THE LEAVE CAMPAIGN'S CON-TRICK

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Foreword

In an unprecedented show of cross-party unity, we stand together with a guarantee to the British people, and a direct challenge to the Leave campaign.

Our guarantee: voting remain will give this country stability, security and a stronger future with more opportunities for young people. If we vote to remain in a reformed Europe, we will continue to have full access to the free-trade single market – the largest in the world – with all the jobs, low prices and investment that brings, both now and into the future. Workers' rights will be protected and we will be better placed to deal with global problems like terrorism and climate change. Staying in Europe can help move our country forward. Leaving will set us back.

Our challenge: it's time for the Leave campaign to outline their economic plan for Britain outside Europe. Their complacency, in the face of overwhelming evidence about the damaging economic consequences of leaving Europe, reveals something about the nature of their campaign.

They are being both undemocratic and reckless. Undemocratic, because it is a basic tenet of our democracy that those who seek votes should put forward comprehensive proposals – especially on something as important as our economy – so the British people can make an informed judgement. Their campaign, however, has not answered the most basic questions about what it is asking people to vote for.

But even more importantly, they are being reckless. By failing to set out any economic plan, they are playing with people's livelihoods - not just into the future, but right now. While they play fantasy politics, in the real world our economy is slowing because of the huge uncertainty over Britain's economic future. It is therefore unacceptable for them to continue to dodge questions. They are perpetuating an economic con-trick on the British people, and we're calling time on it. The British public deserve better than being asked to roll the dice. They deserve answers.

We challenge the Leave campaign to answer these four questions:

- Will they now spell out in detail their proposed alternative trading relationship with the EU?
- Will they now disown their unfunded spending commitments and admit this is fantasy economics?
- Will they confirm that they intend to scrap important workers' rights?
- Will they confirm that they want to abolish environmental protections and measures to tackle climate change?

David Cameron, Tim Farron, Harriet Harman and Natalie Bennett

Con-trick on trade

Being in the single market makes it easier and cheaper for our businesses to trade with over 500 million people in Europe. It's the biggest free trade zone in the world, with no export tariffs, less red tape at the border and fewer hidden barriers that make it harder for British firms to do business. On top of that, through the EU we benefit from trade agreements with over 50 other countries around the world. This helps our economy, means more jobs, higher wages and lower prices

Independent expert evidence from the Bank of England, the International Monetary Fund and the Institute for Fiscal Studies all show that being in the EU makes it easier to trade. That means people benefit from higher wages, more chances for employment, lower prices and better living standards.

The Leave campaign have confirmed that they want to leave the EU's single market, but, despite repeatedly being challenged to do so, they have yet to present a credible or comprehensive alternative trading relationship for the UK and EU. Instead, they have named over 20 different countries the UK should follow, from Norway to Albania, Canada to the United States. Each of these has a different trading relationship with the EU, each of which, if replicated, would have a profound and damaging impact on the UK economy.

The Leave campaign claim that Britain can leave the single market but retain the benefits, without risk to the economy. But this is a con-trick. Each of the alternatives has one thing in common: they are inferior to the full single market access we currently enjoy and would put jobs and financial security at risk.

The challenge they must answer is: will they now spell out in detail their proposed alternative trading relationship with the EU?

Leave claim we can leave with none of the risks

The Leave campaign claim Britain can leave the EU's free trade single market and retain current trading arrangements.

"So it makes sense that we will keep our free trade arrangements with that market...It is absurd to suggest that the EU would seek to put up trade barriers with Britain in a fit of pique."

Michael Gove, Britain Votes Leave: What Happens Next, 1 June 2016, link

"The truth is that they'd be mad to slap tariffs on anything we import from France or anywhere else in the EU, and they won't. We are part of a free trade zone stretching from Iceland to the Russian border and that will continue."

Boris Johnson, Good Housekeeping, 1 June 2016, link

"There is a free trade zone stretching from Iceland to Turkey that all European nations have access to, regardless of whether they are in or out of the euro or EU. After we vote to leave we will remain in this zone."

Michael Gove, Vote Leave press release, 19 April 2016, link

But Leave have no alternative

The Leave campaign's spokespeople have quoted each of the 23 countries below as alternatives Britain should follow outside of the EU, claiming that these are preferable trading arrangements to that which we currently enjoy within the EU's single market.

- 1. Norway
- 2. Switzerland
- 3. Iceland
- 4. Liechtenstein
- 5. Andorra
- 6. The Isle of Man
- 7. Guernsey and the Channel Islands
- 8. Turkey
- 9. Australia
- 10. South Korea
- 11. Ukraine
- 12. Moldova
- 13. Canada
- 14. Vanuatu
- 15. Brunei
- 16. Nicaragua
- 17. Mexico
- 18. Peru
- 19. Albania
- 20. Serbia
- 21. Bosnia
- 22. Montenegro
- 23. Colombia

For full background on the Leave campaign's alternatives, see Annex 1.

The realities of the alternative models

Each of the alternatives has one thing in common: they are inferior to the full single market access, making it harder for our businesses to trade and do business abroad. If replicated in the UK, they would have a profound and damaging impact on our economy.

European Economic Area (Iceland, Liechtenstein and Norway):

- access to the single market, but tariffs on agriculture and fish;
- accepting EU rules, but with no say over them;
- paying in to the EU;
- free movement of people applies; and
- no access to EU trade agreements with over 50 countries, and no access to future deals.

European Free Trade Association (Switzerland):

- partial access to the single market, with financial services almost completely excluded;
- accepting EU rules, but with no say over them;
- paying in to the EU;
- free movement of people applies; and
- no access to EU trade agreements with over 50 countries, and no access to future deals.

Customs Union (Turkey, Andorra, San Marino):

- agreement on goods trade only, but tariffs still apply to agriculture, and services excluded;
- accepting EU rules, but with no say over them;
- no EU budget contributions or right to work in EU countries; and
- have to copy EU trade deals.

Stabilisation and Association Agreements (Serbia, Bosnia and Herzegovina, Albania, Macedonia, Kosovo, Ukraine):

- limited agreement on goods trade only, but tariffs still apply to agriculture, and services excluded;
- accepting EU rules, but with no say over them;
- no EU budget contributions or right to work in EU countries; and
- no access to EU trade agreements with over 50 countries, and no access to future deals.

Free Trade Agreement (i.e. Canada-style agreement):

- partial agreement on goods and service trade, with some tariffs applying and limited access for financial services, including no 'passport';
- accepting EU rules, but with no say over them;
- no EU budget contributions or right to work in EU countries; and
- no access to EU trade agreements with over 50 countries, and no access to future deals.

World Trade Organisation:

- tariffs on goods, including 10% tariffs for cars, 11% clothes, 70% on beef;
- no say over EU rules exporters would be forced to follow;
- · no privileged access for services;
- no EU budget contributions or right to work in EU countries; and
- no access to EU trade agreements with over 50 countries, and no access to future deals.

The realities of leaving the EU's single market

The Leave campaign are unable to name a single economic expert or institution who supports their case. By contrast, independent evidence has outlined the damaging consequences of Britain leaving the EU's single market.

- **Up to 820,000 people unemployed.** The immediate impact of leaving the EU would leave between 520,000-820,000 more people unemployed in 2 years. Source: 'HM Treasury analysis: the immediate economic impact of leaving the EU', May 2016, link
- Families would be worse off to the tune of £4,300: GDP would be 6.2% lower, which is the
 equivalent to each UK family being £4,300 worse off.
 Source: 'HM Treasury analysis: the long-term economic impact of EU membership and the
 alternatives', April 2016, link
- **Public services would be hit by £40bn in cuts.** The IFS have shown how in the short term the UK would also face a £20-£40bn black hole in the public finances. The Treasury has shown that tax receipts would face an annual £36 billion black hole by 2030. This is more than a third of the NHS budget and equivalent to 8p on the basic rate of income tax.

 Source: The IFS: 'Brexit and the UK's Public Finances', May 2016, <u>link;</u> 'HM Treasury analysis: the long-term economic impact of EU membership and the alternatives', April 2016, <u>link</u>

• **Prices would be higher.** Independent experts have found that prices are £350 lower than they would be if we were outside the EU. The CEBR have noted how food prices would be higher.

Source: Centre for Economic Performance (LSE), Centre for Economics Business and Research

• £250bn of UK trade would be at risk. Trade with the EU, EEA and countries with who the EU has trade agreements is £250bn a year higher than it would have been if the UK was not a member of the EU. This £250bn a year is at risk if the UK leaves its preferential trading relationship within the EU's single market.

Source: 'HM Treasury analysis: the long-term economic impact of EU membership and the alternatives'; ONS trade data

- £200bn in investment would be at risk. Experts have predicted that the stock of FDI would fall by 20% if the UK does not have a Free Trade Agreement with the EU, which implies £206bn could be lost from the stock of FDI in the UK.
 - Source: Euler Hermes, Economic Insight, November 30, 2015, link; ONS data
- Wages would be hit. EU membership has increased average UK salaries by £1,800. If Britain leaves Europe annual real wages would be nearly 3% lower, which is a pay cut of almost £800 a year for someone working full time on average wages.

Source: London First and Frontier Economics, 8 May 2016, link. HM Treasury, May 2016, link

Con-trick on spending

Being in the EU keeps our economy strong, supporting businesses to create more jobs and enabling our government to invest in vital public services.

Overwhelming expert opinion – as well as multiple admissions from leave campaigners themselves – have made clear that leaving would cause an economic shock. This would mean jobs at risk, higher prices in the shops, trade and investment hit and less money to spend on our public services.

There is no saving from leaving the EU. There is a cost.

Rather than address this, the Leave campaign have committed to over a hundred billion pounds of unfunded spending commitments. They claim that if Britain leaves Europe the supposed saving could be used to invest in infrastructure, public services, defence and deliver tax cuts. This is a con-trick on spending and underlines the Leave campaign's recklessness.

The truth is, independent experts, the Institute for Fiscal Studies, have shown that leaving the EU's single market would leave a £40bn black hole in the public finances by 2020. In addition, the Leave campaign have made unfunded spending commitments of £113.6 billion. This means the leave campaign's unfunded promises combined with the economic shock that would arise from our leaving would leave a black-hole of £153.6 billion in the public finances.

If this ever came to pass, this could mean a new record peacetime deficit, savage tax rises and spending cuts to public services.

The challenge they must answer is: will they now disown their unfunded spending commitments and admit this is fantasy economics?

Leave's £153.6 billion black-hole

The Leave campaign's unfunded spending commitments combined with the economic shock that would arise from our leaving the EU's single market would leave a black-hole of £153.6 billion in the public finances.

• If we leave Europe, there will be £40bn less available to spend on public services and reducing taxes. "The estimates of NIESR for a GDP hit of between 2.1% and 3.5% probably provide a good central range for the likely impact on GDP in 2019. Including the direct benefits of reduced budget contributions, these would lead to the public finances being between about £20 billion and £40 billion less healthy than in a scenario in which we did not leave the EU."

IFS, Brexit and the UK's Public Finances, 25 May 2016, p.69

• The Leave campaign have made 24 spending commitments totalling over £113bn. This is over ten times the claimed £10bn net saving from our leaving Europe. These are detailed below.

New spending committed to	Cost (£m)
More health spending	18,200
Hundreds of new schools	2,900
More primary school places in existing schools	461
More spending on scientific research	1,150
More public support for agriculture	145
New roads	1,520
Improving railways	560
Expanding regional airports	53
Reduce the deficit	5,000
Lower taxes	7,900
Lower business taxes	805
More housing	460
More spending on pensions	18,250
Subsidising business to cope with tariffs	7,400
Cutting VAT main rate	13,750
Removing domestic fuels reduced VAT rate	1,700
Reversing welfare savings	4,400
Reducing council tax	17,200
Paying state aid to the Steel Industry	200
New submarines	10,200
Trade missions	1.2
Research Grants	1,000
A "British DARPA"	296
Pothole repairs	53
Total	113,604.20
Revenue lost	
Net revenue loss after leaving	40,000
Net impact on the public finances	-153,604.20

For full background on the Leave spending commitments, see Annex 2.

Implications of Leave's black-hole

This could mean a new record peacetime deficit.

Adding £153.6 billion to the deficit would create a new record peacetime deficit. The deficit is
forecast to be £38.8 billion in 2017/18. If the £153.6 billion black hole was all paid for with extra
borrowing this would leave a combined deficit of £192.4 billion – which would be a new
peacetime record.

OBR, Public finances databank, 16 March 2016, link

Or savage tax rises and spending cuts to public services. To put this number in perspective:

- A 10p rise in the basic rate would fill less than a third of the black hole. In 2017/18 a 1p rise in the basic rate of income tax is forecast to raise £4.5 billion. The £45 billion a 10p rise would raise a 50% increase in the basic rate would be 29% of the net fiscal impact.

 HMRC, Direct effects of illustrative tax changes, March 2016, link
- It's more than the NHS budget. £115.4 billion was planned for NHS spending 2015/16 –75% of the net fiscal impact of leave campaign plans.

 HM Treasury, Departmental budgets table, 21 August 2015, link
- It's more than twice spending on education. Total DEL planned for education spending in 2015/16 was £57.6 billion.

 HM Treasury, Departmental budgets table, 21 August 2015, link
- If you protected health and education, you would have to end 85% of other departmental DEL spending to close the black hole. Excluding health and education the total Department Expenditure Limit spending planned is £180.2 billion in 2015/16. The £153.6 billion needed is more than the combined total DEL of Transport, DCLG, BIS, Home Office, MoJ, MoD, FCO, DfID, DECC, Defra, DCMS, DWP and the Cabinet Office.

 HM Treasury, Departmental budgets table, 21 August 2015, link
- It's over three times what we spend on support for the sick and disabled. Social protection spending on sickness and disability in 2014/15 was £49.98 billion in 2014/15.
 HM Treasury, Public sector expenditure by function, 21 August 2016, link
- It's more than we spend on pensions. Spending on pensions in 2014/15 was £107.97 billion 70% of the net fiscal impact of leave plans.
 HM Treasury, Public sector expenditure by function, 21 August 2016, link
- It's over four times what we spend on housing development and benefit. In 2014/15 £32.8 billion was spent on housing development and housing social protection measures. The net fiscal impact of leave plans is 4.7 times larger than this.

 HM Treasury, Public sector expenditure by function, 21 August 2016, link
- Stopping all spending on defence, police, fire services and prisons would raise less than half of the total needed. Total spending on defence, and public order and safety, in 2014/15 was £66.4 billion 43.2% of the net fiscal impact of leave plans.
 HM Treasury, Public sector expenditure by function, 21 August 2016, link

• Ending unemployment benefits would raise 2% of the amount needed. £3.5 billion was spent on unemployment social protections in 2014/15 – 2.26% of the net fiscal impact of leave plans. HM Treasury, Public sector expenditure by function, 21 August 2016, link

Con-trick on workers' rights

The EU is a champion of workers' rights and safeguards vital protections for working people across the UK. Among other things, EU law ensures that we are protected by employment legislation, laws ensuring non-discrimination and equal opportunity, as well as health and safety measures in the workplace.

The Leave campaign claim they will stand up for working people and protect workers' rights, but this is a con-trick. The truth is, their real agenda is to put these hard-fought protections at risk.

The Leave campaign repeatedly cite an Open Europe study¹ on the cost of EU regulations, saying that these regulations amount to a cost of £600m a week. The Leave campaign have said that they would repeal all of these regulations by pledging to save the £600m and so each of the laws contained within the Open Europe list would be scrapped under their plan.

Examination of these regulations shows that they include 10 vital pieces of employment legislation, including the Sex Discrimination Act, Maternity and Parental Leave Regulations, Working Time Regulations and Information and Consultation of Employees Regulations, amongst others.

Each of these regulations keep people safer at work, protecting their rights and their dignity, but the Leave campaign wants them gone.

And we know this is their intention, because their lead spokesperson, Priti Patel, has said she wants to cut "social and employment legislation".

The challenge they must answer is: will they confirm that they intend to scrap important workers' rights?

Leave claim they are on the side of working people

The Leave campaign have repeatedly said that they are on the side of working people.

"It is we who are speaking up for the people." Vote Leave, 9 May 2016, <u>link</u>

"It is not necessary to give up control to the European Court to protect workers' rights. Workers' rights are enshrined in UK law, which would not change if we Vote Leave." Vote Leave, Press Release, 22 March, link

The EU regulations Leave have committed to scrapping

The Leave campaign have committed to scrapping "EU regulations that cost our economy £600m/week".

"Outside the EU we would still benefit from the free trade zone which stretches from Iceland to the Russian border. But we wouldn't have all the EU regulations which cost our economy £600 million every week."

Michael Gove, Essay for the Today programme, 19 April 2016, <u>link</u>

² Open Europe, The Top 100 costliest EU-derived regulations in force in the UK, link

¹ Open Europe, Top 100 EU rules cost Britain, <u>link</u>

"Research from Open Europe has shown that there are dozens of regulations imposed by the EU with the costs on British business totalling over £33 billion...<u>The only way we can liberate ourselves from these burdens is to Vote Leave</u> and take control over our laws on 23 June."

Priti Patel, Speech of the Association of Licensed Multiple Retailers, 28 April 2016, link

"Gove: 'Outside EU we can still benefit from trade zone...but <u>not be burdened by regulations that cost</u> our economy £600m/week.""

Vote Leave Twitter, 19 April 2016, link

"EU regulation also costs the UK economy over £600m every week. Outside the EU we can reduce the burden on businesses and create jobs."

Vote Leave, Response to BCC Questionnaire, link

"Regulation from Brussels probably costs UK business about £600m per week. [...] I think the opportunity for businesses in this part of the world is to get rid of a lot of the unnecessary regulation and be able to think globally. And to have trade deals done by UK officials who know the particular needs of those businesses."

Boris Johnson, Yorkshire Post, 16 April 2016, link

And we know the Leave campaign's real intention is to cut social and employment legislation – because their lead spokesperson has said so.

"If we could just halve the burdens of the EU social and employment legislation we could deliver a £4.3 billion boost to our economy and 60,000 new jobs."

Priti Patel, Speech to the IoD, 18 May 2016, link

The Leave campaign are allied to UKIP who are known to be against workers' rights. Nigel Farage called increasing maternity pay "foolishness" and that women are "worth less" to their employers after coming back from maternity leave.

"The European Parliament, in their foolishness, have voted for increased maternity pay. I'm off for a drink."

Nigel Farage, Twitter, 20 October 2010, <u>link</u>

"In many cases women make different choices in life to the ones men make, simply for biological reasons. A woman who has a client base, has a child and takes two or three years off - she is worth far less to her employer when she comes back than when she went away because that client base won't be stuck as rigidly to her portfolio."

Nigel Farage, Sky News, 20 January 2014, link

Leave plan to scrap workers' rights

The regulations the Leave campaign have committed to scrapping include 10 vital pieces of employment legislation.²

 The Working Time Regulations, which guarantee working people the right to paid annual leave.

Croner Consutling, Working Time Regulations – Holidays, <u>link</u>

² Open Europe, The Top 100 costliest EU-derived regulations in force in the UK, <u>link</u>

- Maternity and Parental Leave Regulations, which entitle parents to parental leave during pregnancy, childbirth and for doctor's visits.
 National Archives, The Maternity and Parental Leave etc. Regulations 1999, link
- The Sex Discrimination Act, which is now part of the Equality Act and forbids discrimination based on gender and sexual orientation.
 UK Government, Sex Discrimination Act, link
- Fixed-term employees (prevention of less favourable treatment) Regulations, which guarantees fixed-term employees equal treatment to permanent employees.

 National Archives, The Fixed-term Employees Regulations, link
- Part-time workers (prevention of less favourable treatment) Regulations, which guarantees
 part-time workers equal treatment to permanent employees.
 National Archives, The Part-time Workers Regulations 2000, link
- The Work at Height Regulations, which guarantee safety measures and risk assessments for builders and other people who work at heights, to prevent accidents and death.
 National Archives, The Work at Height Regulations 2005, link
- Employment Equality (Age) Regulations, which are now part of the Equality Act and make it unlawful to discriminate, harass or victimise job applicants on the grounds of age.

 CompactLaw, The Employment Equality (Age) Regulations 2006 Age Discrimination, link
- The Transfer of Undertakings (Protection of Employment) Regulations, which protects
 workers' rights and conditions when the organisation or service they work for transfers to a
 new employer.

ACAS, Transfer of undertakings (TUPE), <u>link</u>

- Agency Workers Regulations, which ensure that those employed through agencies are guaranteed equal pay and equal conditions.
 European Commission, Temporary Agency Workers, link
- The Information and Consultation of Employees Regulations, which give employees the
 right be informed and consulted about issues in the organisation.
 ACAS, Information and consultation of employees: ICE, <u>link</u>

Independent experts say workers' right under threat outside Europe

Experts say workplace rights would be under threat if Britain leaves Europe.

 Michael Ford QC has said, "Without the Working Time Directive there would be almost no legal protection against long hours of work in the UK".

"Without the Working Time Directive there would be almost no legal protection against long hours of work in the UK, and no legal requirements for rest or paid holiday. The common law provides minimal protection. There is no implied contractual entitlement to holidays and no implied right to be paid for them."

"In principle, then, if the UK left the EU and WTR were revoked, an employer could dictate whatever contractual terms it wanted about working time: express terms could require working many hours a work, could leave workers 'on call' for 24 hours a day or could confer no paid holiday at all. Prior to WTR, for example, it was not uncommon for workers to be granted no paid annual leave, as shown by some of the cases post-WTR." *Michael Ford QC, 10 March 2016, Advice to the TUC, link*

• The Chartered Institute of Personnel and Development has said "employment rights could be vulnerable to repeal" outside Europe.

"The UK's employment laws derived from or heavily influenced by EU legislation include:

- o anti discrimination laws protecting people from discrimination on the grounds of race, age, sex, disability and so on
- rights for agency workers and part time workers
- o pregnancy and maternity rights
- working time regulations, giving a maximum average 48 hour week and entitlement to minimum rest breaks
- o the right to a minimum entitlement of paid annual leave
- equal pay
- o collective redundancy and Tupe laws.

Any of these employment rights could be vulnerable to repeal." Olivia Baxendale, CIPD blog, 7 February 2013, link

 The Trades Union Congress has warned "no-one can say what will happen" to workers' rights if we leave.

"UK Employment Rights and the EU provides a comprehensive assessment of the employment rights that derive from the UK's membership of the European Union. And it considers the threat to these rights in the case of the UK voting to leave the EU. These rights, which include paid annual leave, time off for antenatal appointments and fair treatment for part-time workers, are used every day by millions of workers. But if the UK votes to leave the EU, no-one can say what will happen to these rights."

TUC press release, 25 February 2016, link

"legislation on age, religion or belief and sexual orientation discrimination was introduced as a direct result of the EU Framework Equal Treatment Directive in 2000 and protection from discrimination on the grounds of gender reassignment resulted from the P v S and Cornwall County Council case in which the ECJ held that this was a form of sex discrimination... While the Equality Act 2010 is part of the UK's primary legislative framework, significant proportions of the Act could be repealed were EU rights in this area no longer in place." TUC, UK employment rights and the EU, link

Con-trick on environmental protections

Being part of Europe helps protect Britain's environment and ensures we are a leader in tackling climate change.

The EU has been at the forefront of developing milestone agreements to fight climate change, including the 1997 Kyoto Protocol which made cutting greenhouse gas emissions legally binding for 192 countries around the world, and the recent historic Paris agreement.

The EU has committed to spending at least 20% of its £743bn budget between 2014-2020 on direct action to protect our climate.³ Within the EU, the UK signs up to rules to generate 15% of its energy from renewable sources and to reduce its energy consumption by 20% until 2020. 4 The EU's Emissions Trading Scheme is estimated that it will lower emissions by 21% by 2020.⁵

The UK's green sector accounts for one third of Britain's economic growth and employs just under 1 million people. Membership of the EU brings increased trade and investment for green projects and sustainable businesses in the UK.

The Leave campaign claim to be pro-environment and that nothing will change if Britain leaves Europe. This is a con-trick as, in truth, they want to scrap environmental protections.

Within the list of EU regulations, the Leave campaign have pledged to revoke are vital green measures which help our country to fight climate change and protect our natural environment.

In total, there are 50 pieces of environmental legislation that the Leave campaign have called to be scrapped which would set back the progress we have made in tackling the issues of climate change, and preserving our planet for future generations.

We know that scrapping vital green measures is the Leave campaign's intention as their lead campaigners have a long history of climate scepticism, calling climate science "complete tosh", "mumbo jumbo" and a "new religion".

The challenge they must now answer is: will they confirm that they want to abolish environmental protections and measures to tackle climate change?

Leave claim they want to protect the environment

The Leave campaign claim to want to protect the environment.

"The UK government will continue to give farmers and the environment as much support - or perhaps even more - as they get now."

George Eustice, 23 March 2016, Vote Leave website, link

"Target our money on environmental protection, conservation and flood defences." Vote Leave leaflet, <u>link</u>

⁴ The CCC, <u>link</u>

European Commission, link

⁵ European Commission, link

"'We would also regain control over the £350m subscription we pay Brussels every week. We could spend it on schools, the NHS, the environment, cutting the deficit-- the choice will become ours again."

Gisela Stuart, 13 April 2016, Vote Leave press release, 'Gisela Stuart exposes the risks of staying in the EU'

Leave have pledged to scrap EU regulations

The UK benefits from strong environmental protections which we have established in EU law by working with our allies across Europe.

Whilst the UK benefits from these important regulations, the Leave campaign have called for many of them to be scrapped, despite the protections these provide for our planet.

Open Europe have estimated the cost of the 100 most burdensome regulations, which overall provide a net benefit to the UK. The Leave campaign have pledged to scrap them:

"Gove: 'Outside EU we can still benefit from trade zone...but <u>not be burdened by regulations that cost</u> our economy £600m/week.'"

Vote Leave Twitter, 19 April 2016, link

"EU regulation also costs the UK economy over £600m every week. Outside the EU we can reduce the burden on businesses and create jobs."

Vote Leave, Response to BCC Questionnaire, link

"Regulation from Brussels probably costs UK business about £600m per week. [...] I think the opportunity for businesses in this part of the world is to get rid of a lot of the unnecessary regulation and be able to think globally. And to have trade deals done by UK officials who know the particular needs of those businesses."

Boris Johnson, Yorkshire Post, 16 April 2016, link

Leave would abolish vital environmental protections

These regulations, however, provide important environmental protections. ⁶ The regulations the Leave campaign has therefore committed to abolishing include:

- UK Renewable Energy Strategy, (Directive 2009/28/EC TFEU), places legally binding targets
 on the UK to ensure 15% of energy comes from renewables.

 UK Renewable Energy strategy, DECC, July 2009, link
- The EU Climate and Energy Package, (Directive 2009/28/EC; Directive 2009/29/EC; Directive 2009/31/EC; Decision 2009/406/EC), which includes all EU tools and efforts for a planned 20% cut in greenhouse gas emissions, 20% of energy to be sourced from renewable sources, and a 20% improvement in energy efficiency. It also includes the Emissions Trading System, which incentivises industrial businesses to reduce their pollution and emissions. European Commission, 2020 Climate and Energy Package, link

⁶ In addition to 49 environmental legislations from the call to scrap Open Europe 100 most burden regulations (see Annex for full list), they have also called to scrap the Habitats directive.

- The Water Framework Directive, which aims to improve the quality and safety of groundwater and forbids chemical pollution of our water.

 European Commission, The EU Water Framework Directive, link
- The Air Quality Standards Regulations, which set legally binding limits for air pollutants such as particulate matter and nitrogen dioxide.
 DEFRA, UK and EU Air Quality Policy Context, link
- Maximum Pesticide Residue Levels Regulations, which make sure that food products and animal feed are not excessively exposed to pesticides.
 European Commission, EU legislation on MRLs, link
- Vote Leave have advocated scrapping the Habitats Directive. George Eustice has said: "The birds and habitats directives would go". The Wild Birds Directive and Habitats Directive protects birds in Britain and across the EU by setting out protections to protect their natural habitat. The British Ecological Society has found that bird species that are protected under the Directive fare better than those that are not on the list, and the WWF and Open Europe have credited the Directive for driving improvements in protection of wildlife and habitats across the EU.

George Eustice, The Guardian, 30 May 2016, link

Leave have a history of climate scepticism

We know that scrapping vital green measures is the Leave campaign's intention as their lead campaigners have a long history of climate scepticism.

- Boris Johnson has suggested climate change science is "complete tosh" and "there is no evidence to support it. "I do not have the expertise to comment on the Martini theory; I merely observe that there are at least some other reputable scientists who say that it is complete tosh, or at least that there is no evidence to support it."
 Boris Johnson, The Telegraph, 20 January 2013, link
- As Mayor of London, Boris Johnson has been accused of hiding a study that shows primary schools were in areas exceeding pollution limits. "Boris Johnson has been accused by his successor as London mayor of suppressing an air pollution report that showed 433 primary schools were located in areas that exceed EU limits for nitrogen dioxide pollution." Telegraph, 17 May 2016, link
- Nigel Lawson has called climate change "mumbo jumbo" and a "new religion:"

"Climate change: this is not science – it's mumbo jumbo." Nigel Lawson, Telegraph, 28 September 2013, link

"Climate change has become a new religion." "Climate is warming very little at present, if at all, and nobody knows if it will in the future."

Nigel Lawson, YouTube, 21 September 2015, link

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⁷ UK Government, <u>link</u>

• Nigel Farage has called wind energy "insanity": "I think wind energy is the biggest collective economic insanity I've seen in my entire life. I've never seen anything more stupid, more illogical, or more irrational."

Spiked Online, 9 March 2015, link

• **Dan Hannan** said that when it comes to climate change he agrees with Nigel Lawson, and has said he is a "sceptic" about climate change.

Daniel Hannan, The Telegraph, 3 December 2009, link

• **Douglas Carswell** has said that the Climate Change Act is a "fatuous attempt to 'stop global warming".

Talk Carswell, 25 February 2013, link

Owen Paterson has stated that "the forecast effects of climate change have been consistently and widely exaggerated thus far."
 The Telegraph, 15 October 2014, link

• Chris Grayling has refused to agree man-made climate change is one of the "greatest threats" to the country.

The Telegraph, 26 February 2014, link

Independent experts say environmental protections are at risk

Independent experts have said that our environment and habitat would be at risk if Britain leaves Europe.

- Mike Clarke, Chief Executive of the RSPB, said: "In weighing up the current evidence, the uncertainties and the balance of risks, we have concluded that the safer option for nature is for the UK to remain a part of the European Union."

 The Independent, 2 June 2016, link
- The WWF, RSPB and Wildlife Trusts all issued a report together that concluded: "on balance, Britain's membership of the EU has delivered benefits for our environment such as reduced air and water pollution, reduced carbon emissions, increased recycling, clean beaches and protected areas for rare species and habitats that would be hard to replicate in the event of the UK leaving. The report also goes on to highlight the risks and uncertainty associated with likely exit scenarios."

WWF, 28 April 2016, link

Annex 1: the countries the Leave campaign believe we should follow

1. Norway

 Owen Paterson MP, of Vote Leave, has said the 'Norway option' is "the only realistic option"

"This brings us to the only realistic option, which is to stay within the EEA agreement. The EEA is tailor made for this purpose and can be adopted by joining EFTA first. This becomes the "Norway option"."

Owen Paterson, UK 2020, 24 November 2014, link

"Outside the EU it will be essential to continue a significant level of support from the UK Exchequer and to reassure farmers that payments would be made by the UK Government in the same way that Switzerland, Norway, and Iceland currently do."

Owen Paterson's personal website, 7 January 2016, link

 Douglas Carswell MP, Vote Leave spokesman, has said, "I can think of worse things than being 'like Norway'"

"Given that Norway's per capita GDP is considerably higher than ours, and that Norway manages to do far more trade with the EU from outside than we do from within, I can think of worse things than being 'like Norway'."

Talk Carswell, 18 September 2012, link

Daniel Hannan MEP cited Norway as "a handy example" of a country outside the EU

"Norway, a handy example of how a country can prosper by having a free-trade relationship with the EU instead of joining the Brussels political institutions." Daniel Hannan's blog, 8 December 2014, link

2. Switzerland

 Douglas Carswell MP, Vote Leave spokesman, has pointed to Switzerland as an example of a country that trades with the EU "without having to carry the costs of membership"

"it is absurd to suggest that outside the EU, Britain would adopt the same terms as Norway has. Switzerland has managed to negotiate access to EU markets, without having to carry the costs of membership."

Talk Carswell, 18 September 2012, link

 Daniel Hannan MEP, Vote Leave spokesman, described the Swiss arrangement as "a great model for Britain"

"what a great model for Britain. If 7 million Swiss relying on bilateral free trade agreements can give their people the highest standard of living on the continent, how much more so could we."

Speech in the European Parliament, YouTube, 16 July 2012, link

"Our objective, when we leave the EU, should be to aim for a Swiss model, based on bilateral accords, rather than membership of the EEA."

Telegraph, 15 December 2012, link

Boris Johnson, Vote Leave spokesman, has claimed we could trade like the Swiss if we left

"There are plenty of countries that export more per capita to the European Union than we do. Switzerland for instance is not in the European Union, they manage to get round this problem."

Marr, 6 March 2016, <u>link</u>

Chris Grayling, Vote Leave spokesman, has backed a Swiss style deal

"Switzerland a small independent country not in the EU has negotiated free trade agreements around the world, has secured access for its businesses 3 times larger than that which the EU has negotiated...Why has Switzerland done so much better than the European union has done in forging those agreements?"

UK Referendum: Risks, Challenges and Perspectives event, 17 March 2016

Lord Lamont has said we could do deals like Switzerland if we leave

"outside the EU we would be able to resume our full membership of the World Trade Organisation, which we have had to forfeit as a member of the EU, able to negotiate free trade agreements with countries outside Europe (as Switzerland, for example, has done with great success) and generally act as a force for liberalisation within the WTO."

Lord Lamont, Speech at Chatham House, 24 February 2016, link

3. Iceland

 Matthew Elliott, chief Executive of Vote Leave (in a joint article) has said we should leave Europe to negotiate a free trade deal with China like Iceland's

"The EU is not a free trade area but a customs union, and one which has spectacularly failed to deliver trade deals with rising economic giants like China. This is a damning failure: over the last few years, countries far smaller than the UK but, crucially, outside the EU (including Iceland and Switzerland) have been able to secure free trade agreements with Beijing."

Telegraph, 25 June 2015, link

Express, 29 October 2015, link

 Douglas Carswell MP, Vote Leave spokesman, praising Iceland's trade and immigration system, asked "why can't we have that too?"

"Instead of using his visit to Reykjavik to lecture is on the perils of independent self-government, the PM ought to ask his Icelandic hosts how they are able to trade freely with the entire world... Iceland's trade agreements give the lie to the notion that trade happens to your advantage only if part of a big trade bloc... Iceland has a pretty good immigration system too... It suits the Icelanders, and it suits the migrants. Why can't we have that too?"

4. Liechtenstein

 Daniel Hannan MEP, Vote Leave spokesman, has said we should get the same trade access as Liechtenstein

"does he, or anyone else, seriously think that Britain wouldn't get at least the same trade access as, say, Liechtenstein or the Isle of Man?"

Daniel Hannan's personal website, 1 December 2014, link

5. Andorra

 Daniel Hannan MEP, Vote Leave spokesman, has argued that the arrangements of states like Macedonia and Andorra make "a good case for Brexit"

"Jonathan Faull took this line in his article in this magazine on 28 October and, in doing so, unwittingly made rather a good case for Brexit. He helpfully listed the various European states that are, one way or another, attached to the single market: Macedonia, Norway, Turkey, Switzerland, Andorra, Iceland."

Daniel Hannan's personal website, 1 December 2014, link

6. The Isle of Man

Daniel Hannan MEP, Vote Leave spokesman, has asked whether we could be like the Isle
of Man

"does he, or anyone else, seriously think that Britain wouldn't get at least the same trade access as, say, Liechtenstein or the Isle of Man?"

Daniel Hannan's personal website, 1 December 2014, link

7. Guernsey and the Channel Islands

 Daniel Hannan MEP, Vote Leave spokesman and member of Conservatives for Britain, has said the Channel Island Guernsey is "a handy guide" to how we'd do if we left

"If we can't draw a parallel even with the Channel Islands, we are truly lost to introversion. Guernsey is an English-speaking, common law, parliamentary democracy. Its currency is the pound. Its head of state is the Queen. It is, for certain purposes, in political union with the UK. Its political system resembles ours in every way. Except one. Guernsey is outside the EU. The bailiwick is thus a handy guide to how we'd fare after Brexit."

Daniel Hannan's blog 18 September 2015, link

"So, if Norway and Switzerland are too exotic for a true comparison, how about Guernsey in the Channel Islands?...Britain, which developed and exported the sublime idea that laws should not be passed, nor taxes raised, except by elected representatives, should now look enviously at its Crown possessions off the Normandy coast."

Daily Mail, 13 April 2016, link

8. Turkey

 Matthew Elliott, Chief Executive Vote Leave, pointed to Turkey as a model for Britain to follow

"As part of the EU's Customs Union, [Turkey] gets full access to the single market in goods (excluding agricultural products), but doesn't have to adopt European social and employment legislation or contribute to the EU budget. Were Britain to follow this model, it would have to negotiate the elements of the single market it wants access to."

CityAM, 9 August 2013, link

 Douglas Carswell MP, Vote Leave spokesman, has argued Turkey shows how trade could work for Britain outside of Europe

"'@djfxtrader: Turkey Exports Rise 10% On Year In Jan To \$10.5 Billion' <- see. You don't need to be in the EU to trade"

Douglas Carswell's twitter, 1 February 2012, link

 Daniel Hannan MEP, Vote Leave spokesman and member of Conservatives for Britain, has claimed "everyone knows" Britain would be in the same position as Turkey

"there is a free trade area that covers the entire continent, EU and non-EU countries alike. You can travel from non-EU Iceland to non-EU Turkey without bumping into a single trade barrier. Everyone knows that, outside the EU, Britain would remain in this common market."

The Sun, 15 February 2016, link

9. Australia

 John Redwood, member of Conservatives for Britain, cited Australia as an example of how to trade with Europe after leaving

"Canada, Australia, Mexico trade well with the EU without having to pay for the privilege."

John Redwood's Diary, 1 February 2016, link

 Liam Fox, Vote Leave spokesman, argued we would be in a position like Australia after leaving Europe

"Before the Common Market even existed, Britain was at the heart of a vast Commonwealth. Today many of its members — such as Canada, India and Australia — have done very much better than many of our EU partners....The alliance of pro-European politicians, large international corporations and hordes of unelected bureaucrats tell us that we cannot be "isolated" or "go it alone" outside the EU. We would no more be going it alone than Australia or Canada or Norway or Switzerland."

The Sun, 16 January 2016, link

10. South Korea

 Douglas Carswell, MP, Vote Leave spokesman, believes we could have a trade deal like South Korea's if we were outside of Europe

"If South Korea can sign a free trade deal with the EU, massively boosting trade, presumably we cld have a free trade deal with the EU too?"

Douglas Carswell's Twitter, 7 November 2013, link

11. Ukraine

12. Moldova

 Daniel Hannan MEP, Vote Leave spokesman, suggested we could have an Association Agreement like Moldova and Ukraine

"A few months ago the European Parliament voted to ratify Association Agreements with Moldova and Ukraine... [they] now enjoy free movement of goods and services with the European union. The only country that is now not part of a European single market in the whole of the European area is Belarus."

YouTube, 29 July 2015, link

13. Canada

Boris Johnson has said he wants to be like Canada

"What I think we should do is strike a new free trade deal on the lines of what Canada has just achieved."

Boris Johnson, BBC News, 11 March 2016

 David Davis, leading Leave campaigner, has claimed the EU deal with Canada could be used

"The optimum aim for us would be similar, but without the free movement of peoples...If you want a model of how this would look, go on the European Commission website and look at the Canadian Comprehensive Economic and Trade Agreement that the EU has just struck."

Speech to the ICE, 4 February 2016, link

 John Redwood, member of Conservatives for Britain, has said we could trade with Europe in the same way that Canada does

"Canada, Australia, Mexico trade well with the EU without having to pay for the privilege."

John Redwood's Diary, 1 February 2016, link

- 14. Vanuatu
- 15. Brunei
- 16. Nicaragua
 - Leave.EU has said we could negotiate the same access to Europe as Vanuatu, Brunei and Nicaragua after leaving

"46 countries including Vanuatu, Brunei and Nicaragua have visa-free access to the EU. The UK will negotiate visa free access to the European Union when we leave." Leave.EU's Facebook, 4 January 2016, link

17. Mexico

 John Redwood, member of Conservatives for Britain, pointed to Mexico's trading relationship with Europe as a possibility for Britain outside of Europe

"Canada, Australia, Mexico trade well with the EU without having to pay for the privilege."

John Redwood's Diary, 1 February 2016, <u>link</u>

18. Peru

Rob Oxley, Vote Leave Head of Media, has said we could get a deal like Peru if we left

"there would be a free trade deal if Britain votes to leave...there are other countries, such as Canada, such as Peru, which have these free trade deals."

Sky News, 20 February 2016

- 19. Albania
- 20. Serbia
- 21. Bosnia
 - Michael Gove is now saying we would have trading arrangements like Albania

"The core of our new arrangement with the EU is clear. There is a free trade zone stretching from Iceland to Turkey that all European nations have access to, regardless of whether they are in or out of the euro or EU.26 After we vote to leave we will remain in this zone. The suggestion that Bosnia, Serbia, Albania and the Ukraine would remain part of this free trade area - and Britain would be on the outside with just Belarus - is as credible as Jean-Claude Juncker joining UKIP."

Michael Gove, Vote Leave press release, 19 April 2016, link

22. Montenegro

23. Colombia

Theresa Villiers, Vote Leave spokesperson, has cited Albania, Serbia, Montenegro,
 Bosnia and Columbia as countries with free trade deals the UK could follow if we left

"If a country like Albania, or Serbia or Montenegro or Bosnia can have a free trade deal with the EU without free movement it is not unrealistic to think the UK could have that kind of arrangement as well. If you look beyond Europe, to places like Chile and Peru and Colombia also have free trade deals without contributions, without free movement."

World At One, 23 February 2016

Annex 2: Leave campaign's unfunded spending commitments

1. More health spending

"We should give our struggling NHS the £350 million we send to the EU every week" Gisela Stuart, Vote Leave press release, 27 April 2016, <u>link</u>

"Let's give our NHS the £350 million the EU takes every week" Vote Leave website, link

Cost: £18.2 billion. This is Vote Leave's own costing.

This includes specific pledges to:

Raise pay for junior doctors. "A small fraction of the money that the EU takes from us each year could be used to give junior doctors the pay settlement they are looking for." Gisela Stuart, Vote Leave press release, 25 April 2016, link

Cost: £977.6 million. This is Vote Leave's own costing.

 Abolish prescription charges. "If we Vote Leave we will be able to stop handing over so much money to the EU and we would be able to spend our money on priorities here in the UK like abolishing prescription charges."

Gisela Stuart, Vote Leave press release, 5 April 2016, link

Cost: £501 million.

NHS England annual report 2014/15, <u>link</u>

 Building new hospitals. "Let's imagine what else this money could buy: state of the art hospitals."

Vote Leave, Take Control, YouTube, link

Cost: £735 million. Vote Leave haven't set out how many hospitals should be built – but based on the average annual cost of construction of the new Queen Elizabeth Hospital in Birmingham, the Royal Liverpool University Hospital, and the Midland Metropolitan, building five would cost £735 million

Queen Elizabeth Hospital Birmingham, A new hospital built on partnership, accessed 17 February 2016, <u>link</u>;

New hospital construction gallery, accessed 17 February 2016, link;

The Royal Liverpool and Broadgreen University Hospital, New Royal Appointment Business Case, July 2015, <u>link;</u>

Carillion, Project description, December 2013, link;

HM Treasury press release, 14 July 2014, link;

Sandwell and West Birmingham Hospital; Midland Metropolitan Hospital, January 2016, link

 £100m a week on NHS. "By 2020, we can give the NHS a £100million per week cash injection. And we can ensure that the wealthy interests that have rigged the EU rules in their favour at last pay their fair share."

Michael Gove, 3 June 2016, link

2. Hundreds of new schools

"Let's imagine what else this money could buy...hundreds of new schools." Vote Leave, Take Control, YouTube, <u>link</u>

Cost: £2.9 billion

This is based on the annual cost of the Building Schools for the Future programme, inflated in to 2015 prices. This is likely to be a conservative estimate, as the cost of this programme had been forecast by the National Audit Office to rise by £0.9-£1.2 billion.

NAO, The Building Schools for the Future Programme, 12 February 2009, link
ONS, D7BT, 9 February 2016, link

3. More primary school places in our current schools

"Just 2.4% of our gross EU contributions could eliminate the shortfall in school places in England. It has been estimated that as many as 100,000 parents will miss their first preference for primary school places...The £461.2m needed to fund the additional 100,000 school places is just over a week's worth of contributions to the EU."

Vote Leave press release, 18 April 2016, link

Cost: £461 million. This is Vote Leave's own costing.

4. More spending on scientific research

"Let's imagine what else this money could buy...pioneering health and scientific research." Vote Leave, Take Control, YouTube, <u>link</u>

Cost: £1.15 billion

It's not been made clear how much more they would spend on science, so this costing is based on a 20% increase in resource and capital spending in 2015/16 BIS, Science and research budget allocations, 2014, link

5. More public support for agriculture

"no-one arguing that we should Vote Leave wants us to reduce the amount we give to our farmers or our scientists. Indeed some of us believe we should give more."

Michael Gove, Vote Leave press release, 19 April 2016, link

"'Let's get one thing straight. The UK government will continue to give farmers and the environment as much support - or perhaps even more - as they get now.'"

George Eustice, Vote Leave press release, 23 March 2016, link

Cost: £145 million. Vote Leave haven't said how much they would like to increase payments by. This assumes a 5% increase to direct payments for farmers. House of Commons library, 12 November 2015, <u>link</u>

6. New roads

"Let's imagine what else this money could buy...we could build new roads." Vote Leave, Take Control, YouTube, link

Cost: £1.52 billion

Leave campaigners haven't said what new roads spending they would make. The Government's current Road Investment Strategy is costing an average £3.04 billion a year. Assuming an improvement project half the size of this, this would cost £1.52 billion. DFT, Road Investment Strategy, March 2015, link

7. Improving railways

"Let's imagine what else this money could buy...improve the railways." Vote Leave, Take Control, YouTube, link

Cost: £560 million

Vote Leave haven't detailed how much would be spent on rail improvements, but this estimate is based on the average annual cost of a single electrification project for the Great Western Mainline.

Public Accounts Committee report, 16 November 2015, link

8. Expanding regional airports

"Let's imagine what else this money could buy...expand regional airports." Vote Leave, Take Control, YouTube, link

Cost: £53 million

This costing is based on the average annual cost of investment programmes at Manchester, Edinburgh, and Birmingham Airports - assuming just one similar project would be delivered. Manchester Airport press release, 2 June 2015, Link;
Edinburgh Airport press release, 22 January 2015, Link;
Birmingham Airport, About Birmingham, accessed 18 February 2016, Link;

9. Reduce the deficit

"Chancellor to raise an extra £5bn in taxes to meet deficit target. How about cutting our EU budget contributions instead?"

Leave.EU graphic, Twitter, 9 February 2016, link

Cost: £5 billion

This is Leave.EU's own costing.

10. Lower taxes

"Let's imagine what else this money could buy...we could lower taxation." Vote Leave, Take Control, YouTube, link "If you are still wondering what it will look like if we came out, think about this...lower taxes as a result of no longer having to pay into the EU budget."

Leave.EU, 6 January 2016, <u>link</u>

"£10 billion is a lot of money each year...The adventurous who want more growth will say let's all have a Brexit tax cut, so we individually get to spend it because we pay less Income tax."

John Redwood, John Redwood's Diary, 25 January 2016, link

Cost: £7.9 billion

Vote Leave haven't set out exactly how much they want to lower taxes – but just a 2 pence reduction in the basic rate of income tax alone would cost £7.9 billion in 2016/17.

HMRC, Direct effects of illustrative tax changes, 16 March 2016, link

11. Lower business taxes

"there are areas where government spending is a detriment to an efficient economy since it wastes money which could be going towards helping businesses which creates jobs and income. I think that the billions we spend on our EU contributions and the foreign aid budget would be a good place to start."

Nigel Farage, SunNation, 8 April 2015, link

Cost: £805 million

This is the 2016/17 cost of a 1 pence reduction in Corporation tax HMRC, Direct effects of illustrative tax changes, 16 March 2016, link

12. More housing

"it would give our government the freedom to spend all those billions we'd save on arguably higher-priority areas...housing."

Leave.EU website, <u>link</u>

Cost: £460 million

Leave.EU have not set out the number of house that they would like built, so this costing is based on the annual cost of the Government's £2.3 billion fund to deliver up to 60,000 starter homes, assuming a scheme of the same size.

DCLG press release, 4 January 2016, link

13. More spending on pensions

"If I had a magic answer, I could glibly say, don't give the EU £50 million a day and spend it on British pensioners...even that would not be sufficient to deal with the scale of this problem. That is me being completely honest with you."

Nigel Farage, Guardian, 12 November 2014, link

Cost: £18.25 billion

This is based on Nigel Farage's proposal for £50 million a day, over a year, which he suggested could need to be even higher.

14. Subsidising business to cope with tariffs

"outside the EU, the UK Government could not only continue subsidising the current recipients of EU funds, but also assist exporters with their tariff costs (under the 'worst case scenario'), and still have £3.9bn to spare."

Business for Britain, 23 June 2015, link

Cost: £7.4 billion

This is Business for Britain's own analysis of the potential costs of tariffs. Business for Britain, 23 June 2015, link

15. Cutting VAT

"Would taxes change? They could, and probably should. Under EU law, the UK is not permitted to apply a standard VAT rate below 15%, and a reduced VAT rate below 5%. These limits could be repealed once the UK secured independence."

Leave.EU website, <u>link</u>

Cost: £13.75 billion

This is based on the 2016/17 estimated cost of reducing the standard rate of VAT to its 2010 level of 17.5%. With Leave.EU suggesting VAT could be brought below 15% the true cost of this could be significantly higher.

HMRC, Direct effects of illustrative tax changes, 16 March 2016, link

16. Cut VAT on fuel

"In 1993, VAT on household energy bills was imposed. This makes gas and electricity much more expensive. EU rules mean we cannot take VAT off those bills...When we Vote Leave, we will be able to scrap this unfair and damaging tax."

Michael Gove, Boris Johnson and Gisela Stuart, The Sun, 30 May 2016, link

"If we want to cut VAT on fuel to help families afford to heat their homes, we should be free to do so. We should be able to choose how we spend the £350 million that we currently send to Brussels every week."

Iain Duncan Smith, Vote Leave press release, 10 May 2016

Cost: £1.7 billion

This is Vote Leave's own costing. Guardian, 31 May 2016, link

17. Reversing welfare savings

"The controversial tax credit bill that was rejected by the House of Lords last week would have provided the Treasury with £4.4bn worth of savings. Here's an idea, George - when we leave the EU, you'll be able to fill that hole in EU membership fee savings."

Leave.EU Facebook, 2 November 2014, link

Cost: £4.4 billion

This was the costing given by Leave.EU

18. Reducing council tax

"Without our EU budget contributions, we could give everyone a 60 per cent council tax cut."

Daniel Hannan's Twitter, 1 September 2015, link

Cost: £17.2 billion

This costing is based on a 60 per cent reduction in the 2015/16 forecast for council tax receipts.

HM Treasury, Spending Review and Autumn Statement 2015, November 2015, link

19. Paying state aid to the Steel Industry

"Imagine if we Vote Leave... we will be able to end unfair state aid rules, and support struggling industries like Steel."

Vote Leave Campaign News, 10 February 2016

Cost: £200 million

It has not been made clear which industries state aid would be given for, so this costing takes the single example of the average annual loss at SSI which would have to have been funded to make the business break even.

Hansard, Written Answer, 30 November 2015, link

20. New submarines

"even if we acknowledge the rebate and the sums already spent here, £10.6 billion of taxpayers money is given to the EU in a year...Just think what we could do with this money... It could pay for fourteen Astute Class Submarines."

Michael Gove, Vote Leave press release, 19 April 2016, link

Cost: £10.2 billion. This is Vote Leave's own costing.

21. Trade missions

"the UK taxpayer's money saved by this plan should be reinvested in new UK trade missions across the world to promote Britain."

Business for Britain, 14 January 2014, link

Cost: £1.2 million

This costing assumes a 10% increase in UKTI's Trade Events & Missions budget from 2014/15.

UKTI Annual Report 2014/15, 9 July 2015, link

22. Research Grants

"We are not talking about scrapping any sory [sic] of funding when it comes to subsidies for farmers or research grants for universities or any other sort of EU funding."

Matthew Elliott, Yorkshire Post, 20 November 2015, link

Cost: £1 billion

This was the estimated value of funding for UK science through Horizon 2020 in its first year. EU Open Data Portal, Horizon 2020 figures, 2016

23. A "British DARPA"

"you have a chunk of money which you immediately save which you can put into it. You can set up a British DARPA."

Dominic Cummings, The Economist, 21 January 2016, link

Cost: £296 million

The budget for the Defence Advanced Research Projects Agency was \$2.87 billion in 2016. This would be equivalent to \$428 million in the UK if the budget were the same as a percentage of GDP. This would be £296 million.

DARPA Budget, accessed 15 February 2016, link;

OECD, Gross domestic product, current PPPs, 14 December 2015, link

24. Pothole repairs

"The EU has spent £264 million on just four bridges in Greece, Romania, Bulgaria and Poland, more than the £250 million that is forecast to be spent on the UK's Pothole Action Fund in the next five years. After we Vote Leave, we can spend our money on our priorities like fixing our roads. Taxpayers' money should be spent on filling in potholes in Britain, rather than being squandered on foreign bridges to nowhere."

Vote Leave Campaign Email, 2 February 2016

Cost: £53 million

This costing is based on the £264 million spending attacked by Vote Leave, assumed to, like the Pothole Action Fund, be spread over five years.

Annex 3: Environmental legislation the Leave campaign has said they would scrap

UK legislation	EU legislation	Date of entry into force
UK Renewable Energy Strategy	Directive 2009/28/EC	Dec-10
The EU Climate and Energy Package	Directives 2009/28/EC, 2009/29/EC and 2009/31/EC + Decision No 406/2009/EC	From 2009 to 2020
The Building and Approved Inspectors(Amendment) Regulations 2006 + The Energy Performance of Buildings(Certificates and Inspectors) (England and Wales) Regulations 2007	Directive 2010/31/EU	Jan-13
The Motor Vehicles(EC Type Approval) (Amendment) Regulations 2008	Directives 2007/34/EC, 2007/35/EC and 2007/37/EC + Regulations (EC) No 706/2007 and 715/2007	Dec-08
The Water Environment (Water Framework Directive) (England and Wales) Regulations 2003	Directive 2000/60/EC	Jan-04
The Motor Fuel (Road Vehicle and Mobile Machinery) Greenhouse Gas Emissions Reporting Regulations 2012	Directive 98/70/EC (as amended by Directive 2009/30/EC	Jan-13
The Merchant Shipping (Prevention of Air Pollution from Ships) and Motor Fuel (Composition and Content) (Amendment) Regulations 2014	Directive 2012/33/EU	Dec-14
The Waste Electrical and Electronic Equipment Regulations 2006	Directives 2002/96/EC and 2003/108/EC	Jan-07
The Greenhouse Gas Emissions Trading Scheme (Amendment) Regulations 2014 The Non-Road Mobile Machinery	EU Regulation No 421/2014	Dec-14
(Emission of Gaseous and Particulate Pollutants) (Amendment) Regulations 2006	Directive 2004/26/EC	Feb-06
The Fluorinated Greenhouse Gases Regulations 2009	Regulation (EC) No 842/2006 and ten associated EU Regulations	Mar-09
The Environmental Permitting (England and Wales) (Amendment) Regulations 2013	Directive 2010/75/EU	Feb-13
Eco-design Directive - Implementing measuresfor circulators	Regulation (EC) No 641/2009	Jan-13 / Aug- 15
The End-of-Life Vehicles(Producer Responsibility) Regulations 2005	Directive 2000/53/EC	Mar-05

BRITAIN STRONGER IN EUROPE

The Motor Vehicles(Replacement of		
Catalytic Converters and Pollution Control	Article 11 of Regulation (EC) No	
Devices) Regulations 2009	715/2007	Aug-09
The Nitrate Pollution Prevention Regulations 2008 + The Nitrate Pollution		
Prevention (Amendment) and Water		
Resources(Control of Pollution) (Silage,		
Slurry and Agricultural Fuel Oil) (England)		Jan-09 / Jan-12 /
(Amendment) Regulations 2013	Directive 91/676/EEC	May-13
The Waste Management (England and	Directives 75/442/EEC and	
Wales) Regulations 2006	1999/31/EC	May-06
Eco-design Directive - Implementing		
measures for standby and off-mode losse	Regulation (EC) No 1275/2008	Jan-09
Eco-design Directive - Implementing		
measures for electric motors	Regulation (EC) No 640/2009	Aug-09
Eco-design Directive - Implementing		
measures for TVs	Regulation (EC) No 642/2009	Aug-09
The Air Quality Standards Regulations	Divtiv. 2000/50/50	1 10
2010	Directive 2008/50/EC	Jun-10
Eco-design Directive - Implementing	Pagulation (FU) No 206 (2012	lan 12
measuresfor air conditioners	Regulation (EU) No 206/2012	Jan-13
Eco-design Directive - Implementing	Pagulation (EC) No. 244/2000	Apr 00
measuresfor household lamps	Regulation (EC) No 244/2009	Apr-09
Registration, Evaluation, Authorisation & restriction of Chemicals (2006)	 Regulation (EC) No 1907/2006	Jun-07
The Environmental Assessment of Plans	3 ()	
and Programmes Regulations 2004	Directive 2001/42/EC	Jul-04
The Motor Fuel (Composition and		
Content) and Merchant Shipping		
(Prevention of Air Pollution from Ships)	Directive 98/70/EC (as amended by	
(Amendment) Regulations 2010	Directive 2009/30/EC)	Jan-11
The Producer Responsibility		
Obligations(Packaging Waste)	D: .: 0.150/50	
(Amendment) Regulations 2014	Directive 94/62/EC	Nov-14
The Control of Asbestos Regulations 2012	Directive 2009/148/EC	Apr-12
The Environmental Damage (Prevention	Diversities 2004/25/50	M 00
and Remediation) Regulations 2009 The Batteries and Accumulators (Placing	Directive 2004/35/EC	Mar-09
on the Market) Regulations 2008 + The		
Waste Batteries and Accumulators		Sep-08 / May-
Regulations 2009	Directive 2006/66/EC	09
Eco-design Directive - Implementing		
measuresfor tertiary lighting	Regulation (EC) No 245/2009	Apr-09
The Oil Stocking Order 2012	Directive 2009/119/EC	Dec-12
Eco-design Directive - Implementing		
measuresforsimple set-top boxes	Regulation (EC) No 107/2009	Feb-09

Eco-design Directive - Implementing measuresfor washing machines	Regulation (EU) No 1015/2010	Dec-11
The Road Vehicles(Approval) Regulations 2009	Directives 2007/46/EC, 2008/74/EC, 2008/89/EC and 2009/1/EC	Apr-09
The Pesticides (Maximum Residue Levels) (England and Wales) Regulations 2008	Regulation (EC) No 396/2005	Nov-08
Eco-design Directive - Implementing measuresfor external powersupplies	Regulation (EC) 278/2009	Apr-09
The Road Vehicles(Testing) (Miscellaneous Amendments) Regulations 2013	Directive 2010/48/EU	Mar-13
The Electricity and Gas(Internal Markets) Regulations 2011	Directives 2009/72/EC and 2009/73/EC + Regulations (EC) No 714/2009 and 715/2009	Nov-11
The Cleaner Road Transport Vehicles Regulations 2011	Directive 2009/33/EC	Jul-11
The Restriction of the Use of Certain Hazardous Substancesin Electrical and Electronic Equipment Regulations 2012	Directive 2011/65/EU	Jan-13
The Eels(England and Wales) Regulations 2009	Regulation (EC) No 1100/2007	Jan-10
The Official Feed and Food Controls (England) Regulations 2009	Regulations (EC) No 882/2004 and 669/2009	Jan-10
The Town and Country Planning (Environmental Impact Assessment) Regulations 2011	Directive 2011/92/EU	Aug-11
The Waste (England and Wales) Regulations 2011	Directive 2008/98/EC	Sep-11
The Plant Health (Fees) (England) (Amendment) Regulations 2014	Directives 2000/29/EC + 2002/89/EC	Jan-15
Eco-design Directive - Implementing measuresfor dishwashers	Regulation (EU) No 1016/2010	Dec-10
The Flavouringsin Food (England) Regulations 2010	Regulation (EC) No 1334/2008	Jan-11
The Plant Protection Products (Sustainable Use) Regulations 2012	Directive 2009/128/EC	Jul-12

Source: Open Europe, March 2015, link

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