

Boris Johnson 'in dreamland' on EU trade

The UK government "is in dreamland" if it expects a comprehensive trade agreement with the EU by the end of the year, corporate travel leaders have been told.

Members of the UK's Business Travel Association (BTA), meeting in London on Thursday, were told to expect no more than "a bare-bones deal" that excludes services.



Britain formally departs the EU by midnight on January 31 and prime minister Boris Johnson has insisted he will not extend the Brexit transition beyond December 2020 - meaning a UK-EU trade deal must be agreed by late November.

More: [No-deal Brexit would see slump in UK outbound travel, report warns](#) [Nov 19]

[No-deal Brexit 'would see return of duty-free'](#) [Sep 19]

[Trade urges Boris to avoid a no-deal Brexit](#) [July 19]

At the same time, Johnson has said he wants "a comprehensive free trade" agreement.

Ben Kentish, political correspondent of *The Independent*, told the BTA winter conference: "The negotiations won't start until March [and] the complexities when it comes to services are vast. Boris is in dreamland.

"He has put it in law that he won't extend the [Brexit] transition period. I would expect there to be a bare-bones deal that won't cover services."

'Sector by sector deal'

Fellow political correspondent Nicola Bartlett of the *Daily Mirror* said: "Johnson will try to avoid extending the transition as long as possible."

But she noted: "He did extend the withdrawal date previously. She told the BTA: "If he wants a deal, the EU has made clear there will have to be alignment [on EU regulations]. Boris does not want that."

But she noted: "He did extend the withdrawal date previously. She told the BTA: "If he wants a deal, the EU has made clear there will have to be alignment [on EU regulations]. Boris does not want that."

Bartlett added: "There are noises about doing a deal sector by sector or splitting goods from services."

Gareth Morgan, BTA public affairs advisor and Cavendish Communications director, told the conference: "The government is going to have to decide which sectors it opens up [to the EU].

"Real decisions will have to be made that will alienate some communities."

For example, Morgan said: "Fishing is 0.12% of the economy, financial services are 6.9%."

He suggested the government would struggle to meet its objectives of 'levelling up' the UK regions with London through investment in major infrastructure projects such as high-speed rail (HS2).

Infrastructure 'crucial'

Morgan said: "Four years is a blink of an eye in politics but a long time in terms of infrastructure [and] it will be a long time before we see spades in the ground [on these projects]."

Kentish agreed, saying: "Infrastructure is crucial, but it will not transform people's lives."

Bartlett noted: "Transport is much more on the agenda than in previous years. Theresa May would not have made the decision [to rescue] Flybe."

The government reached an agreement to keep Flybe operating in January with owner Connect Airways - a consortium including Virgin Atlantic - although the terms of the deal remain vague.

Bartlett also noted the nationalisation of Northern Rail this week and said: "Johnson has already made decisions that go against his party ideologically.

"He can't get away from the 'levelling up' agenda. [But] it will take a lot of money and time before we see any improvement."

Morgan agreed, saying: "They have promised a lot, but it is going to take a long time to tackle."
