in the UK. People just don't eat the kind of lamb we produce in the UK at the level that would mean we could substitute. Why is that? The UK sheep meat market tends to be dominated by larger animals. We don't produce those animals, by and large, so we've relied on southern Europe where light lambs—the kind of lambs that we produce on the mountains—are popular. They're bought quite often as whole carcasses. That market doesn't exist in the UK, so if that market was in some way closed—or maybe not closed, but made more difficult to access by Welsh farmers—there is no UK market that makes up for it,

because there is very little export of lamb from the EU into the UK. The lamb tends to come from New Zealand if it's not produced in the UK, or sometimes from Ireland. And the UK market is much smaller anyway; the EU is eight times the size of the UK with the UK not in it. So, that demand doesn't exist.

[131] And we know, yes, that there will be tariffs on food coming into the UK, but the reality is that the UK is not self-sufficient and never will be; our climate and topography don't allow it. We import something like half of our food so, in fact, that can't easily be substituted by food produced within the UK, whether it's vegetables and fruit coming in all year round that are imported from Europe—people just pay more for them. If you want to have particular fruits at particular times of year, well, the tariff will apply and you just pay more for the fruit—you can't just grow them in the UK at that time of the year to make up the difference. So, the effect is far harder on the UK market than it is on the European market.

[132] **David Rees:** Eluned.

[133] **Eluned Morgan:** I don't think anyone would argue that the impact would be harder, but is there a possibility that we could salvage something? So, for example, could we ensure that every school and hospital in Wales actually uses Welsh produce? Clearly, that will cost more money, but it may be able to cross-subsidise the industry, effectively. Obviously, that would need procurement rules to change, and whatever. Have you thought about that? Have you thought about the 89 million ready meals per week that are consumed in the UK where we potentially could access that market? I'm not suggesting we can make up for what the loss is, but could we save something of the agricultural industry—and what steps are we taking?

[134] **The First Minister:** The problem is we're in competition with the rest of the UK as well when it comes to things like ready meals, and with New Zealand, and with producers who are cheaper than us, and always will be cheaper than us. What we produce is a quality product, but for all the ready meal market, it's cost that drives them. They will look to buy whatever's cost-effective, and we're not going to be cost-effective because of the nature of farming in Wales compared to, for example, New Zealand. We already have a lot of Welsh produce going into schools and into the NHS. The NHS, particularly, has bought a lot more Welsh beef than before. The problem was that at one time, we didn't have a supplier who could supply a big organisation day in, day out, week in, week out. That was resolved, but it's still not enough to make up for—. You know, when 90 per cent of our

exports go to one market and that market becomes more difficult to access, it's just not possible to make up the difference and to mitigate the reduction there will be in farmers' incomes, which is why I come back to the point that the single market is so important to us. It's not as if there is another alternative that's equally as good or even better; there isn't. So, I think it's important to be frank about what the effects would be if our products became more expensive in that single market. It's an opportunity for other producers who would see us as being far more expensive, and an opportunity for them to start supplying the European market.

[135] **David Rees:** Suzy, do you want to ask a question?

[136] **Suzy Davies:** Yes. Even accepting what you say, we had some evidence when we were in the Flemish Parliament that Flanders, for example, isn't particularly keen on the idea of tariffs between their part of the European Union—well, the European Union, full stop—and the UK because their vegetable market is the UK, pretty much. So, I'm just curious about whether the transition team in Brussels has actually—again, on a soft basis, because they can't do anything formally—which regions or small areas of the European Union have they been speaking to to find out which part of the EU would suffer if trade with the UK was affected by tariffs? The Flemish are quite keen on getting across to us that they didn't want tariffs.

[137] **The First Minister:** Nobody wants tariffs. Nobody advocates tariffs, we know that.

[138] **Suzy Davies:** I know, but some parts of the European Union won't care particularly, but there will be some that do, because they're doing their trade directly with us.

[139] **The First Minister:** There will be parts of the EU that will be affected by tariffs, but the UK is affected more—it's a size differential more than anything else, and Welsh farming particularly because of where our exports tend to go. Nobody is seriously saying, 'Let's proactively have WTO rules.' I understand that. My worry is what happens if, in March 2019, there's no alternative. It's the default position, and we can't live with that, because you're going to have to understand that a lot of manufacturing organisations particularly see Europe as one entity. They don't see the UK as different. And if the UK is seen as splintered off from that market, they'll focus on the bigger market, not on the UK. So, nobody wants to see tariffs, and I would hope that we were in a position where tariffs don't apply.

[140] **Suzy Davies:** No, no, I appreciate that, but tactically again, bearing in mind what you said about difficulties getting into any meaningful discussion at JMC level, does it not help if you have certain parts of Europe backing your line as you go into the JMC conversations?

[141] **The First Minister:** We do. We have discussions at official level with regions, but we're all in the same position. Nobody advocates tariffs, but everybody understands that the UK can't have as good a deal outside of the EU as inside the EU. That doesn't mean there have to be tariffs, of course, but there is inevitably going to be a difference in terms of the trading relationship. From my perspective, as a minimum, the difference is that the UK still has to sell into a market that it has no say over anymore. We'll have to accept the rules and have no say over the rules. That's inevitable. And our farmers particularly are going to be bound by that. For example, we have sheep identification rules. In order to be able to sell into the European market, we've got to keep them, because we've got to be able to show where those sheep have come from to sell into a market where those are the rules. So, at the very least, we lose any kind of say over the operation of that market. Potentially, we lose say over the way in which regulations are developed within that market, whereas, of course, now we do have that say. So, yes,

[142] **Suzy Davies:** I understand that as well.

[143] **The First Minister:** So, yes, we work with regions like Flanders, like Catalonia, where we have those links—even further field, across the world. We are in the same position. Nobody wants to see tariffs. But, of course, the reality is that that doesn't mean that, somehow, we're going to have some kind of fantastic trade deal. That's exactly what we have now. I just don't see that happening.

[144] **Suzy Davies:** Okay, thank you.

[145] **David Rees:** Jeremy wants to talk to you now about the great repeal Bill and its progress, and I'll leave Jeremy to lead on that. Jeremy.

[146] **Jeremy Miles:** Thank you, Chair. In 'Brexit and Devolution', the Welsh Government called for a collaborative approach, including in relation to the repeal Bill, and for full consultation with the Welsh Government on that. And you've said, and you've had to say in the Chamber a number of times, how

little consultation and engagement there has been in relation to that. So, as of today, what is the current situation? Has there been more engagement with the Welsh Government over the contents of the Bill?

[147] **The First Minister:** ‘No’ is the simple answer. The sad thing is that we offered to engage with them on the Bill. But if the Bill includes provisions that mean that powers in devolved areas, when they return from Brussels, go to London and not to Cardiff, we will not support the Bill. That’s it. There is no compromise on this. We will not connive in our diminution. So, that is something I think is worth making very clear. And there is an alternative. There’s a sensible alternative. Why the UK Government wants to pick a fight on this is beyond me. They’ve got enough battles on their plate. And we’ve been more than willing to work with them to make sure that where powers are devolved, we sit down and we say, ‘Okay, we won’t do anything with them until we’ve all agreed what the future should look like.’ Doing it in a mature way, rather than being told what to do by the UK Government. So, it has to be emphasised that if the Bill contains provisions that prevent us from legislating in devolved areas, and prevent powers returning to Wales from Brussels, we will not support that Bill.

[148] **Jeremy Miles:** In light of what you’ve just said, what’s your current thinking about the continuation Bill? It seems to me that we have the opportunity, through that mechanism, to take control of this process, to some extent, rather than wait for the UK Government to engage with us.

[149] **The First Minister:** I think the case has been made stronger. We wait to see what the Bill looks like when it’s published, but I am not optimistic that it will be a Bill that has fully considered the position of devolution in the way that we would want it to. And so work has been taken forward on looking at a continuity Bill, and looking at what it would mean and what it would look like. But any kind of Bill would have to be passed before the repeal Bill was passed.

14:00

[150] **Jeremy Miles:** It seems to me—. I mean, the Welsh Government’s position is, clearly, sensible, to call for a collaborative approach. But, clearly, it is not getting that from the UK Government—as we sit here today, there has not been collaboration on the repeal Bill. Why would the Welsh Government not publish a continuation Bill now, and set out its position—mindful of the risks down the line of a Supreme Court challenge? But we have

a political opportunity, in the sense that we've got the mechanics of the—the balance of the parties in Westminster provides an opportunity. It seems to be very unlikely the Prime Minister would challenge that in the Supreme Court in the current situation.

[151] **The First Minister:** Well, work has been taken forward on the continuity Bill, so that it can be ready if it is needed. It would need to pass through the Assembly in a faster way than normal, in order to get it through before the repeal Bill was passed. It's not so much the issue of the Supreme Court, because we would argue that these are powers that are devolved in any event. It is the issue of whether the UK Government—and the House of Lords, particularly—would see it as constitutionally proper to overturn legislation that was passed in this Assembly, thus prompting a constitutional crisis as a result of that. So, that's what the continuity Bill does. So, we are more than aware of the fact that, when the Bill is published—we understand Thursday now—if it contains provisions that prevent that devolution from happening, then a continuity Bill will, to my mind, have to be taken forward.

[152] **Jeremy Miles:** Okay. And given the point you've just made about the time constraint, which applies to passing that Bill before the repeal Bill is passed, what in your mind is the trigger point at which you will make the decision as to whether to publish that Bill or not? When will you have the facts and the clarity that you need of their position that will enable you to make an informed decision on that?

[153] **The First Minister:** I'll make that clear when I make an oral statement after the Bill is published.

[154] **David Rees:** To clarify that point, we have one week left, after this week, before summer recess. Will you be in a position to publish a continuity Bill before the summer recess?

[155] **The First Minister:** Not an entire Bill, I suspect, because I wouldn't want to press officials too hard on that—I can hear some sighing on my left-hand side. [*Laughter.*] Officials are aware of what the direction of travel has been on a continuity Bill, but the Bill would need to be in draft form as quickly as possible—but not before the recess.

[156] **Jeremy Miles:** Given the time pressure, would there be a situation where we would come back during recess to consider that Bill?

[157] **The First Minister:** I can't see that. What we would need, though, is we would need to look at our Standing Orders to ensure the Bill can have a quicker passage than a normal Bill would have. The normal process would be too slow. So, that is something that would need to be considered by the different parties, and by the Presiding Officer.

[158] **Jeremy Miles:** And are those discussions happening at the moment?

[159] **The First Minister:** They haven't—I'm trying to work it out. I have mentioned it to the Presiding Officer, if I remember rightly, at the last meeting that I had with her, that, if such a Bill were required, we would need to look at the Bill moving forward at a faster pace than normal.

[160] **David Rees:** There is precedence, of course, of the agricultural wages Bill, in the last Assembly—*[Inaudible.]*—passed the Bill.

[161] **The First Minister:** Yes.

[162] **David Rees:** Mark, do you want to raise a small point on this?

[163] **Mark Isherwood:** If I may, yes. Sorry I'm late—train problems.

[164] **The First Minister:** They're not devolved yet. *[Laughter.]*

[165] **Mark Isherwood:** Well, the auditor general was on the same train, so it might be interesting to see what his views might be on that in the future. But I digress.

[166] Turning to the Queen's Speech, the notes accompanying the Queen's Speech talked about the proposals in the repeal Bill being transitional, as they applied to devolved administrations, as a prelude to discussing with the administrations on proper devolution of existing areas, and potentially further areas. Have you heard anything subsequent to the Queen's Speech that has led you to be concerned that there might be proposals to, quote, 'prevent powers', which I think was the term you used?

[167] And second, and finally, related to that, are discussions in Brussels—? Well, we heard the term referred to a number of times—'extended acquis'. They were envisaging not so much what we were calling a 'transition', after the withdrawal agreement, focused on the three key areas of people, money and borders, but an extended acquis. So, if there was an extended acquis,

would you envisage the repeal Bill not taking effect until that extended period had ended?

[168] **The First Minister:** It's difficult to know until we see the full text of the repeal Bill. I have to say, the mood music suggests that—. The initial basis of the repeal Bill was sensible—in other words, to preserve what is already there, the absence of that preservation being a fair bit of chaos, and that I understood. But the second part of it, which we wait to see, would suggest that the powers in devolved areas that we are confident constitutionally would come here would be held up in Whitehall. Now, there are two points to make there. First of all, I can't accept that it's right in principle that it's for the UK Government to take that decision alone. If any such decision was going to be made, it should have been done by agreement of the four—or, at the moment, the three legislatures. Secondly, if it is to be a transitional period—how long? We'll wait to see whether there's a sunset clause, for example, in the repeal Bill. Because if it is set to be a transitional arrangement and then there's no suggestion as to how long that will last, it could last for years. My great worry is that we will be prevented from doing things that we may not have wanted to do, but the point is that it is the choice of the Assembly and the people of Wales to do those things by a UK Government that would not be prevented itself from doing whatever it wanted. Now, if we ended up with a scenario where there were restrictions placed, for example, with agriculture where Wales, Scotland and Northern Ireland weren't able to do things but England could, well, that clearly wouldn't be right and we could clearly never accept that. So, that's why we've put forward what we thought was a sensible alternative suggestion based on agreement rather than imposition.

[169] **David Rees:** Eluned.

[170] **Eluned Morgan:** Just two quick questions on the continuity Bill. One: could you outline the timetable for us as to how you see this panning out in terms of the repeal Bill? So, we'll be expecting it in the Lords, what, Christmas, whatever? That's the first question; I'll ask two, just so that I don't have to come back.

[171] The second one is: Scotland, are they doing the same thing? Are you co-operating on this, because, obviously, if it's all going through the House of Lords, it would make a difference if they were going through together.

[172] **The First Minister:** It would. They're waiting to see what the Bill holds

as well, but I know that Scotland have looked at the issue of a continuity Bill. But once we have a better idea of the timescale of the repeal Bill, that'll give us an idea of what we need to do here to get a continuity Bill passed before the Bill passes through the two Houses of Parliament.

[173] **Eluned Morgan:** So, what are we talking about? After Christmas? Before Christmas?

[174] **The First Minister:** It's difficult to give you a timescale at the moment as to the exact timescale, until we know the timescale of the Bill itself. But we know what the deadline is.

[175] **David Rees:** Steffan.

[176] **Steffan Lewis:** When's the deadline?

[177] **The First Minister:** Before the repeal Bill is passed.

[178] **Steffan Lewis:** And, sorry, just to clarify, because I think the timing—. Mr Miles asked a valid question about this, whether there would be a need for us to be recalled during the summer recess, given this tightness of the situation, and you didn't seem to think that there was a need.

[179] **The First Minister:** No, there's no suggestion of that at the moment. This would be work that would have to be done in the course of the autumn. Much of it depends, of course, on how quickly the Bill can be taken through the Assembly. There'll be no need to recall people in the summer, but there would be a need to work on the Bill through the autumn. We know, with the volume of legislation that is likely to come from the repeal Bill, that the Assembly may well have to sit longer, and committees may well have to sit longer. We know that because of the volume of work. The same thing applies to the continuity Bill, but it's important that the continuity Bill becomes law before the repeal Bill does. That is essential.

[180] **David Rees:** And just to clarify, you've not been consulted on the draft of the Bill, and you've not been given a timeline for that Bill as of this point.

[181] **The First Minister:** We know it's going to be introduced on 13 July. A copy has been shared with my officials in confidence, and they are examining that Bill at the moment. But that Bill, it has been shared in confidence.

[182] **David Rees:** Michelle Brown—one or two on the discussion of the negotiation strategy.

[183] **Michelle Brown:** Thank you, Chair. I was looking at the terms of reference for the initial negotiation areas. There's a negotiation round roughly every three, four weeks. Do you think this will create challenges and difficulties for you influencing the negotiation strategy of the UK Government in favour of Wales?

[184] **The First Minister:** No, I mean, it gives—

[185] **Michelle Brown:** It's quite a tight time frame, isn't it?

[186] **The First Minister:** Yes, but our position has been known since the start of the year. So, there's no secret there. I mean, there's regular contact, but no JMC, sadly. In terms of explaining what our position is, I know that Mark Drakeford has written at least one joint letter with the Scots on this, but it just isn't clear what the UK Government's own position is. That's the issue we—. Before the election, it was clear. We didn't agree with it, but we could see what the direction was. That seems to have changed and the UK Government was resolute in saying that negotiations have to be parallel in terms of the terms of the UK's exit and the terms of the UK's future relationship. It's already conceded on that. So, it's very, very difficult to know where the negotiations will go. My fear is that not much will happen until after the German elections, and once the German elections are concluded, then the discussions will start properly. That's an incredibly tight timescale. Much better would be a scenario where we are there at the negotiations, so that we are able to understand what the UK Government is saying and doing and we can have a direct influence there, which is exactly what we were doing with agriculture for years; the UK would go to the Council of Ministers, we'd be there in the Council of Ministers, we would be able to agree on the spot, discuss things on the spot. But that approach hasn't been taken on this occasion.

[187] **Michelle Brown:** Have you pressed the UK Government for Welsh representation on the negotiation team?

[188] **The First Minister:** Yes, we have. We have, and the Scots have.

[189] **Michelle Brown:** What has been the attitude?

[190] **The First Minister:** They disagree that we should be there.

[191] **Michelle Brown:** Okay. How much information are you really—? I'm getting the feeling that you're not particularly happy with the level of information about the negotiations coming through from the UK Government.

[192] **The First Minister:** I think the real problem is that I don't think the UK Government knows itself what it wants. There are so many different views. There doesn't seem to be a settled view at the moment. This morning, as I say, we saw the announcement that there needed to be engagement cross-party. Well, no-one would disagree with that, but it also suggests that the UK Government itself doesn't know what the final destination should be. Now, we're willing to work with them on that. At the end of the day, this is something that has to be got right for people. The referendum has to be respected and we've got to get it right. But it is very, very unclear what the settled view is of the UK Government. You hear different things from different people, and publicly quite often, and that's in no-one's interest.

[193] **Michelle Brown:** Okay, thank you.

[194] **David Rees:** First Minister, Michel Barnier has highlighted he's going to be as transparent as possible with the European Union and the Parliament. Have you had the same commitment from the UK Government to transparency as to the negotiations and the last cycle?

[195] **The First Minister:** Yes. They've said that, but we wait to see, of course, how that works in practice.

[196] **David Rees:** Do you have confidence, because of the experience with the JMC?

[197] **The First Minister:** Well, it would be hugely helpful if we had a JMC, and for the JMC to meet regularly so we can work together on this. They seem to believe that the JMC can be replaced by a series of bilaterals. It doesn't work that way, because we do actually speak to the Scots, and we do have an understanding of what they're saying in bilaterals as well. It would be far better if we were around the table. The reason given is the situation in Northern Ireland, but there's no reason why, to my mind, there can't be a JMC that involves Scotland and Wales, with perhaps an informal element that involves the major parties in Northern Ireland, to at least have a round-table

to gauge everybody's views. But, at the moment, not even that is happening.

[198] **David Rees:** Steffan, you wanted to raise a point.

[199] **Steffan Lewis:** Yes, just on the topic of the UK Government's lock-out of devolved administrations in the negotiations, is it your understanding that that is just for the current set of negotiations on the three issues, or is that for the duration of the negotiations with the EU full stop—there won't be any room for us?

[200] **The First Minister:** The duration. I see no reason to believe that somehow things will change in the future. We've had no indication of that.

[201] **Steffan Lewis:** And do you think that the fact that they're refusing to convene a JMC is so that they don't want an opportunity to be scrutinised on the negotiations as well? Is it a double lock-out for the same reason?

[202] **The First Minister:** The official reason is Northern Ireland. My suspicion is that, if we have a JMC, there would be different views possibly expressed in that JMC from the UK Government's side, which to me and to anyone else would suggest that they haven't got a settled position. I think they are afraid of holding a JMC because, if we question them on what their position is with regard to certain matters in the negotiations, they won't be able to give a definitive answer. But, if that is the case, that's the case. That's still not a reason not to have a JMC. If there are differences of opinion, well, let's work through them whenever they're expressed. If the UK Government has said that the Assembly must give its consent to the repeal Bill, then surely it makes sense for there to be early engagement and frequent engagement, rather than at the end turn around and say, 'Well, look, here's a fait accompli, are you now going to support it?' The answer, inevitably, will probably be 'no', as a fait accompli, because it will contain elements that are unacceptable to us and to the entire Assembly.

[203] **Steffan Lewis:** So, given the fact that Welsh Government is locked out of European negotiations, and there's a lock-out now on JMC, do you think the United Kingdom is sustainable?

[204] **The First Minister:** Well, I said earlier on that Brexit carries with it the seed of division in the UK. And he and I will—. The destination, shall we say, will be different in terms of the way that he and I see the world. But, if the UK Government refuses to engage with the devolved administrations, that can

only cause ill feeling and division, and that doesn't bode well for the future of the UK.

14:15

[205] Does that mean that the UK would acquire a more federal look in the future? It will, yes. That's where I think it should go. Does it mean that parliamentary sovereignty, as it is currently constituted, would change or go? Yes, it would. It would, because I don't believe that parliamentary sovereignty should exist solely at Westminster. Is this radical in Commonwealth countries? It's not. Canada has shared sovereignty between the provinces and the federal Government, and Canada is a prosperous and stable country. So, while it might be radically different in terms of the way that the UK has operated in the past, devolution is radically different as a concept from the way the UK operated in the past. Unless there are ways to be found—and we have offered a way forward in terms of what the UK should look like—where there can be a forum where there are rules that are agreed and where there is an independent adjudicator for a UK single market, then that is not conducive to harmony in the future. Do I think that we are in a position now where the UK is unsustainable? No, I don't believe that we are in a position now where the UK is unsustainable. But there is work to be done to make sure that the UK hangs together in the future on the basis of agreement and respect, not by imposition from Whitehall.

[206] **Steffan Lewis:** Good luck with that.

[207] **David Rees:** On that point, can I just ask about the London convention on fisheries? Were you consulted on the decision to leave that?

[208] **The First Minister:** No.

[209] **David Rees:** So, based on the fact that you weren't consulted on that, that you weren't consulted on the draft repeal Bill, and that the JMCs don't seem to be operating at this point in time, do you have any confidence that we will be able to get anywhere with the UK Government actually on a structure in the future?

[210] **The First Minister:** At the moment, no, but it's hugely important that—. Well, there have been discussions between David Davis and Mark Drakeford. I think it's fair to emphasise that again. There have been some contacts at official level. But the level of engagement is not sufficient at head of

Government level. If the UK Government wants to have an outcome that can be widely supported, it needs to engage now. It can't expect the Assembly to turn around and support a Bill that would be unacceptable and then complain when the Assembly doesn't support that Bill. So, there needs to be discussion and negotiation now, and that has not happened yet at the level it should do.

[211] **Jeremy Miles:** Can I just ask: we talked about the locking out of the Welsh Government? On the question of that four-weekly series of blocks for negotiations, has that created a sort of parallel process within the Welsh Government where the Welsh Government's case to influence the position papers that the UK Government is publishing generates a process here where that is submitted to the UK Government? Does that exist?

[212] **The First Minister:** Sorry, run that past me again.

[213] **Jeremy Miles:** So, in order to influence the content of the position papers that the UK Government is submitting in those blocks of four for the negotiations, is there a document that goes from the Welsh Government a few weeks before, setting out the Welsh Government's position?

[214] **The First Minister:** Well, no, because it's not clear what the UK Government's own position is. We have given them a White Paper. The Scots are in exactly the same position as we are. They have no greater access than we do. The difference is that the Scots' proposals were rebuffed publicly; our proposals didn't get an answer, although, I have to be fair, the Secretary of State said to me that the answer was contained in the UK Government's own White Paper, which incorporated parts of the Welsh Government and Plaid Cymru White Paper. That's not quite an answer, but that's what he said to me. So, at the moment, we do have this scenario where both Scotland and ourselves do not have the right level of engagement with heads of Government that we should. We don't know what discussions will be about beforehand. So, we do have, of course, the White Paper and the document that was launched on 15 June, which will give the UK Government an idea of what our position is in a number of areas.

[215] **Dr Rawlings:** Could I add something to that, First Minister? As you know, the timetable for the negotiations with the EU has now been published—17 July is the next one, and then the twenty-eighth. In the letter jointly sent to the UK Government by Mr Drakeford and Mr Russell, the Scottish Government Minister, it was proposed that JMC(EN) meetings should

be timetabled to fit into that schedule so that the opportunity would be given for the devolved administrations to input into the emerging UK line and then taken by David Davis to negotiate. That was the proposition that has been put to the UK Government.

[216] **Jeremy Miles:** Okay, thank you.

[217] **David Rees:** On that basis, clearly, there is going to be an increase in demand upon Mark Drakeford's time as a consequence of the four-week cycles and that process. Have you considered introducing a new post specifically for Brexit discussions within the Welsh Government to ensure that there's continuity, that there's time allocated, because this is going to be an increasingly demanding issue?

[218] **The First Minister:** Well, the answer to this is 'no'. Mark and I have shared responsibility over Brexit. Mark has been dealing with the JMC(EN). JMC plenary, I deal with, and I deal with the overall approach. Now's not the time to bring somebody new in, anyway. It's hugely important that people who've been there from the very start are involved, who know what the direction of travel has been in the past and who know what the direction of travel is in the future, and the two of us, between us—along with other Ministers who have responsibilities in their own portfolio areas when it comes to Brexit—between us all, we can cover the work.

[219] **David Rees:** Mark, do you have a question?

[220] **Mark Isherwood:** Yes. It was following on from what Jeremy was saying in terms of the four-weekly cycle. It was described to us in Brussels—I may have got this slightly wrong—as, essentially: discussion, report back, discussion back at home or with the 27, and then preparation for the next week together, and then come back and report back. What, if any, engagement has there been with the Welsh Government to establish a mechanism for inclusion in that report back phase, or has there not been any within the four-weekly cycle?

[221] **Dr Rawlings:** Nothing substantive.

[222] **The First Minister:** Coming back to the way things used to work with agriculture, we used to meet as four Ministers—and I say 'we', because I remember it, when I was in the same role—and we would agree the UK's line before the Council of Ministers meeting that was coming up in Brussels. We

would go to Brussels. Where issues arose, we were able to meet with each other and talk them through. Now, there's no reason why that can't work this time around, because it worked well. We need to make sure that we are able to understand and look to agree with or influence the UK Government's negotiating position, and it's hugely important that we have Cabinet Ministers on the ground who can deal with issues as they arise on the ground. Now, this worked well in the past. It worked in a scenario where there were Ministers from different parties. It was understood that this was an inter-governmental mechanism. It isn't in place as far as this negotiation is concerned, and there's no reason why it shouldn't be.

[223] **Mr Clifford:** Could I just add to that, First Minister? We also have a precedent for this in the form of the JMC(E), which everyone has now forgotten about. It's the JMC Europe, which is the regular transaction of ongoing European business. For as long as devolution has now gone on, the JMC(E) has met in London on a timetable to coincide with upcoming European summits, four times a year, so there is an opportunity for the Welsh Government to feed into the overall UK position, as represented by the Prime Minister, at the European summits. It seems to us that that is a perfectly good model, which is transferrable to the European negotiations, along the lines that Mr Miles described. This is not rocket science, really. It would be the rational thing to do, and we're frustrated and disappointed that it hasn't been done so far.

[224] **David Rees:** Dawn, do you want to ask a question on the constitutional question?

[225] **Dawn Bowden:** Yes. I think, just in terms of the proposals around the Council of Ministers, and, for reasons, I think, that you gave in response to Steffan's question earlier on about the dangers that this presents to the UK, and your concerns about that, then, we've got a proposal from Welsh Government that you've trailed for quite some time, actually, about a constitutional convention. So, I was just wondering if you could elaborate a little bit more about what that might involve. You talk about pooled sovereignty, so perhaps what that might mean, but, more importantly, I guess, is what kind of support that has garnered from other parts of the UK—or hasn't it, yet?

[226] **The First Minister:** It's received support in principle, but I'm not going to pretend that there is a bandwagon behind it. It is an idea I've trailed many times, and it's something I mentioned, if I remember rightly, in the letter I

did send to the Prime Minister—that now's the time to start looking at this. It is a longer term project, there's no question about that. In the immediate short term, we need to sort out the Council of Ministers, what happens to state-aid rules if we do leave the single market, and what happens in terms of adjudicating those rules. That's the pressing priority at the moment, but there's no question in the future this needs to be looked at in order for the UK to be able to continue and for its bonds to remain in place between the four nations. What worked in the nineteenth century, as adapted at the end of the last century, is not going to work, necessarily, for the next 10 or 20 years.

[227] **Dawn Bowden:** So, would that potentially, in your idea of how this would work, lead to a new UK constitutional settlement in the longer term?

[228] **The First Minister:** Does it mean a written constitution? I think that's—. That's something that has advantages and disadvantages, in the sense that if you have an unwritten constitution, it's flexible, and that's not been the tradition, of course, in the UK. What it means is that there's an understanding that parliamentary sovereignty, as we currently understand it, no longer exists, that there is a recognition of multiple centres of democratic legitimacy—which I think, Hugh, was your phrase, originally—and where there's an understanding that the sovereignty is shared. I don't think that weakens the UK. I think it strengthens it. I think it introduces a new relationship that will take us through this century and beyond, based on the fact that the UK is a union of four nations, who have each, of their own volition, been part of it—not only have they joined it, but want to stay part of it. There is a right of secession in the UK; we know that. Ireland exercised that. Scotland had the option to exercise that in 2014 and it chose not to. If this is a voluntary union of four nations moving together on a journey, then the constitution has to recognise that.

[229] **Dawn Bowden:** Did you say you had a positive response from the UK Government to this?

[230] **The First Minister:** No.

[231] **Dawn Bowden:** No. Scotland.

[232] **The First Minister:** Scotland, yes. No, if I had a positive response—. [*Laughter.*] Yes, that would have been—. I think Members would have noticed that. I may have said something about that.

[233] **David Rees:** Jeremy Miles.

[234] **Jeremy Miles:** It's entirely unrelated, actually. Back to the question of scenario planning: in one of our earlier evidence sessions for a previous report, we heard about public services in Wales being dependent on EU migrants and so on for staffing and recruitment. And it was at that stage, which admittedly was a very early stage, there was an impression that there wasn't clear analysis of what the level of vulnerability and resilience was. Obviously, it's moved on to some extent since then, because there are assumptions in 'Securing Wales' Future' about dependence. What's your current comfort level, if you like, that that work is going on in public services in Wales to ascertain, with the right level of granularity, what the exposure is?

[235] **The First Minister:** The work has been taken forward. There is a document that's been produced for the Cabinet sub-committee, which we'll publish as soon as the sub-committee has approved it—or not, but they'll hopefully approve it—and that will contain more detail on the work that's been done on migration policy and the potential effect on Wales.

[236] **Jeremy Miles:** Great, thank you.

[237] **David Rees:** Will you be publishing any other reports that have been done for the Cabinet sub-committees to ensure we can have a transparent view as to what the Welsh Government is doing?

[238] **The First Minister:** Yes. There's no reason why that shouldn't be done where there's no issue of any commercial confidentiality.

[239] **Mr Clifford:** We have the—*[Inaudible.]*

[240] **The First Minister:** Yes.

[241] **David Rees:** I appreciate we have various papers coming through, but, clearly, we need to be able to look at how the Welsh Government is responding, and to understand you've got a Cabinet sub-committee, you've got an external affairs committee, which reports to yourself—.

[242] **The First Minister:** These are formal Cabinet sub-committee meetings, so the minutes will be published in the normal way and using the normal

rules.

[243] **David Rees:** I've seen minutes of minutes and they've only given some of the information. It's just the papers that give you the information, usually.

[244] **The First Minister:** That's true, but—. Well, what we would seek to do is to publish the papers and any documents unless there is a reason not to, and that would usually involve some kind of commercial reason.

[245] **David Rees:** And a final question from me: it seems that you've met a lot of—. There's an attempt to have more bilateral discussions between the UK Government and the various devolved nations. The old adage of divide and conquer seems to be coming to my mind. Does the Cabinet Secretary for Finance and Local Government actually have regular scheduled meetings now or telephone conversations with David Davis after those various four-week cycles? There's one next Monday. Is there a scheduled session with David Davis to be updated on a regular basis?

[246] **The First Minister:** Yes. Telephone conversations but not meetings.

[247] **David Rees:** Not meetings.

[248] **The First Minister:** And they are bilateral rather than trilateral or quadrilateral. There are issues—we've touched on it earlier on—in terms of what happens with the Channel Islands' administrations. There's no reason why Gibraltar shouldn't be part of the discussions either, given the fact that they're in a similar position to where we are, and it's hugely important. Brexit will affect them, and I don't believe it's possible to exclude them from discussions that are taking place within the UK.

[249] **David Rees:** And, therefore, is your administration now—? Has that opened up pathways to have those types of discussions now, being more proactive, because you mentioned that the British-Irish Council hadn't met for eight months, effectively, so you hadn't had discussions with your Irish counterparts for eight months, other than your personal conversations?

[250] **The First Minister:** Well, I last met the Taoiseach in March, so I had a bilateral with him then. To my mind, there is no reason why Gibraltar shouldn't be in the JMC. There's no reason why Gibraltar shouldn't be in the British-Irish Council, to my mind. And the same may apply—. Because the Channel Islands administrations and the Isle of Man are there, so why not

Gibraltar, potentially? That's something that I discussed with the Chief Minister of Gibraltar and they will look to ensure that their voice is strengthened in the future by looking at what bodies they may want to join.

14:30

[251] **David Rees:** And if the BIC is not meeting, how do we be proactive in getting those discussions going?

[252] **First Minister:** Say again, sorry.

[253] **David Rees:** If the BIC is not meeting, how do we get proactive to get those discussions going?

[254] **First Minister:** At the moment, bilaterally, but, of course—. There is no reason, to my mind, why the JMC can't be convened anyway. I think it's important that we set a date for the JMC in the future and say, 'Right, we're going to aim for that date and make sure that everybody turns up.' We can't go on forever where the JMC has no date in terms of when it's going to meet. The British-Irish Council is different in the sense that the British-Irish Council is a different type of body. The advantage that the British-Irish Council gives us is the ability to hold bilaterals on the fringes of the council, although I think it's probably fair to say that the council may now acquire more teeth because of Brexit in terms of the nature of the discussions that we have in the future on that council. In the past, they've tended to be fairly anodyne. I don't think that's going to happen in the future. I think there'll be far more bite to the discussions.

[255] **David Rees:** Okay. Are there any Members with any further questions? No. We've come to the end of the time. Can I thank the First Minister and his Officials for their participation this afternoon? First Minister, you'll receive a copy of the transcript for any factual inaccuracies. Please let us know if there are any as soon as possible. Once again, thank you for your time this afternoon.

14:31

**Cynnig o dan Reol Sefydlog 17.42(vi) i Benderfynu Gwahardd y
Cyhoedd am Weddill y Cyfarfod
Motion under Standing Order 17.42(vi) to Resolve to Exclude the Public
for the Remainder of the Meeting**

Cynnig:

Motion:

*bod y pwyllgor yn penderfynu that the committee resolves to
gwahardd y cyhoedd o weddill y exclude the public from the
cyfarfod yn unol â Rheol Sefydlog remainder of the meeting in
17.42(vi).*

*accordance with Standing Order
17.42(vi).*

Cynigiwyd y cynnig.

Motion moved.

[256] **David Rees:** I now invite the committee to move into private under Standing Order 17.42(vi). Are Members content? Then we move into private for the remainder of this session.

Derbyniwyd y cynnig.

Motion agreed.

Daeth rhan gyhoeddus y cyfarfod i ben am 14: 31.

The public part of the meeting ended at 14:31.