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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Tuesday 16 June 2015

House of Commons

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The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

TREASURY

The Chancellor of the Exchequer was asked—

EU Referendum and the Bank of England

1. **Mr David Hanson** (Delyn) (Lab): If he will make representations to the Bank of England on the publication prior to the EU referendum of its assessment of the effect on the UK economy of the UK leaving the EU.

[900320]

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): Thanks to this Government, the British people will at last have their say on British membership of the European Union. The Bank of England is of course independent, and any questions about publication should be directed to it. The priority of the British Government is clear: the best outcome for the UK economy is that we achieve major economic reform of the European Union for the benefit of Britain and for the whole of Europe. That is why the Prime Minister and the rest of the Government are now fighting hard to achieve that, and we are confident we will succeed.

Mr Hanson: Airbus industries, Toyota vehicles and Vauxhall Motors—all serving my constituency, and employing thousands of people—have all said they believe that the future of the UK economy is in Europe. Would it not be useful for the Chancellor to put pressure on the Bank of England to produce any internal report, and indeed to publish any Treasury reports, so that we can see once and for all what exit from the European Union would mean for our UK economy?

Mr Osborne: I completely agree with the right hon. Gentleman that companies such as Airbus make a huge contribution to the economy not just of north Wales but of the whole United Kingdom, and we want them to succeed. That is why we want the European Union to be a place that attracts jobs and investment from around the world. We are seeking reforms because we do not think at the moment that the European Union is heading in the right direction. I welcome his participation in this debate, and I can assure him that the Treasury will participate in it as well.

Mr Andrew Tyrie (Chichester) (Con): The Bank of England may be operationally independent, but does the Chancellor agree that Parliament and the Treasury Committee are likely to see the Bank as having a duty to share its thinking, at least as far as it affects its statutory objectives of monetary and financial stability, on the impact of the UK's membership of the EU?

Mr Osborne: I certainly do not presume to tell the yet-to-be-formed Treasury Committee how to go about its business, but I would be very surprised if it did not want to have sessions on this vital issue of Britain's future membership of the European Union. It is of course within its power to ask the Bank's Governor and indeed other members of the Bank of the England to attend; they do attend regularly. It would be very surprising if the Bank of England was not engaged in these crucial economic and financial issues. That is part of its statutory responsibilities, and I think we would all be disappointed if it was not engaged.

Bill Esterson (Sefton Central) (Lab): Thirty-one per cent. of businesses surveyed by Ernst and Young have said that they will either freeze or cut investment until the result of the EU referendum is known. Does the Chancellor accept that that uncertainty will cripple our economy until this is sorted out once and for all? Does he accept that that is a reason for bringing forward the date of the referendum as fast as possible?

Mr Osborne: If the hon. Gentleman is worried about the effect of the EU referendum, why did he vote to have one? We have heard the argument over the past couple of years that the fact of having a referendum would put a dampener on investment. In fact, we have attracted the lion's share of investment in the European Union since my right hon. Friend the Prime Minister set out our policy, and he has now won public support for that policy. Of course we now want to resolve the uncertainty, but the way to do that is to achieve a good deal in the European Union and put that deal to the British people at the referendum, and we will have the referendum when we have the deal.

Philip Davies (Shipley) (Con): Given that even the most fanatical supporters of our membership of the European Union now accept that we could trade freely with the EU even if we left, will the Chancellor set out for us exactly what we get for our £19 billion a year membership fee?

Mr Osborne: I certainly commend my hon. Friend for his consistency. I remember that in his maiden speech he made the case for Britain leaving the European Union, and he will of course have his opportunity in the referendum. I would say that this is precisely the judgment that the British people and this Parliament have to make: what are the economic benefits of our European Union membership, such as the single market, and what would be the alternative? That will be part of the lively debate, and as I say, the Treasury will be fully involved in that debate.

Stewart Hosie (Dundee East) (SNP): There have already been a number of serious interventions in this debate suggesting that the in/out referendum will be disruptive for inward investment. At the very least, businesses seeking to invest need the certainty of knowing what

the Chancellor believes success will be in the Prime Minister's negotiations. Will he tell the House today what he considers success in terms of the outcome of the Prime Minister's negotiations?

Mr Osborne: There are, of course, a number of things that we want to achieve. Speaking as the Chancellor of the Exchequer, I want to ensure that the European Union works for the citizens of the European Union and of the United Kingdom. That means that it must be a place where businesses want to grow, where jobs are created and that attracts investment from around the world. I do not want Europe to be the place that used to be the dynamic centre of the world, but is not any longer. That is what we are fighting for, and if we achieve it, it will be a success.

Stewart Hosie: We all want to see a dynamic EU, but there were no specifics in that answer. Is it not the case that however bad the negotiations, the Chancellor will declare them a success, and however good the negotiations, the out-at-any-cost brigade will declare them an unmitigated disaster? Instead of pandering to the UKIP agenda, should the Government not pull the whole idea of this daft referendum?

Mr Osborne: I do not want to say this to the SNP spokesman, but I am not sure that he is speaking for Scotland, because 58% of Scots want a referendum and 63% of SNP supporters want a referendum. He needs to get in touch with his grassroots.

Mr James Gray (North Wiltshire) (Con): It is extremely important that the Bank of England report and, indeed, other Government reports and other organisations' reports on this matter are published in the course of the next two years. However, does the Chancellor of the Exchequer not agree that it is vital that such documents, which may well affect the outcome of the referendum, are not published in the so-called purdah period of six to eight weeks before the referendum?

Mr Osborne: As was made clear by the Foreign Secretary in debate and by the Prime Minister from this Dispatch Box, there are serious issues to address about the current law on referendums, because we believe that it would make the debate on the European Union unworkable and inappropriate. We understand the concerns in all parts of the House about that, and we will come forward with reassurances that enable the proper business of government to continue and allow the Government to make the case for the outcome that is achieved and the vote that we recommend, but that ensure that there is not an unfair referendum and that the Government do not, for example, engage in mass communication with the electorate. Those matters will be discussed later today.

Shabana Mahmood (Birmingham, Ladywood) (Lab): The debate and conduct during the referendum campaign must be, and must be seen to be, legitimate and well informed. He has failed to do so thus far this morning, but will the Chancellor make it clear that he agrees that, in the interests of transparency, the Bank of England should publish full details of its risk assessment, which is codenamed Project Bookend, its terms of reference, its personnel and its timetable? Will he add his voice to our call that any publication of the report must happen well in advance of the vote?

Mr Osborne: I welcome the hon. Lady to her new position as shadow Chief Secretary—long may she continue in it. It is not for me or even, dare I say it, her to tell an independent Bank of England what to do. I have no doubt that it will engage in the debate. Indeed, the Governor of the Bank of England has made it perfectly clear that it will do so. I have no doubt that the Treasury Committee, when it is formed, will want to ask the Bank of England questions about the European Union, because it is central to many of the Bank's responsibilities. However, as I have said, we have an independent central Bank and I propose to keep it that way.

Shabana Mahmood: There is still no clear answer from the Chancellor and he has given no commitment to push for the transparency that the debate demands. He has a clear responsibility to ensure that the economic impacts are debated and fully understood. I know that he has his mind on other things these days, like moving next door to No. 10, but if he will do nothing further on Project Bookend, will he at least step up and lead the debate by agreeing to commission and publish reports by the Treasury and the Office for Budget Responsibility on the economic impact of the UK leaving the EU?

Mr Osborne: As I have said repeatedly, we are certainly going to take part in the debate. I am sure that the Treasury will publish assessments of the merits of membership and the risks of a lack of reform in the European Union, including the damage that that could do to Britain's interests. For example, in my Mansion House speech, I talked about the risks for Britain as a non-euro member as the eurozone continues to integrate and about how that needs to be addressed as part of the negotiations. We will take part in the debate. The more that we get on to the big issues that are at stake, rather than focusing on the process details, the better informed the public will be.

Northern Powerhouse

2. **Andrew Percy (Brigg and Goole) (Con):** What recent steps he has taken to rebalance the economy and create a northern powerhouse. [900321]

3. **Oliver Colvile (Plymouth, Sutton and Devonport) (Con):** What recent steps he has taken to rebalance the economy and create a northern powerhouse. [900322]

4. **David Morris (Morecambe and Lunesdale) (Con):** What recent steps he has taken to rebalance the economy and create a northern powerhouse. [900323]

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): We have a comprehensive plan to rebalance the economy and create a northern powerhouse by bringing together the great cities and counties of the north of England, alongside plans to support other vital economies in our country, such as the south-west. Those plans involve major investment in transport infrastructure, backing science and skills, and supporting local businesses. The centrepiece of the northern powerhouse is the commitment to a major transfer of power to our great cities and counties so that local people can take more control of the decisions that affect them.

Andrew Percy: My hon. Friend the Member for Cleethorpes (Martin Vickers) and I were delighted in the previous Parliament that the Humber was at the centre of the northern powerhouse. Will the Chancellor confirm that the East Riding of Yorkshire and North Lincolnshire will continue to enjoy that position? I have a specific local issue in mind. Will he continue to prioritise flood defence funding for our region, because it is important for encouraging investment into the Humber?

Mr Osborne: I can confirm to my hon. Friend that the Humber, the East Riding and northern Lincolnshire are a central part of the northern powerhouse. When we originally set out the vision of the northern powerhouse last year, we talked about the belt stretching all the way from Merseyside across to the Humber. I know about his passionate commitment to improving the flood defences in the Humber. He achieved marked success last year, but has an even more ambitious project in mind. As he knows, because of his work and that of my hon. Friend the Member for Cleethorpes (Martin Vickers), the Environment Agency is undertaking a study of that proposal.

Oliver Colville: May I congratulate my right hon. Friend for turning the north into a powerhouse, but what plans does he have to ensure that Plymouth and the south-west—

Mr Speaker: Order. The question is about the northern powerhouse and must be confined to the northern powerhouse. We are immensely grateful.

David Morris: In my constituency, a link road was 60 years overdue. The Prime Minister and the Chancellor came, and the Prime Minister put a series of bolts into the bridge there. Does my right hon. Friend the Chancellor agree that the road is vital to the improvement of my constituency, and that such projects should be rolled out across the area to ensure more vitality in the northern powerhouse?

Mr Osborne: My hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colville) is a huge champion of Plymouth and the south-west. We will have time to address the south-west in questions.

The Heysham link road is a major achievement for my hon. Friend the Member for Morecambe and Lunesdale (David Morris). People have campaigned for it for 70 years. I happened to visit about a week before the general election with the Prime Minister. Because of my hon. Friend's fight for infrastructure and jobs in his seat, he is back in the House doing his job.

22. [900341] **Helen Jones** (Warrington North) (Lab): Despite the Chancellor's talk of a northern powerhouse, will he admit that output per hour in the north-west is still lower than the average for England, and lower than it was in 2007? Is it not true that his plan to improve the economy of the north-west has drastically failed that region?

Mr Osborne: The north-west has seen a huge increase in employment—it has had the fastest rate of employment growth in the entire United Kingdom. I would have thought the hon. Lady would welcome that.

The northern powerhouse initiative was instigated by me and the Labour and Conservative council leaders of Greater Manchester. It has been done on a cross-party basis. I would like to think that, at the beginning of this Parliament, we can work across the party divide, including in this Chamber, to bring about that major rebalancing of the British economy, which has eluded Governments for many generations.

Anna Turley (Redcar) (Lab/Co-op): Major employers in the north-east such as Nissan and Hitachi, which are the key drivers of the northern powerhouse, are clear that membership of the EU is vital to their investment in our region, and that they would reconsider their involvement in the UK should we leave the EU. Given that the Under-Secretary of State for Communities and Local Government, the hon. Member for Stockton South (James Wharton), the Minister responsible for the northern powerhouse—I cannot see him in the Chamber—told the “Sunday Politics” show last weekend that he would vote to come out, will the Chancellor tell the House what assessment he has made of the impact of the EU on the north-east economy and his northern powerhouse plans?

Mr Osborne: I commend the work that Nissan and other employers do in the north-east. The north-east is currently producing more cars than the whole of Italy, which is a remarkable achievement and a tribute to the workforce there. I am glad the hon. Lady mentions the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Stockton South (James Wharton). He was not only returned with an increased majority, but is now playing a central role as the Minister helping to deliver the northern powerhouse in DCLG. The debates are about the future of our relationship with the European Union and the reform we need so that major Japanese car manufacturers continue to see Europe and the UK as a place to come, create jobs and invest. We will not do that if our continent prices itself out of the world economy.

Greg Mulholland (Leeds North West) (LD): I am proud that the coalition Government sought to start the rebalancing of the British economy and introduced the northern powerhouse scheme, which I support. It seems clear that we will have to have a mayor in the Leeds city region. Will the right hon. Gentleman seriously consider the possibility of having a Yorkshire-wide mayor to rejoin together that wonderful county, which could be a real powerhouse for the whole of this nation?

Mr Speaker: Order. We have got the gist of it.

Mr Osborne: I am not trying to impose a model on any particular area. It is up to local metro areas to come forward with their proposals. I am clear that if we are to see a massive transfer of power from national Government to local government, there has to be a single point of accountability: someone who carries the can and drives the process forward. The authorities of Greater Manchester have agreed with me that that should be an elected mayor, but, as I say, how the authorities of West Yorkshire, and indeed the whole of Yorkshire, want to proceed is up to them. My door is open to a conversation.

20. [900339] **James Davies** (Vale of Clwyd) (Con): I was grateful to the Under-Secretary of State for Transport, my hon. Friend the Member for Devizes (Claire Perry), for meeting me recently to discuss the upgrading of the north Wales main line. Will the Department study the wider economic case for such an upgrade to allow north Wales to link to the proposed HS2 hub at Crewe, and, importantly, to tap into the jobs and prosperity that the northern powerhouse will bring?

Mr Osborne: I welcome my hon. Friend to this House, fighting for the interests of north Wales. He is absolutely right that north Wales is a central part of the northern powerhouse. Of course it is a single economic area, a point made in the lead question.. I will take a close look at the rail upgrades he is calling for. It is good to see him championing his constituency so soon after being sent to this place.

Alison McGovern (Wirral South) (Lab): In the north, we know there can be no power without resources. Will the Chancellor be truthful with northern authorities and tell us how much more he is about to cut them by in this financial year?

Mr Osborne: I welcome the hon. Lady to her new position on the shadow Treasury team. Of course we have to make difficult decisions to balance our budget. If we do not get our public finances in order there will not be any powerhouse in any part of the country, and that is what we are doing. It is disappointing that the Labour party, having worked out that it did not have any economic credibility, has started the new Parliament by opposing all the savings we make. As it happens, in the in-year savings I announced we have protected the local government settlement.

Deficit Reduction

5. **Craig Mackinlay** (South Thanet) (Con): What recent progress he has made in reducing the deficit. [900324]

10. **Mr Ranil Jayawardena** (North East Hampshire) (Con): What recent progress he has made in reducing the deficit. [900329]

The Chief Secretary to the Treasury (Greg Hands): Thanks to our long-term economic plan, the deficit has more than halved as a share of GDP from its post-war peak of 10.2% in 2009-10 to 4.8% by the end of last year, but the job of fixing the public finances is not yet complete.

Craig Mackinlay: Will my right hon. Friend confirm that competitive procurement continues across all Government Departments to ensure value for money for taxpayers in all that we do?

Greg Hands: I congratulate my hon. Friend on his stellar victory in demolishing both the UK Independence party and Labour. I made a number of visits to his constituency, and I can say that he is truly one of the party's finest campaigners. The Government remain committed to improving value for money in public procurement, building on the significant progress made in the previous Parliament. The Minister for the Cabinet

Office and Paymaster General and I meet regularly to discuss this, continuing the excellent work of Francis Maude.

Mr Jayawardena: Despite being left a note by one of his predecessors saying that there was no money, will my right hon. Friend confirm that he will continue to focus on cutting taxes for low and middle-income earners in North East Hampshire while working to eliminate the deficit, so that my constituents pay less tax and less debt interest in the future?

Greg Hands: I congratulate my hon. Friend on taking his seat and on his fine maiden speech last week. He told us then:

"Our best days lie ahead."—[*Official Report*, 3 June 2015; Vol. 596, c. 646.]

He is right, but only if we continue to get our deficit, and therefore our debts, under control. Thanks to the plans we have set out, we are set to eliminate the deficit altogether and deliver the tax cuts outlined in our manifesto. We are doing it with the strong endorsement last month of the British people.

Geraint Davies (Swansea West) (Lab/Co-op): There are 800,000 fewer people earning more than £20,000 than there were in 2010. Is that why the Government have borrowed more in five years than Labour did in 13 years?

Greg Hands: The hon. Gentleman ignores the overall employment picture over the last Parliament, in which 2 million new jobs were created and unemployment fell by 1 million. It sounds to me as if the Labour party is starting this Parliament as it started the last one: in a mode of deficit denial and failing to face up to Britain's problems.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Despite the Chancellor telling us last week he was going to get our economy into surplus, we are still £75 billion in the red. Will the Chief Secretary set out in detail how he will eliminate the deficit, specifically on the £12 billion of welfare cuts?

Greg Hands: To be fair to the hon. Lady, at least she has remembered the deficit today. I have one question for her. During the election campaign, Labour was denying—

Mr Speaker: Order. Let me make something clear, as I know the right hon. Gentleman is a new Minister. The Chief Secretary has no questions for the Opposition—that is not the constitutional position. [*Interruption.*] I am glad he is getting a bit of advice from the Chancellor. He needs to be clear about that at the start of the Parliament.

Greg Hands: I thank you, Mr Speaker. Welfare savings will be set out in due course. I remind the hon. Lady that we all need to confront the deficit and do something about it, and I hope that creates cross-party support.

Neil Carmichael (Stroud) (Con): Does the Chief Secretary agree that the key part of reducing the deficit is the long-term economic plan, and that it rests on the provision of additional skills for our manufacturing sector, which in turn will drive up opportunities for young people?

Greg Hands: My hon. Friend is absolutely right, which is why the Government have, and will continue to have, an excellent record on the skills agenda. I look forward to looking at the funding for the further education sector as part of the spending review this autumn.

John Healey (Wentworth and Dearne) (Lab): Among all 20 of the world's most advanced economies, why have only France, Italy and Japan grown more slowly than the UK in the five years the Chancellor has been in the Treasury? Is not weak growth, not the deficit, the real problem for the UK economy?

Greg Hands: The right hon. Gentleman, as a Treasury Minister in the last Labour Government, will know that the size of the deficit we inherited—which, at more than 10%, was one of the highest—made our job difficult in the first couple of years. However, the UK is now growing faster in 2014 and 2015 than any other EU or G7 country.

Tax Gap

6. **David T. C. Davies** (Monmouth) (Con): What steps he is taking to reduce the tax gap. [900325]

The Financial Secretary to the Treasury (Mr David Gauke): Since 2010, the percentage tax gap has stayed lower than at any point under the previous Labour Government, saving the country £4 billion. One way in which the Government will address the tax gap is by tackling tax avoidance and evasion. We have committed to raising at least £5 billion more from measures to tackle evasion, avoidance and aggressive planning within the tax system, and we will announce further details at the Budget.

David T. C. Davies: Last year, Caffé Nero managed to make £20 million of profit and pay not one single penny in corporation tax, unlike many hard-pressed local businesses, such as dairy farmers. Does the hon. Gentleman agree that we might need to look at the rules on tax deductible interest payments and, in the meantime, support coffee chains that pay into the system and support their local businesses?

Mr Gauke: As my hon. Friend will be aware, Treasury Ministers do not discuss individual cases, but I can say that the Government are determined to ensure we have a competitive tax regime in which everyone plays by the rules and pays their fair share. We have been involved in a number of crackdowns on tax avoidance, both domestically and internationally, with the OECD base erosion and profit shifting projects, and we continue to work hard on that.

Barbara Keeley (Worsley and Eccles South) (Lab): Well, it seems that the hon. Member for Monmouth (David T. C. Davies) does not have a lot of confidence in the measures being laid out by Ministers. Never mind percentages: the tax gap has increased to £34 billion. The US-Swiss tax deal raised £800 million in 2013, not the forecast £3.2 billion. Despite these failings, the Minister has just mentioned the manifesto promise to raise a further £5 billion. Will he start to tell us how he will do that? He has not even brought in tougher penalties on the general anti-avoidance rule.

Mr Gauke: The hon. Lady mentions the general anti-avoidance rule. As we have made clear, we are introducing specific penalties for tax avoidance.

In the last Parliament, HMRC's yield rose from £17 billion to £26 billion a year, and, as I have said, the tax gap as a percentage has been lower in every year under us than it was in any year under the Labour Government. In the Budget, we will set out further details of how we will raise more revenue by dealing with tax evasion, tax avoidance, and aggressive tax planning.

Personal Allowances

7. **Amanda Milling** (Cannock Chase) (Con): What fiscal steps he is taking to help people keep more of their earnings. [900326]

The Exchequer Secretary to the Treasury (Damian Hinds): The Government are committed to raising the personal allowance to £12,500 and the higher-rate threshold to £50,000 by the end of this Parliament, but we will go further than that and ensure that in future people who work 30 hours a week for the minimum wage will not pay income tax.

Amanda Milling: Can the Minister provide an estimate of the number of people in my constituency of Cannock Chase who will benefit from the implementation of the Conservative manifesto pledge to increase the personal allowance to £12,500?

Damian Hinds: My hon. Friend is right to highlight the broad benefit of our policy. Increases in the personal allowance and the higher-rate threshold during the current Parliament will benefit 30 million people. It is not possible to make reliable projections for an individual parliamentary constituency, but I can tell my hon. Friend that 2.28 million taxpayers in the west midlands have benefited from personal allowance increases to date, and that a typical basic-rate taxpayer is £825 better off.

Kevin Brennan (Cardiff West) (Lab): Apart from specific tax steps, what steps is the Minister taking to ensure that employers actually pay the minimum wage?

Damian Hinds: Minimum wage compliance is, of course, vital, and work in that regard is ongoing. Universal credit encourages people to work more hours, and, in general, they should be doing higher-paid work.

Jeremy Quin (Horsham) (Con): Will my hon. Friend join me in welcoming the fact that this Government, more than any other, have made quality childcare accessible to hard-working families?

Damian Hinds: My hon. Friend is right. The suite of childcare support that the Government are providing for families is unprecedented. It includes the doubling of provision for three and four-year-olds, the extension of provision under universal credit, and tax-free childcare.

Mr Speaker: Order. I think that the Minister meant to use the phrase "affordably, thereby enabling people also to keep more of their earnings." I am sure that that is what he meant to say.

Ms Margaret Ritchie (South Down) (SDLP): Will the Minister assure us that, as part of ensuring that people keep more of their incomes in their pockets, the Chancellor will not increase fuel duty in the forthcoming Budget?

Damian Hinds: During the last Parliament, the Government made difficult decisions in order to keep fuel duty frozen and save motorists £9 every time their tanks were filled. Of course, no decisions of that kind are cost-free, and difficult measures had to be taken so that we could afford the freeze. All taxes are kept under review, and my right hon. Friend the Chancellor will announce the details in the Budget.

Saving and Home Ownership

8. **Alan Mak** (Havant) (Con): What steps his Department is taking to (a) support savers and (b) promote home ownership. [900327]

13. **Iain Stewart** (Milton Keynes South) (Con): What steps his Department is taking to (a) support savers and (b) promote home ownership. [900332]

The Economic Secretary to the Treasury (Harriett Baldwin): The Government stand firmly on the side of people who want to work hard, save up, buy their own homes, and retire with dignity. We have increased allowances for individual savings accounts, introduced the Help to Buy scheme, pensioner bonds and pension freedoms, and taken 95% of people out of tax on their savings.

Alan Mak: Alongside the support that has been introduced over the last five years, maintaining a strong economy and low interest rates is one of the most important ways of helping home owners. Can my hon. Friend assure my constituents in Havant that the Government will continue to ignore the Opposition's calls for more taxes and more spending, which put our economy at risk and make it harder for people to get on to the housing ladder?

Harriett Baldwin: What a pleasure it is to welcome my hon. Friend to the Chamber. He is absolutely right: more people are employed than ever before, and mortgage rates are extremely low. As a result of our long-term economic plan, my hon. Friend's constituents in Havant, and constituents elsewhere, can now aspire to own their own homes one day.

Iain Stewart: Policies such as Help to Buy have proved very popular in my constituency, but may I urge my hon. Friend to be more ambitious in the longer term? Will she consider expanding the shared-ownership model, which enables people to take an initially small equity share in a property at the start of their careers, and then save up in order to expand it as their careers progress?

Harriett Baldwin: I congratulate my hon. Friend on the strong endorsement he received from the voters of Milton Keynes to return here and express their interests. I am very pleased to hear Help to Buy is so popular in Milton Keynes. The town tops the charts for the attractiveness of buying versus renting. Shared ownership is indeed an excellent way to help people take their first steps on the property ladder, and the Government remain committed to it.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): The Minister talks about housing topping the charts in Milton Keynes, but in my constituency we are in danger of topping the charts in house prices, with the average price now £606,000. That is being fuelled in part by overseas buyers who purchase a property and either rent it out or do not live there. Have the Government any plans to tackle this and help my constituents get on the housing ladder?

Harriett Baldwin: My hon. Friend the Member for Milton Keynes South (Iain Stewart) topped the chart in Milton Keynes personally as well, but the hon. Lady raises an important question: London house prices are a key issue for her constituents. That is why the Government have brought in so much support to increase the number of affordable homes. The number of social homes and affordable homes increased by over 200,000 in the last Parliament. We are committed to continuing that great work and to bringing in the concept of starter homes, which we hope will add further to housing supply.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I genuinely welcome the Minister to her post, but I ask her to be very careful about the right to buy housing association properties. Will she look across at cities such as Paris, where people on low incomes have been driven out and live in ghettos many, many miles outside the city? If we do not build more social housing that is available to lower income people, that will happen in our cities.

Harriett Baldwin: I am sure the hon. Gentleman—who kindly welcomes me to my place—will welcome the fact that more social housing was built in the last Parliament than in the entire 13 years of the last Labour Government. He rightly raises a point about housing associations: we must allow more supply of housing association properties. That is why this Government will bring in the right to buy for housing association tenants, which will enable more capital to come into that sector and more housing association properties to be built.

Home Ownership

11. **Mrs Maria Miller** (Basingstoke) (Con): What steps his Department is taking to promote home ownership. [900330]

The Economic Secretary to the Treasury (Harriett Baldwin): The Government are taking a range of steps to promote home ownership, including helping almost 100,000 households through the Help to Buy scheme. The Government have extended the Help to Buy equity loan to 2020, introduced a Help to Buy ISA and extended the right to buy, and we are delivering 200,000 new starter homes.

Mrs Miller: Hundreds of Basingstoke residents have a home of their own because of this Government's Help to Buy policy. What assurances can the Minister give today that Help to Buy will continue into the future, because we are currently putting together our local plan, which includes a commitment to more affordable housing?

Harriett Baldwin: I can give my right hon. Friend the assurance that the Government want people who work hard and want to buy their own home to enjoy the security of owning their own home. The equity loan scheme will last until 2020, which should support another 120,000 households in Basingstoke and elsewhere to get on to, and up, the housing ladder. In addition, as my right hon. Friend the Chancellor announced in his recent Budget, the Help to Buy ISA is expected to help over 1 million first-time buyers save for a deposit.

Wes Streeting (Ilford North) (Lab): The Government's policies were not popular in every part of the country, in particular in my constituency. May I therefore ask the Minister, as this has been a week for U-turns, to listen to the National Housing Federation, the CBI and the Institute for Fiscal Studies and revisit right to buy for housing association stock, which will lead to a decrease in the availability of affordable homes for rent, and to deal instead with the fundamental problem of housing supply?

Harriett Baldwin: I welcome the hon. Gentleman to the House. This Government are firmly on the side of those people who want the right to buy their own properties, and that includes extending the right to buy to housing association properties. Perhaps he will agree with the right hon. Member for Birkenhead (Frank Field), who published a report with the Institute for Public Policy Research in recent years calling on his party to do exactly the same thing.

Julian Knight (Solihull) (Con): Many hard-working homeowners in my constituency take in lodgers to meet their mortgage repayments. However, the rent-a-room tax-free threshold has remained unchanged at £4,250 a year since 1997. Now that the deficit is being paid down, would it not be a positive step to help aspirational homeowners by raising the rent-a-room tax-free threshold?

Harriett Baldwin: I welcome my hon. Friend to the Chamber. He clearly brings a wealth of experience in this area, and he is right to highlight the fact that people who rent out a room can receive the first £4,250 tax-free. I note the point that he has made. My right hon. Friend the Chancellor of the Exchequer is sitting beside me and he will no doubt take that as a Budget submission and consider it as part of that process.

Fiona Mactaggart (Slough) (Lab): Following on from that question, one aspect of the tax gap that everyone admits is part of the problem is the collection of tax on rental properties. Will the Minister confirm that there will be a Treasury study on how to deal with the tax gap on rental properties, in order to find out how big it is and how we can challenge it?

Harriett Baldwin: The right hon. Lady is right to highlight that point. It is important to recognise that although the first £4,250 of rent is covered by the allowance, once it goes above that level it becomes taxable income. HMRC is constantly looking at ways in which it can improve the collection rate in that area.

Child Benefit

12. **Ruth Smeeth** (Stoke-on-Trent North) (Lab): If he will maintain current levels of and entitlement to child benefit over the next five years. [900331]

The Exchequer Secretary to the Treasury (Damian Hinds): As the Prime Minister pledged before the election, this Government will not cut child benefit.

Ruth Smeeth: In my constituency, there have been reports of children returning to school in September malnourished because their parents are struggling to afford to feed them. Does the Minister agree that cuts to either child benefit or child tax credit would exacerbate the problem and make the issue of holiday hunger even more common?

Damian Hinds: The Prime Minister has made this extremely clear by stating categorically that child benefit stays as is. The most important thing in regard to affordability and household budgets is to increase employment and ensure that people are in good jobs. The Government have also done an awful lot to bear down on household costs to make them more affordable.

Rishi Sunak (Richmond (Yorks)) (Con): Will my hon. Friend tell my constituents what this Government will continue to do to cut the costs of childcare for hard-working families?

Damian Hinds: The coalition Government had a very strong record on extending childcare, and we are going to go much further in this Parliament with the extension from 15 to 30 hours of childcare for the three and four-year-old children of working parents, the introduction of tax-free credits and the further extension of childcare provision under universal credit when that migration happens.

Science Budget

14. **Stephen Metcalfe** (South Basildon and East Thurrock) (Con): What his policy is on the future ring-fencing of the science budget. [900333]

The Chief Secretary to the Treasury (Greg Hands): We committed in our manifesto to protect the science capital budget of £6.9 billion up to 2021. Decisions on the wider science budget will take place in the spending review.

Stephen Metcalfe: I was grateful to my right hon. Friend the Chancellor of the Exchequer for protecting the science budget during the last Parliament, but the flat cash settlement agreed in 2010 is now worth 15% less than it was then. Will the Minister agree to look at that and at least make good that loss when preparing the Budget and going into the spending review, so that our excellent science base can play its full part in delivering our long-term economic plan?

Greg Hands: I once again congratulate my hon. Friend on his excellent election result in Basildon. I note that, to date, he has served five years on the Science and Technology Committee, so there cannot be many in the House who take a stronger interest in the matter. He will know that our capital funding for science almost

doubled in the last Parliament, and that we take science very seriously. Wider decisions on science funding will be dealt with in the spending review.

Helen Goodman (Bishop Auckland) (Lab): Traditionally, Britain has been absolutely brilliant at basic science, but less good at translating that into innovation for industry. What are the Government going to do to address that issue?

Greg Hands: The hon. Lady makes a reasonable point, but that is why in the previous Parliament we increased spending on innovation, including on the new catapult centres and on a whole host of other projects, and we look forward to doing more in this Parliament.

Productivity

15. **Christian Matheson** (City of Chester) (Lab): What assessment he has made of the level of productivity in the economy. [900334]

The Financial Secretary to the Treasury (Mr David Gauke): The UK's productivity has been lower than the G7 average since OECD records began 45 years ago. In the previous Parliament, we took a number of steps to increase the UK's productivity in the long run, including cutting the corporation tax rates to the lowest in the G20 and investing in skills, infrastructure and science. The Chancellor will set out what further action this Government will take to boost productivity in our productivity plan to be published before the Budget.

Christian Matheson: I thank the Minister for his reply. In Chester, the number of people on apprenticeships continues to decline, and I am talking about Conservative-style cheap and cheerful apprenticeships with little added value at the end. Was the creation of a low-skill, low-wage economy an intention of the Government, or was it an unintended by-product?

Mr Gauke: On the subject of Chester, unemployment fell over the course of the last Parliament by 49%, which is something I would have expected the hon. Gentleman to welcome. The reality is that we are investing in apprenticeships; we saw 2.2 million people undertake apprenticeships in the previous Parliament, and we will increase that to 3 million in this Parliament.

Crispin Blunt (Reigate) (Con): Following the crash, the remarkable record of the economy was that unemployment did not rocket up more post-2008 and 2009. Now, in my constituency, it is the labour market that is very tight. I ask the Front-Bench team to focus very hard on improving productivity because that is where the improvement in our economy must now come from.

Mr Gauke: I entirely agree with my hon. Friend. Improving our infrastructure and skills and ensuring that we have a competitive tax system can all help to drive up productivity.

21. [900340] **Jo Cox** (Batley and Spen) (Lab): According to the Office for Budget Responsibility, if productivity growth per worker was closer to 4%, our national debt would be around £350 billion lower by the end of this

Parliament. The OECD confirmed that continued weak productivity could lead to a higher than expected budget deficit. Why does the Minister not realise that his failures on productivity explain why we are doing so badly on bringing down the deficit?

Mr Gauke: I have said that productivity is important. One element of that is attracting more business investment into the UK. That requires a Government who are pro-business. I am not sure that the hon. Lady's ambition to make the hon. Member for Islington North (Jeremy Corbyn) Prime Minister will help.

Kevin Hollinrake (Thirsk and Malton) (Con): In 2010, according to the World Economic Forum, the UK had the second highest burden of red tape in the G7. By 2015, we have the lowest. Does the Minister agree that that alone will have a significant impact on productivity in the UK?

Mr Gauke: Yes, my hon. Friend makes an important point. Regulations that are burdensome and do not achieve their objective do nothing to help productivity; they hold businesses back. That is why it is right that for every new regulation we bring in, two are taken out.

Topical Questions

T1. [900345] **Mike Weir** (Angus) (SNP): If he will make a statement on his departmental responsibilities.

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): The core purpose of the Treasury is to ensure the stability and prosperity of the economy. I can report to the House that the latest inflation figures show that consumer prices index inflation is at 0.1%, which is good news for working families. Inflation is close to an all-time low, and wages are growing strongly, which is further proof that our long-term economic plan is working.

Mike Weir: I thank the Chancellor for that response. However, one of his responsibilities is to ensure that the correct tax is paid. Given that there is huge public support for a Bill to tackle tax dodging, will he introduce such a measure in this Parliament to deal with the tax avoidance by UK companies both in the UK and in developing countries?

Mr Osborne: Every single Finance Bill we have introduced has been about tackling tax evasion and tax avoidance. Indeed we have also introduced into this country the diverted profits tax—almost a first in the world—which is tackling those international businesses that move their profits offshore to avoid tax. I can tell the hon. Gentleman that in the Budget we will take further action to clamp down on avoidance and evasion.

T2. [900346] **Glyn Davies** (Montgomeryshire) (Con): Last week, the Chancellor announced a simple new rule to ensure that we run a surplus in normal times. Does he agree that the Opposition's description of this as no more than a "distraction" proves that no lessons have been learned and that they would make exactly the same mistakes if they were ever given the opportunity again?

Mr Osborne *rose*—

Mr Speaker: Order. I am sure that the hon. Gentleman, who is a seasoned hand, was asking a question about the Government's intentions. I am sure that he was not asking about Opposition policy, and that the Chancellor will not answer about Opposition policy.

Mr Osborne: Of course. Perish the thought, Mr Speaker. The Government will introduce their new approach to fiscal policy in the Budget. It will include a commitment to a surplus in normal times, and we look forward to wide cross-party support for that approach.

Chris Leslie (Nottingham East) (Lab/Co-op): Tomorrow the House of Commons will debate productivity, probably the central challenge facing our economic recovery. Will the Chancellor of the Exchequer be leading for the Government in response to that debate?

Mr Osborne: No, I will not.

Chris Leslie: The Chancellor clearly feels that productivity is not a priority of his. I am surprised that he will not be responding on this central question. After all, he will be here, as he will be acting as Prime Minister in Prime Minister's questions tomorrow. If I can bring him back to the economy and he could rein in his personal ambitions for a moment, will the Chancellor set out where productivity features in his ambitions? While we have got the Chancellor here today—he is obviously not bothered about the debate tomorrow—will he explain why he failed to mention productivity in his March Budget speech just three months ago?

Mr Osborne: Well, I never thought I would say, "Bring back Ed Balls." The Labour party needs to look at the productivity of its own Front Bench after those two dismal questions. I spoke in the Mansion house about the importance of raising the productivity of the United Kingdom. It is a challenge that has existed for many decades, as the hon. Gentleman knows. We will bring forward further proposals in the Budget to tackle the productivity gap in skills and infrastructure and the regional imbalance of our economy. Perhaps the Labour party could find some credible economic spokesman to take part in the debate.

T5. [900349] **Caroline Nokes** (Romsey and Southampton North) (Con): Pensioners in Romsey and Southampton North have welcomed their new freedoms over their pensions. What evidence does my right hon. Friend have that they are taking advantage of those new freedoms?

Mr Osborne: Conservative Members believe that we should trust people who have worked hard and saved hard with those savings in retirement. These unprecedented pension freedoms have been widely welcomed. I can give the House the latest numbers—indeed, the first numbers—on how many people have taken advantage of the freedoms. So far, in the few weeks since they came into effect, 60,000 people have made use of them. More than £1 billion has been transferred out of people's pension funds as a result. It is a sign that this is a real success, but we have to make sure that people get the best advice, that the market responds and that companies up their game in helping customers make use of these freedoms. We will be watching these things very carefully.

T3. [900347] **Mr David Crausby** (Bolton North East) (Lab): Given that the population of Greater Manchester is bigger than those of both Wales and Northern Ireland and not far short of the population of Scotland, why are the people of Greater Manchester being denied the opportunity to decide whether they want a directly elected mayor? What is wrong with a constitutional referendum in England for a change?

Mr Osborne: I am sorry to hear that the hon. Gentleman disagrees with the Labour civic leadership across the authorities of Greater Manchester. They are elected, of course, and the elected national Government put together this deal. It will increase accountability in Greater Manchester because there will be an elected mayor whom people can hold directly to account.

T6. [900350] **Mike Wood** (Dudley South) (Con): The latest Office for National Statistics figures show that disposable household income was rising more quickly in the west midlands than anywhere else in the country. Will the Chancellor consider creating further local enterprise zones such as Waterfront Business Park in Dudley South to help create further local growth, opportunities and prosperity for my constituents?

Mr Osborne: I welcome my hon. Friend to the House. I know that he will be a strong voice for Dudley. We are looking at smaller enterprise zones that are better fitted to areas such as his, to build on the success that we have had with the bigger enterprise zones. Enterprise zones for individual towns will help the west midlands and the black country to be an engine of growth for the British economy.

T4. [900348] **Richard Burgon** (Leeds East) (Lab): Is the Chancellor aware of the letter in *The Guardian* on Friday from 80 senior economists, in which they say—these are their words—that his plans are

"risky experiments with the economy to score political points... have no basis in economics"

and

"are not fit for the complexity of a modern 21st-century economy"?

Does this not show that the Chancellor's extreme cuts agenda is out on a limb and that his ideological fixations are outside the economic mainstream?

Mr Osborne: I do not read *The Guardian* every single day but I was made aware of that letter. I disagree. The same sort of people were saying the same things five years ago and now we have one of the fastest-growing economies of any major economy in the world. This is not the first thing on which I disagree with the hon. Gentleman. This morning he called for the abolition of the monarchy, so he is making an interesting start to his political career.

Mr John Baron (Basildon and Billericay) (Con): As the economy continues to recover and the deficit falls, will the Chancellor consider increasing funding to the Foreign and Commonwealth Office, given that continual cuts under successive Governments have reduced its capacity and its skill base to such an extent that many people are saying that that has hindered our recent foreign policy decisions?

Mr Osborne: I know that my hon. Friend takes a close interest in the issue; indeed, he has been in contact with me about it. We absolutely want to make sure that Britain's diplomatic reach is as wide as possible across the world, and we should commend my former colleague William Hague who, during his period as Foreign Secretary, despite the Foreign Office playing its part in delivering value for money and getting the best deal for taxpayers, was able to open more embassies and consulates around the world and increase Britain's footprint on the global stage.

T8. [900352] **Graham Jones** (Hyndburn) (Lab): The Chancellor's Government keep talking about the Tory fantasy of a northern powerhouse, which never mentions Lancashire. Is it still his Government's policy on the Treasury revenues from fracking that 1% will go to Lancashire and more than 60% will go to Whitehall?

Mr Osborne: I gave the original speech on the northern powerhouse in Lancashire, if we count Manchester as being in the traditional county—[*Interruption.*]

Mr Speaker: Order. Mr Jones, it is unseemly. I thought you were on an apprenticeship to become a statesman, but it has a long way to travel. It is courteous to hear the Chancellor. Let us hear him.

Mr Osborne: I think it will be one of those four-year apprenticeships, at this rate. I will say to the hon. Gentleman something which I know is not universally agreed with: I think the potential for shale gas in the north of England is a massive boost to the local economy there. I know it is not always popular with some local communities. That is why we have made sure that the benefits go to local communities, and we committed in our manifesto to creating a sovereign wealth fund for the north of England from the revenues from shale gas exploration so that we get a lasting benefit to the natural resources of that part of our country.

Several hon. Members *rose*—

Mr Speaker: On the subject of statesmanship, I call Mr Michael Fabricant.

Michael Fabricant (Lichfield) (Con): My right hon. Friend has been enthusiastic and proactive in promoting the northern powerhouse, but will he shift his gaze southwards towards the midlands? I suggest to him that the midlands has the productivity that the United Kingdom needs, and the midlands engine needs promotion too.

Mr Osborne: I agree. That is why I was recently in both Derby and Birmingham after the election stressing that there is a massive potential for the midlands to be this engine of growth, and I am sure Lichfield will be a key part of that engine.

T9. [900353] **Wes Streeting** (Ilford North) (Lab): I am sure the Chancellor agrees that pro-business parties are pro-European parties, so when will he come off the fence and confirm that he will be leading the charge for Britain to stay in Europe?

Mr Osborne: What we are fighting for is Britain to be part of a reformed European Union. Now that we have finally persuaded the Labour party to come to its senses and support the referendum, we can get on with the business of negotiating a good deal for this country.

Richard Fuller (Bedford) (Con): May we have a Treasury review into how effectively the balance sheets of housing associations are meeting the challenge of building new housing, looking in particular at their average cost of capital, the amount of leverage and whether a change in accounting policy would help to meet the housing challenge?

Mr Osborne: I congratulate my hon. Friend on his re-election; I enjoyed visiting him in Bedford just before the election. He raises an interesting point about how efficient housing associations are in increasing the housing supply, which is what we want them to do, and we are certainly looking at that at the moment.

T10. [900354] **Mr Jim Cunningham** (Coventry South) (Lab): Given that the Chancellor wants to create the west midlands powerhouse, what is he doing to protect the powers and identity of local authorities such as Coventry?

Mr Osborne: I met local authority leaders from Coventry, Birmingham and the surrounding local authorities only a couple of weeks ago, and I made it clear that it is up to them to come together in a combination that suits them and reflects local identities, and that my door is open for any discussions they want to have.

Martin Vickers (Cleethorpes) (Con): Further to my right hon. Friend's reply to our hon. Friend the Member for Brigg and Goole (Andrew Percy), both my hon. Friend and I are big supporters of further devolution to northern Lincolnshire so that the economy can expand at an even faster rate. Can the Chancellor assure me that he will support any proposals that come forward from the leadership of our local authorities?

Mr Osborne: I can absolutely give my hon. Friend that assurance. Because of his campaigning, and that of our hon. Friend the Member for Brigg and Goole (Andrew Percy), we have made sure that northern Lincolnshire is part of the northern powerhouse concept and that it is not left behind or neglected, as it was under the Labour Government.

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): The last Chancellor to run a budget surplus was Gordon Brown, thanks to a sell-off of gold at a rock-bottom price. Now this Government are pursuing a budget surplus by selling off RBS at a loss. When are we likely to see a banking strategy, rather than a costly political gimmick?

Mr Osborne: I never thought that I would hear the Member for Kirkcaldy and Cowdenbeath admit that the gold was sold off at the wrong price—I welcome the hon. Gentleman to the House. With the Royal Bank of Scotland we have a serious decision to make: do we continue to believe that at some point we might get back the money that the previous Labour Government put in, or do we take the advice of the independent reports that have been commissioned, and of the Governor

of the Bank of England, which is that now is the right time to start selling RBS, and indeed that that might stimulate a higher share price? Above all, it will help to support the British banking system. We have had countless questions in this House about the impact on small businesses of what went wrong at RBS. I think that as soon as we can get that business back into the private sector, the more we can support the general economy, and indeed give a great future for the RBS work force.

Richard Graham (Gloucester) (Con): The Government's support for more, better and higher apprenticeships has been critical to the halving of youth unemployment in Gloucester over the past year. The other side of the equation is making sure that work always pays, and many of us want to play a part in ensuring that that happens. Universal credit is the key. It will come to Gloucester later this summer. What does my right hon. Friend think will be the tangible and intangible benefits of seeing people able to work longer than 16 hours, increase their income and reduce welfare benefits?

Mr Osborne: My hon. Friend is absolutely right that universal credit, the major reform of our welfare system that will be widely felt in this Parliament, will create a very simple system in which people know that if they work that extra hour, they will be rewarded for it. That simplicity, and the fact that people can keep more of their income by working that extra hour, will be a powerful incentive that makes work pay.

Several hon. Members *rose*—

Mr Speaker: Order. We are very constrained for time—in fact, we have run out of it—but we will hear from Mr Sammy Wilson.

Sammy Wilson (East Antrim) (DUP): Yesterday, as a consequence of the refusal by Sinn Féin and the Social Democratic and Labour party to implement welfare reform, the Northern Ireland Assembly gave authority to the Departments to breach spending limits and increase spending by 6% over the block grant. What steps will the Chancellor take to ensure that Assemblies and Parliaments across the United Kingdom do not recklessly breach spending limits?

Mr Osborne: The hon. Gentleman raises a serious question that I suspect this House will have to return to on a number of occasions. We have a clear agreement in the Stormont House agreement that we now expect all parties in Northern Ireland to implement, including Sinn Féin. Frankly, it is not acceptable for any devolved Administration simply to breach the spending limits that have been agreed with the United Kingdom Government, so that is something we will have to address. As he knows, the key is to implement welfare reforms that will not only deliver value for money for the taxpayer, but ensure that more people in Northern Ireland are released from the poverty trap and are able to work.

Stephen Hammond (Wimbledon) (Con): Yesterday, borrowing costs across Europe increased as the contagion from the Greek economic crisis spread. May I congratulate the Chancellor on the long-term economic plan, which, in contrast, has brought jobs and growth to the UK economy? May I also urge him to use the Budget to reduce the deficit by increasing resources for infrastructure, such as the £250 million needed for Crossrail 2, which will bring even more jobs to my constituency and to the UK?

Mr Osborne: My hon. Friend is right to remind the House after an hour and five minutes of Treasury questions that out in the real world there are some serious economic risks, not least the risk that we see growing in Greece of a potential default and exit from the euro. People should not underestimate the damage that that would do to financial confidence. Of course, in the UK we take all steps to prepare for and protect ourselves from such eventualities, but the best thing that a Government can do is to ensure that it is living within its means, that it has a productive economy and that its public finances are in good order. That is what we are going to deliver in this Parliament.

Several hon. Members *rose*—

Mr Speaker: Order. I am sorry, but demand has exceeded supply.

Point of Order

12.36 pm

Kevin Brennan (Cardiff West) (Lab): On a point of order, Mr Speaker. Dr Grace Kodindo's work in Africa with African mothers was the feature of a BBC "Panorama" programme 10 years ago. That resulted in a charity being set up in Cardiff called Life for African Mothers, which celebrates its 10th anniversary this year. The charity has invited Dr Kodindo to the UK to celebrate that anniversary but, despite her great distinction, her visa has been turned down by the Home Office. Other than speaking to the Chair of the Select Committee on Home Affairs, as I have done, is there any way in which I can use the offices of the House to draw the matter urgently to the attention of Home Office Ministers?

Mr Speaker: I think that the hon. Gentleman is slightly ahead of himself. The right hon. Member for Leicester East (Keith Vaz) is not currently the Chair of the Committee, although I know at what the hon. Member for Cardiff West (Kevin Brennan) was driving. He asks how he can highlight the matter, and it is clear from the puckish grin on his face that he knows that he has already succeeded in doing so. Many years ago, he accused me of suffering from compulsive questioning disorder, and I wore that as a badge of pride. He is no mean questioner himself, and he will use other opportunities in the House to air the matter, either through questions or, if necessary, through debate. If there are no further points of order, we will move on.

European Union Referendum Bill

[1ST ALLOCATED DAY]

Considered in Committee

[MR LINDSAY HOYLE *in the Chair*]

12.39 pm

The Chairman of Ways and Means (Mr Lindsay Hoyle): We begin with amendment 16.

Alex Salmond (Gordon) (SNP): On a point of order, Mr Hoyle. I could not help noticing in your excellent selection of amendments that you have selected in the second group Government amendment 55, which, as I see from my amendment paper, is a starred amendment. That is not surprising, since it was tabled, I understand, at 9.35 pm last evening in a disorganised, spatchcock, humiliating climbdown. I accept the Government's humiliating climbdown with good grace, but how usual is it for a starred amendment to be called and, presumably, divided on in Committee of the whole House?

The Chairman: The good news is that I was in charge of selection, and it is well within order. It is unusual, but that is where we are at. We will now continue, because I know that the hon. Gentleman wants to get us under way.

Clause 1

THE REFERENDUM

Alex Salmond: I beg to move amendment 16, page 1, line 4, at end insert—

“(2) The Chief Counting Officer shall declare whether the result of the referendum is that a majority wish the United Kingdom to leave the European Union.

(3) The Chief Counting Officer may declare that a majority wish the United Kingdom to leave the European Union only if—

- (a) a majority of total votes cast in the referendum in the United Kingdom are against the United Kingdom remaining a member of the European Union, and
- (b) a majority of the votes cast in the referendum in each of England, Scotland, Wales and Northern Ireland are against the United Kingdom remaining a member of the European Union.”

This amendment imposes a double majority requirement for withdrawal, which would have to be supported by a majority the whole of the UK and by majorities in each of its four constituent parts.

The Chairman: With this it will be convenient to discuss the following:

Amendment 49, page 1, line 7, leave out “31 December” and insert “1 July”

The amendment would require the referendum to take place before 1 July 2017.

Amendment 50, page 1, line 8, leave out “2017” and insert “2016”

The amendment would require the referendum to take place before 31 December 2016.

Amendment 4, page 1, line 8, at end insert—

“(3A) No later than ten weeks before the date on which the referendum is to be held the Secretary of State must lay before both Houses of Parliament an independent report by the Office for Budget Responsibility on the implications for the sustainability of the public finances of the United Kingdom leaving the European Union.”

The amendment would require the Secretary of State to publish, ten weeks before the referendum, a report by the OBR on the consequences of the United Kingdom leaving the European Union.

Amendment 5, page 1, line 8, at end insert—

‘(3A) No later than ten weeks before the date on which the referendum is to be held the Secretary of State must lay before both Houses of Parliament a report on the consequences of the United Kingdom leaving the European Union for each ministerial departments’ responsibilities.’.

The amendment would require the Secretary of State to publish, ten weeks before the referendum, a report by each Secretary of State on the consequences of the United Kingdom leaving the European Union for their areas of ministerial responsibility.

Amendment 6, page 1, line 8, at end insert—

‘(3A) No later than ten weeks before the date on which the referendum is to be held the Secretary of State must ask for and lay before both Houses of Parliament any assessment made by the Bank of England on the consequences of the United Kingdom leaving the European Union.’.

The amendment would require the Secretary of State to publish, ten weeks before the referendum, any assessment by the Bank of England on the consequences of the United Kingdom leaving the European Union.

Amendment 46, page 1, line 8, at end insert—

‘(3A) No later than ten weeks before the date on which the referendum is to be held the Secretary of State must lay before both Houses of Parliament a report by the Office for Budget Responsibility on the consequences for the Transatlantic Trade and Investment Partnership of the United Kingdom leaving or remaining a member of the European Union.’.

The amendment would require the Secretary of State to publish, ten weeks before the referendum, a report by the OBR on the consequences for TTIP of leaving or remaining a member of the European Union.

Amendment 47, page 1, line 8, at end insert—

‘(3A) No later than ten weeks before the date on which the referendum is to be held the Secretary of State must lay before both Houses of Parliament a report on the consequences for negotiations on the Transatlantic Trade and Investment Partnership of the United Kingdom leaving or remaining a member of the European Union.’.

The amendment would require the Secretary of State to publish, ten weeks before the referendum, a report on the consequences for negotiations on TTIP of leaving or remaining a member of the European Union.

Amendment 54, page 1, line 8, at end insert—

‘(3A) Before appointing a day under subsection (2) the Secretary of State shall lay before both Houses a report on materials which any Minister of the Crown, government department or local authority or any other person or body whose expenses are defrayed wholly or mainly out of public funds or by any local authority intend or expect to publish in the period of 28 days ending with the date of the referendum that—

- (a) deals with any of the issues raised by any question on which the referendum is being held;
- (b) puts any argument for or against any particular answer to any such question; or
- (c) is designed to encourage voting at the referendum.’.

This amendment requires the Government, prior to setting a date for the Referendum by regulations subject to the affirmative procedure, to publish a report on what publications which would normally be prohibited by Section 125 of the Political Parties, Elections and Referendums Act 2000 the Government intends or expects to publish in the four weeks before the referendum.

Amendment 11, page 17, line 37, in schedule 1, leave out paragraph 25 and insert—

25 (1) Section 125 of the 2000 Act (restriction of publication etc of promotional material by central and local government etc) applies in relation to the referendum during the referendum period with the following modification.

(2) Section 125(2)(a) of the 2000 Act has effect for the purposes of the referendum as if, after “Crown”, there were inserted “including ministers in the Scottish Government, the Welsh Government, the Northern Ireland Executive and Her Majesty’s Government of Gibraltar”.

The purpose of the amendment is to apply the “purdah” arrangements that govern ministerial and official announcements, visits and publicity during general elections to the campaign period before the referendum.

Amendment (a), leave out “modification” and insert “modifications”

Amendment (b), line 8 at end add—

‘(3) Section 125(2) of the 2000 Act has effect for the purposes of the referendum with the addition of subsection—

“(e) advocacy on any issue having a bearing on the outcome of the referendum”

New clause 3—*Restriction on publications etc*—

‘(1) This section applies to any material, which—

- (a) provides general information about the referendum,
- (b) deals with any of the issues raised by the referendum question,
- (c) puts any arguments for or against any outcome, or
- (d) is designed to encourage voting at the referendum.

(2) Subject to subsection (3), no material to which this section applies is to be published during the relevant period by or on behalf of—

- (a) the UK government,
- (b) the House of Commons or House of Lords,
- (c) the devolved administrations,
- (d) any local authority,
- (e) public bodies, or
- (f) the European Commission and European Parliament.

(3) Sub-paragraph (2) does not apply to—

- (a) existing material made available to persons in response to specific requests for information or to persons specifically seeking access to it, or
- (b) anything done by or on behalf of—
 - (i) a designated organisation,
 - (ii) the Electoral Commission, or
- (c) the Chief Counting Officer or any other counting officer, or
- (d) the publication of information relating to the holding of the poll.

(4) In this paragraph—

“publish” means make available to the public at large, or any section of the public, in whatever form and by whatever means (and “publication” is to be construed accordingly),

“the relevant period” means the period of 28 days ending with the date of the referendum.

- (a) A breach of the rules set out in this section, will be an offence.
- (b) A person guilty of an offence under this section, is liable—
 - (i) on conviction on indictment, to a fine;
 - (ii) on summary conviction in England and Wales, to a fine;
 - (iii) on summary conviction in Scotland or Northern Ireland, to a fine not exceeding the statutory maximum;
 - (iv) on summary conviction in Gibraltar, to a fine not exceeding level 5 on the Gibraltar standard scale.”

The New Clause prescribes a period of “purdah” in the four weeks before the referendum.

New clause 4—*Referendum Fairness Board*—

‘(1) There shall be a committee of privy counsellors, to be called the Referendum Fairness Board, whose duty is to consider any alleged breach of section (Restriction on publications etc) which comes attention of any of its members.

(2) Each of the following presiding officers for the time being may appoint any privy counsellor as a member of the board—

- (a) the Speaker of the House of Commons,
- (b) the Lord Speaker,
- (c) the Presiding Officer of the Scottish Parliament,
- (d) the Speaker of the Northern Ireland Assembly, or
- (e) the Presiding Officer of the National Assembly for Wales.

(3) The Board shall prescribe its own rules of procedure, which must include procedures for—

- (a) instituting legal action to interdict or injunct any further breach or repetition of an alleged breach, and
- (b) drawing to the attention of the relevant prosecuting authority any serious or continuing breach of section (Restriction on publications etc)."

The New Clause provides for swift enforcement of the "purdah" rules which would apply under the linked New Clause in the four weeks leading up to the referendum.

Alex Salmond: There is a link of continuity between amendment 16 and the point of order that I made—that the theme should be one of respect. There has been a great deal of talk about respect by the Prime Minister in recent years, but particularly since the result of the election of last month. He said, for example:

"Governing with respect means recognising that the different nations of our United Kingdom have their own governments, as well as the UK government."

The amendment is about giving acknowledgement to that respect in relation to the European referendum. *[Interruption.]* Does the right hon. and learned Member for Beaconsfield (Mr Grieve) want to intervene? If so, then of course I will gladly allow him.

Mr Dominic Grieve (Beaconsfield) (Con) *indicated dissent.*

Alex Salmond: He was just stretching his legs, I suspect.

On the subject of respect for all nations of the United Kingdom, the amendment puts forward the view that a simple majority across the UK would not be enough to have the UK exit the European Union but that we would have to pay attention to the voting in the four constituent nations of the United Kingdom. It is not unusual, in international terms, even in federal and confederal states, for there to be a so-called double majority—in this case, a quad lock between Scotland, England, Northern Ireland and Wales. In America, 14 states can block a constitutional amendment, even if they could comprise only 5% of the population. My hon. Friend the Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) will go through some of the other international examples where even in federal and confederal states there is a double lock or a blocking minority with regard to the constitution, recognising the component parts of those states.

Chris Philp (Croydon South) (Con): Does the right hon. Gentleman not accept that matters such as this are determined at the UK level, so the reason Scotland is voting with the rest of the UK as one is that the Scottish people themselves voted last year to remain part of the United Kingdom, and therefore, on matters of foreign affairs and the European Union, we speak as a nation with one voice?

Alex Salmond: I think that even the Prime Minister and many of his right hon. and hon. Friends would concede that Scotland is a nation and that the United Kingdom is a multi-national state. I suspect that terminology is not the key problem with the Conservative party in Scotland and why it reached the nadir of 14%, its lowest result for over a century, in last month's general election. If the hon. Gentleman fails to recognise the nationality and nationhood of Scotland, which is a theme running through the ranks of the Conservative party, then the road back to having two MPs as the summit of the Tory party's ambition, as opposed to the current lonely one, will be a long, hard road indeed.

It is exactly because the United Kingdom is a multi-national state that we should recognise that respect, as evinced by the Prime Minister, is about more than a simple majority across the UK; it must also give reference to the component nations of the United Kingdom.

Kevin Brennan (Cardiff West) (Lab): I welcome the right hon. Gentleman back to this House. Is not the analogy with the United States a little tenuous, because we are talking about international relations and treaty relations, and in the United States treaties will be determined by the Executive with confirmation by the Senate of the whole of the United States and with no veto for the constituent states?

Alex Salmond: I was merely pointing out that there are a number of international examples. As I said, my hon. Friend the Member for Ochil and South Perthshire will go through some of those in some great detail. This is not unusual in matters of constitutional import.

There is no doubt that a constitutional referendum on whether the United Kingdom should be part of the European Union carries constitutional implications. It is not unusual internationally, even in a federal or confederal state, to have more than a simple majority on such matters, and also reference to the various component parts of that state. If that is the case for a confederal or federal state, surely it should be so much more the case for a United Kingdom of four component nations.

Mr Kenneth Clarke (Rushcliffe) (Con): The right hon. Gentleman is being generous in giving way. Will he confirm my suspicion that his secret wish—the perfect result, from his point of view—is for Scotland to vote yes and England to vote no? Personally, I would regard that as a disaster. Does he agree that if Scotland voted to stay in the European Union and England voted to leave, the end of the United Kingdom would probably be quite imminent?

12.45 pm

Alex Salmond: I am always dubious about accepting a Conservative interpretation of the secret wishes of the Scottish National party. The sole Liberal Democrat Member with a Scottish constituency is in considerable trouble for trying to publicise what he thought were the secret wishes of the First Minister of Scotland, in a manner that no doubt will be fully investigated. No, the secret and public wish of the Scottish National party is for us to secure a yes vote in the referendum.

However, the right hon. and learned Gentleman does have a point, and the First Minister of Scotland has put her finger on it in her usual adroit fashion. If, across the

United Kingdom, there was a majority vote against staying in the EU but Scotland had voted in favour, that could very well provide the material change in circumstances that the First Minister would indicate made another constitutional referendum on Scottish independence well nigh inevitable. With his usual insight, the right hon. and learned Gentleman has put his finger on an important point.

Mr Grieve *rose*—

Alex Salmond: I see that this right hon. and learned Gentleman has stopped stretching his legs and now wants to intervene.

Mr Grieve: I am grateful to the right hon. Gentleman. It seems to me that he, too, has put his finger on the issue, which is essentially a political one. Although he might wish to change the current structure of the United Kingdom and there might be arguments in favour of a federal or other solution, that structure currently clearly provides that the decision should be taken in common. In those circumstances, although there might be terrible fallout from a result that produced separate outcomes in Scotland and England, that fallout would be political and would not justify the amendment.

Alex Salmond: Let us continue the point exactly on that question. It was as a solution to the scenario painted by the right hon. and learned Member for Rushcliffe (Mr Clarke) that the First Minister put forward the idea of having the quad lock or double lock system for the referendum. It is up to the Committee, of course, whether it accepts the amendment or not. If it were accepted, the scenario painted by the right hon. and learned Gentleman would not come to pass because it would be provided for in the terms of the referendum itself. If, on the other hand, the Committee chooses to reject the amendment, the possibility of that scenario remains open.

Sammy Wilson (East Antrim) (DUP) *rose*—

Alex Salmond: I will make a wee bit of progress and then give way.

The amendment is phrased so that it would protect any of the four component nations of the United Kingdom. However, given the arithmetic, it would be unlikely for the numerically dominant nation, England, to be outvoted by any of the smaller nations. However, it is entirely possible and credible that things might happen the other way round.

The amendment is fair to all four component nations, and the theme underlying it is one of respect. It is up to the Committee to decide whether the national statuses of Scotland, Wales and Northern Ireland within the United Kingdom are important enough to be given that respect.

Several hon. Members *rose*—

Alex Salmond: I am spoilt for choice. Given that we are on a theme, I give way again to the right hon. and learned Member for Beaconsfield.

Mr Grieve: It seems to me that the question is about not lack of respect, but what decisions are taken in common and in relation to what decisions we give a veto to the different component parts. The right hon. and learned Gentleman argues—it is a perfectly persuasive argument—that there should be an effective veto in each component part. However, there is an equally perfectly valid argument that the decision is ultimately a political one for the Government and that the Government would be entitled to take a view that, in the interests of the community in its widest sense—all the component parts—they should come to a decision one way or the other, irrespective of the fact that one component part did not want that decision.

Alex Salmond: I congratulate the right hon. and learned Gentleman on intervening at such length without attracting the ire of the Chair. That was adroitly done. The question of whether there is respect will be judged on whether amendment 16 is considered as a valid and interesting point for debate. I was taking the Prime Minister at his word when he said:

“Governing with respect means recognising that the different nations of our United Kingdom have their own governments”.

If the Prime Minister wants to recognise respect, the Government will take the amendment seriously. I will listen to what those on the Treasury Bench say, when they make their contributions, about whether Scotland is a country or a county—let us put it that way—and about whether it is a serious matter of import or just something to be swept aside. That is a matter for the Government’s reaction.

There should be some sort of lesson in the spatchcock, humiliating climbdown, to which I referred earlier. It is true that the Government did not say over the past few weeks that they would not have the referendum on the same day as the national elections in Scotland, Wales and Northern Ireland—they could have said that at any point over the past two weeks, but they chose not to because they wanted to keep that option open—and then found last evening that they were likely to secure a humiliating defeat in Committee and, in a desperate scramble, they had to produce a last-minute amendment. My contention is that if they had shown a bit more respect over the past two weeks, they would not have had to engage in the humiliating climbdown last evening.

Sammy Wilson: Is the right hon. Gentleman really saying if, for example, a majority of people in England, Scotland and Wales voted to stay in the European Union and 51% of people in Northern Ireland voted to leave, with 49% of them voting to stay, that that 2% in Northern Ireland could hold the rest of the United Kingdom to ransom? That is the import of his amendment 16.

Alex Salmond: Far be it from me to be the one who stands up for the rights of the people of Northern Ireland, but that is the consequence of being in a multi-national state. Nations within a multi-national state should be recognised as more than regions, counties or areas and should not be counted by population; they are national entities in their own right, and that confers a relationship of respect.

Although the hon. Gentleman and I may disagree on amendment 16, I know we were at one in insisting that this Government show respect to our respective nations

[Alex Salmond]

in not having the referendum on the same day as our national elections. Our success on that matter indicates the advantage of working together, and I hope we are able to do that on a number of aspects of the Bill.

Mr Laurence Robertson (Tewkesbury) (Con): Will the right hon. Gentleman give way?

Iain Stewart (Milton Keynes South) (Con): Will the right hon. Gentleman give way?

Alex Salmond: I am very tempted to do so, but I can see that the Chairman is encouraging me to move on to our other amendments in this group, new clauses 3 and 4, on the whole question of how the Government should behave in a referendum campaign.

The members of this group of 56 speak from the standpoint of being totally united in our support for the European Union—we are pro-European to our fingertips—but that does not mean we would be willing to accept a referendum that was in any way biased or rigged by the Government. Just because they are pro-European, and the suspicion is that the Government may wish to bias the referendum in the pro-European direction, does not mean that that would be right and proper. It does seem to SNP Members that if the rules of *purdah* about the behaviour of a Government during an election campaign are correct, as recommended in the Political Parties, Elections and Referendums Act 2000 all those years ago, that must pertain during a referendum campaign as well. In new clauses 3 and 4, we have set out in some detail what a referendum code of conduct for the Government should be.

It is astonishing that the Government should think that the exclusion of any such restrictions from the Bill would be meekly accepted by a majority of Members in Committee. It is entirely wrong for the Government to do so. We have a very recent example of why it would be very foolish for the Committee to take the Government at their word in saying that they would not engage in behaviour that breached the normal standards of *purdah* in the upcoming referendum campaign.

Let us take the scenario or possibility that, at some point in the course of the referendum campaign next year or the year after, the no side moves to the front. In that scenario, let us just assume that, to try to get the yes result that the Prime Minister wishes, he needed a last-minute initiative. With no rules or restrictions saying that new political initiatives should not be made at governmental level during the last 28 days of the campaign, what would stop the Prime Minister doing a tour of the capitals of each of the Governments across Europe—suspending Question Time in the national Parliament—and stop their flying as one to London to announce a new commitment, a new undertaking, a new pledge, a new vow? A new vow might be made to the people of the United Kingdom saying, “Only if you vote yes will we secure these new terms, which we did not mention before the campaign started, but which we now, as good Europeans, undertake to offer to the people.” Let us just say that, under those circumstances, that vow was influential in persuading enough people, perhaps one in 20, to switch their vote and to vote in favour, and let us just say that, after the dust had settled, all those

European leaders did not really want to go forward with the full extent of the vow they had made. How would people in the United Kingdom view that situation? Would it not be rather better for the Bill to state explicitly that during the last 28 day—and only during the last 28 days—of a campaign period, the people must be able to make a judgment on the arguments that are properly presented, without the use of the governmental machine to bias the result one way or the other?

When the Government explain why they want to wipe away these rules, I hear them say, “Of course, Government cannot really function in a *purdah* period. We won’t be able to make representations to the European Council. It will be impossible to do so over a 28-day period.” But that is what happens in each and every general election that we fight. In April and May, I did not notice that the Administration of this country ground to a halt. In fact, a lot of people thought it was better not having a fully activated Government during the campaign period. If it can be done in each and every general election, it can certainly be done in this referendum campaign.

Even more insidious than the role of the Government in making political announcements is the role of the civil service. In normal times, the civil service quite rightly views impartiality as following the policies of the elected Government. That is what the civil service is there to do; it is not meant to be neutral on issues, but to follow Government policy. When it comes to the *purdah* or quarantine period in an election or in a referendum, however, it is the job of the civil service to be impartial over that 28-day period.

Mr David Burrowes (Enfield, Southgate) (Con): The right hon. Gentleman is making not a party political point, but an important cross-party point. The Committee on Standards in Public Life made that case in 1998, when it reported—this relates to section 125 of the 2000 Act—that

“just as in general election campaigns, neither taxpayers’ money nor the permanent government machine—civil servants, official cars, the Government Information Service, and so forth—should be used to promote the interests of the Government side of the argument.”

The then Government accepted that point.

Alex Salmond: And the point has been broadly accepted since. It is not just a question of the Government accepting that point, however, but of having them live by it. In the Scottish referendum, which is what I was clearly alluding to, the UK Government accepted the principle of a *purdah* period and all that, but despite that, they went ahead with what I would argue was the governmental, political initiative of the vow in the last few days of the campaign.

Despite the fact that the UK civil service should have been neutral in that 28-day period, that was not the case, particularly of Sir Nicholas Macpherson. I notice that his knighthood has recently been enhanced in the recent honours list—let us all congratulate Sir Nicholas on his extra honour for services rendered. In particular, the Treasury had a referendum unit working through the *purdah* period to place in the press stories hostile to the yes side of the argument. I know that many right hon. and hon. Members on the Conservative Benches who were on the no side of the Scottish referendum campaign did not feel that that was particularly

objectionable at the time, but I ask them to imagine how they would feel if they were arguing on the no side of the European referendum debate and Her Majesty's Treasury and its civil servants under Sir Nicholas Macpherson did the same thing. That is exactly what will happen unless the House sets rules that have to be abided by.

1 pm

Nadhim Zahawi (Stratford-on-Avon) (Con): Does the right hon. Gentleman agree that it does not matter which side one is on? Even people on the yes side should not want their victory to be tainted by the perception of a fix.

Alex Salmond: Absolutely; that is why I am making this argument from the yes side of the campaign.

I am suggesting not only that the rules should be written back into the Bill, but that there should be an enforcement mechanism. I commend new clause 4 to the Committee. It suggests that there should be a fairness committee of Privy Councillors, of which I am one. Who knows? I might be favoured in such a recommendation. The committee of Privy Councillors, selected by the Speaker of this House and the Presiding Officers of the Assemblies of Northern Ireland and Wales and the Parliament of Scotland, would have the job of making sure that the rules were abided by. It would have the power of injunction in England and interdict in Scotland to prevent the publication of anything that it believed may breach the rules of *purdah*, and the right to refer matters to the prosecuting authorities. New clause 3 sets out the appropriate penalties for Ministers who have the audacity to breach the rules of *purdah* and for civil servants who forget that they are there to serve the public, not their political point of view.

I commend those proposals to the Committee. I will listen closely to the debate. I know that many right hon. and hon. Members have similar concerns. I say to those on the Treasury Bench that, just as they were mistaken not to understand the resentment at the lack of respect that was shown by floating the idea of holding a referendum on the same day as our national elections in Scotland, Wales and Northern Ireland, they would make a grave mistake if they did not understand the cross-party concern about a potential breach of *purdah* by Ministers and the civil service. I hope that our proposals are given proper and due consideration.

Dr Liam Fox (North Somerset) (Con): I rise to support amendment 11.

I congratulate the Government on having the good sense not to press ahead with their proposal to hold the referendum on the date that they had set out. That shows that they were listening and I urge them to continue in that mindset.

I will be very brief because I want to make only three points in this debate. First, it is unseemly at best for the Executive to exempt themselves from the legal, electoral and constitutional arrangements that they find inconvenient during any electoral process. We had the period of *purdah* during the Scottish referendum. The arguments that have been made sound like the arguments of civil servants and lawyers that Ministers have been too keen to listen to. Under the full glare of scrutiny in this House and in the media, those arguments have sounded increasingly self-serving.

Secondly, there is a reason why we have *purdah*: it is to prevent the Government of the day from affecting the independence or fairness of any electoral process and from using the machinery of government to do so by spending taxpayers' money, using the press or using other resources that are available to them. The fear is that the Government at all levels—central and local—could use taxpayers' money to support one side of the debate, potentially changing its course. The precedent that that would set in this country would be extremely unfortunate. We require the independence of the civil service and the government machine to ensure that our electoral process is not interfered with unduly.

My third point is about the perception or optics of this matter. After any referendum, particularly one that, as we know from previous debates on Europe, will arouse great passions on both sides, we require the result to be regarded as fair, reasonable and legitimate if there is to be any chance of the country coming together on the issue once the voters have spoken. If people believe that they have been bounced or that the result is the consequence of a rigged process, it will be extremely difficult for the country to come together, and the political consequences will be intense. It must be seen that the legitimacy of the process is related to the fairness of the process. That is what is being put at risk by the Government's proposals.

It is clear from the letter that came from my right hon. Friend the Minister for Europe earlier today that the Government recognise that they will have to make changes to their proposals in the Bill. There are two ways of doing that. The Government can either remove the current restrictions, as they have in the Bill, and set out their own code of conduct on Report—in other words, tell the House what they will be able to do—or accept amendment 11, return to the legal status quo and ask the House on Report what exemptions they should be permitted to have. There are crucial differences between those two processes. The first suits the Executive and allows them to dictate the terms to Parliament in respect of what they want; the second asks that Parliament be given due respect and be allowed to set out the exemptions that it believes are acceptable.

I have not once, in 23 years in the House of Commons, voted against my party on a whipped vote. I urge my right hon. Friend the Minister for Europe not to force those of us who are in that position to take an alternative course tonight.

Tulip Siddiq (Hampstead and Kilburn) (Lab): It gives me great pleasure to make my maiden speech during the Committee stage of the European Union Referendum Bill—a topic that is close to my heart and the hearts of my constituents in Hampstead and Kilburn. Indeed, this topic cropped up frequently in the 22 hustings that we had during the election period and was raised by many people. It is indicative of the debate that goes on in my constituency and of the highly engaged residents in Hampstead and Kilburn—a constituency that I am so proud to represent here at Westminster.

What can I say about my constituency, with its deep history and its intellectuals—the melting pot of cultures and ethnicities that is Hampstead and Kilburn? I do not believe that any other constituency has the radical background that we have in the arts, social awareness, politics, architecture and poetry.

[*Tulip Siddiq*]

We are home to one of London's paradises of walking and swimming. We welcome all political leaders who want to take a walk on Hampstead heath and meet fellow walkers. [*Laughter.*] Many years ago, two leaders of literature, Samuel Coleridge and John Keats, took a famous walk on Hampstead heath, where they discussed a thousand different things. Perhaps if they took a walk today, instead of talking about metaphysics and nightingales, they would talk about econometrics and the blue bird of Twitter—indeed, about Milifandom and the Cameronettes.

We are proud to have housed George Orwell when he wrote two of his most famous books: "1984" and "Animal Farm". He was down and out in both Kilburn and Hampstead. As someone who raised the importance of privacy, he might turn in his grave at the knowledge that there are now 32 CCTV cameras within 20 yards of the very room in which he wrote "1984".

As a constituency that has elected a female MP for 23 years, we are proud that we once housed Marie Stopes, who pioneered birth control for women in the aftermath of world war one. Even today, my constituency nurtures the likes of Bradley Wiggins, Mitchell and Webb and Zadie Smith, but for me, the most important part of my constituency is the resilience of the people who live there—the teachers, the doctors, the nurses, the public sector workers, the trade unionists, the small business owners and, yes, the bankers and lawyers as well.

Those are the people who, in 1966, caused national shock by electing a Labour MP in the form of Ben Whitaker. They turned that blue-stained seat Labour. Ben Whitaker was a man who showed the world that Hampstead is part of a London where affluence and social conscience go hand in hand. Ben Whitaker's time in the House was important but, for me, what really stands out is the work he did in raising international awareness of the plight of Armenians, and the support he gave to a war-torn Bangladesh in the 1970s.

In 1992, my constituency decided once again to go against the blue national tide and elected my predecessor. What can I say about her? A woman in love with social justice. A lady with more than just a touch of class. Glenda Jackson, the queen of Hampstead. I remember her fervent opposition to the Iraq war, her powerful rhetoric against tuition fees and her advocacy of women's rights. Perhaps her most dramatic moment was when she stole the show by defying all the bookies and winning the seat for Labour by just 42 votes in 2010. I am pleased that her formidable Conservative opponent now sits on the Government Benches as the hon. Member for Croydon South (Chris Philp), but not as the hon. Member for Hampstead and Kilburn.

On 7 May this year, my constituency elected the daughter of a political asylum seeker. My mother came to Kilburn in the 1970s because 19 members of her family had been assassinated at home. My mother and my aunt were the two surviving daughters of the founding father of Bangladesh. I am pleased to say that they are in the Gallery today, listening to my maiden speech. [HON. MEMBERS: "Hear, hear."]

My mother came to Britain because this was a safe haven for her. Her story tells us that immigration is not simply an economic phenomenon. Britain has been seen

for many years as a safe haven for political freedom. We must not let that slip away. An ill-conceived net migration target that includes refugees and asylum seekers is, frankly speaking, immoral, and it should put us to shame.

In my constituency we have shown our welcoming attitude to migrants from Ireland and to refugees fleeing political persecution in Nazi Germany. I am proud to say that that tradition stands today in Salusbury World, the only refugee centre to be based in a primary school. In my constituency of Hampstead and Kilburn, we recognise the link between aspiration and immigration. We recognise that public services will be put under pressure because of a larger population. We recognise that housing will be put under pressure, but we still recognise the benefits of immigration, and how it enriches us.

We believe that the Government should be able to take the benefits of immigration and ensure that it translates into prosperity. We think the Government should be able to maintain standards in housing and public services. Think about this: 46% of constituents in Hampstead and Kilburn are foreign-born. Without an open door to immigration, we might not have Hampstead and Kilburn. If we want Britain to remain open for business, we cannot shut the door of the shop.

My fear is that the EU referendum will become a proxy referendum on immigration. Both topics require a cool head and a moral compass. I believe that Members on both sides of the House need to work together to ensure that we give people the right choice to make the right decision when it comes to voting in the EU referendum.

Several hon. Members *rose*—

The Chairman of Ways and Means (Mr Lindsay Hoyle): Order. We now come to another maiden speech. I call Andrea Jenkyns.

1.15 pm

Andrea Jenkyns (Morley and Outwood) (Con): I congratulate the hon. Member for Hampstead and Kilburn (Tulip Siddiq) on her maiden speech—she has an incredible family history.

It is a great honour to make my maiden speech on my 41st birthday. [HON. MEMBERS: "Oh!"] I know—I don't look it. Birthdays are important occasions in our calendar year. For many of us, Christmas is also an important annual milestone. With that in mind, I would like to talk about my predecessor, otherwise known as the House of Commons Father Christmas. Ed Balls spent a number of years entertaining children as Father Christmas, in stark contrast to his public persona. I always found him personable. We ran positive campaigns and treated each other respectfully. We often discussed our shared love of music. At the election count, he was incredibly gracious. He wished me good luck and said that I would do the job very well. I know it must have been an incredibly difficult evening for him and his family, although it should be noted that, back in February, he called for an extension to paternity leave. The moral is we should be careful what we wish for.

But seriously, Ed Balls progressed to the highest levels of Government, holding the positions of Economic Secretary to the Treasury and Secretary of State for Children, Schools and Families. I genuinely wish him well and thank him for his 10 years in public service.

Morley and Outwood is a diverse constituency, and each of its settlements has its own rich history. Morley is perhaps the most patriotic town in Britain. Its St George's day celebration attracts more than 10,000 people. It is worth going to see St George on horseback. It has been home to many famous people, such as the Liberal Prime Minister Herbert Asquith, pioneering female cyclist Beryl Burton, and Bridget Jones author Helen Fielding. I was tempted to mention ladies' big undergarments.

Asquith is perhaps Morley's most famous son. As the Chairman of Ways and Means will be aware, it is 100 years since he was forced to shore up his Government with the Conservatives in a coalition. Fortunately, with the boot having been on the other foot over the past five years, I am pleased to say that no shoring up is required today.

West Yorkshire's famous rhubarb triangle is centred on my constituency—it once produced 90% of the world's forced rhubarb. According to the Morley Heritage Centre, which I am glad to be involved with, England's first Viking Parliament was held in Tingley. Nearby East Ardsley was the birthplace of comedian Ernie Wise. The village of Robin Hood is named after Yorkshire's best-known folk hero. Robin Hood was a champion of the taxpayer—he made sure the workers got to keep more of their hard-earned money, and might well have sought to fight Morley and Outwood for the Conservatives had he been alive today.

My journey to becoming a Member of Parliament was quite unexpected, but sometimes fate can lead us on a new journey. I experienced career diversity at a young age through my father. He began his career as a lorry driver, then set up his own transport company. In later life, he became something of an inventor, designing walking sticks for the blind and a dog lead that turned into a portable seat.

My career was equally diverse, from a beginning on the shop floor at 16 as a Saturday assistant in a bakery, to having a career in retail management, to running my own business, and then becoming a music tutor in schools. My father taught me that life is what we make it, and that it is not where we come from that matters, but what we do in our lifetime and how we personally contribute to society.

It was the loss of my father in 2011 that led me to be here today. He went to a local hospital for a routine operation but tragic circumstances led to him catching a hospital infection and he passed away a few months later. I became involved in the health charity sector and became a trustee of MRSA Action UK. I championed better standards in our hospitals and campaigned on the importance of finding new antibiotics. I am pleased that our Prime Minister and the chief medical officer, Dame Sally Davies, are leading a global campaign on antimicrobial resistance.

I graduated just last year as a mature student. I studied economics at the Open University and my dissertation was on comparing healthcare systems around the world: their per capita spend and whether it has any correlation with health outcomes. At the same time, I studied international relations at the University of Lincoln. My dissertation asked the question: is British foreign policy endogenous? Does it exist in its own right, or is it influenced by party politics and their leaders? I charted the parties' policies in three key areas, from 1945 to

date, which included looking at Britain's relationship with Europe. That is one reason why I chose to make my maiden speech during this debate.

In the past two years, the topic of the European Union has proven to be of great importance to my constituents. Research into my university thesis revealed that the Conservatives have held a consistent foreign policy view on Europe: to be part of a European trading entity, but not a fully integrated political union. The pro-European-with-a-realist-caveat stance was led by Churchill in the 1940s, peaked during the 1970s, and is still true today of my right hon. Friend the Prime Minister.

My research also revealed that the Labour party has had a somewhat inconsistent view on Europe, demonstrated by its manifestos and the actions of its leaders. Its views changed to a more pro-European stance in the mid 1990s, and further integration has been its policy since. In the past few weeks, Labour has again demonstrated an inconsistent standpoint, changing from being against having a referendum and giving the public a voice, to now being in support of it.

I am unhappy with our current relationship with Brussels. There is a lack of transparency on where taxpayers' money is being spent, and on further integration and political union. I am a proud Brit, a proud Englishwoman and a proud Yorkshirewoman. I stand here today on behalf of my constituents in full support of holding a renegotiation, reform and a referendum. Like many of my Conservative colleagues, I want the best for Britain. We trust the British public to decide.

The Conservatives have the right policy. We must look into renegotiation first. We cannot unsteady the markets and put pressure on our economy by holding a referendum tomorrow. We need to plan to ensure that in two years' time we hold a referendum and that the British public are given a choice to be either part of a much-reformed European Union or have the option to come out altogether. I, for one, trust my constituents to make this choice. I will fight to ensure they have the opportunity to do so.

Before this year, Morley last elected a Conservative MP in 1931 and some parts of the constituency have never had one. I stand here, in memory of my father, wanting to make a difference in people's lives. I hope that over the next five years I can prove to the residents of Morley and Outwood that we are a perfect fit, and that my upfront, passionate Yorkshire style resonates with theirs so I can truly become another strong Yorkshire voice in Westminster.

Mr Pat McFadden (Wolverhampton South East) (Lab): I shall speak to amendments 4, 5 and 6 on the publication of information, and amendment 54, in my name and those of my right hon. Friends, on the application of purdah.

I congratulate the hon. Member for Morley and Outwood (Andrea Jenkens) on her maiden speech. She enjoyed a famous victory at the election and she is entitled to enjoy it. She spoke very movingly about her father and I wish her well for her time in the House.

I also congratulate my hon. Friend the Member for Hampstead and Kilburn (Tulip Siddiq) on her excellent maiden speech. She reminded us—it was a good reminder—of the reasons why people come to these shores,

[Mr Pat McFadden]

and of the wonderful chances and opportunities that this great country can bring to people who do come to these shores. I know she brought with her some very distinguished and very welcome guests to watch our proceedings.

Another week has brought more European troubles for the Conservative party. Last week, we had the debacle over collective ministerial responsibility. The Prime Minister was first reported as saying that it would apply, then that he had been misinterpreted, and then that no decision had been taken on the issue. This week, we have had the tabling overnight of an amendment saying that in response to pressure, from the Opposition and from elsewhere in the House, the referendum will not take place in May next year in combination with other important elections that will be taking place throughout the country. We welcome that change of heart from the Government, but I must point out to the Minister that his amendment deals only with the issue of May next year and not May 2017. That is an issue to which we will want to return. There have also been reports overnight that the Government may have something to say about purdah. I will question the Minister more on that as we go.

Amendments 4, 5 and 6 concern the provision of information for the public on the implications of Britain leaving the EU. I say at the outset that this is not the same as a discussion about purdah, which is dealt with by amendment 54 and others. Amendments 4, 5 and 6 deal with information that we feel should be provided at least 10 weeks before the referendum takes place, not in the final four weeks of the campaign.

The UK has been a member of the EU for more than 40 years, so we know what membership means in terms of trade, legal obligations, costs and so on. Of course, the Prime Minister has set out on a renegotiation process that may change to some degree the terms of that membership, but all of that will be made public well before the referendum takes place and people will be able to make a judgment on whatever he achieves in the negotiations. What is less clear, as was pointed out by the right hon. and learned Member for Rushcliffe (Mr Clarke) on Second Reading, is what being out of the EU would mean. The amendments are intended to inform the public debate on this issue.

Graham Stringer (Blackley and Broughton) (Lab): I have some sympathy for providing as much information as possible during the referendum, but is my right hon. Friend aware that probably the most definitive assessment of the costs and benefits of leaving the European Union has been provided by Open Europe? It says that on the one hand there may be benefits and on the other hand there may be disbenefits, depending on what assumptions are put into the calculation. How does he expect the Government to come down on one side or the other, and which assumptions would go into that assessment?

Mr McFadden: I have read the work by Open Europe. My hon. Friend is right to say it has made an assessment, but it is one assessment among many—there have been many others. As I go, I will explain why I think there is merit in Government Departments taking a proper look at this.

There has been much talk of whether the UK would adopt the Norwegian model, the Swiss model or some other model of being outside the EU. The Committee will be glad to know that I am not going to go through all the costs and benefits of those models today, but they all raise questions about being outside the EU that have not yet been answered.

Amendment 4 calls for a report from the Office for Budget Responsibility on the implications for the public finances of a British exit. Few would dispute that since the OBR was established it has gained a reputation for both independence and quality. The reports it produces on the Budget and the autumn statement are valued across the House and have helped to inform the debate about fiscal policy in the past five years. In the run-up to the recent election, my party called for the OBR to assess the tax and spending promises of each of the main parties, a demand supported by the Treasury Committee in the previous Parliament, although there was some debate about whether the request had come too late in the Parliament to be brought into being in time for the election.

Wayne David (Caerphilly) (Lab): My right hon. Friend has mentioned some of the work of Select Committees, but he will also know that the Foreign Affairs Select Committee has done some work on the possibility of Britain leaving the EU and following the Norwegian or Swiss models. Will he find a way to ensure that those ideas and findings are brought into the national debate as well?

1.30 pm

Mr McFadden: My hon. Friend makes a good point. All these models need to be examined to see what their strengths and weaknesses might be.

Aside from its regular work on the Budget and the autumn statement, the OBR already produces a longer-term fiscal sustainability report on future trends and pressures, the latest edition of which was published just a few days ago, so it already ranges more widely than the work we are most familiar with on Budgets and autumn statements. Our amendment asks the OBR to produce a report on the implications for the public finances of a British exit. For example, can we assume that the UK would save all its budget contribution to the EU, as claimed by the advocates of exit, or could we expect to contribute some or most of that in return for continued access to the single market? Some countries outside the EU but part of the European free trade area have to make substantial contributions for access to the market. Are there other effects to take into account, such as the implications for the public finances of any migration changes as a result of exit? Would exit have any impact on the long-term demographics of the country that might in turn impact on the public finances? There are a number of issues that the OBR might want to consider that could impact on the public finances.

Mr Christopher Chope (Christchurch) (Con): Will the right hon. Gentleman explain why he and his party objected to my Bill in the last Parliament calling for an independent audit of the economic costs and benefits of our current membership of the EU? Is that not the most fundamental issue about which the public want to be informed before the referendum?

Mr McFadden: We know the costs of being in. The point of the amendments is to assess the costs of being out. Amendment 5 calls for each Secretary of State to produce a report at least 10 weeks before polling day on the possible consequences of exit for their area of responsibility. I will resist the temptation to get back into the issues of collective responsibility by saying that a report from each Department might test that. That is not the point of the amendment; the point is that EU membership touches many parts of what the Government do, and the public have a right to know about them.

Most obviously, there are the trade issues. What would exit mean for exports, inward investment and some of our great companies that operate across borders? For example, Airbus president Paul Kahn has said:

“If after an exit from the European Union, economic conditions in Britain were less favourable for business than in other parts of Europe, or beyond, would Airbus reconsider future investment in the United Kingdom? Yes, absolutely.”

Vodafone chief executive Vittorio Colao said recently:

“As a company we think it is in the interests of our shareholders and our customers that Britain does not leave the EU.”

ManpowerGroup Solutions UK managing director James Hick said last week:

“Our position on Europe is clear: leaving the EU would threaten jobs and harm Britain’s prospects”.

Mr Bernard Jenkin (Harwich and North Essex) (Con): On a point of order, Mr Hoyle. Excuse me, but I thought we were discussing amendments, not the views of certain businessmen about the EU. Surely we should stick to the amendments.

The Chairman of Ways and Means (Mr Lindsay Hoyle): The Chair can decide what is in order and what is out of order, but I thank the hon. Gentleman for his intervention.

Mr McFadden: Of course, some Members do not like hearing these warnings and find them unpalatable, and people are entitled to disagree with them, but there are fundamental implications for trade and investment that the Department for Business, Innovation and Skills and other Departments with an interest in investment, jobs and trade should study and make information available about.

It is not just about trade, however: what would exit mean for the employment rights that millions of people have today? I think, for example, about the right to paid leave or to be treated equally as a part-time worker, and about the TUPE rights, which apply when a company is taken over and which stem from the acquired rights directive? What would happen to those employment rights, many of which were agreed at the European level, if we left?

Then there is the important area of universities and research. We have some of the best universities in the world, and not surprisingly they do very well when bidding for EU research funds. EU funding provides an additional 15% on top of the UK Government’s own research budget. Funds for research projects requested by UK higher education institutions from the European Commission rose from £424 million in 2008 to £714 million in 2012. My local university, the University of Wolverhampton, receives £3 million a year for research work and £20 million a year for knowledge exchange and work with businesses from the EU.

The Chairman: Order. We need to keep tight to the amendments.

Mr Jenkin: Hear, hear.

The Chairman: Thank you, Mr Jenkin. We do not need any applause. We can save that for another occasion.

I was giving the right hon. Gentleman some time, but we now need to get on to the amendments. As important as Wolverhampton is to him and me, I am sure that discussion of the amendments would be more welcome in the Chamber.

Mr McFadden: The point is that right across the piece—whether trade, university research or farming and agriculture—there is a strong case for each Department producing a report on the implications of exit, as amendment 5 calls for.

Amendment 6 deals with the Bank of England assessment. As we know, the Bank is independent, but we also know, thanks to a stray finger that sent an email to a journalist rather than a Bank staff member, that the Bank has begun work on Project Bookend, its own internal assessment of the consequences of a British exit. As my hon. Friend the Member for Nottingham East (Chris Leslie), the shadow Chancellor, said a few weeks ago, we would expect the Bank to carry out an assessment, but there would be significant public interest in it, so the amendment asks that the Government publish it if they receive it from the Bank.

Alex Salmond: The right hon. Gentleman is absolutely correct that the Bank of England is independent—in my estimation, it is one of the relatively few public authorities in the UK that keeps to that independence—but that creates a difficulty. If the Bank were to make an assessment coming down heavily in favour of the UK remaining part of the EU and warning of alarming consequences if it left, but the electorate voted the other way, the Bank would be left trying to deny its own previous warnings about the credibility of the currency and a range of other things. Its independence gives it a difficulty in making predictions.

Mr McFadden: I am afraid I disagree with the right hon. Gentleman. It is not surprising that the Bank is carrying out an assessment, but now that that is known, it will be difficult for the Bank to keep it quiet, and the demands for it to be published will grow.

Amendment 54 deals with purdah. Since the Bill’s publication, there has been a great deal of debate about this issue and its application to the referendum. As has been said, the history goes back to the Political Parties, Elections and Referendums Act 2000. Purdah applied during the referendum on the alternative vote in 2011 and the referendum on Scottish independence last year. The Bill proposes to suspend this provision, which means there would be no purdah period and no restriction on what Ministers can produce or say during the referendum period. When my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman) questioned the Prime Minister about this last week, he said there were two justifications for taking the course proposed.

Mrs Anne Main (St Albans) (Con): I am listening to the right hon. Gentleman's comments with interest. Is he aware of any other election when *purdah* has been suspended?

Mr McFadden: I am not aware of any other occasions.

When my right hon. and learned Friend the Member for Camberwell and Peckham asked the Prime Minister, he gave two justifications. First, he said that,

"because the European issue is so pervasive, I do not want a situation where, in the four weeks before a referendum, Ministers cannot talk about the European budget, make statements about European Court judgments, respond to European Councils and all the rest of it."

He then said the second issue was a bigger one:

"When the negotiation is complete and the Government have taken a clear view, I do not want us to be neutral on this issue; I want us to speak clearly and frankly."—[*Official Report*, 10 June 2015; Vol. 596, c. 1179.]

On Second Reading, my right hon. Friend the Member for Leeds Central (Hilary Benn) said:

"Everybody in the House would agree that the referendum must be fair and must be seen to be fair, but at the same time the Government—any Government—are entitled to argue their case."

He had said a few moments earlier:

"It would not be sensible for any Government to find themselves constrained from explaining to the people the Government's view, because the people are entitled to hear from the Government of the day".—[*Official Report*, 9 June 2015; Vol. 596, c. 1059.]

The Foreign Secretary sought to reassure the House, telling a fellow Member that if his concern

"is that the Government are thinking of spending public money to deliver doorstep mailshots in the last four weeks of the campaign, I can assure him that the Government have no such intention. The Government will exercise proper restraint".—[*Official Report*, 9 June 2015; Vol. 596, c. 1055.]

We read overnight that the Government would have more to say on the issue, and we wait with interest to hear it. How will they reassure the House that there will not be abuse of the lifting of the *purdah* provisions, and that there should be the legal framework that has been called for by the Leader of the Opposition? Our amendment does not seek to reinstate the *purdah* provisions in full, but it does seek clarity on what exactly the Government intend to do or to publish during the referendum period. More clarity is needed than has so far been made available in ministerial statements. What form will expressing a view take, and what form will it not take? The Government need to provide more information, more clarity and more reassurance.

Mr Jenkin: I thank the right hon. Gentleman for giving way, and for the pertinent questions that he is putting to Ministers. They and I have been engaged in similar discussions. May I ask, however, why his party has decided not to support amendment 11, which would reinstate *purdah*, until he has received those assurances? Why is he letting the Government off the hook—or is it part of a Euro-stitch-up to rig the referendum?

Mr McFadden: As my right hon. Friend the Member for Leeds Central said on Second Reading, we do not object to the Government's taking a view, but we want to see a fair referendum.

Will the Government agree to publish a report, a document or a code of conduct, or to provide the clarity that we seek in some other way? If so, what form will that information take? Will it set out clearly what

kind of reports or statements the Government think they may need to make? What assurances will the Minister be able to give us about the use of taxpayer funds, beyond the funds that are channelled to the official yes and no campaigns in the normal way, through the Electoral Commission?

Alex Salmond: Why does the right hon. Gentleman not propose to support an amendment that would reintroduce the very protections that his own party introduced back in the year 2000?

Mr McFadden: I am speaking to my own amendment, which calls for clarity on the Government's intentions.

There is an important relationship between the issue of *purdah* and the amendments relating to whether the referendum can be combined with other elections. The Government have tabled amendment 55, which rules out a referendum in May next year but leaves open the possibility of combining it with other polls in the future. If that were to happen, would *purdah* not operate in the case of both the referendum and the other elections, or would it be suspended for the European referendum while operating for the purpose of other elections taking place on the same day? I believe that, when Members start to think about those questions, they will realise that the Government did not think them out fully, and that the issues of *purdah* and the date on which the referendum is held—and, specifically, the issue of whether it will be held as a stand-alone poll—are linked.

Let me now say a few words about amendment 16, which was moved by the right hon. Member for Gordon (Alex Salmond). As the right hon. Gentleman said, the amendment requires a majority vote for a British exit from the European Union not only in the United Kingdom as a whole, but in each of its constituent nations.

The United Kingdom joined the European Community, as it then was, as a single member state. Of course there will be different votes in different parts of the country, but we believe that we remain one member state, and that we should make this decision as one member state. Elections and referendums in this country are based on the principle of a majority of one. The Bill proposes not four separate referendums, but one referendum throughout the UK. For that reason, we will not support amendment 16.

1.45 pm

Sir William Cash (Stone) (Con): I shall speak from a standing position.

The Chairman of Ways and Means (Mr Lindsay Hoyle): May I suggest that perhaps the hon. Gentleman ought to take a seat? The last thing that I want him to do is get himself into difficulty, and take too much out of himself. Please, Sir William, do whatever you feel is necessary,

Sir William Cash: I will sit down then. I am sorry to have to make my speech in this way, but I have been in hospital for the last four days.

Our problem is this: the situation in which we now find ourselves is not necessary. I speak more in sorrow than in anger, because I have spoken to the Minister for Europe, and we had a good discussion, as we always do. I was also grateful to him for saying in a letter that he

was himself grateful for the constructive way in which concerns had been raised. It must be said, however, that the Government have not allayed those concerns, and that is the real point. I shall try to explain why, but let me first congratulate the Government on having listened. They listened over the question of having a referendum at all, they listened over the question of whether we should veto the fiscal compact, and they listened over the reduction in the budget. Those are all positive steps.

Having given the matter as much thought as I could—admittedly, I had an opportunity to do so from my hospital bed—I have to say that, in this instance, I am convinced that the Government are taking a step in the wrong direction. However—I ask Ministers to listen, if they would be kind enough to do so—it is possible for them to retrieve the situation so that there need not be a vote against.

Ultimately, what is raised is a question of trust. There are extremely strong reasons for the provisions in section 125 of the Political Parties, Elections and Referendums Act 2000, but we have heard very little about those provisions. Let me briefly explain them, so that people will know what we are about to repeal. Most might assume that, given the momentous and historic nature of the EU referendum, what is good enough for a Scottish referendum, a referendum on the alternative vote, and a Welsh referendum—all of which have taken place under Conservative-led Governments in the last few years—ought to be applicable to a referendum that goes to the heart of how we are governed and who governs us.

However, it is not just about trust. We do not know what the outcome of the promised discussions and consultations will be, but we do know that conducting a referendum in a manner that is unfair on the voters is an extremely retrograde step in the kind of democracy that we uphold. The provisions in the 2000 Act were introduced for very sound reasons. I applaud the then Government for that, and, even at this late stage, I appeal to the present Government to think again.

Incidentally, this has absolutely nothing to do with Maastricht or anything like that. There was a rebellion then because we did not have a referendum. On this occasion, we merely wish to ensure that the voters are given a fair choice. That must be one of our prime duties, because we are sent here as representatives of those people. If the Bill is passed, we shall have made a decision to transfer back to those people, by means of an Act of Parliament, the right to make their own decision. Therefore, they will have an absolute right to know that the way the referendum is conducted will in no way be canted or manipulated, whether for yes or no. Taking this out and then asking us to consider on the basis of consultations yet to come seems to me quite bizarre, because if the Government were good enough to accept my amendment 11—I am grateful for the support of many Members on both sides of the House on that—nothing would change in terms of the referendum. It is not going to take place in any immediate future. All we will be doing is re-securing the status quo so that we will then have the restrictions set out in section 125. I will come on to that section in a moment, and demonstrate what we would actually be repealing this evening. This is not just a Eurosceptic argument. This is not about a Eurosceptic position, in essence. It may be that we

would prefer to ensure there is a fair vote, but the real question is about our democracy. That, to me, is the main question.

Alex Salmond: But does not the experience of the Scottish referendum tell the House that not only should the protections that are in statute not be removed from this Bill and that the hon. Gentleman's amendment 11 should be carried, but that there needs to be an enforcement mechanism to make sure the purdah period is applied and adhered to by Government Ministers and civil servants?

Sir William Cash: I very much agree, and it may be of interest to Members, if they have not already noticed, that the Electoral Commission has examined not only the Bill but my amendments, and has stated:

“The Commission is therefore generally supportive of proposals to reinstate restrictions on the publication of promotional material by central and local government in the run-up to the poll.”

Even after Second Reading, the Electoral Commission—which is, after all, charged with these duties—has concluded it would be important to retain these restrictions. Some adjustments may need to be made in due course, but we should secure the status quo, then have the discussions, and then have the vote on Report. That would be the right way round.

Mr Kenneth Clarke: How far does my hon. Friend want to take this? In a general election, the whole government machinery closes down for four weeks and studies the potential future of alternative political masters and waits to see what the political policy of the new Government will be. In this case, however, the Government at the time of the referendum will be the Government for the next several years, and the Government, as a Government, will have been involved in producing the terms that are part of the referendum. Does my hon. Friend intend that no Minister can act as a Minister, as could be the case if we strictly applied purdah, or take advice for all those weeks on anything that might pertain to an issue in the referendum? Is the Prime Minister going to be prevented from expressing a view? Surely some compromise that is a modification of purdah is required—

The Chairman of Ways and Means (Mr Lindsay Hoyle): Order. The right hon. and learned Gentleman has been here longer than most Members, and he should know that interventions must be short, especially if he wants to make a speech later.

Sir William Cash: I seem to have spurred my right hon. and learned Friend to a passionate pursuit of his arguments, because he does not want what I am proposing at all. The fact is that the Electoral Commission says the proposal to remove section 125

“could mean that governments and others will be free to spend unlimited amounts of public funds promoting an outcome at the referendum right up until polling day.”

It goes on to say:

“In the Commission's view, there is a risk that the use of significant amounts of public money for promotional activity could give an unfair advantage to one side of the argument. Unlimited government spending would also undermine the principle of having spending limits for registered campaigns.”

[*Sir William Cash*]

We have already heard about the interference in the Scottish referendum, and what the right hon. Member for Gordon (Alex Salmond) said is completely right.

Mr Chope: Does my hon. Friend agree that it is ironic that the section 125 provisions were adopted by the Venice commission in the following year and are now universal best practice, and that the Venice Commission has endorsed the fact that there should be a prohibition on Government expenditure in the four weeks of the referendum campaign?

Sir William Cash: That is absolutely right. I was going to refer to that, but I am grateful to my hon. Friend for making the point.

I want to refer to what section 125 actually does say, because the proposal is to remove that tonight, in the face of our opposition. The explanatory notes accompanying the Bill state what they do:

“These Explanatory Notes have been prepared by the Foreign and Commonwealth Office...to help inform debate”

and

“in order to assist the reader of the Bill”.

However, paragraph 52 of the notes gives no explanation and simply says:

“Paragraph 25 provides that section 125 of the 2000 Act does not apply for the purposes of this referendum”,

and then mentions a consequential amendment. There is no explanation at all. That itself is a reason for our being concerned about the way this is being done.

I want to return to the question of what we are repealing. What is in the 2000 Act is very sound. It refers to

“any material which—

(a) provides general information about a referendum to which this Part applies;

(b) deals with any of the issues raised by any question on which such a referendum is being held;

(c) puts any arguments for or against any particular answer to any such question; or

(d) is designed to encourage voting at such a referendum.”

It is very comprehensive.

Mike Wood (Dudley South) (Con): Does my hon. Friend share my concerns that the provisions of section 125 would allow the European Commission to make statements and publish material affecting a referendum on Britain’s membership of the EU, but would prevent British Ministers or Departments from publishing material to correct or counter such a publication?

Sir William Cash: Very simply, any suggestion that the European Commission or the EU should be involved in this process is the subject of another amendment I have tabled, and nor should they be allowed to make any provision by way of financing. We can debate that later.

On whether contradiction might be created in respect of the position of Government Ministers in this country, my flow has been slightly diverted by my hon. Friend’s perfectly understandable intervention, but the fact is that Ministers and the civil service are in a position under the purdah rules such that they would not be able

to use the machinery of government. In relation to the EU, which I know a little bit about, the machinery of government is extensive, but there are methods that could be applied, with a sensible degree of amendment, to ensure that the restrictions on the matters to which I have referred are complied with, because this is what we are talking about; it is not some generalised assumption that Ministers are going to wander on to completely different paths.

Section 125 lists the material I have already referred to—“general information about a referendum...any of the issues raised by any question...any arguments for or against any particular answer to any such question”

and questions

“designed to encourage voting”,—

and it states that none of that material

“shall be published during the relevant period by or on behalf of—

(a) any Minister of the Crown, government department or local authority”.

It could not be clearer; it could not be more sensible, more sound or more comprehensive.

John Redwood (Wokingham) (Con): Would my hon. Friend like to confirm that it is a principle of fairness in all British elections and referendums that individuals—Ministers as well—participate on whichever side they wish under a single campaign, for yes or for no, which has proper controls over expenditure and publications? Does he also acknowledge that there cannot be a third category of intervention by the Government, because that would break the normal rules of campaign funding and control?

2 pm

Sir William Cash: I completely agree with my right hon. Friend.

Mr Jenkin: The Government argue—I think we have to accept their argument—that these detailed and broad restrictions are too prescriptive and that they would not be able to carry on with the normal course of government, as my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) has explained. Does my hon. Friend not agree that there would be too much interference in the normal conduct of government?

Sir William Cash: I just do not think that makes sense. The bottom line is that we are now so invading the ability of the voters in the referendum to make a free and fair choice, by canting the process and taking all the things to which I have just referred out of the equation, that we could seriously undermine the whole democratic process with respect to referendums. This is simply not a tenable position. If it was good enough for the Scottish and the Welsh, why is it not good enough for the referendum on the EU, which will go even further towards infringing—as we would put it—the role of this Parliament and our democratic freedoms?

I also want to discuss what publishing means. Section 125 of the 2000 Act is very general on this point, and this is what hon. Members are being asked to repeal this afternoon. It states:

“publish’ means make available to the public at large, or any section of the public, in whatever form and by whatever means”,

and the relevant period

“means the period of 28 days ending with the date of the poll.”

There are profound reasons for maintaining the status quo at this stage and for retaining the restriction, because once it has been repealed, we would then have to reinvent the wheel, as it were, on Report. That could open a huge can of worms for the Government. The question is: what would the Government not be restrained from doing, compared with some of the things that it is currently stated they would be restrained from doing?

The Minister for Europe has sent us a letter today, 16 June, in which he says:

“It is our clear intention, through the Bill, to provide a straightforward, fair and effective framework for the referendum.”

I have to say to him that I must cast some doubt on that in relation to the questions that are being raised. He goes on to say that it would be “inappropriate” to

“prevent Ministers from effectively conducting the significant amounts of ordinary day-to-day business between the Government and the EU that will necessarily continue during the pre-poll period.”

I have been Chairman of the European Scrutiny Committee for five years, and I just do not recognise this at all. There are things that go on in the monumental amount of material that comes in from the European Union, but in my judgment there is no suggestion that anything of this nature would be affected by retaining section 125. The section was applied during the Scottish referendum, which had a European dimension. The same applied to the Welsh Assembly. If it was all right for Ministers to continue to make statements in those circumstances, we should keep section 125 and do as the Foreign Secretary suggested during the Second Reading debate. The Minister for Europe’s letter states:

“The Foreign Secretary said during the debate that the Government will exercise proper restraint to ensure a balanced debate during the campaign.”

This is the moment to ensure that we get this right by keeping the restriction for the time being, having discussions and coming back with specific proposals on Report, on which we can then vote.

I acknowledge that the Minister for Europe has conceded that we have more than a reasonable case. His letter goes on:

“Working out a system that will reassure colleagues and voters that the referendum is a fair fight, yet will preserve the Government’s ability to act in the national interest is not straightforward.”

Well, it would be very straightforward if we kept section 125. He adds:

“It is important that it is legally clear and robust.”

It would make things very unclear and very unrobust if we were to remove the provisions in section 125, which are based on common sense and fairness and on giving voters a proper opportunity to make a fair choice.

Mike Gapes (Ilford South) (Lab/Co-op): I rise to speak in support of amendments 49 and 50, which have been tabled in my name, and to give my support to amendment 54, which was introduced by my right hon. Friend the Member for Wolverhampton South East (Mr McFadden).

The Bill proposes that the referendum be held by 31 December 2017. That is in line with what the Prime Minister proposed in his Bloomberg speech in January 2013. I often wondered why 31 December 2017 had been chosen. I assumed that it was an arbitrary date midway

through a Parliament elected in May 2015. In the last Parliament, when the former Foreign Secretary, William Hague, was questioned by the Foreign Affairs Committee, it seemed to come as a surprise to him when we pointed out that under the rotating presidency of the Council of Ministers the United Kingdom’s presidency would begin in July 2017. I do not know whether that had been taken into consideration when the Government produced their original proposal, but it will clearly be a major complicating factor.

We are debating the period of purdah. Just imagine what would happen if there were a meeting of the Council of Ministers in September 2017 and the referendum were to be held within 28 days of that meeting, in the October. What would Ministers be able to do or say during that period? Those Council of Ministers meetings have to be convened and chaired by the appropriate representative of the rotating six-month presidency, and there would have to be a British Minister present to represent the interests of the UK Government. What could those Ministers and their officials say and do during that period? There would be enormous complications if the Bill were to lead to a referendum being held in the last few months of 2017.

Under the constitution of the Federal Republic of Germany, there is a defined period within which the next German election will be held. It has to be held on 27 August 2017 at the earliest, and at the latest on 22 October 2017. One can imagine Chancellor Merkel, Mr Sigmar Gabriel, Mr Frank-Walter Steinmeier, Mr Wolfgang Schäuble and all the other senior figures on both sides of the German coalition being somewhat exercised and diverted from considering matters to do with the possible negotiated terms, or the nature of the negotiation, if we had not yet set the date for our referendum.

It seems, therefore, that any referendum held in the second half of 2017 would have major problems. Amendment 49 recognises that, and provides that the referendum in this country should be held before 1 July 2017—before the United Kingdom takes over the rotating presidency of the Council of Ministers and before the German election campaign. We might bring it forward to the first half of 2017, but I suspect that when the Prime Minister came up with his proposal in his Bloomberg speech he had not considered the election cycle in France. The first round of the presidential election has to be held in April 2017 and the second round in May. We could face trouble with the renegotiations in France if we were to have the referendum later in 2017.

Mr David Nuttall (Bury North) (Con): I am listening closely to the hon. Gentleman, but is not the logic of his argument that, with 27 other countries in the European Union, there would never be a good time to have a referendum on our membership of the European Union?

Mike Gapes: My position on this matter is well known. I am not in favour of referendums, and neither was Margaret Thatcher. She quoted Clement Attlee, who said they were the devices of demagogues and dictators. However, that is a diversion from these amendments, so I will not go down that route.

Stephen Gethins (North East Fife) (SNP): Does the hon. Gentleman think that it was a mistake of his Front Bench team to go against Labour’s manifesto commitment and to back a referendum?

Mike Gapes: No. Unlike the hon. Gentleman, if I lose an election or a referendum, I recognise the result. The fact is we lost the election. There will be a referendum and the best thing that we who believe in the European Union can do is to get into the fight and build a strong yes campaign. It is a pity that Scottish nationalists do not accept the result of the referendum they lost last year.

The problem we face is fundamental: the two major countries within the European Union—Germany and France—may be preoccupied with internal political campaigns and processes at precisely the time when we might be concluding the most difficult part of the renegotiation strategy. The solution might be to bring forward the referendum, as amendment 50 suggests, to before the end of 2016. That would still give time for the renegotiation to proceed, and for the Government to have a piece of paper to wave, saying it is a protocol that can be implemented later in future treaty reform, but not at that time. It could still provide the fig leaf that the Prime Minister will need if he is to claim that he has fundamentally renegotiated the terms of our membership. It will also give enough time for a considered campaign to ensure that there is a clear majority for our country staying within the European Union.

The other advantage of bringing forward the referendum is that it cuts the period of uncertainty for the Koreans, the Americans, the Chinese and the other countries wishing to invest in the United Kingdom. They would have less uncertainty than they would have if we left the referendum to the end of 2017. One of the strongest arguments against a referendum is the economic and political uncertainty it engenders. If foreign investors, or people planning long-term investment projects, think there is no guarantee that the United Kingdom will remain in the European Union, they will not give priority to investing in our country. They will hold back, or choose to go to a country such as Ireland, the Netherlands or France, where there is certainty over their continuing membership of the European Union.

2.15 pm

Reference was made earlier to the position of Norway and Switzerland. One of the great failings of those who believe that we should be outside the European Union is that they have failed to define what we are going out to.

Mr Douglas Carswell (Clacton) (UKIP): Free trade.

Mike Gapes: The free trade that Switzerland and Norway have with the European Union is dependent on their complying with rules and regulations that are determined within and by the European Union member states, over which Switzerland and Norway have absolutely no say.

Richard Drax (South Dorset) (Con): Does that not show the hon. Gentleman what a complete protection racket the whole thing is?

Mike Gapes: There we have it. We have the authentic voice of those who want us to leave the European Union. They do not want to comply with the rules and regulations. Presumably, they do not want us to have unfettered access to the single market of 500 million people. The Norwegians think better than that—

The Temporary Chair (Sir Roger Gale): Order. The hon. Gentleman is straying rather far from the dates that are the subject of the amendment. It is fascinating material, but we do not really need another Second Reading debate.

Mike Gapes: I was tempted by the interventions, so I apologise to you, Sir Roger, for following the temptation. I will get back to the point.

There is an issue here to do with purdah and how the purdah requirements would apply. There will be great difficulty in holding a referendum at the end of 2017, when we are chairing the Council of Ministers meetings, because of that issue alone. For that reason, I hope that, if we are to have a referendum in 2016, we plan for it now—and that may already be, privately, the Prime Minister's intention—rather than getting into great difficulties with the way in which it can be conducted, and damaging the United Kingdom's role and relationship with the other 27 member states of the European Union. Once the referendum is over, assuming that it is won, we must work constructively with our partners to restore the trust and relationships for the future. It is better that we confront the issues early, rather than slipping into some kind of disastrous outcome.

Alex Salmond: On a point of order, Sir Roger. At various times during this debate, there has been reference to a letter. I was somewhat puzzled because I did not seem to have been sent such a letter. But now, through access to Twitter, it seems I may have found it. What I now have is a letter from the Minister for Europe to various Members on the Conservative Benches—it can be described only as a letter begging for support. I am somewhat disappointed not to have received it, and to have been ruled out of providing such support. If we are debating amendments—this letter specifically gives Government assurances relating to those amendments—should this communications not have been available to all Members, and should it not now be placed immediately in the Library of the House?

The Temporary Chair (Sir Roger Gale): As the right hon. Gentleman knows, Ministers are responsible for making available their own documentation. It may be a courtesy, but it is not a matter for the Chair.

Mr Kenneth Clarke: I think I am fairly confident in saying that the starting point of this debate is that every Member of the House—from the Prime Minister and Ministers to the acting Leader of the Opposition and shadow Ministers to the most newly elected Back Bencher—agrees that if we are to have a referendum it must be perceived to be fair. The most balanced position possible must be taken vis à vis those who wish to advocate yes or no, for a variety of reasons, so that the public hear the broadest possible range of views and can make a reasonably objective judgment.

I have never known a referendum settle any question. It certainly has not settled questions of Scottish independence, elected Mayors, proportional representation or AV, and does not seem to have settled the European question either. However, I think that those who believe that a referendum is a valuable way forward agree with me that we should bend over backwards to make sure that all those who feel strongly either way on this subject are treated as fairly as possible.

Mr Steve Baker (Wycombe) (Con): Most of what my right hon. and learned Friend has just said could be applied to democracy itself, yet still we trouble ourselves with it.

Mr Clarke: Which is why I believe that the parliamentary system of democracy is so very good. A representative body of people elected from time to time have continuous responsibility for step-by-step decisions, and eventually they have to face the consequences of their decisions and can be removed. But we are already going wide of the amendments.

Sir William Cash: Will my right hon. and learned Friend give way?

Mr Clarke: I am delighted to see that my hon. Friend the Member for Stone (Sir William Cash) is able to stand when he feels passionately on the subject. I am sympathetic to the problems he has had, and I am glad that he was able to speak from a sedentary position, which I had never seen before. I will finish making my point before I give way.

I hold my hon. Friend and those who agree with him in the highest possible regard. We in the Conservative party have to be careful that we do not repeat the folly of Harold Wilson and tear our party apart in the course of a referendum campaign. After quite a few decades of this battle, I continue to be on excellent personal terms with those of my hon. Friends with whom I disagree. It is best that we proceed by putting forward our respective views of the public interest. We must certainly not divide the strong purpose of the Government, who have been so recently elected with the support of the whole Conservative party.

Sir William Cash: Will my right hon. and learned Friend allow me?

Mr Clarke: Let me make a little more progress. I hope that my hon. Friend's constraint will stop him leaping up too frequently; I will give way in due course.

I do not believe that there is any bad faith anywhere. Everyone wants those who campaign and the public to feel that the referendum has been conducted with absolute fairness. I am surprised, therefore, that, in these opening days of the European referendum process, so much passion is being excited by procedural issues. I will not describe them as footnotes, but, although they are important, none of them will make the faintest difference to the result on the day of the referendum. If we asked most of our masters—the public—whether *purdah* was followed properly during the campaign, they would not have the first idea what we were talking about. So my first plea is for a sense of proportion.

My plea to my right hon. Friend the Minister—I do not think I need to make it because I have seen the letter, which did not get to me either; I have just been shown it—is to live up to his undertakings. It is right to bend over backwards to reassure my right hon. and hon. Friends that there is no conspiracy, that they must not leap into paranoia, that the intention is to hold a referendum in which the British public will be able to reach a view on balanced presentations. It seems to me that Ministers have started doing this straight away. I got the impression from the Second Reading debate

that my right hon. Friends on the Front Bench were as surprised as I was at the sudden excitement about the rules in what should have been a fairly routine Bill paving the way for the referendum.

Mr Jacob Rees-Mogg (North East Somerset) (Con): Will my right hon. and learned Friend give way?

Mr Clarke: I will give way in a moment.

The Prime Minister has announced that he will suspend the rules of collective responsibility and that members of the Government will be able to campaign on whichever side they choose. We now have the letter giving an undertaking that the Government will depart from section 129. People seem to think that there is something magic about 5 May 2016, so we will not hold the referendum on that date. I have sympathy with Ministers; they are being derided. The moment they make concessions to all these impassioned pleas, they suffer the fate of all Ministers and are immediately accused of a humiliating U-turn and held up for ridicule.

Some of my right hon. and hon. Friends and perhaps others in the Scottish National party are difficult to calm down and reassure. I ask them to accept, as I accept, that every effort is being and should be made to satisfy fears about the propriety of the campaigning period.

Sir William Cash: My right hon. and learned Friend's rather Hush Puppy approach—saying that there is really nothing much that we need worry about, and that Parliament is far better at doing this than the people—seems somewhat dangerous and disrespectful of the voters. We have had a lot of referendums over the years. He says that *purdah* would not make a difference anyway. Does he think that the Electoral Commission is wrong when it says that disapplying section 125 of the 2000 Act would enable the Government to spend unlimited sums of money?

Mr Clarke: I once gave evidence to an inquiry chaired by Sir Nigel Wicks into the workings of the Electoral Commission, and my recommendation was that it should be abolished as a useless quango, but that is a wider issue.

Of course we have had referendums, but my hon. Friend has never accepted the result of any referendum if he disagreed with it—for the sound reason, for which I respect him, that he has strong personal principles and convictions. I took part in the referendum 40 years ago. No serious Member of Parliament on either side of the argument changed their beliefs one jot the day after the result of the poll was announced. Tony Benn, who was personally responsible for floating this innovation in British politics, was one of the first to start demanding that we left the European Community within a few weeks of the announcement of the result. The Labour party was committed to leaving the EU by the time we got to the 1983 election, having shed a high proportion of its members to the Social Democratic party. My hon. Friend the Member for Stone and I agree that we must not repeat the mistakes of the past.

Sir William Cash: Will my right hon. and learned Friend give way?

Mr Clarke: Let me move on a little and perhaps reassure my hon. Friend. I am prepared to be persuaded that, despite my bewilderment that so much importance is being given to the procedure, we should bend over backwards to reassure my right hon. and hon. Friends that the Government are acting in good faith and will hold the campaign in a serious way. So I accept that 5 May 2016 is verboten—absolutely ruled out. It is a sacred day in the next two years on which it is not possible to put an additional question on the Scottish referendum—[HON. MEMBERS: “European.”]—on membership of the European Union. So it has been decided not to hold it on 5 May.

I could not care less on which precise date the referendum is held, as long as it is held properly. I do not think that 5 May is a remotely important subject. I might have argued that it would have been a good idea to raise the turnout in our electoral process. There is an argument that if elections for various things are held on the same day, the turnout for some elections might go up from its current pathetic level. Apparently, however, it is thought that the poor electorate would be puzzled and confused—that they would vote in their local council election thinking that the Germans were playing a key role in the whole thing and that the questions would be too complicated and they would muddle up the documents.

2.30 pm

I will not, however, deride an argument to which I am prepared to concede. I listened to the right hon. Member for Gordon (Alex Salmond) move the amendment on behalf of the Scottish National party, and I am prepared to say that I am wrong and he is quite right. I hope he is reassured that 5 May 2016 is now firmly ruled out: on that day the public shall not be asked whether this nation's future lies in or out of the European Union. As Members may gather, I do not take that particular point as seriously as I obviously should. Everybody else felt passionately about it on Second Reading, but I do not think it is important.

Mr Nuttall: I agree with my right hon. and learned Friend to the extent that I have every respect for the British people and am sure they are capable of considering two separate issues at the same time. I do not have a crystal ball, but I suspect that my right hon. and learned Friend is on the other side of the argument from me. The real problem with holding local or Assembly elections on the same day as a referendum is that Members of a political party—

The Temporary Chair (Sir Roger Gale): Order. The hon. Gentleman's intervention is becoming almost as long as the right hon. and learned Gentleman's speech.

Mr Nuttall: The point is that Members of the same political party may well campaign on different sides of the referendum question while at the same time being on the same side for the local elections. That is the key reason we need to have them on separate days.

Mr Clarke: If, on the day of the referendum poll, a member of the electorate does not realise that different Members of both the Conservative and the Labour parties—at the very least—are campaigning on different sides of the campaign, I regret to say that we will all

have failed, because that member of the public will have been singularly uninformed about the progress of about 20 years of debate, during which that has always been the case. But there we are: the issue of the date has been determined. The Government have given way and have been derided for doing so, and I will spend no more time on the subject.

The more serious point—although I do not think this is a serious problem—is the suggestion that the absolute statutory rigour of *purdah* should be applied to the Government as a whole acting as a Government throughout the final four weeks of the referendum campaign. I have already made this point during an intervention, but it is important.

People are suggesting that the whole Government machine should be switched off for those four weeks on a whole list of issues. They say it would be improper that any public body, the Government machinery or any Minister purporting to speak as a Minister should be allowed to engage in anything that might be designed to encourage voting in the referendum or to express a Government view on any issue that might be germane and regarded by people on either side of the argument as relevant to the outcome. I ask my hon. and right hon. Friends at least to pause—as I am personally prepared to do—until Report, which, as I have discovered from this mysterious message on Twitter, is when the Government will make proposals that might reassure people but that might fall short of the full rigour of the rather odd referendum legislation that we passed a few years ago. Obviously, that legislation did not exist when we last had a referendum on Europe, when the Government were deeply divided and very odd messages came out.

Given that everybody is going to concede to my hon. and right hon. Friends anything that can reasonably be seen to put any legitimate fears to rest and to reassure them that this is a sensible approach, we cannot ignore the risk that one might, rather oddly, be closing down the whole machinery of Government for some time. I have already cautioned against conspiracy theories and paranoia. We all know that individual members of the Government will go out and give their own personal views on one side or the other—they are allowed to do that.

Sir Alan Duncan (Rutland and Melton) (Con): Will my right hon. and learned Friend give way?

Mr Clarke: In a moment. Why on earth should a Minister not be allowed, as a Minister, to advocate that people might be encouraged to vote? As the hon. Member for Ilford South (Mike Gapes) rightly asked, would a Minister who goes to Brussels for a difficult meeting on an aspect of agricultural policy or of the research and development budget be told by his officials that they would melt away the moment he expressed a view on an issue that might have been raised by my hon. Friend the Member for Stone or me in the referendum campaign?

I think we have received genuine undertakings. Everybody wants a fair referendum, so let us not resort to the legalism of section 129—[HON. MEMBERS: “Section 125!”] That shows my regard for legalisms, despite my being a lawyer: section 125 is very important! When we get to Report, let us take a considered look at what would happen if we threw the whole weight of the law at this issue and had one of Her Majesty's judges adjudicating

on whether the pronouncements of some Parliamentary Secretary in Brussels had broken the statutory injunctions and he should have been reduced to silence.

Mr Richard Bacon (South Norfolk) (Con): May I say how much we are enjoying my right hon. and learned Friend's speech? His casual wafting around of various sections, whether they are the right ones or not, reminds me of one of those lovely days when he said that he had not bothered to read the Maastricht treaty. Will he clarify something that seems to be a bit of a caricature? He says that the whole of Government would have to be closed down and that Ministers would not be able to engage in any business at all, but surely that could only possibly be true if the European Union was so involved in every nook and cranny of this country's affairs that it could not possible function without those relationships. Is not that the whole point?

The Temporary Chair (Sir Roger Gale): Order. Before we proceed, in case there was any implied criticism, I have to say that, although the right hon. and learned Member for Rushcliffe (Mr Clarke) might be rambling around the European Union, this is a broad-ranging set of amendments. I have listened to him very carefully and he is, in fact, in order.

Mr Clarke: I hope I am not being too light-hearted, but this has been a long debate. I have already confessed that the issues have not engaged me as passionate issues of great principle to the same extent as they have engaged others. I was genuinely surprised to hear Eurosceptics take off and pronounce that there was a monstrous conspiracy in all the details. I am trying to reassure them that if there was any risk of a conspiracy, it could be laid to one side. I will treat the arguments with every due solemnity.

I am not saying that every Minister in the Department of Energy and Climate Change—although this might apply to them—or the Scotland Office would necessarily find that they could not do anything. It is not like during an election, when they would not be allowed to go into the office or take any decision of any kind, but the proposal could be very wide-embracing indeed. It is all very well for people to dismiss light-heartedly—though perhaps they are not speaking in the same tone as I am—the Prime Minister's warnings that there would be a serious impact on the conduct of business, but I think that that is what would happen.

To repeat the point I made earlier: strict purdah stems from long before the statute was passed. It stems from the rules for a general election, and they are right. Once we get into the campaigning stage of a general election, the Minister is the Minister only if he or she is required to sign something that has to be signed. When an election comes, the party political Minister is prevented from taking any decisions. Nothing can be changed. The civil service goes into its totally non-political mode because the whole point of that election is to decide which political masters are going to return to the Department, so that eventually we again have a Government who are able to act.

What we are discussing is a referendum being held by a Government. It is part of the Government's policy to hold the referendum. The Government have been negotiating a deal as part of their policy on reform to

supplement the arguments in the referendum. The Government will continue to be the Government for the next three or four years and will have to live with the consequences of the referendum, so what is being argued is that these men and women and the civil servants who support them should all switch off for four weeks, stop having an opinion on these issues and, unlike my hon. Friend the Member for Stone and myself, the day after the election pretend that they now agree with the enlightened view of the electorate and that they are going ahead and taking all the decisions on whatever is now the position.

I am sure there is a balance to be struck. I would deplore it if the Government were to spend taxpayers' money on sending out ridiculous pamphlets and so on. That would misfire. I expect the Government to be in favour of a yes vote. I will be campaigning for a yes vote. I do not want the Government to squander taxpayers' money and plainly abusing their position by putting out material that I might not wholly agree with anyway. The electorate would react if it was obvious that the Government were resorting to using the machinery of government for campaigning. But the statute is too severe. I hope we will not all get carried away and that we will allow my right hon. and hon. Friends the chance to come back with a sensible compromise.

Let me move on. I am sure the Whips will be very happy, but I am taking rather longer than I intended. I am attracted by the Opposition amendments, although I am not going to support them, as I shall explain in a moment. The shadow Minister, with unusual naiveté, seems to believe in evidence-based politics. He obviously believes that the more rational information is produced objectively and placed before the public, the more certain one can be that the correct result will be arrived at.

But this is politics. This is the European issue. Nothing of that sort has intruded into the debate on the European Union for the past 30 or 40 years, and it will not do so now. The Government have tried to move in that direction. The Foreign Office carried out the most objective study of the division of powers—the division of competences, in the jargon—[*Interruption.*] Precisely. I hear colleagues behind me shouting out, "Whitewash!", by which they mean that the study came to the wrong conclusion, in their opinion. Evidence-based politics was rejected the moment it emerged. It could not find that the balance of competences, as negotiated by successive Ministers of all political persuasions over the previous 40 years, contained anything that was to the disadvantage of the British public.

The reaction was not to try to challenge any of these arguments with any new facts, but to try to bury the document, which most members of the public were never allowed to hear about. I suspect that it has not been picked up—it is pretty voluminous stuff—by very many Members of this House, let alone people outside, but it is a noble aspiration.

I have one serious reservation about what the right hon. Member for Wolverhampton South East (Mr McFadden) proposes. He suggests that those pre-eminently independent bodies, the Bank of England and the Office for Budget Responsibility, should be, as it were, enjoined by this Bill to produce those reports, which is quite attractive. I have the highest regard for the Bank of England and the Office for Budget Responsibility. We should all vigorously continue to ensure that their independence is maintained in every

[*Mr Kenneth Clarke*]

possible way, but there is a danger of politicising them. The Bank gives its opinions all the time, as most central Banks do, about the outlook for the economy, the latest statistics and the way things are unfolding. Central bank governors become notorious for talking a kind of obscure, slightly ambiguous mandarin language. That is precisely to try to avoid getting themselves immersed, which the Bank and the OBR would do if they seemed to be leaping into something that is a partisan opinion or appears to be a position of strong partisan support for one question or another.

2.45 pm

I am sure, as is the right hon. Gentleman, that if these reports are produced, the people I know in the Bank of England and in the Office for Budget Responsibility would agree with the right hon. Gentleman and me about the implications of leaving the European Union, but my right hon. and hon. Friends would shout, “Counterfeit! Fraud! Political fiddle!” and the damage to the reputation of those two institutions would be fatal. So, tempted though I am to support this rare excursion into trying to have some enlightening information on some of these difficult subjects, I do not think the Bill and the right hon. Gentleman’s amendments will suffice.

Mr McFadden: Briefly, on the issue of the Bank of England, we know that it is preparing such a report anyway. The issue is whether people will see it or not.

Mr Clarke: Precisely. If I were the Governor of the Bank of England—some might say thank the Lord I am not, though it is quite an interesting job—I would not feel I wanted to publish such a document because I would suddenly find myself in the middle of the most emotional political debate going on in the country, and that is not where the Bank of England should be. On that serious ground, I think the amendments are interesting and I hope I discover what the views of the Bank of England are. They will probably be leaked, although central banks should not leak. I do not think we should enjoin the Bank to produce what would inevitably be ferociously controversial documents.

I conclude as I began. I find all these debates a little bewildering. I have not the slightest doubt that the British public will not allow this referendum to be run on any basis other than that of reasonably fair objectivity on both sides, and we should beware of making the mistake of slipping into the Bill rigidities which, if we are not careful, will start causing totally undesirable results when the reality of the referendum takes place.

Hywel Williams (Arfon) (PC): I support amendment 16 and new clauses 3 and 4 in the name of my right hon. Friend the Member for Gordon (Alex Salmond) and other hon. Members.

I hope I can welcome some clarification from the Government later on the question of holding the referendum on the same day as the elections in Scotland and the elections for the Assemblies in Northern Ireland and Wales. An aspect that has not received much attention is that of the effects of the franchise. EU citizens have the right to vote in our general elections in Wales and in Scotland. The Government here in London propose to exclude them from the referendum. If the referendum

and the election were held at the same time, one can picture the spectacle in Northern Ireland, Scotland and Wales when EU citizens turn up to vote, cast a vote and then are cast out. They are being prevented from voting on our future in the EU. That spectacle would cheer the hearts of despots throughout the world, from Moscow to Damascus to Pyongyang.

On the declaration of the results and the so-called quad lock, there are particular EU issues pertaining to Wales. I would say that these are national issues. On Second Reading I referred to the value that we as a multilingual society derive from membership of a multilingual and multicultural European Union. This may not figure as largely elsewhere in the UK as it does in Wales—it is a particular Welsh issue.

Wales is one of the poorest parts of Europe—it is at the same level as some former Soviet bloc countries—and we have derived much benefit from EU regional policy. Again, that is of national significance to Wales. We are also very dependent on EU agricultural support. There are other issues relating to manufacturing and demography, but I will not go into those now. All those factors might or might not decide the result in Wales—I cannot say whether they will—but they are legitimate national interests and should be respected as such.

We have a particular national interest. It might be different from the national interest of our neighbours. As the Government intend, their national interest will trump ours. I think that there are only two ways to go on the respect issue: either to respect or not to respect. The current proposals potentially will not respect, which is why we will support amendment 16.

Mr Jenkin: I will endeavour to be as brief as possible in order to allow other Members to speak. I will speak primarily to amendments (a) and (b) to amendment 11, which stand in my name, but also in support of amendment 11, which stands in the name of my hon. Friend the Member for Stone (Sir William Cash). I thank my right hon. Friends the Minister and the Foreign Secretary for the positive way in which they have engaged with the entire party on these questions. We are grateful for that dialogue. I think that absolutely proves that we are not in some re-run of previous grief. This debate is not even about Europe; it is, in fact, about how to conduct a fair referendum.

I have some experience of referendums, because I set up the “North East Says No” referendum campaign in 2004, which turned around a two-thirds majority in favour of a north-east Assembly into a 4:1 defeat. We operated under the provisions laid down by the Political Parties, Elections and Referendums Act 2000, which worked pretty well. The purdah provisions restricted what the Government did, although they are probably not tough enough. They did not prevent the then Deputy Prime Minister, John Prescott, changing the Government’s policy on what powers that putative Assembly would have only a few days before the postal votes went out. When we rang up the Cabinet Secretary to complain that the Deputy Prime Minister had breached the purdah rules, we were told, “That’s a matter for the Minister, not for me.”

That underlines the argument that the purdah rules are not tough enough, rather than that we should not have them at all, because they prevented civil servants from becoming embroiled in referendum questions, or being

used by Ministers to promulgate the case that the Government wanted them to promulgate, and that is the vital protection. It is principally towards the impartiality of civil servants that I want to address my remarks, particularly given that, I am proud to say, I have been elected unopposed to the Chair of the Public Administration and Constitutional Affairs Committee. I very much hope to persuade my fellow members of the Committee to address some of these issues during this Parliament.

I am disappointed that the Labour party has abandoned the principled position it adopted on *purdah* when it implemented the 2000 Act, which is quite extraordinary. I ran into Jack Straw, the former Foreign Secretary, this morning, and he was thoroughly disappointed to hear that the Labour party was backing off from supporting the constitutional legislation that it had implemented. Those ideas did not just come out of nowhere; they were ideas for a fair referendum that arose from the unfairness of the conduct of the first Welsh referendum, which were addressed by the Neil Committee, which became the Committee on Standards in Public Life—the key is in the name. It was regarded as essential to have a period when the machinery of government cannot be involved in supporting one side or the other in a referendum campaign. The Electoral Commission would like 10 weeks, rather than just four weeks.

There are certain myths about *purdah*. The Government do not grind to a halt during a general election. Ministers even attend meetings of the Council of Ministers during general elections. However, during a general election a Minister cannot use their Department to promulgate information or to brief the press in a manner that is intended to affect the outcome. We want the same to apply in the referendum.

The letter from my right hon. Friend the Minister for Europe, which the right hon. Member for Gordon (Alex Salmond) has now seen, does not actually provide the reassurance that is required. In fact, by explaining what is contemplated, it confirms precisely the opposite. For example, it states that the Government,

“having taken a position on the outcome of our negotiations with the rest of the EU, will naturally be obliged to account to Parliament and the British people.”

There is absolutely no problem about accounting to Parliament in any *purdah* period about any matter at all, because it is privileged. There are no *purdah* rules that apply to anything that any Minister would say on the Floor of the House of Commons.

But are we seriously to believe, as my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) indicated, that civil servants should be used to put out press releases on matters that are being addressed by the referendum question, because that is what he is saying? That is precisely what should not be allowed. The idea that this will prevent Ministers saying anything, and that somehow Ministers will not be able to take part in the referendum campaign, is clearly tosh. I seem to recall the Prime Minister being very vociferous in the run-up to the Scottish independence referendum, right to the last day of the campaign. However, he was unable to use his ministerial car, fly at ministerial expense or use the machinery of government to promulgate the messages he wanted to get across. There might have been a rather frustrating moment when he said, “I want to put out a statement”, and the Cabinet Secretary would have had to tell him, “I’m sorry, Prime Minister,

but you can’t do that now that we are in *purdah*. You will have to do that through the no campaign or through your party.” That is exactly right. What is the point of the expenditure limits for the yes and no campaigns if the Government have 80 special advisers and thousands of press officers able to issue press releases, brief the media and organise media tours for Ministers? That is precisely what should not be available to Ministers during the closing stages of a referendum campaign.

Kate Hoey (Vauxhall) (Lab): I support that amendment, of course. Does the hon. Gentleman agree that it would be even worse if we happened to get to a situation in which the leadership of the two main political parties were campaigning on one side? That is an even more important reason to have a proper *purdah*, if the referendum is to be seen as a free and fair.

Mr Jenkin: It is a simple matter of principle, which is why I think we would be right to press this to a vote if necessary, unless the Government accept our amendment. I really hope that they will, because it would simply put *purdah* back into the Bill, where it should be. I commend my right hon. Friend the Minister for saying that he wants dialogue on what the problem actually is and on how it can be addressed by amending the *purdah* regime, rather than scrapping it altogether and relying on assurances based on advice from civil servants who have clearly got it wrong.

I want to focus in my final remarks on the impartiality of civil servants, because this is really about what they can and cannot do. They must be in a position to protect their impartiality. They must be able to say to a Minister, “No, Minister, we are in *purdah*, so I cannot do that now. You must do that yourself or through some other organisation.” If they are not subject to *purdah*, it is the job of civil servants to support the Government of the day by carrying out the instructions of their Ministers, so they will be obliged to put out press releases, to help Ministers make the case and to use the machinery of government unfairly to support one side or the other.

I draw the Committee’s attention to the report that the Public Administration Committee produced just before the general election, “Lessons for Civil Service impartiality from the Scottish independence referendum”. The report shows that the Scottish Executive abused their position by sending out a rather political White Paper, some parts of which read more like an SNP manifesto than an objective Government document—that is always the danger with Government publications—but at least they did not send it out in the *purdah* period, at the most sensitive moment.

Not only that, but the advice of the permanent secretary at the Treasury, Sir Nicholas Macpherson, on currency unions was published in a completely unprecedented move on the basis that he had to “reassure the markets”. That was his excuse, and I am afraid that we regarded it as only an excuse. Are we to say that Ministers will agree to civil servants publishing their advice during the *purdah* period? Perhaps they might even be instructed to publish their advice during that period.

3 pm

Alex Salmond: The hon. Gentleman makes the point that what Governments do outwith the *purdah* period is quite different from what they can do within that

[Alex Salmond]

period. Is he aware that there was referendum unit in the Treasury, which during the 28-day purdah period was briefing in favour of the no campaign in the referendum? Can that possibly be right? Should not that sort of practice be stopped before an upcoming European campaign?

Mr Jenkin: There is a serious question about whether civil servants should be closely involved in referendum campaigns over a period much longer than 28 days. There is a serious problem for the civil service if it allows such things to happen. That is why one of the main recommendations of our report is the addition of a paragraph to the civil service code to the effect that what applies to civil servants in general elections should apply to them equally in referendums. That would prevent civil servants who are put in difficult positions, and perhaps asked to do things that they know are not in the spirit of the code, from acting in such a way.

The underpinning of the principle of civil service impartiality during a referendum now rests on section 125 of the Political Parties, Elections and Referendums Act 2000. If we do not press the amendment, we consent to the removal of that protection from the Bill. My right hon. Friend the Minister cannot ask us to do that. It is an issue of principle, and he is asking us to accede to completely the wrong principle. As I have said, I believe that he has been given very wrong advice. Far be it from me to speculate about how many Eurosceptics there are among the permanent secretary community, who might want a bit of extra freedom about what they get Ministers to do during a referendum campaign.

I am deeply disappointed that the Labour party has abandoned all its principles, but we know that it is split on the matter. On Second Reading, it was in favour of scrapping purdah. At Prime Minister's questions, it was against scrapping purdah. Last night, Labour Members were going to vote for amendment 11, but today they are no longer going to do so. I think that they are in a bit of a muddle, and I suspect that quite a few pro-EU Labour Members would like to help to rig the referendum in favour of the yes campaign. [Interruption.] I see I have provoked the hon. Member for Rhondda (Chris Bryant). In the interests of brevity, I shall not invite him to intervene.

Unless we insist that the provisions for purdah remain in the Bill, we are acquiescing in the dilution of an important principle.

Mr Geoffrey Cox (Torrige and West Devon) (Con): My hon. Friend has insisted, and I understand this, that any safeguards relating to a purdah period should be in the Bill and should be made clear by statute. As I understand it, the Government's undertaking, by means of the Minister's letter, is to table amendments on Report, which would go into the final Act of Parliament and have legal force. It is not a matter of relying on the assurances of civil servants; it is a matter of law. If that is correct, it may go some way to alleviating the concerns of Government Members.

Mr Jenkin: I am grateful to my hon. Friend for drawing the Committee's attention to that point. We should all be grateful for the fact that the Government have listened, but they are still requesting that we withdraw

the amendment. To do so would be to concede the principle that purdah might not exist in statutory form. The Labour party's amendment on purdah would not actually create purdah; it would require the Government to produce a list of things. What we want in the Bill is purdah. If the Government are not prepared to accept that principle now, on the Floor of the House, I fear that we will have force the amendment to a vote, because it is a matter of principle.

John McDonnell (Hayes and Harlington) (Lab): He is not in his usual place, but may I commend the hon. Member for Stone (Sir William Cash), whose health is fragile today but who has still turned up to fulfil his parliamentary duties? I apologise for the fact that I had to leave the debate for 20 minutes to chair a meeting.

I want to speak about amendments 46 and 47, but before I do so, I will say a few words about purdah. I remember the original legislation going through the House. It came about as a result of concerns expressed about what had happened prior to other elections and referendums. At the time, I thought that a number of lessons had been learned about the need to ensure that purdah existed, so that confidence could be expressed in the outcome of a referendum. For the life of me, I cannot understand why the Government are varying the procedure this time. They have not advanced any consistent argument in which I can have any confidence. When we are dealing with such a controversial matter, why stir up such controversy over such a relatively minor point? I do not understand the Government's motives.

I am minded to support amendment 11. Although the Government have assured us that we will return to the matter on Report, I would like some certainty at this stage, which we might vary on Report. I am quite attracted to the idea of a fairness commission, as proposed in new clause 4. I was a bit anxious when I learned who might be a member of such a commission, but I agree that there needs to be a mechanism for dealing with any unfairness.

I will be brief, because we are running out of time. I have tabled two amendments concerning the Transatlantic Trade and Investment Partnership. Several hon. Members have campaigned doggedly for openness and transparency regarding the negotiations on that proposed partnership between the EU and the US. I accept that it would be out of order for me to go into any detail about that, but the principle is this. For two days in the Chamber, we have debated sovereignty and democratic rights in relation to Scotland and the EU. TTIP may result in Parliament handing over sovereignty and democratic decision making not only to the EU but to transnational corporations and an investor dispute panel of corporate lawyers, meeting in secret. Their decisions could affect regulations governing health and safety, food safety, labour rights and even our recent attempts to achieve some sort of regulation of our finance sector, but we have not had any debate that resulted in a democratic decision of the House. We have had Adjournment debate after Adjournment debate, but there has been no report from Government on the progress of the negotiations. Why? Because the negotiations are held in secret. There was a debate in the European Parliament only last week. When a report was eventually produced, 200 amendments were tabled, and the EU Commission has backed off and delayed the matter.

Kelvin Hopkins (Luton North) (Lab): My hon. Friend is making an excellent speech and bringing TTIP into the argument. Does he agree that if the EU is seen as a vehicle for imposing TTIP on us, that would have a significant bearing on the outcome of the vote? Millions of trade unionists will be fearful of voting in favour of the EU because they may get TTIP with it.

John McDonnell: I thank my hon. Friend for bringing me back into order. That is exactly my point. If we are to have any chance to shape the Prime Minister's negotiations with other European leaders, this is our opportunity. I want to place on the agenda what is happening with TTIP. I want the Prime Minister to address that in his discussions, and when he reports back to the House and the country about the way forward, I want him to detail the achievements he has made, to open up the transparency and openness of those negotiations.

Mr Jim Cunningham (Coventry South) (Lab): My hon. Friend makes an interesting point. In the discussions in Europe in relation to some of the subjects that he has just mentioned, there is also the issue that the Government will negotiate about matters such as wages and terms and conditions, which affect people in this country. We have not had a lot of debate about that, either.

John McDonnell: This debate has allowed us to place some of those issues on the agenda. The major issue with TTIP is that the Prime Minister, until now, has not seen it as particularly relevant or important to give us a direct report on those negotiations, so those negotiations have remained secret. Therefore, the purpose of my amendment, which I will not press to a vote, is to identify it as an issue on which we need a report. That will help to ensure, to echo the point made by my hon. Friend the Member for Luton North (Kelvin Hopkins), that in the referendum, people can make a decision based on the consequences of further European membership for the concrete aspects of the treaty that will affect their lives. My hon. Friend the Member for Coventry South (Mr Cunningham) made exactly that point. This will affect labour rights, including working conditions, health and safety, and wage levels.

In addition, TTIP could affect the ability of a sovereign Government of this country to make a decision on policy. I give just one example that we have debated in the past. I want to ensure that there is no further privatisation and that some services that have been privatised are brought back into public ownership—for example, the railways. If TTIP goes through, a sovereign Government could be prevented from implementing those policies. I want the Prime Minister to go to Europe and say, with regard to TTIP, “On the issue of the referendum I want to ensure that we maintain the sovereign right of this Chamber to take a decision that its Government can then implement without undue interference from transnational corporations who can then head off to arbitration panels meeting in secret.”

James Cartledge (South Suffolk) (Con): I accept the hon. Gentleman's point about sovereignty—many hon. Members are concerned about that—but surely one of the biggest challenges facing Europe at the moment is youth unemployment, which in Spain has only just gone below 50%, and which would be reduced if transatlantic trade volumes increased?

John McDonnell: I do not want to take up any further time, but that is an excellent point. That is why, in most of the assessments undertaken to date, we have looked at job losses rather than job increases.

Amendments 46 and 47 simply say that before we come to the decision on the European referendum the Government must publish a report on TTIP and its processes. The OBR should look at the economic aspects, but Government overall should consider all other aspects of policy. We need to receive information about the implications of this treaty and the European role in it, and whether, therefore, we would want to remain within the European Union as a result.

I do not wish to press the amendments, but I do think we need a serious debate about the agenda that the Prime Minister is to construct for the negotiations prior to the referendum.

Mr Grieve: It is a pleasure to participate briefly in this debate. I want to direct my remarks towards amendment 11, tabled by my hon. Friend the Member for Stone (Sir William Cash).

My right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) and I probably agree on two main points: first, that neither of us has yet seen a convincing case made for pulling out of the EU; and secondly, our shared and gentle cynicism about the amount of froth and hyperbole that is generated in this Chamber. That said, I must politely disagree with his approach to what this Bill does with regard to section 125 of the Political Parties, Elections and Referendums Act 2000. I served on the Committee that considered the Bill that became that Act, and there was a lot of anxiety about the capacity for referendums to be manipulated. Doubtless there was quite a lot of hyperbole in the Committee as well. We argued for a 10-week period of *purdah*, as opposed to 28 days, because that was what the Electoral Commission was suggesting and what the Neill Committee had proposed. Nevertheless, we ended up with 28 days, and I have seen nothing in the period since to make me think that the system does not work, broadly speaking, perfectly well. I am sure there will sometimes be complaints that the rules are being infringed and we ought to try to improve on that, but when all is said and done, the system seems to have worked remarkably well.

I confess that I was therefore rather surprised, when I looked at the Bill we have before us, to find that section 125 had been arbitrarily deleted without any real explanation being provided whatsoever. A justification for that deletion has not been made. I anticipate that my right hon. Friend the Minister will shortly tell us that the Government will go away and review the matter, and I will be very pleased to hear that. I have to say, however—I hope he will forgive me for doing so—that that is a reflection of the rather strange and cack-handed way in which, from time to time, the Government seem to behave when approaching legislation. Either they think that all my right hon. and hon. Friends who feel very exercised about this are going to miss this deletion, or it is an open invitation for discord that takes up quite a lot of the time of this House.

In my view, section 125 could properly have been left in, and the better course of action would have been for my right hon. Friends on the Front Bench to come up with an amendment of some kind if they really thought

[*Mr Grieve*]

there was going to be a major problem during the purdah period in the run-up to the referendum. It is very important that when this referendum is over, the people who participated in it are able to say that it was fairly conducted, provided that reassurance does not come at great cost.

3.15 pm

It seems to me that the Government have got themselves in a bit of a hole. They have come up with a deletion and now there appears to be something of a stand-off. I have enough confidence in my right hon. Friend the Minister to accept the words in a letter of a cast-iron assurance—which I hope I shall hear repeated shortly at the Dispatch Box—that the Government will go away and reconsider the matter, and come up with a proper amendment on Report.

Mr Baker: As a Buckinghamshire colleague of my right hon. Friend the Minister, I have great admiration and fellow-feeling for him. We were at Superhero Beaveree in Chalfont St Peter only on Saturday doing mirror mazes together, and he is a lovely man. However, I do not want to base my life in society on the assurances of a particular individual; I want to base it on the law. I would like the Government to accept amendment 11, change the law and come back with specific points that address the problems that have been raised.

Mr Grieve: I appreciate my hon. Friend's point. Governments, like the world, move in mysterious ways. If I may gently coax the Government back to the path of righteousness, as I think we are probably succeeding in doing, I, for one, will be broadly content.

On hearing assurances from my right hon. Friend the Minister that the Government will reconsider this and return on Report with a proper amendment, I will be quite prepared to continue to give them my confidence in this matter. However, if the Government were to be using this as a device to come back whenever Report takes place and try to wriggle out of this obligation again, I would regard that as a rather infamous thing to do, and I am afraid I would not be in a position to support them at all on this matter.

Mr Jenkin: Does my right hon. and learned Friend agree that there requires to be statutory protection and a code of conduct would not be good enough?

Mr Grieve: My hon. Friend makes a very important point. Certainly, I would be much happier to see the return of section 125 and the introduction of some one-off qualifications for the purpose of this particular referendum. That would be the ideal, because it would preserve the principle of section 125. That would be better than coming back with a set of regulations. I have read the letter. It has a whole series of assurances, but that is not a proper way in which referendums should be conducted. The problem historically—not necessarily in this country—is that referendums have been systematically abused, with many assurances being given. That why this House should, on this matter, fix the Government with a clear responsibility to come up with a legal framework. I see my right hon. Friend the Minister nodding.

Mrs Main: Does my right hon. and learned Friend agree that, on principle, it is best to leave it in and come up with amendments in September rather than remove it and then reinstate it in some amended form?

Mr Grieve: Yes, but my experience in this House is that it is quite frequent in Committee for a Bill to be criticised, for the Government to give assurances that they will remedy it, and for hon. Members to accept those assurances. That is why I have no difficulty in proceeding along the usual established route.

I look forward to hearing from my right hon. Friend the Minister a proper response from the Government. On that basis, I would like to allow others the chance to speak.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): I rise to support amendment 16. I also take this opportunity to pay tribute to the excellent maiden speeches we heard from the hon. Members for Morley and Outwood (Andrea Jenkyns) and for Hampstead and Kilburn (Tulip Siddiq). It is great to see members of the black and minority ethnic community participating in the politics of this country.

The Scottish National party values Scotland's positive relationship with the European Union and the social and economic benefits that it brings to Scotland, so we will continue to make the case for Scotland's membership, in this Chamber and beyond. I welcome the sign that this Government are possibly listening to the views of SNP Members and to the position of the devolved Governments and assemblies across these nations. I hope that the Government's exercise in reflection will continue throughout discussions and decisions taken on this Bill and, indeed, beyond.

Given that the Government have decided to accept that they should treat all parts of the UK with some respect, at least in relation to the Bill, I encourage them now to step fully into the light. Timing is not the only issue that unites opinion across the constituent parts of the UK. We believe that if the UK is to leave the EU, a majority not just across the whole UK but in each of the four nations—a double majority—should be required, to safeguard the future prosperity of Scotland and prevent it from being taken out of the EU against the will of its people.

It would make no sense to take such a fundamental and damaging decision without a democratic safeguard that respected the decision of voters in England, Scotland, Wales and Northern Ireland. If Scotland were dragged out of the EU after it voted to stay in, that would clearly not only cause catastrophic damage to our economy but have major constitutional implications. That view is also supported by the Welsh First Minister. Earlier this month, he joined the First Minister of Scotland in signing a statement declaring:

“Any decision to leave the EU, taken against the wishes of the people of Wales or Scotland, would be unacceptable and steps must be taken to ensure this does not happen.”

We agree, and look forward to the support of Welsh colleagues in the Lobby today.

This week has also seen debate on the Scotland Bill. Although my colleagues and I will continue relentlessly to argue for maximum powers to be transferred to the Scottish Parliament so that we can build a better, stronger and fairer society, I take the Government's view at face value when they say they want to make the Scottish

Parliament one of the most powerful devolved Parliaments in the world. If they are serious, they should accept the amendments that mirror the approach taken in some federal states such as Canada and Australia, which require a similar sort of territorial requirement on such issues. My right hon. Friend the Member for Gordon (Alex Salmond) also alluded to the USA in that context.

Mike Wood *rose*—

Ms Ahmed-Sheikh: I will not give way, as I do not have much time. I apologise.

In the days before Scotland's independence referendum last year, the Prime Minister called the UK a "family of nations". If he means what he says, and if the Government back him, surely all members of the family should have a voice of their own. During the referendum, we were invited to lead the UK, not leave it.

Let me be clear. I welcome the constructive and positive moves—alternatively referred to as a "cave in"—from the Government to rule out holding the referendum on the same date as the Holyrood elections next year. I am heartened that they are listening and acting, in this instance, to support Scotland's best interests in relation to the timing of the vote. But that must be the start of the listening exercise, not the end. The House should pay careful heed.

If Scotland were to be taken out of Europe, despite voting as a nation to remain in it, that would inevitably provoke a strong reaction among ordinary voters in Scotland against the settlement that we agreed last September. The safeguards that we propose could avoid that outcome. We urge the Committee House to support our amendments and I commend them to the Committee.

The Minister for Europe (Mr David Lidington): I start by congratulating the hon. Member for Hampstead and Kilburn (Tulip Siddiq) and my hon. Friend the Member for Morley and Outwood (Andrea Jenkyns), who made maiden speeches in this afternoon's debate. Both spoke with warmth and conviction. The House looks forward to hearing from both hon. Ladies many times during their parliamentary careers.

The amendments that we are debating cover a wide range of issues. The House will expect me to spend most of my time addressing the arguments about the proposal to disapply section 125 of the Political Parties, Elections and Referendums Act 2000. However, I will start by addressing amendment 16, moved by the right hon. Member for Gordon (Alex Salmond). I was not surprised that he and his party should have moved such an amendment or that they had the support of Plaid Cymru in so doing, but I doubt whether the right hon. Gentleman will be shocked when I say that the Government do not intend to accept it.

Amendment 16 does not make sense in the context of the Bill. The legislation is about holding a vote; it makes no provision for what follows. The referendum is advisory, as was the case for both the 1975 referendum on Europe and the Scottish independence vote last year. In neither of those cases was there a threshold for the interpretation of the result. The Government take the view that, in respect of EU membership, we are one United Kingdom. The referendum will be on the subject of the United Kingdom's membership of the European Union and it is therefore right that there should be one referendum and one result. I hope that the right hon. Gentleman will choose not to press his amendment.

I say briefly to the hon. Member for Ilford South (Mike Gapes), who spoke to amendments 49 and 50, that the timing of the referendum should, subject to the deadline at the end of 2017, depend on the progress of negotiations at European level. I do not think that the inflexibility introduced by his amendments would be helpful in that process.

The right hon. Member for Wolverhampton South East (Mr McFadden), who spoke to amendments 4, 5 and 6, was right to say that the British public will expect information to be provided about the consequences of the UK's leaving the European Union. For the most part, that will clearly be the job of the designated campaign organisations for the two camps during the campaign. However, at the end of a period of renegotiation, the Government will obviously want to set out their conclusions and reasons for the recommendation that the Prime Minister and the Government will make at that point. In the past I have mentioned that that could be done through a White Paper or some other such communication. It would not be right for specific requirements to be set out, especially at this early stage even in the negotiation process, about what the Government would be obliged to publish at a given time ahead of the referendum. Neither is it necessary to define in statute responsibilities on the Bank of England or the Office for Budget Responsibility. As has been said by others during this debate, they are independent entities, and ultimately it is for them to decide whether and how to express their views to a wider public.

I move on to section 125 of the Political Parties, Elections and Referendums Act 2000. In response to my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve), I highlight to the House the fact that schedule 1 provides for a disapplication of section 125 in relation to this referendum and no other. The underlying statutory framework would continue unless Parliament decided that it wanted to have a similar provision for disapplication for any future referendum.

Dr Andrew Murrison (South West Wiltshire) (Con): Will the Minister give way?

Mr Lidington: Yes, but I do want to respond on the detail.

Dr Murrison: Many Conservative Members will trust these Front Benchers and I accept his remarks about section 125, but does my right hon. Friend not accept that a precedent would be set and that many of us would be worried in case, under different Governments, referendums were not conducted on the fair basis that he and I both want?

Mr Lidington: I want to explain to the House why section 125 causes some real difficulties. We should not be under any illusions about the starting point. It is not at all the same as the *purdah* guidance that is published by central Government at election time. The *purdah* traditions for both national and local elections rest on convention. With section 125, we are talking about a very wide-ranging statutory prohibition on Government activity. In the words of the section, public bodies are banned from publishing material that

"deals with any of the issues raised by any question on which such a referendum is being held",

[Mr Lidington]

as well as general information, putting arguments or even setting out the competing arguments, and encouraging people to take part in the referendum. The definition of publication in the section is very broadly phrased: the word “publish” is defined as making material

“available to the public at large, or any section of the public, in whatever form and by whatever means”.

Under section 125, there is a very wide-ranging ban on what the Government can do.

3.30 pm

John Cryer (Leyton and Wanstead) (Lab): Will the Minister give way?

Mr Lidington: I will not give way, if the hon. Gentleman will forgive me. I have about eight or nine minutes, and I want to respond to the debate.

That ban would clearly cover printed material and some electronic communications, although it is fair to say that when PPERA was drafted we were not in an age of social media and interactive digital technology—Twitter, Facebook and other such accounts—and there is a serious question about what would be captured by the phrasing of section 125 as it stands.

Section 125 would be unworkable because the world and normal EU business will not stop for the referendum. Let me take the example of the very active public debate about migration, particularly at the moment from north Africa, but also about what is happening at Calais. It should be common ground that when we get to the referendum campaign, questions to do with migration, freedom of movement and the accessibility of welfare will form part of the debate. During the four weeks, section 125 would prevent the Government or any public body from making any comment not necessarily on the referendum question but on an issue that might be discussed in the Council of Ministers meeting or in response to a European Court of Justice judgment. The Government need to be free to respond in the national interest and to conduct ordinary day-to-day EU business, and that freedom would not be permitted if we left section 125 as it stands.

John Cryer: Will the Minister give way?

Mr Jenkin: Will my right hon. Friend give way?

Mr Lidington: I will give way to my hon. Friend.

Mr Jenkin: I just want to place on the record the fact that I really do challenge that interpretation of the section. My right hon. Friend says that he has counsel’s opinion: let him lay it before the House, or we will obtain counsel’s opinion of our own.

Mr Lidington: My hon. Friend is obviously free to take legal opinion of his own, but if he looks again at the wording of section 125 and applies it to the conduct of EU business, he will find that there would be very serious problems in carrying out day-to-day business in the national interest at EU level if the section is left untouched.

We believe that applying the section would be inappropriate because the referendum is taking place as the result of a clear manifesto commitment to negotiate the terms of the UK’s relationship with the European Union and to put them to people in a referendum. Section 125 could make it impossible to explain to the public what the outcome of the renegotiation was and what the Government’s view of that result was.

The Government must be able, and legitimately should be able, to offer their views, including up to the day of the referendum. However, as I have said, the Government are not a campaign: it is not the Government’s job to supplant the role of the lead campaign organisations during the referendum campaign, and it is certainly not our intention to act in that way. We recognise and understand the strength of feeling that exists on this issue, and I am grateful for the constructive and courteous tone in which the debate has been conducted both this afternoon and in private conversations outside the Chamber.

Mr Rees-Mogg: My right hon. Friend said that the Government may not be able to give their view on the outcomes of the renegotiation. Surely that cannot be true. It cannot be the case that the renegotiation will only be finished within the purdah period.

Mr Lidington: What I am saying is that the Government will need to be able to say why they have come to the conclusion and recommendation that they have reached.

As the Foreign Secretary said and as I repeated on Second Reading last week, the Government will exercise restraint during that period. We have listened to what colleagues in all parts of the House have said and are therefore committing ourselves to table amendments on Report to write into the Bill measures that will provide reassurance on that point. I accept completely the point made by my hon. Friend the Member for North East Somerset (Mr Rees-Mogg) and my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) that it is vital that the British public and both sides in the referendum debate accept that the referendum is being conducted fairly and therefore feel able to accept the result.

James Cleverly (Braintree) (Con): I have had concerns about the implications of the complete removal of section 125. Does my right hon. Friend recognise that the sustainability of the result of the referendum, whatever it may be, will depend on whether the public has confidence in it, and that the assurances that we have all received from the Foreign Secretary and from him today must be delivered in full?

Mr Lidington: I completely understand that concern. I repeat that we will not ask the House to rely only on the words of Ministers from the Dispatch Box. We have made a commitment to introduce into the Bill changes that give expression to the assurances that we have given.

Alex Salmond: On a point of order, Sir Roger. Some of my hon. Friends were asked, in courtesy to the Committee, to shorten their speeches so that the Minister would get to speak. Is the Minister not going to extend the same courtesy to those who should be summing up on the amendment? If that does not happen, there will be other occasions when the Minister can be talked out.

The Temporary Chair (Sir Roger Gale): That is not strictly a point of order for the Chair. The Minister knows whether to sit down or not.

Mr Lidington: We will ensure that there is a clear mechanism so that in the four weeks before polling day, the Government will not undertake a range of activities that most would regard as the province of the campaign, such as issuing mailshots, running commercial advertising campaigns and emailing voters in one way or another.

There are various ways in which that might be done. Some colleagues have talked about a code of conduct. The Opposition have tabled a constructive amendment, which we welcome, but there are some technical problems with it, not least how the Government could anticipate what might be published by all public bodies, which is required by the text of amendment 54. As an alternative to a code of conduct, we could include provisions in the Bill that would restrict Government activity to particular named forms of publication or prohibit the Government from taking part in specific forms of communication.

We will not programme the Report stage until the autumn, which provides ample time for Ministers to consult parliamentary colleagues in all parts of the House to understand their concerns and views more closely, and to frame a set of amendments that will command the widest possible consensus in the House on Report. That is probably the best way to ensure that the referendum is conducted on a basis that everybody believes to be fair.

We have always been clear that it is not our intention that the Government should be a lead campaigner in the referendum. It is right that the Committee should seek reassurance from us on that point. We are happy to bring forward the amendments that I have described and, in the meantime, to discuss proposals with hon. Members in all parts of the House. However, I believe that section 125 of the 2000 Act is deficient for these purposes and urge right hon. and hon. Members not to press the amendments that would impose the provisions of that section on the referendum.

3.39 pm

Three hours having elapsed since the commencement of proceedings, the debate was interrupted (Programme Order, 9 June).

The Chair put forthwith the Question already proposed from the Chair (Standing Order No. 83D), That the amendment be made.

Question accordingly negatived.

The Chair then put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83D).

Amendment made: 55, in clause 1, page 1, line 8, at end insert—

“and must not be 5 May 2016”.—(*Mr Lidington.*)

This amendment prevents the Secretary of State from appointing 5 May 2016 as the day on which the referendum is to be held.

Clause 1, as amended, ordered to stand part of the Bill.

Clause 3

FURTHER PROVISION ABOUT THE REFERENDUM

Question proposed, That the clause stand part of the Bill.

The Temporary Chair (Sir Roger Gale): With this it will be convenient to take the following:

Amendment 9, in schedule 1, page 6, line 6, after second “period”, insert—
“of not less than 16 weeks”.

The purpose of the amendment is to ensure that the referendum period lasts for at least 16 weeks.

Amendment 20, page 6, leave out lines 23 and 24.

Amendment 28, page 6, leave out lines 23 to 31.

Amendment 24, page 6, leave out lines 25 to 31.

Amendment 53, page 6, line 33, at end add—

“(ix) the total number of permitted participants shall be limited to a number specified by the Electoral Commission to ensure broad equality of resources between those campaigning for each of the outcomes of the referendum and those taken into account for the purposes of this provision will be the first persons to give notice under section 106(1) of the 2000 Act.”.

The amendment would require the Electoral Commission to ensure that during the referendum campaign, the total spend of the campaign on either side of the referendum would be broadly equal by limiting the number of participants, taking into account moneys spent by business, government, the European Commission and the campaigns themselves.

Amendment 32, page 6, line 33, at end add—

“() Nothing in this Schedule alters the law governing charitable organisations in any part of the United Kingdom to confer an entitlement to participate in a referendum which would not have been possible prior to the coming into force of this Schedule.”.

Amendment 29, page 7, line 5, leave out “any of sub-paragraphs (v) to (viii)” and insert “sub-paragraph (v)”.

Amendment 22, page 7, leave out lines 16 to 19.

Amendment 30, page 7, leave out lines 16 to 23.

Amendment 26, page 7, leave out lines 20 to 23.

Government amendment 14.

Amendment 33, page 12, leave out lines 18 and 19.

Amendment 41, page 12, leave out lines 18 to 25.

Amendment 37, page 12, leave out lines 20 to 25.

Amendment 10, page 12, line 38, at end insert—

“(6) For the purposes of paragraph 6 of Schedule 15 of the 2000 Act a permitted participant must not accept a relevant donation, irrespective of whether or not it meets the requirements of the 2000 Act and this Act, if the donation is funded directly or indirectly in whole or part from moneys, resources or support disbursed or allocated by or at the direction of the European Commission, its agencies or any related European institution to the donor or via other parties to the donor.”.

The purpose of the amendment is to ensure that no funds or support provided directly or indirectly by European Union bodies have a bearing on the outcome of the referendum.

Amendment 45, page 12, line 38, at end add—

“() Nothing in this Schedule alters the law governing charitable organisations in any part of the United Kingdom to confer an entitlement to make a donation during a referendum which would not have been permissible prior to the coming into force of this Schedule.”.

Amendment 42, page 13, line 6, leave out “any of the paragraphs (c) to (f)” and insert “paragraph (c)”.

Amendment 43, page 13, line 10, leave out “any of the paragraphs (c) to (f)” and insert “paragraph (c)”.

Amendment 36, page 13, leave out lines 12 to 16.

Amendment 44, page 13, leave out lines 12 to 22.

Amendment 40, page 13, leave out lines 17 to 20.

[Sir Roger Gale]

Government amendment 15.

That schedule 1 be the First schedule to the Bill.

That schedule 2 be the Second schedule to the Bill.

That schedule 3 be the Third schedule to the Bill.

Mr McFadden: On a point of order, Sir Roger. I seek your guidance. The Committee has just agreed to Government amendment 55, which states that the referendum will not take place on the same day as elections in May of next year, but other amendments that we did not get the chance to discuss fully this afternoon also deal with the date of the referendum, including amendment 3, which is in my name and those of my right hon. and hon. Friends. Can you give the Committee any guidance on whether there will be time to debate those further amendments on Thursday?

The Temporary Chair (Sir Roger Gale): If the right hon. Gentleman is referring to amendments 3 and 7—I think he is—it will be a matter for the Chairman of Ways and Means to consider them for debate on Thursday. I think the answer to the right hon. Gentleman's question is yes, there is the opportunity, or there is likely to be the opportunity, for debate.

Alex Salmond: Further to that point of order, Sir Roger. Does the same apply to amendment 17, which is also in that category? We would not want to lose any opportunity to debate further the extent of the Government's humiliating climbdown and acceptance that they should show courtesy to the people of Scotland.

The Temporary Chair: The answer to the right hon. Gentleman's question is no, because that was not debated under the group.

Mr Baker: On a point of order, Sir Roger. Many colleagues were expecting a Division on amendment 11. May I ask your guidance on when we can expect that vote?

The Temporary Chair: Amendment 11 comes later in the proceedings. Whether or not that is the subject of a Division will be a matter for whoever is in the Chair later in the day. My expectation is that there will be a Division, but that is a matter for the Chairman at the time.

Sir William Cash: My view about the clause is that we have managed to have a wide-ranging debate. In the interests of brevity, I do not think much needs to be said on the subject. We really ought to get on to other matters, including the question of European Union financing. I have no further comments to make on clause stand part.

Sir Edward Leigh *rose*—

The Temporary Chair: Order. I am at the disposal of the Committee and looking for hon. Members to speak, but there appears to be no one but Sir Edward Leigh.

Sir Edward Leigh: Is it appropriate that I speak to my amendment 53, Sir Roger?

The Temporary Chair *indicated assent.*

Sir Edward Leigh: Amendment 53 would state that “the total number of permitted participants shall be limited to a number specified by the Electoral Commission to ensure broad equality of resources between those campaigning for each of the outcomes of the referendum”.

I refer the Committee to the Member's explanatory statement, which states:

“The amendment would require the Electoral Commission to ensure that during the referendum campaign, the total spend of the campaign”—[*Interruption.*]

The Temporary Chair: Order. Will Members leaving the Chamber please do so quietly? There are people who wish to hear the debate.

Sir Edward Leigh: I was just referring to the explanatory statement. It is very helpful that the Public Bill Office now publishes explanatory statements, as it makes it much easier for us to understand amendments.

3.45 pm

Amendment 53 would require the Electoral Commission to ensure that the total spend by either side during the referendum campaign was broadly equal by limiting the number of participants, taking into account money spent by business, government, the European Commission and the campaigns themselves. My amendment—I am prepared to take advice from the Government if it is defective in any way—would ensure broad equality of spending, which is surely what we all want.

The current regulatory regime on referendums is provided by the Political Parties, Elections and Referendums Act 2000. The grant of public money to a designated organisation cannot exceed £600,000 and the grant of public money to both sides must be of equal amount. The yes and no campaigns can therefore spend about £500,000 each. That is perfectly fair and we all understand that. However, on top of that limit, extra funding is permitted to political parties based on their share of the vote at the last parliamentary election. That means the Conservative party will be allowed to spend £5 million, the Labour party £4 million, the UK Independence party £3 million and the Liberal Democrats £2 million. The Scottish National party will also have pro rata expenditure.

The current presumption—we must assume this will happen—is that the leaderships of the Conservative party, the Labour party, the SNP and the Liberal Democrats will be in the yes camp. Labour is keeping its options open, but we know it is pretty well committed to being in the yes camp with the SNP and the Liberals. It is also a pretty fair presumption that the Conservative party will be there as well. My problem—this is a really serious issue that needs to be addressed by the House—is that the official yes campaign could have a funding pot of up to £17 million, as opposed to a limit of £8 million for the no camp. That is a huge difference in resources and could well affect the outcome. Even if that does not affect the outcome, it will lead people to feel that this will not be a fair campaign. On top of those amounts, any registered participant will be allowed to spend £500,000. The total spending cap comes to £25 million overall.

Mr Chope: Do the figures my hon. Friend is referring to include Government expenditure? The Minister, responding to the debate on the previous group of amendments, said the Government should not be a lead campaigner in a referendum, thereby implying that it will be a campaigner and spend Government resources. Are Government resources restricted in any way?

Sir Edward Leigh: That is why this debate is important. When the Minister replies, we want further and better particulars. We really want to know whether Government expenditure will be a part of this. The Government have enormous resources through all the Government Departments and it would be unfair if there was a mismatch in total spend for both sides of the argument. The yes campaign in 1975 spent the equivalent in today's money of £11 million, compared to £1 million by the no side. The no side in 1975 were outspent 10 to 1, and that simply cannot be fair. Such things may have been more accepted in those more forgiving days, but I do not think they would be accepted now when there is widespread disillusion about politics and a widespread feeling, which may be unfair and I know the Government want to act in an entirely honourable way, that the result could be fixed by the political establishment. The political establishment, encompassed by all the leading political parties except UKIP, big business and the European Commission, could have a massive and decisive preponderance of spending.

The 2000 Act provides for an entirely different regulation to what existed in 1975. It still looks far more likely that one side will have much higher spending limits than the other, which is inimical to our sense of democratic fair play. It is possible that the voters will be—or could feel, which is just as important—overwhelmed by spending on one side. Spending caps in constituency elections are basically equal. I know this is a UK-wide referendum, but that actually makes it more important, because there is huge interest both within and outside the country. The coverage in the European press is massive and will only get greater, and the European Commission and foreign Governments are very exercised about it. It is incumbent on the Minister to tell us what he plans to do about it and how he will address the problem I have articulated. If I am wrong, I am happy to listen to the Government and to be reassured, but they have to reassure the Committee.

Aside from the inherent inequality, there are deeper concerns about the potential effects. Let us consider the results of the Scottish referendum and the following general election: one side can win a referendum, but afterwards, if people feel the arguments were not entirely fair, there can be a massive shift of opinion. If a yes result is secured through massive overspend, there is a danger—dare I say it?—of a UKIP backlash, just as we have seen an SNP backlash, and this tidal wave can overwhelm people. It is essential, therefore, that there is a feeling of fairness. We need an open debate in which both sides are funded broadly the same and can put their arguments. If the yes campaign wins by the force of its arguments, I, as a democrat, would be the first to accept that it won fair and square, but there has to be a feeling of fairness.

Stephen Gethins: The hon. Gentleman talks about an SNP backlash, but by the time of the independence referendum the SNP had been in power in Scotland for seven years.

Sir Edward Leigh: I do not want us to repeat yesterday's debate, but we all know that there was a shift in public opinion following the Scottish referendum, so we have to be careful.

The UK is lucky not to suffer from the money-infused politics of the United States, where power goes to the highest bidder or spender. As we all know, it is virtually impossible to have a serious intention of becoming President without access to millions of pounds of spending or unless your name is Bush or Clinton. We do not want to replicate that situation here. British voters are very resistant to such a culture. We have been brought up in our constituencies knowing there is fairness and that all sides roughly spend the same.

Sir William Cash: Has my hon. Friend noticed my own amendment about restricting the money that will surely come from the EU and European Commission? They are described by the Electoral Commission as foreign sources, but they are not. Are they not actually part and parcel of what applies to us under the European Communities Act 1972?

Sir Edward Leigh: It would be ironic if the European Commission were a major player—but actually why should it not be? It is entitled to its point of view and to put its case. It has massive resources, however, to which we have contributed greatly, as my hon. Friend says. Nobody minds the Commission having a point of view, but we know what it will be, and we do not want its spending to come on top of all the rest, as it would create a sense of unfairness.

The official yes side in the AV referendum spent £3,436,000, and the official no side spent £2,595,000, so although the no side was outspent, spending was broadly not too dissimilar and fairly low, and voters still rejected the proposal. That is fair enough. Although the yes side spent a bit more, the arguments were well put. We all understood the arguments and there was broad acceptance of the result. There was no backlash and people felt the whole thing was fair, and in any event the result was clear: two thirds voted no.

Now, let us consider other referendums that I do not think have been conducted as fairly as our AV referendum. In 2008, voters in Ireland rejected the Lisbon treaty, only effectively to be told they must vote again, until the “correct result” could be obtained. The behaviour of the pro-EU side in the subsequent 2009 referendum campaign has resulted in several legal challenges in Ireland. One campaigning group even offered Irish citizens resident on the continent free Ryanair flights home, provided they canvassed for a yes vote. Before Lisbon, Irish voters also rejected the treaty of Nice in a 2001 referendum, but the Government pushed through a law on the last day before the Irish Parliament broke up for Christmas to remove the responsibility of the Referendum Commission to ensure that voters were informed of arguments on both sides in a balanced way. There is a great deal of unhappiness about that in Ireland. I should have thought that the yes campaigners could have won anyway.

We want to ensure that when it comes to our own referendum it is clear to everyone that there has been fairness. In the case of other EU referendums, when the stakes have been incredibly high and when it has been possible for huge amounts of money to be spent, there

[*Sir Edward Leigh*]

have been allegations of dirty tricks. We do not want that to happen in our own country. Our Government must show that they will insist on a free, fair, balanced and clean referendum, with equitable arrangements for all sides. As we know, a large proportion of the populace is already somewhat disengaged from and disenchanted with politics, and allowing such an overspend by one side would only deepen those feelings. It would reinforce the idea that the deck is stacked and the game is rigged.

Members in all parts of the House are profoundly aware of how difficult it can be to engage ordinary people in the political process. Too often, we meet with responses such as “What is the point?”, “It will not change anything”, “It is all fixed anyway”, and “If voting changed anything, they would abolish it.” We reject that, as politicians and as people who value debate in the House of Commons. We want the referendum to be fair. However, the mindset of many people out there must be acknowledged and challenged.

Public confidence in our parliamentary democracy is a matter of grave concern, and this referendum is a crucial turning point. The very fact that it is taking place is testimony to the Prime Minister’s having kept his word, and that has meant a great deal in the context of restoring confidence in the whole EU debate and in our democracy. As I have said several times, and as everyone knows, no one under the age of 55 has yet had a chance to vote yes or no in a referendum such as this. There is now a great opportunity for a really good debate, and for both sides to be given broadly equal funding to enable them to put their arguments.

Finally, let me say to the Minister that more needs to be done. The Government need to ensure that this problem is addressed.

Stephen Gethins: As the Members will know, my party has some experience of referendums. I assure Members in all parts of the House that SNP Members will act constructively when it comes to this referendum—if it goes ahead—and that, like the hon. Member for Gainsborough (*Sir Edward Leigh*), we want to see a fair referendum.

It must be said that we were not originally in favour of the referendum. It was not in our manifesto, and, given that—as Members will know—we won the election in Scotland, we think that we have a mandate to bring that manifesto to the House. We also think that there has been no significant change in the position. I struggle to see where the Prime Minister is gaining any of the friends whom he will need to gain if he is to see the concessions he wants. He seems to be going about things in a way that is losing him friends and influence throughout Europe.

However, if—as appears increasingly likely—the EU referendum is indeed to go ahead, we want it to meet the gold standard that was set by the Scottish independence referendum, which featured a level of democratic activity that Members in all parts of the House will have welcomed. The turnout of between 85% and 86% was far higher than any election turnout in recent times, and the public became involved in the democratic process to an extent that we had not seen before. Our wish for public involvement was one of our reasons for wanting 16 and 17-year-olds to vote in the referendum, and 75% of them took the opportunity to do so.

The Scottish referendum was notable for the diversity of the campaigning groups—with many of which my hon. Friends were involved—and the huge upsurge in democratic involvement. All of us, in all parts of the House, think a great deal about how we can involve young people more often, and how we can ensure that more groups are involved in the democratic process. Regardless of whether people voted yes or no in that referendum—I know that Members of this House campaigned on both sides—I think it valuable for us to draw lessons from a robust experience of democracy that won plaudits throughout the world. None of us should ever lose sight of that, and all of us should take some pride in it.

We will support any amendments that provide for a fair playing field and a positive campaign. What turns people off—as we saw in the independence referendum campaign—is negative campaigning and scaremongering. Members in various parties will be well aware of that. We want to talk about the benefits of Europe. The Prime Minister talks about powers that may need to be returned and we all talk about areas in need of reform, but why do we not have a positive debate about where we can have more Europe and more engagement with the EU? I am talking about areas like security issues and the challenges we face in the Mediterranean and a resurgent Russia and the problems in Ukraine at present.

4 pm

We also want to see greater social Europe. After all, people went over to Europe to campaign for a living wage. That is another area we could look at, as is climate change. No state can tackle climate change on its own, so why do we not look for more powers for Europe to tackle it?

So, yes, we will talk about, and engage in, reform in this debate, but reform should be a two-way process. It should be about more powers for Europe as well as fewer.

We want to play a constructive role. Even though we were against the referendum—we have made that clear—and we voted against it, we are willing to draw on our experiences in the independence referendum, where the Government are willing to listen, and to pass on what we learned from a very positive referendum role model.

The right hon. and learned Member for Rushcliffe (*Mr Clarke*) said earlier that the referendum must be fair, and described procedural issues as footnotes. That is one area on which we will disagree. SNP Members have some experience of *purdah* periods during referendums, and we would very much like *purdah* to be followed and we want it to be respected. We do not want to see any vows being thrown up in the days before the referendum process.

Scotland has shown that a referendum provides a democratic opportunity. We do not think this referendum as it stands meets the gold standard set by the Scottish independence referendum. However, we are willing to work with Members across the House to make sure it does, and I hope they will accept some of our amendments.

Mr Jenkin: I rise briefly in connection with some amendments standing in my name, such as amendments 32, 29, 22, 30 and 26, relating to provisions in the Bill that struck me as very strange to begin with. They seemed to

envisage that royal charter bodies and certain types of charity should become permitted participants as campaigners in referendums and permitted donors to referendum campaigns. The matter of charities and the function of the Charity Commission is the responsibility of the Public Administration and Constitutional Affairs Committee, and it is something we have taken a great deal of care and interest over. I have made inquiries of the Charity Commission, and I am extremely grateful that it has furnished me with a comprehensive note explaining that this is a slightly bizarre tidying-up exercise. It brings the provisions in this Bill into line with what was agreed in the Lobbying Bill which is now an Act from the last Parliament. The Charity Commission is very clear that the Political Parties, Elections and Referendums Act 2000 does not give the charities it covers a general power to campaign or make donations to campaigns.

I will be grateful if the Minister replying to this debate makes it clear that there is no suggestion that charities are being empowered to be donors or participants under this Bill. They are of course governed by charity law and the regulations set down by the Charity Commission. Those are still enforced. This Bill does not alter charity law. When we were conducting the north-east says no campaign, some charities—I shall not embarrass them now by naming them—did allow their logos to be used on the yes campaign website. We quickly made our concern about that clear to the Charity Commission, and they were quickly instructed to take down their logos as this was a misuse of charitable funds and of their logos.

Charities are not intended to be involved in political campaigning. Of course, many of them are involved in campaigns that have political implications—for example, anti-slavery and child trafficking campaigns are legitimate campaigns—but they are not allowed to get involved in party political campaigns. Charities can be punished for making donations to political parties, and it is important for them to understand that this also applies to donations and participation relating to referendums, as set out in the Political Parties, Elections and Referendums Act 2000. That is all that these provisions are intended to do. I therefore do not intend to press my amendments to a vote.

It strikes me that any intervention by a charity would pale into insignificance when compared with the imbalance that is being locked into the Bill. My hon. Friend the Member for Gainsborough (Sir Edward Leigh), when speaking to amendment 53, drew our attention to the fact that political parties would be allowed to participate pro rata according to the vote they received in the general election. Incidentally, the European Union was not a major issue at the general election. It was an issue, but not the major one, and the election result hardly constitutes a mandate for spending on this scale.

If the Government were released from purdah, or if we could not contain what the European institutions were able to do during the referendum, the issue of charities would be very small beer. It is important, none the less, for the charities to realise that they must not get themselves into difficulties by misinterpreting the provisions of the Bill. I would be grateful if the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Weston-super-Mare (John Penrose), would reiterate that that is the case.

Alex Salmond: It is a pleasure to follow the hon. Member for Harwich and North Essex (Mr Jenkin). I recall that, once upon a time, he stood for a group of radical young Conservatives north of the border. I think they called themselves the White Rose group. We were wearing white roses during the debate on the Queen's Speech in his honour, and I dare say we would welcome him back to try his luck again north of the border some time. He spoke wisely about ensuring fairness in a referendum campaign. I agree that the restrictions on charitable groups contained in the amendments pale into insignificance when compared with some of the other imbalances—or dangers of imbalance—in the legislation that we are trying to correct.

The hon. Gentleman was also right to mention the activities of Sir Nicholas Macpherson, which his Committee quite rightly brought to book, and the dangers of a lack of observance of civil service impartiality, particularly during a campaign period. I should say that Sir Nicholas threatened to reach for his lawyers when he saw an advance copy of a book that I published recently. It is available for £12.99 at all good bookshops. *[Laughter.]* In a letter to the editor of *The Scottish Sun* newspaper, he said that he was considering his “legal options for redress”. I am pleased to say that, in the interest of freedom of speech, the articles in the newspaper went ahead, as did the book. As yet, we have not heard from Sir Nicholas's representatives—Sue, Grabbit and Runne, or whoever the permanent secretary to the Treasury uses these days.

We have reached an extraordinary situation when we find ourselves lecturing charities and regulating their activities without any evidence that any charity is about to breach the fairness rules—except for the rather slight evidence mentioned earlier in relation to the north-east referendum some years ago—but we are not concentrating on the hugely serious potential imbalance that could result from the activities of Government Ministers breaching purdah or from civil servants breaching impartiality rules. By all means, let us have assurances about the range of amendments that have been proposed. Incidentally, never in any European debate in this House have I seen such a small number of speakers ready to address the amendments before us. Let us examine the amendments by all means, but let us also remember that this is a small matter compared with the other matters that we have been discussing.

Earlier in the proceedings, I was astonished to see real concern being expressed across the Chamber about fairness and impartiality in relation to what could happen during the campaign period. I was also clear that if the Labour party had been prepared to adopt a more robust stance, we could have had it written into this Bill the impartiality that we previously had through the observance of the Political Parties, Elections and Referendums Act 2000 rules. There was even enthusiasm for an enforcement mechanism, without which rules and regulations have no effect whatsoever. I think that Labour will look back at those lost opportunities and recover a little bit of political momentum. Its Front-Bench team was quite extraordinary today, in its lack of answers to the question of how, when the opportunity beckoned, to defeat the Government in a major matter and to ensure fairness and impartiality in the observance of legislation that a previous Labour Government had passed.

Mr Jacob Rees-Mogg (North East Somerset) (Con): I am extremely grateful to the right hon. Gentleman for giving way. I find myself in a surprising degree of agreement with what he is saying, but there is a chance that the sinner repenteth, because similar amendments may come forth on Report.

Alex Salmond: As I understand it, and I am open to correction from Sir Roger, the sinner may get a chance to repent even before that. Amendment 11 has still to be called in our proceedings, so the sinner may get a chance to repent on Report, at the eleventh hour or at 7 o'clock this evening. Let us all hope that the sinner does repent whenever they choose to.

The Temporary Chair (Sir Roger Gale): As I am being quoted, may I just say to the right hon. Gentleman that I shall not be taking repentance at that time?

Alex Salmond: I wish to make it absolutely clear for the record that the only sinners to which we are referring are those who were previously located on the Labour Front Bench. I am not talking about anyone else in the House.

There is a serious point. Whatever side of this referendum campaign we want to adopt, and if we are all agreed that it is important that everyone sees the referendum as fair and square, the rules should be drawn up in such a way to give a proper contest—a square goal, as some of my Glaswegian colleagues might say. If there is to be a genuine and fair contest, it does require us, when opportunities present themselves to defeat the Government, as they so rarely do, to ensure that those opportunities are taken. I appeal to the Labour Front Bench Members—perhaps they will communicate this to their colleagues—to see that that opportunity still beckons to ensure that that can happen later in our proceedings.

The Government's position across a range of matters seems to be somewhat disorganised. I know that there was a great anxiety on the part of Government to rush forward with this Bill immediately after the general election. Perhaps they wanted to catch out the Labour party, which was still in a state of leadership limbo. A number of things already in our proceedings tell us that insufficient thought has gone in to the Government's position. There was that extraordinary climbdown, or cave-in, on Government amendment 55. I welcome the fact that respect has belatedly been shown to the nations of Scotland, Wales and Northern Ireland, but it does not have the smack of a Government that have considered their point of view. Across a range of matters, particularly with regard to purdah, there is a sign that the Government have not sufficiently thought through their position.

Earlier, I was told that it is in order for the Minister for Europe to circulate a letter, only to his colleagues, that says what might happen on Report if people do not press their amendments inconveniently. I see that the experienced hon. Member for Stone (Sir William Cash), who spoke from a sedentary position—we all welcome him back to his place—is smiling. He has been on the receiving end of many such letters over the years—probably more than the rest of us put together. I do think that it is somewhat remiss of the Government to distribute information only to those on the Conservative Benches.

Earlier, I was struck by the actions of the right hon. and learned Member for Rushcliffe (Mr Clarke). He had not received the communication, but within seconds

of it being passed to him, decided that he was in favour of it. That was a remarkable rush to judgment. I would say, both in terms of the climbdown we have seen on the date of the referendum and of the inadequate thought that has been given to this hasty revocation of the purdah considerations.

Sir Greg Knight (East Yorkshire) (Con): Should the Government not be commended for listening and being flexible, rather than condemned?

Alex Salmond: When in government, I always listened and was always flexible. One interpretation of events might be that, when the Government realised yesterday at about 7pm—when the Democratic Unionist party decided to sign the SNP amendment—that they were about to go down to a defeat not of ones and twos but of 10s and 20s because they could not carry a majority of the House, they prepared what can only be called a 9.35, spatchcock, last-minute amendment and tabled it as a starred amendment with the Clerks. That could be called flexibility and listening or blind panic that they would go down to a defeat. Whether it was blind panic, as most of us think, or whether it was the listening Government that the right hon. Gentleman aspires to, it is a welcome concession.

4.15 pm

Mr Jenkin: I should correct the right hon. Gentleman. The correct title of the group to which he referred, to which I and others such as Mr Speaker and one of the Deputy Speakers, the hon. Member for Epping Forest (Mrs Laing), belonged, was called the White Guard.

I want to pick up the right hon. Gentleman's point about the letter. It says:

“The Government wishes to use civil servants to explain the position arising from the renegotiation during the purdah period.” If the referendum is not going to be about the Government's deal with the EU, what is it going to be about? The letter says that the Government want to use the government machinery for precisely the purpose that they should not be allowed to use it for.

Alex Salmond: That is an excellent point. I bow to the hon. Gentleman's memory as to the White Guard as opposed to the White Rose group. I am delighted to receive the information that Mr Speaker was a member. I cannot believe that he was unsuccessful in an election anywhere, but I am delighted to have that information. No doubt I shall use it at some point in the future.

I am afraid that I have just got the letter through Twitter and have not had a chance to examine it fully. The hon. Gentleman makes a serious point that goes to the heart of the profound issues that he and others have raised.

Sir Edward Leigh: I thought that the white rose was a Jacobite symbol and then a Tory symbol. I am surprised that the SNP has adopted it, but I am grateful to him for adopting our symbol. Notwithstanding the arguments about purdah—he makes some good points—does the right hon. Gentleman agree that it is important that there is broad equality of spending on both sides?

Alex Salmond: The hon. Gentleman should be aware that there is a Jacobite white rose. I have always had the hon. Gentleman down for a Jacobin rather than a Jacobite, but there is also the MacDiarmid rose in the poem:

“The rose of all the world is not for me
I want for my part
Only the little white rose of Scotland
That smells sharp and sweet - and breaks the heart.”

SNP Members were adorned by the MacDiarmid rose during the Queen’s Speech.

The point about spending limits is well made. Fairness in terms of spending capacity is one important part of elections and referendums. There is an enforcement mechanism—some may say that it is not always used as rigorously as it could be—for election or referendum spending rules and there are severe penalties for breaching them. There is no such effective mechanism for breaches of purdah or when Ministers or civil servants go clearly outside the purdah rules. I commend to the hon. Gentleman the new clauses, which we will vote on later, which would introduce exactly such an enforcement mechanism to ensure fairness not just in our debates but in a referendum.

Sir William Cash: The civil service code does not impose any restriction on civil servants as far as I am told. That would definitely have to be dealt with, as the right hon. Gentleman suggests.

Alex Salmond: I am delighted to have given way to the hon. Gentleman, who is in a sedentary position. His colleague the hon. Member for Harwich and North Essex (Mr Jenkin), whose Committee’s report condemned the activities of Sir Nicholas Macpherson a few months ago, has alluded to exactly why that should be done. The hon. Member for Stone is right and I commend him to look at our new clauses 3 and 4, which seek to set out what the rules should be and to provide an enforcement mechanism to make sure that they are adhered to.

You have been patient, Sir Roger, and I know that a number of other hon. and right hon. Members wish to speak. I say to the Government that this debate has already flung up a range of issues. There are severe deficiencies in the Bill, although we certainly welcome the concession on the timing of the referendum, whether that happened as a result of listening or of panic. However, there are other areas on which the Government have not yet convinced me as a pro-European or, I suspect, some of their colleagues who take a different view on the European referendum. The joint view that we hold, as far as is possible, is that we would like to see a referendum that is conducted in a proper and fair manner.

Sir William Cash: I am going to speak to my amendment 9, which is a simple amendment with very important consequences and implications. It would ensure that the referendum period lasts for at least 16 weeks.

Under the Political Parties, Elections and Referendums Act 2000, there is a maximum six-week period for potential lead campaigners to apply and be appointed, followed by a minimum four-week period before the poll. However, the Electoral Commission, drawing on its experience of regulating the rules for the Scottish independence referendum in 2014, has concluded that an alternative approach is needed to the timetable for appointing lead campaigners. The amendment recommends that, should the legislative timetable allow for it, the appointment should take place shortly before rather than during the first six weeks of the referendum period.

The effect would be to provide clarity at an earlier stage for voters and campaigners, and to ensure that the lead campaigners were in place shortly before the majority of the regulatory controls come into force. I cannot think of anything much more important than people knowing who is running which organisations. That would therefore allow for a shorter total duration of the subsequent referendum period—for example, a designation period of six weeks—with a subsequent 10-week regulated campaign period.

This is a massively important referendum and it is pretty astonishing that there is a vacuum on this subject. This is an extremely important amendment. The Minister for Europe is not in his place, but one of the senior Whips is, which is no substitute—

The Parliamentary Secretary, Cabinet Office (John Penrose): I am the Minister responsible for constitutional reform.

Sir William Cash: I do beg my hon. Friend’s pardon. He was a Whip a short time ago, but he has now been promoted, on which I congratulate him. I hope he will pass back the message that we really must have a substantive response to this question.

Furthermore, the amendment will extend the minimum referendum period to 16 weeks, thus providing for a minimum 10-week post-appointment period. I am glad to say that the Electoral Commission supports my amendment; indeed, it supports the majority of my amendments. It says that extending the period to 16 weeks “would go some way to giving designated lead campaign groups the time needed to get their messages to voters, including to plan and effectively use free mailing and TV broadcasts.”

As a matter of fairness—that hallowed expression—I cannot think of anything more important.

Mr Jenkin: I commend my hon. Friend’s amendment, to which I have added my name, but does that not presuppose that the Government will conclude the negotiations and report them to the House well before the 16-week period kicks in, and that it is not legitimate for them then to use the Government’s machinery to explain the deal that they have reached through the purdah period and the 16-week period up to polling day? Does that not suggest that the Government will try to pull a fast one? Would it not be better if they made it clear now that they are going to conclude the deal long before the referendum is called so that there can be a proper and dispassionate debate about it?

Sir William Cash: I very much agree with my hon. Friend and I will go further and say that in the period between now and Report there will be substantial issues of this kind that we will need to dig into. There are references to counsel’s opinion on the purdah period and views that have been expressed by the Electoral Commission. We had a Bill before us without our having any idea of the outcome of the negotiations. This is not a satisfactory way to proceed.

As one who spent 25 years in very senior practice as a constitutional and administrative lawyer dealing with matters such as the dispute between Canada and Quebec, I can only say that counsel’s opinion is not the basis on which to make political decisions. We as lawyers may be very good at coming up with legal answers, but when I

[*Sir William Cash*]

get my hands on that counsel's opinion, as eventually we did on the Iraq opinion, there will be quite a lot of question marks. As my hon. Friend the Member for Harwich and North Essex (Mr Jenkin) said in an earlier intervention, the Government can take their counsel's opinion; we will take ours.

That is the position on that important amendment. The Electoral Commission supports the principle behind it. Will the Minister be good enough to give us a substantive reply and support amendment 9? I might not hold my breath about that.

The other amendment in my name, amendment 10—again, I am grateful for the support of hon. Members who have signed it—would ensure that no funds or support provided directly or indirectly by European Union bodies have a bearing on the outcome of the referendum. Is there any conceivable basis on which the Committee of the whole House would think a proper and fair referendum could be conducted if the entire resources of the European Commission and the European Union can be deployed in order to support a yes vote in the United Kingdom? By the way, there is no chance whatever that those bodies will not use all that money. They may have problems with Greece and they do not want a Grexit, but that pales into insignificance.

This is a very important proposal. The Electoral Commission takes the view that it already has controls on direct and indirect sources of campaign funding. Before I come to that, I refer to the situation as it applied in Ireland. I have spoken, debated and been at mass meetings when campaigners have been good enough to invite me in the run-up to referendums in France, Ireland, Denmark—all over Europe. There one sees the power of the state, pouring money down the throats of voters, and the machinery that underpins the yes campaign. I have come across some figures suggesting that in the second Irish referendum the amount of money deployed by the yes campaign after the machinery was geared up was around 15 times the amount available to the no campaign. That shows the scale of the problem.

4.30 pm

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): I wonder whether the hon. Gentleman's concern is partly due to the behaviour of José Manuel Barroso, the former President of the European Commission, during the Scottish referendum, and whether that model is what he envisages seeing, in amplification, in the European referendum.

Sir William Cash: It certainly is. I have heard over and over again in this debate claims that, "We all want fairness. We all want transparency. We all want to be sure that the British people are treated fairly." The fact is that with European Union money there is not the slightest chance of that happening, and the purdah arrangements, by bringing the civil service into the equation, will have exactly the same negative effect.

Mr MacNeil: By extension, the logical conclusion of what he has just said is that the Scottish people were not treated fairly last September.

Sir William Cash: The hon. Gentleman is seeking to draw me down that path, but I have been in this place for 31 years and will not buy that one. I am very glad that we got the vote we did last September, but that does not prevent me from being critical of the manner in which the procedures were followed.

I want to say something else. We have mentioned Mr Barroso. Here we are in the Westminster Parliament, described as the mother of Parliaments, and yesterday the celebrations for the Magna Carta were seen all over the world. The fact is that the traditions of those two things are illuminated around the world. We have fought in two world wars, against unprovoked aggression, and through our Parliament—through Churchill in this Parliament—we managed to save not just the United Kingdom, but Europe. They managed to drop a bomb on this place on my first birthday. Indeed, on the day I was born Hitler invaded Holland and France and Churchill became Prime Minister, but that is another story. The fact is that we have played a massive part in relation to democracy. What really worries me is that allowing the European Union to use its financial resources to manipulate the system is very dangerous.

According to the Electoral Commission, a central principle of its regulatory regime is to ensure—this is important—

"that foreign sources of funding do not have an undue influence on our democratic process."

As hon. Members know, I have an eagle eye for the danger points. The Electoral Commission states that the 2000 Act, which sets out that regulatory regime,

"already provides that referendum campaigners are only able to accept donations over £500 from certain 'permissible' sources. In general, the permissibility rules provide that funding can only be accepted by referendum campaigners from certain UK-based sources. There are also rules and offences related to using permissible donors as agents to circumvent the rules."

The Electoral Commission therefore put in place its regulatory arrangements. What it goes on to say is extremely important, and I still believe that my amendment would achieve this, because it uses the words "directly" and "indirectly" when talking about moneys, resources or support from any source within the European Union. The Electoral Commission states:

"It is important that the legislation is clear about those organisations that can and cannot participate in the referendum. The Commission's view—

wait for it—

is that the European Commission does not fall within the list of bodies that can register as a campaigner or donate to other referendum campaigners. This amendment is therefore unnecessary."

However, the analysis that I have provided shows the reach of the tentacles of the European Union, driven by Mr Barroso and his successors—Mr Juncker and all the others. We must never forget that Mr Barroso has said that the European Parliament, and only the European Parliament, is the Parliament for the European Union. He and his successors do not believe in this Parliament. There is a lot of talk now about national Parliaments, but his comments are on the record.

The Electoral Commission's view is that the European Commission does not fall within the list of bodies that can register as campaigners. We should look into that carefully, because if the Electoral Commission were wrong, the European Commission might manage to worm its way in, on the scale that it has at its disposal,

and subsidise the yes vote. I understand that that happened in Ireland, not to mention other countries throughout the European Union.

The Prime Minister has said that we can find an answer to the problems inherent in the purdah question. The Government acknowledge that there are problems with section 125 of the 2000 Act, but they say that they will get around them. That would include dealing with the civil service, but we must remember that the civil service includes permanent representatives. Members who are new to the House may not know about COREPER, the Committee of Permanent Representatives, which is the most powerful body in the European Union bar none, because it stitches up deals between all the member states. As Chairman of the European Scrutiny Committee, I took evidence from our chief representative on that body. I emphasise to the Committee that the evaporation of section 125, combined with the monetary intrusion of the European Union, represents a monumental challenge to our democratic system.

Mr Jenkin: My hon. Friend is explaining coherently how even though the European Commission does not consider itself to be a permitted participant or a permitted donor in a UK referendum campaign, its ability to fund bodies that will be participants or campaigners is unlimited. What about the Brussels-backed CBI, which has already received funds from the European Union, presumably to promote the EU? What is to prevent the CBI from receiving further funds? What restrictions will the Bill place on the CBI's ability to receive such funds if it wants to donate to other campaigns?

Sir William Cash: This is vital territory. In a nutshell, we will have to get it right. Opening the floodgates on that money would be devastating, especially if it were to be employed alongside the lifting of the restrictions in section 125, which would bring the whole panoply of the civil service into play. That would be a nightmare scenario, but it is a genuine possibility. I am not convinced that the European Union is not a foreign source, although I will look into that. We passed an Act of Parliament, the European Communities Act 1972, under which we absorbed into our legislation all the treaties and all the functions of the bodies in the European Union. Because they became part of our constitutional settlement—for the time being, I trust—I believe that it would be an uncertain, if not a dangerous, assumption to make that the European Union and the European Commission would not be construed as being based in the United Kingdom as well as in all the other EU countries, in other words, as not being a foreign source. This matter will have to be looked at very carefully. I shall consult and confer with my colleagues as to what we do about these amendments.

Mr MacNeil: Part of the difficulty that the UK has is the way that countries such as Ireland, Cyprus and Malta are to be treated. We also have the Foreign and Commonwealth Office; we do not consider Commonwealth citizens to be foreign but do consider some European Union citizens to be foreign. The Foreign and Commonwealth Office itself is anomalous because the Irish Republic is neither in the Commonwealth nor is it considered legally foreign in the United Kingdom. The United Kingdom's own mess is contributing to some of the arguments that the hon. Gentleman is making.

Sir William Cash: I respond merely by saying that there are those who once described the Foreign Office as the Common and Foreignwealth Office, but that is another story.

Mark Spencer (Sherwood) (Con): Will my hon. Friend help me to understand his amendment 10? It appears to bar people who want to engage in the process by donating to the in or out campaign from doing so because of their business interests. For example, a large agricultural company that was receiving basic payment scheme money from the European Union would not be able to donate to an in or out campaign because it was getting that assistance. The same could be said for many industrial companies that may receive grants to extend their factories, or other such support mechanisms.

Sir William Cash: It is a question of the manner in which the funds or support are provided. As far as I am concerned, the framework of amendment 10 is to do with campaign funding and donations. The interstices and tentacles of the European Union are so extensive that we will keep bumping into these problems. The scale of the moneys in question is so huge that we have to be sure about this. The determination of the European Union bodies to keep Britain in the European Union is such that they will stop at nothing to use every means that they legally can to ensure that the money goes where they want it for the yes campaign.

I will confer with my colleagues on what we do about amendments 9 and 10.

Peter Grant (Glenrothes) (SNP): It is a great pleasure to follow the hon. Member for Stone (Sir William Cash). I associate myself entirely with the comments made earlier in welcoming him to this debate. I will often disagree with what he says, but I am delighted to see someone who goes to such efforts to express in this Chamber views that are very clearly and sincerely held. I always think that a sincere political opponent is the kind of opponent one likes to have a debate with.

I want to focus on amendments 53 and 32. I have some sympathy with the intention behind amendment 53, but from my experience of the referendum in Scotland last year, I suggest that the last thing anybody should want to do is to artificially restrict or control the number of individuals in organisations who can play their own small but important part in what should be a celebration of grassroots democracy if we get it right; it could be something very different if we get it wrong.

The Scottish independence referendum was the biggest celebration of grassroots democracy that I have ever seen or expect to see. That was partly because neither the political parties nor anyone else tried to artificially control who was and was not allowed to take part. I am sure that on a number of occasions the SNP's lawyers were quite pleased that they were not in control of some of the things that were happening. That is what made it so much fun, that is what gave us a record-breaking turnout, and that is why public engagement in politics in Scotland is still at a much higher level than it was just a few years ago.

I caution the hon. Member for Gainsborough (Sir Edward Leigh) to be careful about artificially restricting this debate to the great and the good and suchlike. A lot of wee people out there have something important to

[Peter Grant]

say, and a lot of smaller organisations will have an important part to play, on both sides of the question. We should encourage them to have their say rather than artificially restrict them.

It is interesting to hear so many Conservative MPs complaining that they might get outspent in an election campaign; in almost 30 years of party politics, I do not often remember Conservatives complaining that an election was not fair if one party was being massively funded by big business and was able to outspend all the other parties combined by a factor of five or 10.

Mr MacNeil: There is also an irony in the Conservatives' concerns that European organisations might dip their oars in this debate, given their negligible worries about the Committees and machinations of Government during the Scottish referendum.

Peter Grant: My hon. Friend makes a good and valid point. Conservatives expressing concerns about possible unfairness in the conduct of this referendum are referring to exactly the kind of unfairness that they and their colleagues were happy to exploit in the Scottish referendum.

The Temporary Chair (Mr George Howarth): Order. The hon. Gentleman is making a debating point, which is acceptable to an extent. However, he should stick to this referendum rather than previous ones.

Peter Grant: I stand corrected, Mr Howarth; I apologise.

I turn to amendment 32. I understand the intention behind it, as charities should be doing charitable work rather than being engaged full time in political campaigning. However, let me give one example of its possible unintended and undesirable consequences.

4.45 pm

One of the two moving maiden speeches earlier was made by the hon. Member for Hampstead and Kilburn (Tulip Siddiq). She spoke movingly and passionately about the positive influence that those born beyond the shores of these nations have had on the wider community. It is not impossible to imagine the referendum debate being dragged off in the wrong direction. The hon. Lady perceptively mentioned the danger that the debate about EU membership could be turned by some into a debate about immigration, and such a debate can quickly turn hostile to immigrants as human beings. If that was allowed to happen—and powerful voices in sections of the media will want it to—some citizens might begin to feel unwelcome, vulnerable and threatened by some of the propaganda. The organisations whose job is to make those citizens feel welcome and help them play a full part in our society might find themselves prohibited from speaking out—not about whether people should vote yes or no, but about the need for the tone of the debate to calm down because it was damaging communities.

I say to the hon. Member for Harwich and North Essex (Mr Jenkin), who tabled amendment 32, that I understand his intention but we should be careful about the potential consequences. In the past, debate allegedly about Europe has had the tone I have described. Parts of my constituency have significant populations of eastern European citizens, and I have seen the effect on them

when a debate about Europe has become a debate about immigration policy and very quickly then about the rights of some of those people to be here. I understand why they might start to feel very uncomfortable.

We were not particularly in favour of the referendum; we did not see it as necessary. If it is going to happen, however, it has to be fair and be seen to be fair. It will not be enough—certainly for some nations represented here—for the Government to say, “It’s fair—and you know it is because we are telling you it is.” In one or two tiny corners of these islands, trust in Her Majesty’s Government is not exactly at 100%. How the Government conduct themselves during this referendum, particularly in respect of a voluntary or compulsory purdah, could go a long way towards changing the trust in which they are held. That trust could increase or it could be damaged even more than at present.

Mark Spencer: Would the hon. Gentleman extend his remarks to other charities, such as animal welfare charities? Those might have a strong view on how our relationship with the EU affects their ability to do their work on animal welfare or ivory imports, for example.

Peter Grant: Like many Members on these Benches, I am not comfortable with the very severe restrictions that have been put on what charitable organisations can and cannot do. A phrase I have often used at hustings is, “If I say we should give money to the poor, I’ll be called a saint. If, however, I ask why they were poor in the first place, they would call me a communist.” There is a dividing line between any kind of socially beneficial charitable work and getting political. Asking why we have food banks, for example, very quickly becomes a political matter. The hon. Gentleman makes a very valid point, but I am saying that specifically in relation to organisations that work on behalf of citizens—some of them will have a vote in the referendum, but shamefully it looks as though some may not—we have to be very careful not unintentionally to prevent them from doing the job for which they were originally constituted.

Mr MacNeil *rose*—

Peter Grant: I did promise to give way to my hon. Friend.

Mr MacNeil: My hon. Friend is making a fine speech. Does he agree that the difference in tone between the Scottish referendum and this one arises because in Scotland we talked about the people in Scotland, while in this referendum the talk is of the British people, which is a shame? The talk should be about the people in Britain or, more correctly, the people in the UK. That is what the referendum should be about, and we should not exclude people who live here because of where they were from originally.

Peter Grant: I have always been of the view that people’s nationality should be defined by where they want to go, rather than where they came from, but that definition is not widely accepted.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Will the hon. Gentleman give way?

Peter Grant: I will take one more intervention, but I will then have to move on.

Daniel Kawczynski: I am very grateful to the hon. Gentleman for raising the concerns of those in the eastern European diaspora in this country. Being of Polish origin, I have engaged with many of them. It is true that many such communities are concerned about the referendum and its ramifications for them. I very much hope that he will join me in saying to the eastern European diaspora that this is not about them, but about our position in Europe.

Peter Grant: I am delighted to do so. I am pleased to confirm, as would all my hon. Friends, that from speaking to people from eastern Europe and other people from beyond the shores of the United Kingdom during the Scottish independence referendum, I know that they not only welcomed the fact they were allowed to take part, but felt more Scots—more British, if hon. Members like—as a result of being allowed to take part. However they eventually voted, the fact that they were allowed to partake in such a massive event for our nation meant that they identified even more strongly with our nation afterwards than they had before.

To conclude, now that it very much looks as though the referendum will happen, we must make sure that we get it right. It has got to be fair and seen to be fair. That means that the funding of the different sides must be fair; it does not necessarily have to be equal, but it has to be fair, open and transparent. We have to know who is paying in the money, and therefore who is pulling the strings of the different campaigns. The referendum must be conducted in such a way that everyone who resides in these islands—even those who, it appears, are likely to be denied a vote—feels that they are still entitled to stay here and can accept the result. The only thing that would be worse than holding a referendum would be to hold one that was seen to be rigged or unfair.

Sir Gerald Howarth (Aldershot) (Con): It is a pleasure to serve under your chairmanship, Mr Howarth, and to take part in this debate.

In following the hon. Member for Glenrothes (Peter Grant), I want to say two things. First, it is great to see the Scottish National party participating in this Union Parliament so vigorously. That is very welcome. Secondly, he just needs to understand that this referendum is about the future of the United Kingdom in the European Union and is exclusively a matter for the people of the United Kingdom.

Stephen Gethins: Will the hon. Gentleman give way?

Sir Gerald Howarth: No, I will not.

This is a matter for the people of the United Kingdom to decide. Those who are taking advantage of our liberal society are of course most welcome, but we need to remember that it is for the British people to decide our future in the European Union.

Stephen Gethins *rose*—

Mr MacNeil *rose*—

Alex Salmond *rose*—

Sir Gerald Howarth: No, I will not give way, because all three Members have spoken and intervened ad nauseam. I have a reception to go to for BAE Systems, the fourth largest defence manufacturer in the world, based in my constituency, and I do not wish to detain the Committee more than is absolutely necessary.

Alex Salmond: On a point of order, Mr Howarth. In a Committee of the whole House, is it a reasonable explanation for not giving way for the hon. Gentleman to say that he has a reception to go to?

The Temporary Chair (Mr George Howarth): As the right hon. Gentleman well knows, that is not a point of order. The hon. Gentleman can give way or not. That is a matter of choice for the hon. Gentleman.

Sir Gerald Howarth: It is quite clear that the right hon. Member for Gordon (Alex Salmond) is only distressed because he has not been invited. If he speaks to me very nicely, I might arrange for a wee ticket to be sent to him.

This is a very important subject. I want to put on the record my appreciation for the Prime Minister's having kept his word to the British people that there would be a referendum on Britain's future in the European Union. That he has brought forward the Bill so early in the Parliament is highly commendable and indicative of his determination. It is indicative of the current spirit of the Conservative party that this moment is completely unlike 1992, in that we are airing our differences of view and our different concerns in this Committee debate in an amicable spirit, as we try to find the best way through.

There is unanimity in this Chamber that if the referendum is to be successful, it must be fair. Not only do we have to arrange provisions to ensure that it is fair, to the best of our ability; it must be seen by the British people to be fair. There would be nothing worse than to carry out this extensive operation and hold the referendum and, in the end, for people on whichever side of the argument not to be satisfied that the conditions that we in this House laid down for the conduct of the referendum had been fulfilled.

It is right and proper for us to be as precise in framing the rules for the referendum as possible. It is in that spirit that I support amendment 53, which was tabled by my hon. Friend the Member for Gainsborough (Sir Edward Leigh), who is no longer in his place, and amendment 10, which was tabled by my hon. Friend the Member for Stone (Sir William Cash) and to which I am a signatory.

My hon. Friend the Member for Stone says that the Electoral Commission does not believe that it is necessary to include amendment 10, which would limit the capacity of the European Commission to have any involvement whatsoever in the referendum. The Electoral Commission has made a number of important and valid suggestions, but I need to be persuaded on that point. We all know from our constituencies that when a project has been funded in any way by the European Union, those socking great stars are plastered all over it as though it has been funded by the EU. Of course, all of us in this Committee know that it has not been funded by the EU at all, but by the British taxpayer with money that we have given to the European Commission, some of which it kindly gives back to us.

[*Sir Gerald Howarth*]

We need to be very clear that we do not want the European Commission, in any shape or form, sticking its oar into our domestic debate about whether we should continue to be a member of the European Union or seek our fortune elsewhere.

Mark Spencer: I wonder whether my hon. Friend will clarify his remarks, because I think that amendment 10 could have unintended consequences. Many companies and businesses that have received European funding for a project, such as an extension to a factory to create more employment, would be barred from the process and would not be able to fund one side of the argument or the other. Even if they felt passionately that we should be in or out, they would be excluded by the amendment.

Sir Gerald Howarth: I heard my hon. Friend's intervention on my hon. Friend the Member for Stone, and he makes a valid point that we need to address. However, the purpose of amendment 10 is crystal clear: it is to stop the European Commission getting involved or funding third parties to get involved in the campaign. If a company in his constituency that received support under a European Commission scheme five years ago, three years ago, last year or whenever chose to back one side or the other, one would not be able to say that it was doing so because it had received money from the European Commission, but if the European Commission started to fund organisations that were involved in the campaign, that would be unacceptable. We do not want it interfering.

Bob Stewart (Beckenham) (Con): Would it really matter, because surely both sides will get just about equal funding? Where the funding comes from does not matter in the end if both sides get the same rough amount.

5 pm

Sir Gerald Howarth: I should tell my hon. and gallant Friend that if he thinks the European Commission will be impartial in those matters, he has another think coming. I am sure he is far more worldly-wise than to give the Committee the impression that the European Commission will be even-handed. There is no evidence whatever that it has done anything other than use our money to promote the European project. That is what it is on about and what it believes it is necessary to do. It shows no signs of reluctance in pursuing that.

That is all I wanted to say. My hon. Friend the Member for Gainsborough, who is back in his place, is right in his amendment 53 to suggest that there should be equality of resources. Sir John Major was responsible for imposing initial limits on party spending at general elections some time ago. We can all see the absurd situation in the United States, where it cost \$1 billion to get President Obama elected. We do not have that absurd system in this country and it is right that we have a limit. My hon. Friend's amendment moves in that right direction, so I support it.

Kelvin Hopkins: Just to reinforce the point that the hon. Gentleman makes about America compared with Britain, I was recently on a parliamentary visit to Washington where we met a senior member of the

Democratic party. I explained that there were limits on electoral expenditure in general elections in Britain, unlike in America, and he said, "How civilised."

Sir Gerald Howarth: That is a very civilised remark from a very civilised Member, who together with me champions the cause of the sixth-form colleges. He and I have the finest sixth-form colleges in the country. Mine is slightly better than his, but there we go.

This debate in Committee is important. If we do not refine the detail in every possible manner, compatible with what my right hon. Friends on the Front Bench know has to be done in order to comply with the law and so on, we have Report stage, when things can be sorted out. However, it must be made crystal clear that we will not have the European Commission interfering in that referendum in the United Kingdom in any shape or form. Amendment 10 gives us the vehicle to send the clearest possible message to Brussels that that is something up with which we will not put.

Mr Rees-Mogg: It is a pleasure to serve under your chairmanship in today's debate, Mr Howarth, and to welcome the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Weston-super-Mare (John Penrose), as the Minister responding. The constitution is always in safe hands when it is in the hands of Somerset, so it is reassuring that he is here to respond.

I want to follow on from what my hon. Friend the Member for Aldershot (Sir Gerald Howarth) said about amendment 10, on EU funding, which was tabled by my hon. Friend the Member for Stone (Sir William Cash), and to which I have added my name. The appearance of fairness within the referendum is at the heart of what the Government must try to do. The Government, like Caesar's wife, must be above suspicion. It would be wrong if there was any feeling that the referendum was being held improperly, that undue pressure was being brought to bear, or that funding was directed to one side rather than the other—I say that as somebody who supports the Government's position—but it would be most wrong if British taxpayers' money funnelled by the European Union ended up being used to campaign for us to remain subject to the European Union.

Mr MacNeil: Will the hon. Gentleman give way?

Mr Rees-Mogg: It is a delight to give way to the hon. Member for Na h-Eileanan an Iar (Mr MacNeil).

Mr MacNeil: The hon. Gentleman's pronunciation is as impeccable in this Parliament as it was in the last one. I congratulate him once again.

The hon. Gentleman mentions the nonsense and unacceptability of British taxpayers' money going through the European Union and back again. He will be aware, and perhaps bemused and baffled, that there is much amusement in Scotland that Scottish taxpayers' money funnelled through the UK Government was used in our referendum to campaign succinctly and definitely on one side. I am thinking of Sir Nicholas Macpherson and many others along with him.

Mr Rees-Mogg: The hon. Gentleman had the opportunity to listen to an excellent debate on that very subject yesterday, led by my hon. Friend the Member

for Gainsborough (Sir Edward Leigh), but I think I would be in trouble if I went through the question of full fiscal autonomy for Scotland in relation to amendment 10 to the European Union Referendum Bill, so I want to stick to the subject at hand.

The European Union has a budget for this. Indeed, we passed a Bill in 2013 that allows for the European Union to engage in political activity and the promotion of the cause and objectives of the European Union. That money flows to institutions within the United Kingdom and that money comes with strings attached. It is money that is given on the basis that the institutions receiving that money support the objectives of the European Union.

Mrs Main: The objective of the of the European Union is ever greater union. It is therefore not in its interest to allow a member of that union to drift away in any way, shape or form. It will hug it as close as possible.

Mr Rees-Mogg: My hon. Friend is absolutely right. It would be against the conditions of receipt of that money to use the money to campaign for a member state to leave the European Union.

Some very influential bodies in this country receive money from the European Union. My hon. Friend the Member for Harwich and North Essex (Mr Jenkin) said that the CBI receives money from the European Union. We know that the CBI is in part funded by Europe. It is therefore under an obligation either to return that money or to support the objectives of the European Union. When the director-general of the BBC came before the European Scrutiny Committee, he was asked about the money the BBC received from the European Union and the strings that that may have attached. Even the most impartial and highly regarded bodies in our establishment receive money from the European Union, and they take on certain obligations in return.

My hon. Friend the Member for Sherwood (Mark Spencer) made a very good point about what happens to farmers in receipt of subsidies that have come from the European Union. Are they then prohibited from giving money to the Conservative party to campaign in the referendum? No, of course not. He may well be right that the amendment needs improving to ensure that people are not captured by mistake.

Jim Shannon (Strangford) (DUP): The hon. Gentleman refers to farmers and their obligations. Is he aware that the National Farmers Union in the UK is suggesting to its members that they should stay in the European Union and is asking them to vote accordingly? Does he have concerns, as I do, about that?

Mr Rees-Mogg: I do indeed. I have no idea whether the NFU receives any money from the European Union. If it did, it would be under an obligation to support the objectives of the European Union.

It is a very insidious aspect of how the EU operates. It is why it likes to put its stars up everywhere: to show us what wonderful things Mother Europe is doing to help us and enforcing compliance with its view of the world. We want to make sure that our referendum is held absolutely fairly, without that influence. In terms of that fairness, I want to come on to the debate on schedule 1 stand part. It is schedule 15, referred to in

schedule 1 to this Bill, that comes to the issue of section 125, the exemption from which removes the whole purdah question for the Government.

I have every confidence that the Prime Minister will lead the no campaign. He will come back and say that what is in the interests of this country, if the renegotiation is not exceptional, is that we leave. He has indicated that in speeches and I admire him for making his views so clear. When he does that, I do not want him to be helped by legerdemain. I do not want the no campaign to benefit from the Government being able to use all their resources to get me what I am likely to want in those circumstances. The right hon. Member for Gordon (Alex Salmond) expects the reverse. He thinks, I happen to think naively, that the Government will come back and wish to campaign for a yes vote. He likewise does not wish to see them being able to use all the powers at the disposal of the Government to push for what they want.

Those powers are considerable. The ability of the arms of central and local government to influence the media and public opinion and to use its PR resources, press officers and administrative and logistical machinery to help one side or the other is considerable. Whichever side of the argument one falls on, it must be right to hope that the referendum will be more than just a staging post in the discussion about Europe, and that it will help put our relationship with Europe on a firm footing that can last for decades rather than weeks. We do not want anyone on either side feeling that the result was so flawed, because of how it was carried out, that we need another referendum.

Stephen Gethins: The hon. Gentleman makes a valid point about putting us on a basis for years to come, rather than months or weeks. In that regard, does he think the Prime Minister should be pushing for co-operation with Europe in more areas, rather than fewer?

Mr Rees-Mogg: No, we co-operate in far too many areas already. I have a lot of sympathy with the SNP's position in many ways, because it is not entirely different from mine. I want my country, which I view as the UK, to govern herself, and SNP Members want a smaller part of the UK—Scotland, which they view as their country—to govern herself too. It puzzles me that, having got self-government, they want to hand it over to Brussels, but that is a question for them.

Mr MacNeil: My first quibble—the first mistake the hon. Gentleman has made—is that the British Union is not a country, but a union. Secondly, he fails to realise that we only want to change our relationship with London. Our relationship with Brussels would stay the same, under the SNP's proposals for Scottish independence, which might come very soon.

Mr Rees-Mogg: That is a moot point that was discussed at length during the Scottish referendum campaign and to which I had better not revert.

I want to concentrate on the power, influence and resources of Governments.

Mark Spencer: I acknowledge my hon. Friend's cynicism about the Government taking a view one way or another, but does he accept that the Government could express

[Mark Spencer]

their view neutrally and thereby help to inform the electorate? It is vital that the electorate are informed and can make a decision based on informed opinion, and surely the Government could have a role in making sure that the Great British public are fully informed in both directions.

Mr Rees-Mogg: No, I am afraid that I fundamentally disagree with my hon. Friend. There are stages in this process. That is what the Bill and the Minister's letter are trying to get at. The Government will have their renegotiation and then come back with a package saying it is a triumph, whatever is in the package. It might have three loaves and two fishes, or it might give us complete control of our own destiny—whichever it is, the Government will say it is a triumph. That will be the Government's answer, and they can tell the electorate what they have managed to do. From then on, however, it will become a matter of straightforward politics whether someone believes the Government and agrees with what they have done. I approve of the adversarial system in this country. We do not develop our arguments and get to the answer we want by getting authoritative documents from the Government. Actually, such documents always contain a bias. It might not be obvious on first reading, but, reading through the detail, one will see the way the Government want people to go, and that will bolster the position they have set for themselves.

Sir William Cash: I might be corrected by SNP Members, but, as I understand it, the Electoral Commission put out leaflets during the Scottish referendum campaign agreed between the yes and no campaigns. Even if that did not happen, it might be a way of dealing with the situation. The no and yes campaigns could exchange information and come up with a bottom line, and then that line could be taken and put as a fair choice.

Mr Rees-Mogg: I certainly see no impropriety in that. In the London mayoral campaigns, the views of all the candidates are circulated in a single booklet. That is not improper. Perhaps, however, I am more of a believer in capitalism, in respect of elections as well as the economic structures of the country. I believe that people should campaign for what they want, and should put their own arguments rather than thinking that they could be better put—or even well put—by a nominally independent third party, least of all the Government.

5.15 pm

Once the Government have reached a position in this regard, their circumstances are really no different from their circumstances just before a general election. Before a general election, the Government of course want to be re-elected and to carry on doing the great things that they feel they have done, but they are prohibited from using the organs of the state to promote themselves, because that is thought to be a fundamentally unfair way of dealing with the question that is immediately before the electorate.

The referendum in Scotland is instructive in this context. There was a good deal of unhappiness among members of the SNP about the way in which some arms of Government behaved during the period immediately

before the referendum. Much though I welcomed the result of that referendum, and much though I thought it was a result to be desired, I think that the Government's actions in putting their own view at a point that was too close to the deadline was damaging to a cause in which I believe.

Mrs Main: The stakes are very high. If a Government have nailed their colours to a mast when it comes to a particular vote—in or out—and that vote does not go their way, a Government will then be in power for two or three years with a vote that they do not wish to live with, because it was contrary to the colours that they nailed to the mast.

Mr Rees-Mogg: That is a very important point, which may be worth discussing when we debate other amendments. Ultimately, the Government must accept the will of the people—that is what we all believe in, and that is why we are all here—but they must deal with that fairly.

There is also the question of where the Government should proceed from here. There seems to be a wide consensus that paragraph 15 of schedule 1 is deeply unsatisfactory, and that the removal of the issue of purdah was simply a mistake. I am willing to trust the Government, so I accept that it was an honest mistake, and not a mistake that was made in an attempt to fiddle the referendum result. I believe that partly because I am a simple fellow who is very trusting of the Government, but also because trying to fiddle the result will damage whichever side wishes to do it.

The British electorate will not have the wool pulled over their eyes. If little bits of legislation are squirreled away into the Bill to make things easier for one side or the other, those of us who are on the other side will campaign on that basis. We will say, "Look, we need to act against this, because people are trying to fiddle us over what is happening." There is a wonderfully contrary spirit among the British people, who will not be cowed by those who try to trick them.

Sir William Cash: The explanatory notes relating to section 125 of the 2000 Act were so explanatory that a line and a half said simply, "This is what we are going to do." For practical purposes, I do not think that my hon. Friend would be entirely right in thinking that the Government got there by mistake, particularly as they had taken counsel's opinion, which we are determined to ferret out.

Mr Rees-Mogg: I do not know too much about ferreting, or indeed about counsel's opinion, but my hon. Friend knows only too well that explanatory notes are anything but explanatory. They consist of a complicated set of notes which, when read carefully in conjunction with a Bill, can shed some light, but I do not think that anyone expects them to be like the Book of Revelation, revealing everything that one could possibly want to know about a Bill. They require Members of Parliament to look diligently at what underlies them.

The Government must examine clause 3 very carefully. They have given undertakings to do so over the next few months, but they need to come back with something that is just as rigorous as what is there already.

Bob Stewart: Should there not be a clear gap between the offering that the Government have brought back to give to the people and the start of the campaign, which we may wish to call *purdah*? During the short campaign before the general election, which could be seen a model, both sides—I am talking just about Labour and the Conservatives—suddenly started to produce new policies. We cannot have that; we want a clear offering followed by a gap, and then the start of the campaign. Does my hon. Friend agree?

Mr Rees-Mogg: I entirely agree with my hon. Friend and that point has been made by my hon. Friend the Member for Stone. An uncharacteristically weak argument must have been given to the Minister for Europe to read out—he could not have made so poor an argument himself—when he said that if the negotiations have finished it would be very difficult for the Government not to be able to explain them immediately before the election. It cannot be that we will have the referendum two weeks after the negotiations have been concluded. That would be preposterous. There has to be a considerable period of time beforehand, so that what has happened can be understood, debated and campaigned upon. That must mean a period of a minimum of 28 days, as currently set out, but realistically we are going to need three months at the end of the negotiations before we can move straight to the referendum.

Sir William Cash: My hon. Friend is developing an excellent argument, which perhaps brings out the fact that the amendment I have tabled specifies, fully supported by the Electoral Commission, at least a 16-week referendum period, and then it describes how it should be conducted.

Mr Rees-Mogg: I am well aware of my hon. Friend's amendment, and I think the Government need to be thinking along those lines. I am going to support the Government this evening; I am not going to vote with my friends in the SNP on this occasion, or indeed with my hon. Friend the Member for Stone, which is more of a break with the habits of a lifetime. There is an important “but”, and I think other hon. Members on the Government Benches share my view: because the Government have made a mistake at this stage, they now need to come back with something better than we would have needed had they not made this mistake. Therefore, the Government's position of *purdah* must be a stricter one than they might have been able to get away with had they simply amended the existing restrictions rather than taking them all away and having a completely clean base from which they could have done anything.

Mark Spencer: Surely my hon. Friend will recognise that in the period before the referendum our relationship with the EU will still be fluid and there may be matters that need the attention of the Government and that could be crucial to an industry or sector of the economy. If he goes down the route of this period of *purdah*, the Prime Minister might not be able to do a deal or make an announcement on something of fundamental importance to the economy during that period.

Mr Rees-Mogg: I was making a slightly different point. I was saying that it is going to need to be tougher than the Government would have got away with had they come through with a limited change at an earlier

stage. The Government said they would scrap the whole of section 125, and there is now suspicion that there was an ulterior motive for that. To allay that suspicion, the Government have to be very specific about the exemptions they want. It might be an exemption to vote in the Council of Ministers, and that would not be unreasonable, but would I give them an exemption to announce from the hilltops that they had lots of money from the EU to build a new factory in a key swing area of the country? No, I would not; I would think that would be about fiddling the result, if they wanted a yes.

Sir Edward Leigh: A lot of nonsense is talked about restricting the Prime Minister in what he can say. I do not remember the Prime Minister being particularly reticent during the general election campaign, and there is no reason why he would need to be reticent during this referendum campaign. If he is leading the no campaign, or more likely the yes campaign, of course he can say exactly what he wants. All we are arguing is that the machinery of government should not be used. We do that perfectly well during general election campaigns, and we know the difference.

Mr Rees-Mogg: My hon. Friend is right and will no doubt recall the 1970 general election when Harold Wilson, as Prime Minister, was not allowed to reveal the trade figures that came out immediately after the general election even though he knew them and they would have been very helpful to him. So there have been cases in which Prime Ministers were prohibited from making announcements on the basis of *purdah*, and I think it would be quite right to follow them in the context of a European referendum.

It was pointed out earlier that the reason the Government are so worried about this is part of the problem—namely, that the EU is involved in so many aspects of our lives that what they are restricted from doing will be much broader than it would be for a normal referendum. That makes it all the more important that this *purdah* is strictly observed.

We are arguing about whether the situation in which our lives are organised by the EU should remain or whether we should do something different. If, in the month or six weeks before the referendum, popular announcements about the EU were made but unpopular ones were held back—or vice versa—that would be completely improper.

Dr Murrison: Does my hon. Friend agree that the Executive in this country and the one in Brussels are perfectly capable of restraining themselves for 28 days? Indeed, it happens every year. It is called August.

Mr Rees-Mogg: My hon. Friend is absolutely spot on. The activities of the European Commission come to a grinding halt for at least the whole of August. Perhaps that is the answer to another question—one that I was less exercised about—on the matter of the date. If we were to hold the referendum in the first week of September, the EU would have been shut down throughout August and there would be no great problem with *purdah*.

I urge the Government to come back with something pretty serious on this. They cannot get away with most of what they want; this needs to be a thorough *purdah*. I do not know whether they will do this today, but it is open to them—as a sign of goodwill and reassurance—not

[Mr Rees-Mogg]

to proceed with the proposal that schedule 1 be the first schedule to the Bill. Instead, they could bring forward a new schedule to deal with this problem on Report. That would leave everyone content, and there would be no great opposition or need to press amendments.

Several hon. Members *rose*—

The Temporary Chair (Mr George Howarth): Order. I have been quite relaxed about Members making interventions but I have noticed that they are getting longer, to the point of being beside the point. Before I call the next speaker, I must point out that I shall now be taking a slightly less relaxed view on interventions.

John Redwood: I hope that, when the Government bring the Bill back on Report, they will give further consideration to the question of campaign spending limits. We are all freshly back from an energetic general election campaign, and one of the finest things about the United Kingdom's traditions that ensure fair and free elections is the fact that we have pretty strict expenditure limits in each constituency. Those of us who were the incumbents fighting to retain our seats were rightly subject to rules stating that we could not use our incumbency in any way, as that would have provided us with an obvious advantage. We could not use our ability to raise more money, for example, because there were strict limits in place.

Those strict limits applied for a five-month period. We had the long campaign period, which was subject to expenditure control, followed by the short campaign period. It is the short campaign period for the referendum that we are talking about today. I believe that it was right to impose the campaign limits early, because political parties are increasingly campaigning well in advance of the general election proper, and it looks as though the referendum campaign will kick in well before the referendum proper. Indeed, there are clearly already stirrings, even before this Bill has passed through the House of Commons.

It is good that we all have to face the challenge from a number of candidates, any one of whom has a reasonable chance of raising the maximum that we are allowed to spend in a given constituency. It is quite a large sum for an individual to raise, but it is quite a modest sum for someone who has a reasonable amount of support or who asks for small or medium-sized donations from a range of people. It is not that difficult for a relatively popular party or candidate to raise the money needed in order to spend right up to the constituency limit, to give them the maximum chance in the challenge.

I understand that the sums will be rather bigger in a national referendum campaign, and that if one side is a lot more popular than the other, that would give it an advantage not only in the vote but in the amount of fundraising it could do. But I do think that, under the current Bill, the very large sums that would be available, because of the way the parties and some of the supporting organisations are thinking, are thoroughly disproportionate. That would give the impression of unfairness, and the British people have a great sense of fairness. Many people on the yes side have a sense of fairness and would prefer it if the referendum campaign were conducted with more equal sums of money, so that the weight and quality of the argument matter more than access to funds and special ways of messaging.

5.30 pm

My second point is to support those who are talking about the duration of the campaign. The campaign proper could well be limited to four weeks. An awful lot can be said in four weeks. Those with little interest in politics will get rather bored if the referendum campaign dominates the news and media for more than four weeks. Given the natural interest of quite a lot of people in this subject, and the enthusiasm of many of those who wish to campaign on either side, there will, in reality, be a longer period. There should be a long and a short period, as there is in a general election, so that there is proper control of the messages and the money spent in the longer time period, although it would be up to either side, or both, to take the view that they really do want to concentrate their spend and their message in the last four weeks because they might be afraid of overdoing it. I suspect though that they will want a longer period, so we will need some kind of regulation on the longer time period—the full duration of the campaign proper.

My third point is to support those who have raised serious issues about the expenditure of public money, particularly about the expenditure of European Union money. It would be wrong for the European Union to spend any money intervening in a British referendum over whether the United Kingdom stays in the European Union. It is, after all, United Kingdom taxpayers' money. On current polling, we know that there is a split of opinion, with very substantial bodies of opinion on both sides. People would be very reluctant to see their tax revenue taken by the European Union and then spent on putting out messages and propaganda on just one side of a very contentious referendum.

Mr MacNeil: I must remind the right hon. Gentleman of what happened in the Scottish referendum. The only difference was the way that it was funded. In the United Kingdom, funds are collected centrally and go to London. If the European Union had the same model, they would be collected centrally and go to Brussels and then given out again. The point is that it is taxpayers' money. In Scotland, we saw our taxpayers' money come back to the UK Government and used against one side of the referendum campaign.

John Redwood: I quite understand, but I am suggesting something different. I am suggesting that to have a completely fair and independent referendum, there should be much stricter controls over the expenditure of Government money.

Mr MacNeil: I am very grateful to the right hon. Gentleman for his revelatory tone and words. He said that he wants a stricter and fairer system, so his commentary on the Scottish referendum is instructive and very welcome.

John Redwood: The result in Scotland was pretty conclusive, so the expenditure of Government money was not the crucial thing that made the difference to the result. The result speaks for itself. But we can always learn from past experiences. For my choice, I do not favour the expenditure of public money on interfering in elections and referendums. I am known to be careful with public money anyway, and I would not want the money to be spent on this area. It is for individuals to decide what they wish to do by way of political intervention,

and they can make their own decisions. If we let them have more of their own money to spend, they may wish to spend it on interventions in elections. That is how I would rather it was done. In this case, it would be particularly counterproductive for the European Union to spend some of our money, which we send to them, on intervening on one side. It would cause enormous resentments. Indeed, the no campaign might even welcome it as it would be a cause in itself which it would make use of if this became a clear use or abuse of public money.

Kate Hoey: I raised the issue of the EU on Second Reading. I had a helpful letter back from the Minister for Europe this week. Will the right hon. Gentleman comment on his final paragraph? He says:

“I would trust the proper diplomatic relationships with Governments and institutions, and encourage them to stick by their duty to respect the right of the British people to take their own decision responsibly.”

I do not feel that I can trust the EU on this very important issue. Does the right hon. Gentleman feel that?

John Redwood: I am afraid that I do share some of the hon. Lady's worries. I would like to see that clearly stated in writing and as an act of policy from the EU itself. That would probably be much appreciated in many sections of the United Kingdom, so that we can be sure that there would not be clumsy, unwarranted or unwelcome interference. It would be a double irony if the EU were using our money to do it. That is what makes it particularly difficult. UK taxpayers of both views would be paying the money to the EU, but only one side of the argument would be funded by that money.

Mr Chope: Surely the Government could do something on this front. They could ask the European Commission and the European Union not to intervene and not to fund the referendum campaign. They could then get a written undertaking from the Commission not to use European Union funds. That is outside the scope of the Bill, but the Minister could give such an undertaking.

John Redwood: Indeed. I am speaking to amendment 10 tabled by my hon. Friend the Member for Stone (Sir William Cash), who seeks to clarify this point and prevent the use or abuse of EU money. I hope that the Minister will respond and that he will have his own proposals on Report. The Electoral Commission has given exceedingly good advice across the board on this referendum. It seemed to suggest that it would not be right for the EU to give money for the campaign, and it would be nice to have a reassurance that the Government share that view and accept the advice of that august body, which is there to guide us. There is an additional issue with EU money, to which some colleagues have referred. What do we do about the EU money that is routed to bodies or organisations within the UK that choose to make a donation to a referendum campaign? That is another difficulty. As I understand it, such a donation would be perfectly legal because the organisation giving the money would be able to say that it had other sources of money and it was not a direct gift of EU money to the referendum campaign. Such a body may be swayed by the fact that it had had generous access to EU moneys in the past. While one would hope that none of them were donating for that reason, people would suspect that a body in receipt of substantial EU moneys in the

normal course of business that saw fit to give money to the campaign to stay in would hope that the EU would be better disposed to it when it put in its next application for money.

Sir William Cash: I do not know whether my right hon. Friend was here when we were debating part of this, but the Electoral Commission's position is that a central principle of the regulatory regime that it supervises is that foreign sources of funding should not have undue influence on our democratic process. It has come to the conclusion that the European Commission does not fall within the list of bodies that can register as a campaigner. Does my right hon. Friend agree that we have to get to the bottom of that? It is highly arguable that the European constitutional arrangements are effectively embedded in our own constitutional arrangements by virtue of sections 2 and 3 of the European Communities Act 1972. We need to get this right.

John Redwood: I was present to hear my hon. Friend speak to his amendment, and I am aware of the legal minefield that the provision could represent. That is why I worded my remarks cautiously—I said that I thought it was the view of the Electoral Commission that it would not be appropriate for the EU to spend money on the campaign. As he reminds us, it has made a clear statement about being a principal donor to the campaign, but there are other ways in which it could help, and it might argue that it was a domestic institution for these purposes. It might say that the EU's writ runs within the UK. There is an office of the EU in London; it might try and route it through the London office. We need to say that that would be unwise. The Minister may think that it is illegal or that it should be impeded in some way. We need clear guidance from the Minister.

I return to the issue of indirect funding of the campaign by grant-in-aid to organisations that are helped or partially funded by the EU. Of course, it is a matter for the referendum campaign to argue over the rights and wrongs of EU funding. I am sure the no campaign will want to say that the money we send to Brussels and which it gives back to our organisations could be given to them directly by the United Kingdom Government if Brussels were not in the way. It could be pointed out that the £11 billion we send to Brussels in tax revenue is spent outside the UK, so, were we to leave, that money would be available for either tax cuts or extra spending in the United Kingdom.

That would be a matter of debate in the referendum, but an issue for the Bill relates to the legality, morality and political wisdom and judgment regarding the point at which an organisation becomes so dependent on EU funding that it has a very strong interest in it. Restrictions or limitations—or at least a declaration of interest—might need to be made if such a body decides to become involved in the referendum campaign. It would be wise to let people know of such a clear financial interest if the body played an important part in the yes campaign.

Sir William Cash: Does my right hon. Friend think it would be possible to have a register of interests? Then, when companies go on the BBC and say, “We don't want the United Kingdom to leave the EU,” we would know where their money comes from, what their actual policy is and the extent to which they are dominated by the EU system.

John Redwood: A register of interests would be one way of handling it. It would be quite complicated for large companies, but rather easier for grant-receiving organisations. The issue for companies is rather different. I am all in favour of business people taking an active part in our politics, but they may need to intervene as individuals, because if they are an executive in a very large company that has a broad shareholder base, they may not be speaking for their shareholders on a very political issue. People would ask them, “Is this your private view or are you speaking for the company and has it been tested in a company general meeting?” That is probably a debate for another day. I am all in favour of major business involvement, but unless someone owns the company they have to be careful in associating the company with their own particular views.

The conclusion I wish to put to the Government is that this Bill is extremely welcome, but it is work in progress. These are very complicated areas, because the EU is a unique and powerful institution. In order to have a fair assessment by the British people of its worth or demerits, we need to be very careful and to not in any way trammel our usual belief in independence and fairness when we test the mood of the people. I do not think the Bill quite yet meets that requirement, but I hope that, on Report, Ministers will have better and more detailed answers about how we handle the scale of campaign donations and the period prior to the referendum campaign proper with respect to controls over messages and financing, and that they will be able to address the very vexed subject of how much power, influence, money and messaging the EU itself can inject into what should be a United Kingdom debate.

Chris Heaton-Harris (Daventry) (Con): It is a pleasure to follow my right hon. Friend the Member for Wokingham (John Redwood) and I want to draw on some of the points he made about amendments 10 and 53.

It is a very poor politician who spends a lot of time talking about his previous speeches, but I would like to refer the House to what I said in this Chamber on 13 January 2014, when we had a lively debate on the Europe for Citizens budget, which we had a right to veto at the time and which involved the funding of a whole host of European pet projects. One such project is the European Movement and, from the very position on which I now stand, the late and much lamented Charles Kennedy made an impassioned plea for us not to cut the funding for the organisation of which he was the president. That relates to the point I want to make: we should be very wary of how organisations that receive European funding will act during the referendum campaign and ask whether they should be regulated in some way.

The preamble of the draft regulations for the Europe for Citizens programme states:

“While there is objectively an added value in being a Union citizen with established rights, the Union does not always highlight in an effective way the link between the solution to a broad range of economic and social problems and the Union’s policies.”

Therefore it wants the organisations that it funds to be very positive in the arguments that they make when they engage with civil society.

The Europe for Citizens budget line, which the European Commission funds, gives the European Movement a very large sum of money. I do not wish to pick on the

European Movement all the time, but it is a good example of an organisation that receives some money to campaign to present a positive view of Europe, which I know is welcomed by many in this House, and whose funding comes from the European Commission which, I believe, wants to ensure a certain result in the forthcoming referendum.

5.45 pm

Kate Hoey: I have just had a letter from the European Movement signed by the current chair, Lord Kinnock, who worked for the European Commission and will presumably have an EU pension, which he will have to declare. The European Movement has asked us all to join because it wants to campaign to keep the United Kingdom in the EU. That is a classic example of EU money being used directly to further the cause of those who wish to stay in the EU, whatever reform comes about.

Chris Heaton-Harris: The hon. Lady is receiving a lot of letters this week, including one from the Minister for Europe and one from the European Movement. People are obviously interested in her views and she seems to have a great deal of sway on the Labour Benches—if only—as to how the debate will go forward. She is right.

I do not want to pick on the European Movement. I have many friends in the movement. I suppose I should declare an interest as a former Member of the European Parliament, I believe I have a pension that is nestled away out there for my dotage. However, I am very wary of the fact that the European Movement can fall on only one side of this debate, funded by British taxpayers’ money channelled through the European Commission. Will the Minister be able to tidy up the regulations to ensure fairness in the way that taxpayers’ money is spent?

There are a host of non-governmental organisations and some charities—this goes to amendments which the right hon. Member for Gordon (Alex Salmond) and my hon. Friend the Member for Harwich and North Essex (Mr Jenkin) spoke about—to which European funding goes. Those organisations may then feel obliged to take part and push forward their own ideas on one side or the other in a European referendum.

Dr Murrison: Does my hon. Friend agree that the organisations that he is talking about are supranational organisations and therefore do not fall within the scope of the legislation we are debating today? Does he agree that we need to come to some sort of accommodation, as other hon. Members have suggested, with the institutions of the European Union to self-deny some of the actions that they and their organisations may be taking? If they do not, it is likely that some of those actions will be counterproductive and act against what we all want—a free and fair referendum.

Chris Heaton-Harris: I agree entirely. That is why I was attracted by amendment 10 in the name of my hon. Friend the Member for Stone (Sir William Cash). The British people are savvy enough to make their own decision in the referendum, based on the arguments presented to them about how their lives will be affected. The choice they make will be theirs and theirs alone. I do not believe that these organisations will have great influence.

However, now is a good time for us to discuss how we deal with some of the points that have been raised. I want the referendum to be seen to be free and fair, as I believe it will be. This is the ideal time in the process to do that as we have the Bill before us. I am keen for the Minister to be aware of the issues. Maybe there is no need to act. Maybe there is no need to go further than discussing them here today. Perhaps some tidying-up provision could be introduced on Report, though I have no idea what that might be. My hon. Friend the Member for Stone has consulted the Electoral Commission about foreign sources of funding. This is a grey area, with quite a large sum of money going to numerous organisations, NGOs and charities, and it would be nice for us all to know that that money will be spent fairly and not for political purposes in the referendum in the next couple of years.

John Penrose: We have heard an extensive set of contributions in this debate, including from my hon. Friend the Member for Gainsborough (Sir Edward Leigh), the hon. Member for North East Fife (Stephen Gethins), my hon. Friends the Members for Stone (Sir William Cash) and for Harwich and North Essex (Mr Jenkin), the right hon. Member for Gordon (Alex Salmond), the hon. Member for Glenrothes (Peter Grant), my hon. Friends the Members for Aldershot (Sir Gerald Howarth) and for North East Somerset (Mr Rees-Mogg)—he was kind enough to say nice things about the constitutional impact of Somerset—my right hon. Friend the Member for Wokingham (John Redwood) and my hon. Friend the Member for Daventry (Chris Heaton-Harris).

I will start by saying a few words about clause 3 in general. I will then speak to the Government amendments before endeavouring to respond to the various points that have been made by colleagues on both sides of the Committee. Clause 3 sets out that part VII of the Political Parties, Elections and Referendums Act 2000—PPERA—applies for the purposes of this referendum. It has been in place since 2000, so it provides a well-established and understood framework for regulating referendums in this country. For example, part VII sets the spending limits for campaigners during the referendum period and the rules on donations.

However, the legislation for two recent referendums—on the voting system in 2011 and on Scottish independence last year—although based on PPERA, also provided examples of how the controls on campaigning and the framework for conducting a referendum could be improved. Where those changes have improved the regulation of referendums, with the support of the Electoral Commission, we have sought to replicate them in the Bill.

Alex Salmond: The Minister is quite right about building on experience to try to augment the PPERA recommendations. If the Government have done that with regard to finance, why did they not do it with regard to purdah?

John Penrose: We have already discussed that, and I understand that promises were made from the Dispatch Box earlier this afternoon by my colleague the Minister for Europe. Further proposals will be brought back to the House in due course, and I hope that the right hon. Gentleman and other colleagues will be pleased by what is brought back at that point.

Clause 3 therefore introduces schedules 1 and 2, which make further provision, and it modifies PPERA in relation to the campaigning and financial controls that will apply for the referendum. It also introduces schedule 3, which makes further provision, and it modifies PPERA in relation to the framework for administering the referendum.

Rather than spending a great deal of time on the detail of those schedules, I will move on to the Government amendments and then try to respond to the other amendments in the group, particularly those tabled by colleagues on the Government side of the Committee. The Government have tabled two amendments, which I will briefly explain. Amendment 14 will increase the spending limits for permitted participants at the EU referendum. The limits will apply instead of those provided for by PPERA. The increase takes account of inflation since PPERA was passed in 2000 but goes no further. The changes will apply to the spending limits for all those campaigners who are eligible to become permitted participants on both sides of the debate, including the designated lead organisations and political parties. It should be fair for both sides.

Amendment 15 gives effect to a recommendation of the Electoral Commission. It provides that where campaigners register as permitted participants but do not incur regulated spending, the responsible person must submit to the Electoral Commission a declaration that no regulated expenses were incurred. It will apply only for the purposes of this referendum. It is a technical amendment. Under the current provisions, there is no provision for a nil return. Although that can perhaps be seen as a logical approach in the event of a campaigner not spending, it creates a challenge for the Electoral Commission in undertaking its statutory duties. When a registered campaigner does not submit a spending return after the poll, it is not always clear whether that is an act of non-compliance, or because they have not incurred regulated spending. The amendment will make the situation clearer. Every registered permitted participant will be required to submit a return or declaration of some sort. Failing to do so without reasonable excuse will be a criminal offence. That should help to ensure that the Electoral Commission can focus its attention on clear cases of non-compliance. Given that it applies only to people or organisations that have already registered as campaigning groups, it ensures that transparency will be paramount.

Let me move on to some of the other amendments in the group. I will begin with amendment 9, tabled by my hon. Friend the Member for Stone, which a number of colleagues have addressed. The amendment seeks to extend the referendum period from the currently envisaged 10 weeks to up to 16 weeks. Having listened to my hon. Friend's speech, I think that he is particularly concerned because at the start of any campaign the Electoral Commission needs to go through a process of designating the lead campaigning groups, and in the past there have been great concerns. In fact, the designation process has occasionally lasted for five or six weeks. If that six-week period begins at the start of 10 weeks of referendum campaigning, we will effectively end up with lead campaigning organisations being designated as such, and getting the public funds to which they are entitled, with a period of only four weeks to go before polling day. My hon. Friend rightly pointed out that that might

[John Penrose]

put a crimp in the way in which the campaign was run, for both sides, which would not leave enough time to air important issues or make preparations. His proposed solution is to extend the period from 10 weeks to 16 weeks. I suggest a slightly more flexible alternative, which I hope will achieve the same outcome.

The Bill states that Parliament must agree to an affirmative statutory instrument to fix the date of the referendum in law. As my hon. Friend knows, an affirmative SI takes about six weeks to go through Parliament. Therefore, after the announcement of the election date, the House will consider the SI for a period of about six weeks before it approves the date of the referendum, and only then can the 10-week period start. Clearly, that will not help unless the designation of lead campaigning organisations can be done in parallel.

As my right hon. Friend the Member for Wokingham and others have mentioned, stirrings of campaigns are already under way. Campaigns are already gearing up, and the organisations involved are already co-operating and co-ordinating with each other, although we are at an early stage. I encourage those on both sides of the debate to engage at an early stage with the Electoral Commission, because both sides will, in all probability, start campaigning unofficially long before the eventual official start of the referendum campaign. Because they will be able to start engaging with the Electoral Commission at an early stage, not only will we be able to begin designation six weeks before the beginning of the 10-week period, but we stand a decent chance—with the Electoral Commission's blessing, of course—of getting through the designation process rather faster than we otherwise could.

Mr Jenkin: To assist the Committee, and indeed the whole House, in the scrutiny of the Bill, will my hon. Friend undertake to produce a d-minus chronology of events that details all the steps between the Government's decision to proceed with the referendum and the referendum itself? Presumably, that chronology could include the latest possible date for the conclusion of negotiations. We are concerned because some of the Government's statements suggest that negotiations will conclude after the Government have triggered the referendum process.

John Penrose: I will happily produce a d-minus election schedule. What I will not be able to do, because it has less to do with the Bill, is to say when negotiations might be complete. However, we will be able to work back and produce a schedule that indicates how the process could and should look.

Sir William Cash: The direction of travel is good, because we are interested entirely and exclusively in one thing: not the views of Members of Parliament, but that the choice before the voters is fair. As the Minister knows, the Electoral Commission has supported my proposal. Will he re-engage with me if he has discussions with the Electoral Commission on his new proposal, so that we know which track the commission is going down and what its response is?

John Penrose: I am happy to confirm that we have had discussions with the Electoral Commission—I am sure they will continue—about early or pre-designation, which will be an essential part of the alternative that I

am suggesting to the hon. Gentleman. That will ensure that the 10-week official referendum period is not eaten into, leaving too short a time for a proper airing of the issues. I know that he is concerned about that.

While I am sure that the recent general election campaign was fascinating in all possible respects to everybody in this Chamber, it is possible, given that it started rather earlier than normal because of the Fixed-term Parliaments Act 2011, that in the minds of one or two of our constituents it might have dragged a bit by the end. I am sure we all had cases of knocking on doors when we were out canvassing during the campaign and people saying, "Oh God, I wish the whole thing was all over." We need to take care not to go to the other extreme—I know that my hon. Friend is not suggesting this—of having an election campaign that is too long. We are already beginning the referendum campaign—it is clearly starting to gear up—and we need to be careful about going too far the other way.

6 pm

Amendment 10 was also tabled by my hon. Friend, who is concerned about, as he put it, the tentacles of Europe reaching ever further into our lives and potentially skewing the result—or skewing the way in which the campaign is done. I shall start by making a very clear statement of principle, which is that I share his concern to make sure that the European Union is not involved in funding things directly. As he said, the European Union says it does not believe that it would be eligible to be a direct donor for the upcoming referendum. I can confirm that even if it thought it was eligible, legally it would not be so, under the terms of PPERA. Not only would it not want to or feel unable to—it would not legally be allowed to, in any case.

My hon. Friend talked about some of the organisations that are allowed to donate. There are very great existing protections to stop external non-British interventions in British elections of all kinds, including this one.

Sir William Cash: The Electoral Commission's view is that the European Union does not come within these parameters, but will my hon. Friend share with us the legal advice that the Foreign Office is getting? I think he can take it, though, that we shall be looking at this ourselves, because it is so important in terms of the volume and disproportionateness of the funds that will be available. As my right hon. Friend the Member for Wokingham (John Redwood) said, it is half our money anyway.

John Penrose: My hon. Friend is absolutely right—it is half our money.

I have here the schedule of those who are eligible to donate to the permitted participants under the Act. It is all about UK-based organisations of one kind or another, be they third sector or private sector. Nothing anywhere would allow an organisation like the EU to get involved. The established protections have applied to British elections for quite a few years, and relatively successfully. I do not think that people feel there has been undue influence from organisations abroad in previous elections. The only changes we are making to those protections are, in effect, to make sure that Gibraltar organisations can, if necessary, be part of the campaign actively or through donations.

My hon. Friend is aware—he mentioned it, as did a number of other colleagues—that the amendment as currently drafted probably has some rather serious technical flaws. He acknowledged that when he was talking about its underlying principles. Those flaws would, in particular, prevent a number of legitimate potential participants in the campaign from participating. For example, any farmer who had received payments under the common agricultural policy would potentially be excluded, as would any firm that had done business on the basis of trading with the European Union Commission. Civil engineering firms that have built roads in France, or indeed in this country, that have been paid for, even in part, by our money routed via the EU, would find themselves caught. In addition, the amendment does not have a time limit, so it would not only apply to the past couple of years but could affect anybody who has ever had any of this money since the EU was first started. Of course, that would be incredibly wide-ranging and could count out some entirely legitimate campaigning organisations or people who wanted to be involved.

Strong protections are in place, and we would need to be careful about the issue raised by the amendment.

Sir William Cash *rose*—

John Penrose: I was about to move on, but my hon. Friend wants to make one final point.

Sir William Cash: The BBC, of course, has been receiving money from the European Union, so my hon. Friend is right that I am concerned about that point.

John Penrose: My hon. Friend has confirmed my view, and I am sure that we will continue these discussions.

I move on to amendment 53, tabled by my hon. Friend the Member for Gainsborough. I think his intention is to ensure equal force of arms on both sides of the debate. I was starting from a slightly different presumption: I think that both sides will be pretty well funded—there are well funded and strong views on both sides. There is no tradition in this country of overall, global limits on total campaign spending. As colleagues, including my right hon. Friend the Member for Wokingham, have mentioned, there are individual limits on constituency spends and national limits on individual political party spends. However, there is no overall global limit on the total amount that can be put behind a movement or campaign because other third party campaigning organisations, even after the closer regulation following the Transparency of Lobbying, Non-party Campaigning and Trade Union Administration Act 2014, can also contribute to the campaign behind a particular cause. As there is no limit to the number of organisations that can contribute, there is de facto no overall limit on the total that can be spent.

Opposition colleagues may dislike this example, but it may have resonance on the Government Benches. It is possible and entirely legal, under the right conditions, for trade unions to contribute to and campaign strongly in elections. There are constraints on what they can do, but it is entirely open to one union or 10 to contribute. If 10 contribute, the money that unions could spend goes up by a factor of 10. There is no overall global limit on the amount of money that traditionally can be spent in British elections, although there have been individual limits in specific constituencies.

I caution my hon. Friend a little. The hon. Member for Glenrothes rightly pointed out that people get enthused, excited and involved in political debate at different points and in different ways. If a campaign on either side captures the popular imagination and engages people, people who were not involved at the start can decide to become involved part of the way through. My hon. Friend's amendment would limit the number of people to only those who were organised and enrolled at the start; once the maximum number had been reached, the gates would close and no one else could enrol.

It is an entirely unworthy thought, I know, but the Chief Whip and I suggest that one side could grab all the slots of eligible campaigners on the other side and then do absolutely nothing with those slots. That would effectively kibosh the other side. I understand my hon. Friend's attempt to equalise force of arms, but I am afraid that things will not work as he has described. The amendment would also run counter to some deep-rooted, fundamental principles about how British democracy has worked.

Sir Edward Leigh *rose*—

John Penrose: I give way very briefly, but then I must make progress and finish.

Sir Edward Leigh: Although my hon. Friend believes that my amendment is not the way forward, as it would limit the number of participants, he understands the general view that there should be some sort of equality of force of arms. I remind him of the point that I made: during the 1975 referendum, the yes campaign outspent the no campaign by 10:1. Given that the major parties generally have the funding and are allowed to spend it, if the yes campaign had £17 million to spend and the no campaign had only £8 million, would my hon. Friend agree that the Government would have to think about that, take it away and worry about it?

John Penrose: I understand my hon. Friend's concerns. At the risk of quoting one of the Opposition Members, I notice that none of us was that concerned when there was a difference in the force of arms at the recent general election on a party political basis, but I appreciate my hon. Friend's concerns. I do not think that the amounts of money raised on each side will be as unequal as he fears, but I may be underestimating either the yes or the no campaign.

Finally, my hon. Friend the Member for Harwich and North Essex tabled a number of amendments that would remove bodies incorporated by royal charter and charitable incorporated associations from the list of those eligible. He specifically asked me to give him this reassurance, and I am very happy to do so: nothing in this Bill will change anything to do with charity law. Charities are already subject to some very severe and thorough crimps on what they can do when it comes to political campaigning. There are only a very small number of occasions when they are allowed to get involved, and even then, they are very closely scrutinised by the Charity Commission. That will continue: nothing in the Bill will alter any of that.

Question put and agreed to.

Clause 3 accordingly ordered to stand part of the Bill.

Schedule 1

CAMPAIGNING AND FINANCIAL CONTROLS

Amendments made: 14, page 12, line 4, at end insert—

“() Paragraph 1(2) of that Schedule (limit on expenses incurred by permitted participants during referendum period) has effect for the purposes of the referendum as if—

- (a) in paragraph (a) (designated organisations) for ‘£5 million’ there were substituted ‘£7 million’,
- (b) in paragraph (b) (registered parties that are not designated organisations)—
 - (i) in sub-paragraph (i) for ‘£5 million’ there were substituted ‘£7 million’,
 - (ii) in sub-paragraph (ii) for ‘£4 million’ there were substituted ‘£5.5 million’,
 - (iii) in sub-paragraph (iii) for ‘£3 million’ there were substituted ‘£4 million’,
 - (iv) in sub-paragraph (iv) for ‘£2 million’ there were substituted ‘£3 million’, and
 - (v) in sub-paragraph (v) for ‘£500,000’ there were substituted ‘£700,000’, and
- (c) in paragraph (c) (certain other persons and bodies) for ‘£500,000’ there were substituted ‘£700,000’.”

This amendment modifies, for the purposes of the European Union referendum only, the spending limits for permitted participants in paragraph 1(2) of Schedule 14 to the Political Parties, Elections and Referendums Act 2000 to take account of inflation.

Amendment 15, page 14, line 38, at end insert—

“Declaration where no referendum expenses incurred in referendum period

21A For the purposes of the referendum, the following section is to be treated as inserted after section 124 of the 2000 Act—

‘124A Declaration where no expenses in referendum period

(1) Subsection (2) applies where, in relation to a referendum to which this Part applies—

- (a) a permitted participant incurs no referendum expenses during the referendum period (and no such expenses are incurred on behalf of that participant during that period), and
- (b) accordingly, the responsible person in relation to the permitted participant is not required to make a return under section 120 or a declaration under section 120A.

(2) The responsible person must, within 3 months beginning with the end of the referendum period—

- (a) make a declaration under this section, and
- (b) deliver that declaration to the Commission.

(3) A declaration under this section is a declaration that no referendum expenses were incurred by or on behalf of the permitted participant during the referendum period.

(4) The responsible person commits an offence if, without reasonable excuse, that person fails to comply with the requirements of subsection (2).

(5) If a person who is the responsible person in relation to a permitted participant knowingly or recklessly makes a false declaration in purported compliance with the requirement in subsection (2)(a), that person commits an offence.

(6) A person guilty of an offence under subsection (4) is liable—

- (a) on summary conviction in England and Wales, to a fine;
- (b) on summary conviction in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale;
- (c) on summary conviction in Gibraltar, to a fine not exceeding level 5 on the Gibraltar standard scale.

(7) A person guilty of an offence under subsection (5) is liable—

- (a) on conviction on indictment, to imprisonment for a term not exceeding 12 months or to a fine, or to both;
- (b) on summary conviction in England and Wales, to imprisonment for a term not exceeding 12 months or to a fine, or to both;
- (c) on summary conviction in Scotland, to imprisonment for a term not exceeding 12 months or to a fine not exceeding the statutory maximum, or to both;
- (d) on summary conviction in Northern Ireland, to imprisonment for a term not exceeding 6 months or to a fine not exceeding the statutory maximum, or to both;
- (e) on summary conviction in Gibraltar, to imprisonment for a term not exceeding 12 months or to a fine not exceeding level 5 on the Gibraltar standard scale, or to both.

(8) The reference in subsection (7)(b) to 12 months is to be read as a reference to 6 months in relation to an offence committed before the commencement of section 154(1) of the Criminal Justice Act 2003.

(9) In this section “the Gibraltar standard scale” means the standard scale set out in Part A of Schedule 9 to the Criminal Procedure and Evidence Act.

(10) Schedule 19C (civil sanctions), and any order under Part 5 of that Schedule, have effect as if the offence under subsection (4) of this section were an offence prescribed in an order under that Part.”—(*John Penrose.*)

This amendment requires permitted participants who do not incur referendum expenses to submit a declaration of that fact to the Electoral Commission within three months of the end of the referendum period.

Amendment proposed: 11, page 17, line 37, leave out paragraph 25 and insert—

“25 (1) Section 125 of the 2000 Act (restriction of publication etc of promotional material by central and local government etc) applies in relation to the referendum during the referendum period with the following modification.

(2) Section 125(2)(a) of the 2000 Act has effect for the purposes of the referendum as if, after ‘Crown’, there were inserted ‘including ministers in the Scottish Government, the Welsh Government, the Northern Ireland Executive and Her Majesty’s Government of Gibraltar’.”—(*Sir William Cash.*)

The purpose of the amendment is to apply the “purdah” arrangements that govern ministerial and official announcements, visits and publicity during general elections to the campaign period before the referendum.

Question put, That the amendment be made.

The Committee divided: Ayes 97, Noes 288.

Division No. 15]

[6.11 pm

AYES

Afriyie, Adam	Crawley, Angela
Ahmed-Sheikh, Ms Tasmina	Davies, Philip
Arkless, Richard	Day, Martyn
Bacon, Mr Richard	Docherty, Martin John
Bardell, Hannah	Dodds, rh Mr Nigel
Baron, Mr John	Donaldson, rh Mr Jeffrey M.
Black, Ms Mhairi	Donaldson, Stuart Blair
Blackford, Ian	Dorries, Nadine
Blackman, Kirsty	Drax, Richard
Boswell, Philip	Durkan, Mark
Brock, Deidre	Edwards, Jonathan
Brown, Alan	Fellows, Marion
Cameron, Dr Lisa	Ferrier, Margaret
Campbell, Mr Gregory	Fox, rh Dr Liam
Carswell, Mr Douglas	Gethins, Stephen
Cash, Sir William	Gibson, Patricia
Chapman, Douglas	Gillan, rh Mrs Cheryl
Cherry, Joanna	Goldsmith, Zac
Cowan, Ronnie	Grady, Patrick

Grant, Peter
 Gray, Neil
 Hendry, Drew
 Hoey, Kate
 Hollobone, Mr Philip
 Hopkins, Kelvin
 Hosie, Stewart
 Howarth, Sir Gerald
 Jackson, Mr Stewart
 Jenkin, Mr Bernard
 Jones, rh Mr David
 Kerevan, George
 Kerr, Calum
 Law, Chris
 Leigh, Sir Edward
 Loughton, Tim
 MacNeil, Mr Angus
 Main, Mrs Anne
 Mc Nally, John
 McCaig, Callum
 McDonald, Stewart
 McDonald, Stuart C.
 McDonnell, John
 McGarry, Natalie
 McLaughlin, Anne
 McPartland, Stephen
 Monaghan, Carol
 Monaghan, Dr Paul
 Mullin, Roger
 Newlands, Gavin
 Nicolson, John

Nuttall, Mr David
 O'Hara, Brendan
 Oswald, Kirsten
 Paterson, rh Mr Owen
 Paterson, Steven
 Redwood, rh John
 Ritchie, Ms Margaret
 Robertson, Angus
 Robinson, Gavin
 Rosindell, Andrew
 Salmond, rh Alex
 Saville Roberts, Liz
 Shannon, Jim
 Sheppard, Tommy
 Simpson, David
 Stephens, Chris
 Stewart, Bob
 Stringer, Graham
 Thewliss, Alison
 Thompson, Owen
 Thomson, Michelle
 Turner, Mr Andrew
 Weir, Mike
 Whiteford, Dr Eilidh
 Whitford, Dr Philippa
 Williams, Hywel
 Wilson, Corri
 Wishart, Pete

Tellers for the Ayes:
Mr Steve Baker and
Mr Christopher Chope

NOES

Adams, Nigel
 Aldous, Peter
 Allan, Lucy
 Allen, Heidi
 Amess, Sir David
 Andrew, Stuart
 Ansell, Caroline
 Argar, Edward
 Atkins, Victoria
 Baldwin, Harriett
 Barclay, Stephen
 Barwell, Gavin
 Bebb, Guto
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Brokenshire, rh James
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burt, rh Alistair
 Cairns, Alun
 Cameron, rh Mr David
 Carmichael, Neil

Cartlidge, James
 Caulfield, Maria
 Chalk, Alex
 Chishty, Rehman
 Churchill, Jo
 Clark, rh Greg
 Clarke, rh Mr Kenneth
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Crouch, Tracey
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, James
 Davies, Mims
 Davis, rh Mr David
 Dinenage, Caroline
 Djanogly, Mr Jonathan
 Donelan, Michelle
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drummond, Mrs Flick
 Duncan, rh Sir Alan
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Ellis, Michael
 Ellison, Jane
 Ellwood, Mr Tobias
 Elphicke, Charlie
 Evans, Graham

Evennett, rh Mr David
 Fabricant, Michael
 Fallon, rh Michael
 Fernandes, Suella
 Field, rh Mark
 Foster, Kevin
 Francois, rh Mr Mark
 Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Garnier, rh Sir Edward
 Garnier, Mark
 Gauke, Mr David
 Ghani, Nusrat
 Gibb, Mr Nick
 Glen, John
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Greening, rh Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, Ben
 Gyimah, Mr Sam
 Halfon, rh Robert
 Hall, Luke
 Hammond, rh Mr Philip
 Hammond, Stephen
 Hancock, rh Matthew
 Hands, rh Greg
 Harper, rh Mr Mark
 Harrington, Richard
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, Sir Oliver
 Heapey, James
 Heaton-Harris, Chris
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hermon, Lady
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hopkins, Kris
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Boris
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kinahan, Danny

Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Leadsom, Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Lord, Jonathan
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Mak, Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Nokes, Caroline
 Norman, Jesse
 Offord, Dr Matthew
 Opperman, Guy
 Osborne, rh Mr George
 Parish, Neil
 Patel, rh Priti
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prentis, Victoria
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence

Robinson, Mary
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swayne, rh Mr Desmond
 Swire, rh Mr Hugo
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tolhurst, Kelly

Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Tyrie, rh Mr Andrew
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Watkinson, Dame Angela
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:
 Sarah Newton and
 Simon Kirby

Question accordingly negatived.

Schedule 1, as amended, agreed to.

Schedules 2 and 3 agreed to.

New Clause 3

RESTRICTION ON PUBLICATIONS ETC

- (1) This section applies to any material, which—
- provides general information about the referendum,
 - deals with any of the issues raised by the referendum question,
 - puts any arguments for or against any outcome, or
 - is designed to encourage voting at the referendum.
- (2) Subject to subsection (3), no material to which this section applies is to be published during the relevant period by or on behalf of—
- the UK government,
 - the House of Commons or House of Lords,
 - the devolved administrations,
 - any local authority,
 - public bodies, or
 - the European Commission and European Parliament.
- (3) Sub-paragraph (2) does not apply to—
- existing material made available to persons in response to specific requests for information or to persons specifically seeking access to it, or
 - anything done by or on behalf of—
 - a designated organisation,
 - the Electoral Commission, or
 - the Chief Counting Officer or any other counting officer, or

(d) the publication of information relating to the holding of the poll.

(4) In this paragraph—

“publish” means make available to the public at large, or any section of the public, in whatever form and by whatever means (and “publication” is to be construed accordingly),

“the relevant period” means the period of 28 days ending with the date of the referendum.

- A breach of the rules set out in this section, will be an offence.
- A person guilty of an offence under this section, is liable—
 - on conviction on indictment, to a fine;
 - on summary conviction in England and Wales, to a fine;
 - on summary conviction in Scotland or Northern Ireland, to a fine not exceeding the statutory maximum;
 - on summary conviction in Gibraltar, to a fine not exceeding level 5 on the Gibraltar standard scale.—(*Alex Salmond.*)

The New Clause prescribes a period of “purdah” in the four weeks before the referendum.

Brought up, and read the First time.

Question put, That the clause be read a Second time:—

The Committee divided: Ayes 75, Noes 313.

Division No. 16]

[6.25 pm

AYES

Ahmed-Sheikh, Ms Tasmina
 Arkless, Richard
 Bardell, Hannah
 Black, Ms Mhairi
 Blackford, Ian
 Blackman, Kirsty
 Boswell, Philip
 Brock, Deidre
 Brown, Alan
 Cameron, Dr Lisa
 Campbell, Mr Gregory
 Carswell, Mr Douglas
 Cash, Sir William
 Chapman, Douglas
 Cherry, Joanna
 Cowan, Ronnie
 Crawley, Angela
 Davies, Philip
 Day, Martyn
 Docherty, Martin John
 Dodds, rh Mr Nigel
 Donaldson, rh Mr Jeffrey M.
 Donaldson, Stuart Blair
 Durkan, Mark
 Edwards, Jonathan
 Ferrier, Margaret
 Gethins, Stephen
 Gibson, Patricia
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Hendry, Drew
 Hosie, Stewart
 Jenkin, Mr Bernard
 Kerevan, George
 Kerr, Calum
 Law, Chris
 Lewis, rh Dr Julian
 Lucas, Caroline
 MacNeil, Mr Angus Brendan

Mc Nally, John
 McCaig, Callum
 McDonald, Stewart
 McDonald, Stuart C.
 McGarry, Natalie
 McLaughlin, Anne
 Monaghan, Carol
 Monaghan, Dr Paul
 Mullin, Roger
 Newlands, Gavin
 Nicolson, John
 Nuttall, Mr David
 O'Hara, Brendan
 Oswald, Kirsten
 Paterson, Steven
 Ritchie, Ms Margaret
 Robertson, Angus
 Robinson, Gavin
 Salmond, rh Alex
 Saville Roberts, Liz
 Shannon, Jim
 Sheppard, Tommy
 Simpson, David
 Skinner, Mr Dennis
 Stephens, Chris
 Thewliss, Alison
 Thomson, Michelle
 Weir, Mike
 Whiteford, Dr Eilidh
 Whitford, Dr Philippa
 Williams, Hywel
 Williams, Mr Mark
 Wilson, Corri
 Wilson, Sammy
 Wishart, Pete

Tellers for the Ayes:
 Owen Thompson and
 Marion Fellows

NOES

Adams, Nigel	Dowden, Oliver	Hopkins, Kris	Norman, Jesse
Afriyie, Adam	Doyle-Price, Jackie	Howarth, Sir Gerald	Offord, Dr Matthew
Aldous, Peter	Drax, Richard	Howell, John	Opperman, Guy
Allan, Lucy	Drummond, Mrs Flick	Howlett, Ben	Parish, Neil
Allen, Heidi	Duncan, rh Sir Alan	Huddleston, Nigel	Patel, rh Priti
Amess, Sir David	Duncan Smith, rh Mr Iain	Hunt, rh Mr Jeremy	Paterson, rh Mr Owen
Andrew, Stuart	Dunne, Mr Philip	Hurd, Mr Nick	Pawsey, Mark
Ansell, Caroline	Ellis, Michael	Jackson, Mr Stewart	Penning, rh Mike
Argar, Edward	Ellison, Jane	James, Margot	Penrose, John
Atkins, Victoria	Ellwood, Mr Tobias	Javid, rh Sajid	Percy, Andrew
Bacon, Mr Richard	Elphicke, Charlie	Jayawardena, Mr Ranil	Perry, Claire
Baker, Mr Steve	Evans, Graham	Jenkyns, Andrea	Phillips, Stephen
Baldwin, Harriett	Evans, Mr Nigel	Jenrick, Robert	Philp, Chris
Barclay, Stephen	Evennett, rh Mr David	Johnson, Boris	Pickles, rh Sir Eric
Barwell, Gavin	Fabricant, Michael	Johnson, Gareth	Pincher, Christopher
Bebb, Guto	Fallon, rh Michael	Johnson, Joseph	Poulter, Dr Daniel
Bellingham, Mr Henry	Fernandes, Suella	Jones, Andrew	Pow, Rebecca
Benyon, Richard	Field, rh Mark	Jones, rh Mr David	Prentis, Victoria
Beresford, Sir Paul	Foster, Kevin	Jones, Mr Marcus	Prisk, Mr Mark
Berry, Jake	Fox, rh Dr Liam	Kawczynski, Daniel	Pritchard, Mark
Berry, James	Francois, rh Mr Mark	Kennedy, Seema	Pursglove, Tom
Bingham, Andrew	Frazer, Lucy	Kinahan, Danny	Quin, Jeremy
Blackman, Bob	Freeman, George	Knight, rh Sir Greg	Quince, Will
Blackwood, Nicola	Freer, Mike	Knight, Julian	Raab, Mr Dominic
Blunt, Crispin	Fuller, Richard	Kwarteng, Kwasi	Redwood, rh John
Boles, Nick	Fysh, Marcus	Lancaster, Mark	Rees-Mogg, Mr Jacob
Bone, Mr Peter	Garnier, rh Sir Edward	Latham, Pauline	Robertson, Mr Laurence
Borwick, Victoria	Garnier, Mark	Leadsom, Andrea	Robinson, Mary
Bradley, Karen	Gauke, Mr David	Lee, Dr Phillip	Rosindell, Andrew
Brady, Mr Graham	Ghani, Nusrat	Lefroy, Jeremy	Rudd, rh Amber
Brazier, Mr Julian	Gibb, Mr Nick	Leigh, Sir Edward	Rutley, David
Bridgen, Andrew	Gillan, rh Mrs Cheryl	Leslie, Charlotte	Sandbach, Antoinette
Brine, Steve	Glen, John	Letwin, rh Mr Oliver	Scully, Paul
Brokenshire, rh James	Goldsmith, Zac	Lewis, Brandon	Selous, Andrew
Bruce, Fiona	Goodwill, Mr Robert	Liddell-Grainger, Mr Ian	Shapps, rh Grant
Buckland, Robert	Gove, rh Michael	Lidington, rh Mr David	Sharma, Alok
Burns, Conor	Graham, Richard	Lilley, rh Mr Peter	Shelbrooke, Alec
Burns, rh Sir Simon	Grant, Mrs Helen	Lopresti, Jack	Simpson, rh Mr Keith
Burrowes, Mr David	Gray, Mr James	Lord, Jonathan	Skidmore, Chris
Burt, rh Alistair	Grayling, rh Chris	Loughton, Tim	Smith, Chloe
Cairns, Alun	Green, Chris	Lumley, Karen	Smith, Henry
Carmichael, Neil	Green, rh Damian	Mackinlay, Craig	Smith, Julian
Cartledge, James	Greening, rh Justine	Mackintosh, David	Smith, Royston
Caulfield, Maria	Grieve, rh Mr Dominic	Main, Mrs Anne	Soames, rh Sir Nicholas
Chalk, Alex	Griffiths, Andrew	Mak, Alan	Solloway, Amanda
Chishti, Rehman	Gummer, Ben	Malthouse, Kit	Soubry, rh Anna
Chope, Mr Christopher	Gyimah, Mr Sam	Mann, Scott	Spelman, rh Mrs Caroline
Churchill, Jo	Halfon, rh Robert	Mathias, Dr Tania	Spencer, Mark
Clark, rh Greg	Hall, Luke	Maynard, Paul	Stephenson, Andrew
Clarke, rh Mr Kenneth	Hammond, rh Mr Philip	McCartney, Jason	Stevenson, John
Cleverly, James	Hammond, Stephen	McCartney, Karl	Stewart, Bob
Clifton-Brown, Geoffrey	Hancock, rh Matthew	McLoughlin, rh Mr Patrick	Stewart, Iain
Coffey, Dr Thérèse	Hands, rh Greg	McPartland, Stephen	Stewart, Rory
Collins, Damian	Harper, rh Mr Mark	Menzies, Mark	Streeter, Mr Gary
Colvile, Oliver	Harrington, Richard	Mercer, Johnny	Stride, Mel
Costa, Alberto	Harris, Rebecca	Merriman, Huw	Stuart, Graham
Cox, Mr Geoffrey	Hart, Simon	Metcalfe, Stephen	Sturdy, Julian
Crabb, rh Stephen	Haselhurst, rh Sir Alan	Miller, rh Mrs Maria	Sunak, Rishi
Crouch, Tracey	Hayes, rh Mr John	Milling, Amanda	Swayne, rh Mr Desmond
Davies, Byron	Heald, Sir Oliver	Mills, Nigel	Swire, rh Mr Hugo
Davies, Chris	Heapey, James	Milton, rh Anne	Syms, Mr Robert
Davies, David T. C.	Heaton-Harris, Chris	Mitchell, rh Mr Andrew	Thomas, Derek
Davies, Glyn	Heaton-Jones, Peter	Morris, Anne Marie	Throup, Maggie
Davies, James	Henderson, Gordon	Morris, David	Timpson, Edward
Davies, Mims	Herbert, rh Nick	Morris, James	Tolhurst, Kelly
Davis, rh Mr David	Hermon, Lady	Morton, Wendy	Tomlinson, Justin
Dinenage, Caroline	Hinds, Damian	Mowat, David	Tomlinson, Michael
Djanogly, Mr Jonathan	Hoare, Simon	Mundell, rh David	Tracey, Craig
Donelan, Michelle	Hollingbery, George	Murray, Mrs Sheryll	Tredinnick, David
Dorries, Nadine	Hollinrake, Kevin	Murrison, Dr Andrew	Trevelyan, Mrs Anne-Marie
Double, Steve	Hollobone, Mr Philip	Neill, Robert	Truss, rh Elizabeth
		Nokes, Caroline	Tugendhat, Tom

Turner, Mr Andrew
 Tyrie, Mr Andrew
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Watkinson, Dame Angela
 Wharton, James
 Whately, Helen
 Wheeler, Heather

White, Chris
 Whittaker, Craig
 Whittingdale, Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, Mr Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, Mr Jeremy
 Zahawi, Nadhim

Tellers for the Noes:
 Sarah Newton and
 Simon Kirby

Question accordingly negated.

The occupant of the Chair left the Chair (Programme Order, 9 June).

The Deputy Speaker resumed the Chair.

Progress reported; Committee to sit again tomorrow.

Landfill Tax (No. 2)

6.40 pm

The Exchequer Secretary to the Treasury (Damian Hinds): I beg to move,

That the Landfill Tax (Qualifying Fines) (No. 2) Order 2015 (S.I., 2015, No. 1385), dated 12 June 2015, a copy of which was laid before this House on 12 June, be approved.

It—[*Interruption*]

Madam Deputy Speaker (Mrs Eleanor Laing): Order. We are all very enthusiastic to welcome the Minister to one of his first outings at the Dispatch Box, but I will allow my introduction to take another few seconds and ask Members leaving the Chamber to do so swiftly and silently to allow the Minister to be heard.

Damian Hinds: This statutory instrument implements the loss on ignition testing regime for landfill tax. Landfill tax was introduced in 1996. It has been successful in reducing the amount of waste sent to landfill by more than half, and has encouraged reuse and recycling of waste. However, we want to eliminate tax evasion and ensure a level playing field for all operators. This testing regime assists landfill operators in determining the correct rate of tax when accepting waste that results from mechanical waste treatment processes.

The regime was introduced on 1 April 2015 by way of legislation included in the Finance Act 2015 and an order—statutory instrument 2015 No. 845—was made under it using the affirmative procedure just before Dissolution. Unfortunately it was not possible to secure time for the order to be scrutinised and approved by the new Parliament before it lapsed on 14 June 2015. Therefore, we have made a new order, which came into effect on 15 June, ensuring the provisions introduced on 1 April continue uninterrupted. Today's debate gives us the opportunity to scrutinise the order and vote on confirming its status in law. [*Interruption.*]

There are two rates of landfill tax: a lower rate of £2.60 per tonne for the least polluting waste and a standard rate of £82.60 per tonne for other taxable waste. [*Interruption.*]

Madam Deputy Speaker: Order. I hesitate to interrupt the Minister, but this is not a place for general conversation. The Minister is making an important speech. I am addressing the people behind the Chair.

Damian Hinds: Operators pass on the cost of the tax to those using their site to dispose of their waste. For some types of waste it can be difficult to determine visually which rate of tax should apply. This is particularly true of the so-called waste “fines”, which are the residual materials produced by the mechanical treatment of waste at waste transfer stations and similar facilities. In recent years this type of waste has increased significantly in volume.

Some businesses sending waste to landfill have deliberately mis-described this waste to evade the standard rate of landfill tax. When landfill site operators raised concerns, we responded by working closely with the wider waste industry to devise a testing regime. The testing regime provides an objective way to determine the rate

of landfill tax that should be paid on fines from mechanical treatment, while at the same time protecting compliant landfill operators.

The loss on ignition test is a laboratory test that involves heating a sample of material in an oven to see how much the mass reduces. This provides a highly reliable indicator of the percentage of waste that is degradable, with the higher the percentage the more polluting the waste. Each year, the operator has to take a minimum number of samples from each of its customers for testing. The frequency increases if certain risk categories are triggered, such as when a sample from a customer has previously failed a test. An operator can also instigate a test if it suspects that a load is not eligible for the lower rate of tax. Only qualifying fines that produce laboratory tests at or below a 10% rate are eligible for the lower rate. However, to allow for the adaptation of processes, there is a 12-month transitional period—we are now in that period—during which we will allow waste with test results of up to 15% to be subject to the lower rate. The testing regime has been welcomed by landfill operators because it gives them more certainty over the correct rate of tax to pay and to pass on to their customers.

The order does not apply in Scotland, as the tax was devolved to Scotland on 1 April 2015—the same day the new regime came into force. One of my very first visits in this role was to a landfill site—no one can say that life is not glamorous—and I have seen for myself that the test is already working in practice, providing certainty and fairness to all parties. The test will help to address the tax evasion in the waste sector and provide a level playing field across the waste industry. It has been developed with, and supported by, the wider waste industry. I shall be happy to answer any questions that right hon. and hon. Members might have.

6.45 pm

Alison McGovern (Wirral South) (Lab): As the Minister has helpfully set out, the landfill tax was first introduced in 1996 and, under the last Labour Government, the standard rate was increased on a number of occasions to support the main aim of encouraging more sustainable alternatives for the disposal of waste. Labour therefore supports the principle of the landfill tax and we believe that thorough enforcement rules are an important part of the system. Indeed, according to the House of Commons Library, the proportion of waste sent to landfill had fallen by around a third between the introduction of the tax and 2009, accompanied by a similar increase in recycling, which is surely a good thing if ever there was one. Is the Minister able to provide up-to-date figures on the effectiveness of the landfill tax in reducing waste disposal and in promoting recycling activity?

The tax information and impact note accompanying this measure outlines the impacts to industry but not the corresponding impact on waste disposal, and it appears that the latest publicly available figures are now some years out of date. I am sure that the Minister will want to correct that soon, if he is unable to do so now. The impact also states that these new measures will have “minimal operational impact on HMRC”.

It was recently reported that HMRC faces losing a further fifth of its workforce, despite criticism from various quarters, including our very own Public Accounts Committee, that it is not meeting acceptable service standards. We know

that HMRC is dealing with around 200 registered landfill site operators and about 450 mechanical treatment plants, which dispose of those “qualifying fines” that the order provides for. What resources do the Government intend to put in place to administer the new scientific testing regime that the Minister mentioned and had such a wonderful time observing for himself? The note also states that the scientific tests will be carried out by “testing laboratories”. Could the Minister clarify that process? What involvement will HMRC have in the testing process, and how will it oversee and resource it?

6.48 pm

Mr Kevan Jones (North Durham) (Lab): I welcome the Minister to his portfolio. I had several meetings with his predecessor on this subject. I do not object to what is proposed in the motion, but I think it will be practically impossible to enforce. The Minister said that he had been to a landfill site, and I welcome that, but how is the provision to be enforced? In my experience, landfill tax fraud is one of the largest scandals that we have yet to address in this country. We must ensure that the policy works to reduce the amount that goes to landfill. We should all support that; I certainly do. In practice, however, there are no controls whatever. The jurisdiction over what goes into landfill falls between the Environment Agency and Her Majesty's Revenue and Customs. The Minister said that he had visited a landfill site, but it was obviously one that was well run. He should ask his officials to show him some that are not so well run.

The level of enforcement by both HMRC and the Environment Agency is woefully inadequate. There is also no control, or any onus, on those who are producing the waste either to ensure that the waste meets the targets or to bear any responsibility once it goes to a waste transfer station. What happens in a large number of cases is that the waste gets mixed with other waste. The waste then goes into landfill sites and is deemed to be at a lower rate than it is because no tests take place at some of the more unregulated sites. Worse than that, what is happening in practice is that when the waste arrives at the site—some large companies own a number of sites—it goes past the weighbridge and no landfill tax is paid on it at all. That requires close examination.

If we are to ensure the good intentions of this policy—and there are good intentions—we must ensure that the rules are enforced. I do not disagree with what my hon. Friend the Member for Wirral South (Alison McGovern) said about the cuts at HMRC, but this is more to do with a confusion between the Environment Agency and HMRC. I urge the Minister to ask his Department how many waste operators have been fined for landfill tax fraud. I asked that question last year, and I think that there had been one. There is no enforcement at all, or even an appetite to deal with something that is depriving the taxpayer of huge revenues.

Another issue that is worrying for the long-term environmental sustainability of our country is what is going into these sites. High level waste is being mixed with, in some cases, dangerous and low grade waste. In some cases, we do not know what is going into these sites.

The Minister only has to look on the internet or ask his officials to dig out some press cuttings to see some of the horror sites, which are up and down the country,

[Mr Kevan Jones]

that have been overfilled. No action has been taken to recover the landfill tax, which has been avoided, or to study the environmental impact. Although I do welcome this measure, the Minister needs to look at the matter in greater detail, as massive fraud is taking place. Some of the people involved in that fraud know exactly what they are doing and are making money out of it. There are numerous examples of operators going to customers with prices that are completely impossible to meet if they were paying the landfill tax charges. The industry knows that and somehow turns a blind eye to it. In some cases, the livelihoods of decent operators who are paying the landfill tax and are following the system are being threatened by people who are avoiding paying the landfill tax by not declaring what they are putting into their sites.

I ask the Minister to have a serious look at this whole area. Although the policy is well intentioned, it does not work in practice. Will the Minister also ensure that, because the changes do not apply to Scotland, we do not have a transfer of waste across the border? I know that that is not the intention of the policy, but the lag in the change of legislation in Scotland could mean that that happens. If the Government want to crack down on tax avoidance, this is an area they should be looking at.

6.54 pm

Damian Hinds: We have had a good, if short, debate on this important matter. Let me deal with some of the points that have been raised.

The whole point of landfill tax is to reduce landfill, and it has been successful in that regard. We have seen the amount of waste in landfill drop by 70% since 2000 and average household recycling rates have risen from 18% to 44%. Landfill tax is not the only cause of those beneficial changes, obviously, but it is one cause.

The hon. Member for North Durham (Mr Jones) is right to identify aspects of fraud that will not be eradicated by the measure, but that does not mean that the measure is not beneficial; it deals with a large part of fraud. Wider enforcement is also important, and I am assured that HMRC is on top of that. He and I are to meet in a couple of days, and I look forward to discussing in more detail particular issues that arise in his constituency and elsewhere.

Andrew Bridgen (North West Leicestershire) (Con): Does my hon. Friend the Minister appreciate that it is a given that the higher the tax, the greater the incentive for people in the industry to evade the tax? What will the sampling regime be? Who will take samples of the waste and determine what grade of landfill tax is applicable?

Damian Hinds: Landfill operators must take a certain number of samples per customer load, depending on the risk profile of that customer. So if the operator has never had a difficulty with a customer before, rightly they should use a light touch, but where there have been

problems before, that frequency should increase. There is a loss on ignition test to find out what volume of the sample is degradable and in its steady state there is a limit of 10%, but for a limited period of a year, to allow industry to make the transition, a slightly higher rate of 15% will be allowed.

The hon. Member for Wirral South (Alison McGovern) asked about conducting the tests. The key factor is laboratory capacity. The samples go off to accredited labs, and I have no reason to believe that there is a problem with capacity. It is a commercial line of business.

HMRC compliance in general is a wider issue. HMRC cannot be in every operator's yard at every moment, but it treats all forms of tax evasion extremely seriously and has a statutory duty to ensure that the correct taxes are collected, as well as a direct incentive to do so.

Andrew Bridgen: Can the Minister see that the next area of potential tax evasion will be the sampling regime and what samples are taken from a large load of waste?

Damian Hinds: There is probably no fool-proof or fraud-proof system of taking samples. People will seek to get around the regime, but the challenge in compliance is to interrupt that activity and stop it. In the past 15 months HMRC has accelerated its response to tax aspects of waste crime. It has a range of responses, including criminal and civil investigations, and the national waste sector task force takes cross-tax approaches.

Mr Kevan Jones: How many prosecutions have been taken forward?

Damian Hinds: I may get inspiration on that point before I sit down. If not, I will not have to write to the hon. Gentleman because I will be able to update him on Thursday.

In the 2015 Budget the coalition Government provided a further £4.2 million of funding to the Environment Agency specifically to tackle waste crime. That will enable it to take action against more illegal waste sites and illegal waste exports. HMRC always acts on information indicating non-compliance. For legal reasons, it generally does not comment on specific allegations of tax evasion and fraud. It fully engages with key partner agencies, most notably the Environment Agency, to ensure that compliance and enforcement activity is properly co-ordinated.

On the question about Scotland, the hon. Member for North Durham will know that this is a devolved tax, but it is set at the same rate on both sides of the border so there is no incentive to cross the border to take advantage of a lower rate. HMRC is, of course, in close, regular contact with Revenue Scotland, and the same is true of the two relevant environmental agencies on each side of the border.

We have had a useful debate. I hope I have covered Members' concerns adequately and I commend the order to the House.

Question put and agreed to.

Refugee Situation in the Mediterranean

Motion made, and Question proposed, That this House do now adjourn.—(*Charlie Elphicke.*)

7 pm

Keith Vaz (Leicester East) (Lab): Thank you, Mr Speaker, for allowing this important debate on the crisis in the Mediterranean, which is a significant cause of anxiety for Governments and people across Europe, as victims continue dying on a daily basis and countries such as Greece and Italy reach breaking point under the pressure.

The figures are shocking. More than 100,000 refugees and migrants have crossed the Mediterranean from north Africa to mainland Europe in the past 23 weeks. The total figure for 2015 may reach 200,000. Of those, about 56,000 have reached Italy, 48,000 have arrived in Greece, 920 in Spain and just under 100 in Malta. On the Greek island of Kos, 7,500 migrants have joined a population of just 30,000. Hundreds are now sleeping on the streets, struggling to access food and water.

I will lay out 10 points that I believe are necessary measures the United Kingdom should take to address the situation.

Jim Shannon (Strangford) (DUP): I thank the right hon. Gentleman for giving way; I asked his permission to intervene on him. Some 2,000 refugees have died trying to get across the Mediterranean in the past year, and that figure is 20 times higher than that in 2014. Does he agree that it is time for Europe, the European Union and European countries to work together with those in north Africa and the middle east to address the issue? If they do not, it would be impossible for a single country to do so itself.

Keith Vaz: I agree with the hon. Gentleman and, as I develop my speech, I think he will be pleased with the strategy I set out. He said that 2,000 have died in the past year. In fact, in the past six months, 1,725 people have drowned making this perilous journey, and there must be others who have died in small, unrecorded boats that have capsized. The figure is likely to exceed 3,000 by the end of this year.

Often travelling in crafts that are completely unseaworthy, these innocent men, women and children pay up to €7,000 to make the journey to Libya. Mr Speaker, your own distinguished chaplain, the Rev. Rose Hudson-Wilkin, made a passionate plea on the “Daily Politics” last week about the staggering humanitarian catastrophe on Europe’s doorstep.

This is part of a much wider issue. According to a report published by Amnesty International just yesterday, the neglect of conflicts around the world has led to the worst displacement crisis since the second world war. The report shows that millions of refugees—4 million from Syria alone—have been condemned to a life of misery, and hundreds of thousands of people are trying to reach the EU for a better life.

Stephen Gethins (North East Fife) (SNP): May I congratulate the right hon. Gentleman on securing this debate and on bringing this issue to the House? As he rightly points out, we are facing the worst refugee crisis since the war. Does he share my concern regarding today’s reports about the withdrawal of HMS Bulwark

from the Mediterranean theatre, and will he join me in thanking the service personnel who have done a phenomenal job in very difficult circumstances?

Keith Vaz: The hon. Gentleman is absolutely right. I pay tribute to the work done by those who serve on HMS Bulwark, and I will come to a specific point concerning what I hope the Government will do when that project comes to an end on 5 July.

The situation in Libya is a critical factor. Libya is a failed state just over an hour and half’s flight time from Rome. Constant conflict between multiple factions has left it largely ungoverned. It has few ports and poor infrastructure. Yesterday I spoke to the Italian ambassador, Pasquale Terracciano, who told me that 92% of migrants crossing the Mediterranean leave from Libya. The refugees travelling from Libya consist largely of victims of war and conflict in Afghanistan, Syria, Eritrea, Nigeria and Somalia. Last Monday in Schloss Elmau, leaders of the G7 called on Libya’s leaders to form a Government of national accord. However, calling for a political solution is not enough, and the reconciliation process faces numerous obstacles. We urgently need to support the UN mission to bring parties in Libya to the conference table.

One obstacle is the prevalence of criminal gangs in Libya, which play a large part in trafficking migrants from their points of origin into the Mediterranean. These vicious groups have made millions on the back of the drowned victims. Over the past Christmas period alone, traffickers made an estimated €3 million from packing between 300 and 400 people on to old, doomed ships, on some occasions forcing them on to the vessels at gunpoint. This was vividly demonstrated on 2 January, when 360 Syrian refugees, including 70 children, were rescued after the *Ezadeen*, a livestock freighter, was left adrift in freezing conditions.

Some of the groups profiting from this situation include international terrorist organisations such as ISIS, which recently captured territory in the city of Sirte. Intelligence from Italy shows that trafficking has become a significant revenue stream for terrorist organisations to fund their activities. Terminating these trafficking rings is vital. Will the Minister assure us that the Government are providing practical support to train Libyan security forces, disarm the militias and re-establish the rule of law?

Many of our EU partners believe that direct military action against the trafficking rings is necessary. The current plans are stalled in the UN Security Council, as the remnants of the Libyan Government have rejected proposals to take military action in Libyan territorial waters. However, there is no obstacle to taking firmer action in international waters under the EU’s common security and defence policy. The Italian Government believe that such an operation would be similar to the international action against Somali pirates, and they are right. The Government should provide direct support for more aggressive measures against the traffickers in international waters.

The Khartoum process, a commitment between the EU, north African countries and countries in the horn of Africa to co-operate in tackling people trafficking, appears to have had little impact. The project has been watered down and is a slow solution to a critical problem. We need an inclusive process that includes all those

[Keith Vaz]

parties, but it needs to be tougher, as the hon. Member for Strangford (Jim Shannon) said. Countries such as Tunisia and Algeria have to be vested with greater authority and resources to deal with this problem. The Tunisian ambassador, Nabil Ammar, has provided me with information showing that his country's security forces stopped 191 illegal migration attempts this year, detaining a total of 1,265 people. They cannot maintain these efforts without our support.

What we need is a permanent taskforce, meeting on a 24/7 basis, with the authority to work with Frontex, to replace the Khartoum process entirely. It must include the key north African and southern Mediterranean countries. Through this taskforce, or otherwise, we must ensure that our north African neighbours receive adequate resources, as they face an increasingly significant humanitarian and security problem.

To relieve the stress on Italian, Greek and Spanish authorities, Dimitris Avramopoulos, the EU Commissioner for Migration and Home Affairs, has called for migration centres to be established in Tunisia and Egypt. These centres would allow migrants to make asylum applications that are processed remotely outside Europe, preventing the migrants from risking their lives in the Mediterranean. The Government should review their current position against these centres, which present a legal alternative to refugees risking their lives in the Mediterranean.

Alison McGovern (Wirral South) (Lab): My right hon. Friend is making an important speech. Does he agree that any arrangements must take account especially of child migrants, who are particularly vulnerable?

Keith Vaz: I commend my hon. Friend for calling for a debate on this subject at last week's Business questions. I am glad we are able to have the debate today. Yes, we must take special care of the children who are put at risk because of what is happening in the Mediterranean. She is absolutely right.

Operation Triton is the Frontex rescue mission that replaced Mare Nostrum. It has failed to live up to expectations. Operating at a third of the budget of Mare Nostrum, which saved 150,000 people in 2014, Triton was clearly overstretched, as the number of migrants making the journey to Italy increased by 30%. Sadly, and predictably, the number of deaths rose ninefold under Triton in the period leading up to May. That was tragically demonstrated between 16 and 20 April, when five ships containing around 2,000 migrants sank—1,200 people, including children, died. Triton's resources were simply unable to cope with such a tragedy.

The subsequent emergency summit on 23 April tripled Triton's budget to €120 million and expanded its patrol area. Better late than never. Federico Fossi of the United Nations High Commissioner for Refugees believes that that increase in resources has demonstrated results, and 6,000 people were rescued between 6 and 7 June. Before the emergency summit, aid organisations feared that the death toll would otherwise reach the tens of thousands.

I want to join the hon. Member for North East Fife (Stephen Gethins) and others in commending the British Government for dispatching HMS Bulwark to the area, and our servicemen and women for performing heroic

tasks. Can the Minister today confirm that when Bulwark's tour of duty ends on 5 July it will be adequately replaced by an equivalent mission? We must ensure that the rescue mission maintains these improved resources and learn our lesson that we simply cannot manage this problem with a small and poorly financed operation.

One proposed solution to the problem is quotas, which the Home Secretary discussed today with her EU counterparts in Luxembourg. However, as envisaged, quotas would be beset with complications, as any formal announcement may give the green light to the traffickers to send more ships. Particularly while those gangs are operating, mandatory resettlement will not completely solve the problem—a position held by France and Spain. But it is clear to me that burden sharing between Schengen countries is on the agenda.

Mr David Winnick (Walsall North) (Lab): I endorse everything that my right hon. Friend has said. Does he recall the urgent question in the closing days of the previous Parliament, when the Government were warned that any change in the sea rescue mission would endanger lives? Is it not absolutely vital that every effort is always made to rescue people, whatever the result of their application for refugee status might be? The rescue of human beings must be the first priority of any civilised society.

Keith Vaz: My hon. Friend is absolutely right. We should try to make arrangements to stop the boats leaving in the first place, but once they are out in the Mediterranean we have a duty to try to save lives.

Patrick Grady (Glasgow North) (SNP): On the question of quotas and the Schengen area, does the right hon. Gentleman agree that, irrespective of hard and fast numbers, it is vital that the United Kingdom takes its fair share of people who are seeking refuge from north Africa?

Keith Vaz: Ultimately, I think that we will have to do that anyway, because once the migrants get to Calais it is too late, as I will say later. We have to be part of the solution to the problem.

Although quotas are not the complete answer, we have to work on that as a solution. The resources and political capital required to address migration into Europe cannot come only from the affected countries. Italy and Greece have been warning us of the problem for years, and Italian Prime Minister Matteo Renzi has described the EU's response as being "largely insufficient". He was being polite. Italy and Greece, which are coping with thousands of people in places such as Lampedusa, are under severe strain. The crisis is costing the Italian Government around €800 million a year, and the EU contributes only €60 million in assistance. Today the Italian Government shocked the EU by threatening to shred Schengen, stating that they would consider sending migrants to other EU countries without their Governments' permission. They have given the EU a wake-up call. The pressure is simply too much for Italy and Greece to handle. The Prime Minister is meeting Prime Minister Renzi in Milan tomorrow, and the issue must be top of the agenda in Anglo-Italian relations. If nothing else, the Government should provide deeper assistance. The EU could use its diplomatic strength to assist in the repatriation

of individuals to places such as Mali and Senegal, which is a major challenge. Repatriation agreements are more effective if they are arranged by the EU rather than bilaterally.

George Kerevan (East Lothian) (SNP): I commend the right hon. Gentleman on securing the debate, and I put it to him that there are two interlinked refugee crises. The Syrian crisis is distinct in that it involves a major political crisis, not necessarily economic migration, so there is a necessity for Europe, and Britain in particular, to take a mandatory quota of Syrian refugees.

Keith Vaz: The hon. Gentleman is right: we have an obligation to do so. Perhaps when the Minister winds up he will tell the House the number of Syrian refugees that we have taken to date. We have agreed to do that, so it would be good to have an update on that figure.

Thangam Debbonaire (Bristol West) (Lab): I commend my right hon. Friend on bringing the matter to the attention of the House. I point out, and ask the Minister to comment on, the fact that in the UK only 187 people have been resettled under the Syrian resettlement programme, compared with 30,000 in Germany and 8,000 in Norway. Whether or not there are mandatory quotas, we should be ashamed, as a country, of the fact that we have accepted only 187 people. There must, surely, be grounds for a full debate on this in the House so that we can settle, or at least make progress on, the question of whether quotas are a pull factor or whether they provide badly needed safety.

Keith Vaz: I congratulate my hon. Friend on her election. I believe that she has just started the debate that she recommended, and I am sure that you have heard what she had to say, Mr Speaker. It is important that we debate what has happened in Syria and the number of people that we have taken, and it is important that we get a proper update from the Government on that point.

There is one final point for the House to consider. We must review the implications of our foreign policy far more carefully. We cannot intervene in third-world countries with no post-conflict development strategy, because we will only create more chaos, as we have done in Libya. We can tinker with where and how asylum and immigration cases are processed, but stabilising the political and security situation in north Africa and the conflict zones is the only long-term solution.

We also need to contribute to the economic development of north African and sub-Saharan African countries. When people are prepared to risk their lives—literally to die—for a better life, we cannot sit by and hope that the processes of the European Union will solve the problem. They will not. This Mediterranean madness has only one winner: the criminal gangs that make money. Everyone else loses: the desperate migrants in Lampedusa, Kos, Greece and Spain; the overstretched authorities and residents on the EU southern border; and the thousands of victims who have died in the Mediterranean, which has now become the graveyard of Europe. Nero fiddled while Rome burned, and the EU has held summits while people are drowning and the countries of the Maghreb and southern Europe are being overwhelmed. To fail to act now could result in one of the great betrayals of history.

7.18 pm

The Minister for Immigration (James Brokenshire): I thank the right hon. Member for Leicester East (Keith Vaz) for securing a debate on this important subject. I know that from his experience as Chairman of the Select Committee on Home Affairs during the previous Parliament, he has a detailed knowledge of the subject. He has visited places such as Calais and the Greek border to see for himself the pressures that migration creates in various countries. I have listened carefully to the points that he has raised, and in the time available I will try to respond to the issues that he has highlighted.

The right hon. Gentleman clearly underlined the fact that the situation in the Mediterranean is a tragic reminder of the risks that migrants are prepared to take in their attempts to make the perilous journey to Europe, and it is a stark illustration of the exploitation perpetrated by traffickers and organised criminals, who callously put people in harm's way at sea. Frankly, they could not care whether people live or die. We need to focus on that callousness, that coldness and that complete disregard for human life, and the traffickers who are responsible for it. The loss of life is unacceptable, and I know the whole House is in absolute agreement on that.

Mass migration is one of the key global issues of our times. To put in context the challenge we face, it is currently estimated that about half a million people in Libya are awaiting the opportunity to cross the Mediterranean. There are no easy answers, and none of us should pretend otherwise. We need to look beyond the horizon, looking to the source and transit countries and considering an end-to-end process in dealing with this significant issue, but equally we need to deal with the here and now.

The UK is playing a leading role in the rescue efforts to prevent further deaths. We have sent the Royal Navy's flagship, HMS Bulwark, to assist the Italian-led search and rescue mission. We have also deployed two UK Border Force cutters and three Merlin helicopters, in addition to police and military expertise. To date, UK assets have saved over 3,000 lives. No definitive dates have been set for the withdrawal of HMS Bulwark, but I can assure the House that all options are being actively considered.

We will continue to work with European partners to solve the immediate crisis, but these efforts alone will not make the problems go away; we need to treat the root causes and not just deal with the consequences. This can be done only with a comprehensive, long-term solution where we break the link between the people getting on the boats and achieving residence in Europe. This is absolutely key to the solution, as the Prime Minister and the Home Secretary have underlined in their contributions. Through breaking this link, we will stop people putting themselves in the perilous position that they face in seeking to make that journey across the Mediterranean.

Stephen Gethins *rose*—

James Brokenshire: I can see that the hon. Gentleman wishes to intervene. I am conscious of time, but I will give way once.

Stephen Gethins: On the withdrawal of HMS Bulwark, he said that all options are being considered. Will he confirm that, regardless of what happens, the Secretary of State for Foreign Affairs will make a full statement to this House?

James Brokenshire: I am sure that the House will be kept updated in a number of different ways about the ongoing operations in the Mediterranean. As I have underlined, we are making a difference now with the deployment of assets in the Mediterranean, and we are keeping that deployment under active review.

We need to build stability in Libya and source countries, helping to create livelihoods and reducing the push factors to prevent the flow of people from these countries. We need to make it clear that illegal migrants who are not in genuine need of protection will swiftly be returned to their home countries. We need to tackle the large organised crime gangs and trafficking networks who facilitate and profit from this human misery.

The increased flow of migrants has resulted in a range of pressures across Europe. Asylum numbers have increased significantly in a number of countries—in Germany, for example. As the right hon. Member for Leicester East said, Calais has become an obvious visible sign of migratory pressures close to the UK. Recognising that we needed to do more with our French counterparts to tackle that issue, on 20 September 2014 the Home Secretary and French Interior Minister Bernard Cazeneuve set out in a joint declaration a number of commitments to tackle problems at the port of Calais. This included £12 million from the UK Government towards upgrading the port infrastructure at Calais and other juxtaposed ports, and improving security and upgrading technology.

We have made good progress in the implementation of these practical solutions, including completing the first phase of installing new security fencing and a communications campaign from which we have obtained valuable intelligence and insights from migrants. We continue to work closely with the haulage industry, both in the UK and abroad, to ensure that drivers and hauliers are aware of what steps they need to take to secure their vehicles in order to reduce clandestine entry into the UK. We have also listened to hauliers' experiences. Last week, I spoke to representatives of the Road Haulage Association and the Freight Transport Association and I intend to have further discussions about the immediate challenges facing the haulage industry.

We recognise that the problem does not begin in Calais. That is why we are enhancing joint work with France and other European partners to clamp down on the organised crime groups behind people smuggling. We welcome some of the EU's proposals and we are working with other member states to deal with illegal migration. However, we have already made our position clear on the proposals for the relocation of migrants within the EU. We need to find a long-term solution to the problem that does not increase the pull factors to the EU. The UK Government are clear that they will offer generous funding and practical support to help make that happen. At the European level, my right hon. Friend the Home Secretary is in Luxembourg today for the Justice and Home Affairs Council meeting, which includes a strong focus on illegal mass migration. My right hon. Friend the Prime Minister will attend the European Council meeting in Brussels next week; no doubt the meeting will focus heavily on this issue.

We are taking action against the criminal gangs. We are working closely with Europol to strengthen its operation

to tackle organised crime groups involved in smuggling in the Mediterranean sea, focusing on tracking vessels and bringing together intelligence. Through that fusion of intelligence from all sources, we will obtain the best possible picture so that we can take action against the trafficking gangs and vessels being used to transit people across the Mediterranean.

The UK is taking further action as part of a core group of EU member states and African partners, leading the EU Khartoum process—a combination of work by EU member states and African Union states, looking at the source and transit countries and at the people traffickers involved. This horn of Africa initiative focuses on combating people smuggling and trafficking in the region. It will bolster sustainable regional protection for refugees by working with key countries of origin, including Eritrea, Ethiopia and Somalia, as well as transit countries such as Libya and Egypt.

The UK has also been at the forefront of efforts to secure a Security Council resolution to authorise the use of force against smugglers' vessels. As the right hon. Gentleman said, the common security and defence policy initiative is being taken forward and it is important that there is that intelligence fusion to inform that work.

In the longer term, however, stability and regional development are the only sustainable solution. That is why the UK prioritises aid and our unprecedented programme helps those who are displaced by war and reduces people's need to flee. We have one of the most generous aid budgets in the world and we are one of very few EU countries to spend 0.7% of GDP on aid and development. The UK is the second largest bilateral donor to the Syrian crisis, providing £800 million to date. We are heavily involved in efforts to help establish a sustainable unity Government in Libya.

We are also supporting the EU's proposals for sustainable protection in north and east Africa under EU regional development and protection programmes. We are already participating in the middle east programme. We are increasing our support and protection for those who need it. Reference was made to children earlier in the debate. The UK Syrian vulnerable persons relocation scheme was launched in January 2014, to provide protection for those, including torture survivors and women and children at risk, who cannot be supported effectively in their region of origin. Some 187 have been resettled in the UK in just over a year, and more arrive each month.

Furthermore, we have granted asylum to more than 4,000 Syrians since the start of the humanitarian crisis there. The UK has already settled more than 6,000 refugees over the past 10 years in direct co-operation with the UN High Commissioner for Refugees under the Gateway programme. Practical action, both at EU level and more widely, is what we need to save lives, to tackle the criminal gangs, to find a solution to the chaos in Libya and to offer long-term solutions to enable people to stay in their own countries in peace and dignity.

This is a broad piece of work. The Government are focused on their responsibilities, working with EU partners to deal with this significant problem.

Question put and agreed to.

7.30 pm

House adjourned.

Westminster Hall

Tuesday 16 June 2015

[MR PHILIP HOLLOBONE *in the Chair*]

Iran (Proposed Nuclear Agreement)

9.30 am

Guto Bebb (Aberconwy) (Con): I beg to move,

That this House has considered Iran and the proposed nuclear agreement.

It is a pleasure to serve under your chairmanship, Mr Hollobone. This is an opportune moment to consider once again the proposed nuclear agreement regarding Iran. It is opportune because an outline agreement was presented on 2 April 2015, and it is expected that a full agreement might be reached by the end of this month. It is therefore right and proper that Parliament should once again consider the issue.

This debate follows the good and positive Back-Bench business debate held in November 2014, during the last Parliament. Since then, a number of parliamentary questions have been asked of the Government, and several statements have been made. On top of that, by way of context, it is important and relevant to consider the report published by the Select Committee on Foreign Affairs during the last Parliament. The context extends beyond this place to the outside world, and we need to be aware of it. The debate is opportune. I shall ask the Minister a significant number of questions, to which I hope he can respond. It is relevant to ask those questions before an agreement is finalised, as there are genuine concerns across the House about the details of the proposed agreement.

To start, we must ask what the intention is of any proposed agreement. That is crucial. My understanding was that initially, the aim of any nuclear agreement with Iran was to deal with non-proliferation and ensure no further development of nuclear weapons in that country, yet given the developments that we read about, it appears that the discussion has moved from being about a non-proliferation treaty to being about something more closely related to an arms control treaty. That is an important, but not necessarily positive, development. The original talks between the P5+1 and Iran definitely commenced on the basis of a non-proliferation treaty.

Jack Lopresti (Filton and Bradley Stoke) (Con): I congratulate my hon. Friend on securing this debate. Does he agree that the proposed deal seeks to legitimise Iran's nuclear activities, such as enriching and stockpiling low-grade uranium, for which there is no civilian use whatever? We are talking about a country that is one of the world's largest—if not the largest—state sponsors of terrorism.

Mr Philip Hollobone (in the Chair): Order. That intervention was perfectly legitimate and in order, but I say to all Members present that there are a lot of Members here and we have only 90 minutes, so it is not my intention to call anybody to make a speech who makes an intervention beforehand. I want to ensure that everybody has a chance to have their say.

Guto Bebb: Thank you, Mr Hollobone. There is some merit to my hon. Friend's points, but I called this debate to see what the Foreign and Commonwealth Office's view is of the potential context and contents of any proposed agreement.

A bilateral arms control treaty is not what our partners in the region are looking for. In preparing for this debate, I was fortunate enough to be briefed by representatives of the Bahraini Government on behalf of the Gulf Co-operation Council, and it is fair to say that our partner states in the Gulf have specific concerns about how significantly the proposed treaty has moved from what was originally intended. One of the most striking comments made by the representatives of the Bahraini Government was that they felt increasingly as if they were being treated by the P5+1 similarly to how eastern European countries were treated when there were arms control treaties between the US and the Soviet Union. If that development is concerning our allies in the GCC, the Government should take that seriously.

Rehman Chishti (Gillingham and Rainham) (Con): I congratulate my hon. Friend on securing this important debate. He mentioned the GCC and Bahrain, but another linked point is Iran harbouring and sponsoring terrorism in Yemen by supporting the Houthi rebels to destabilise the region, as well as in Syria, Iraq and Lebanon, in addition to supporting Hamas in Israel. We cannot have a nuclear agreement with a state that is sponsoring and harbouring terrorism. It is a short-term fix for a long-term problem for the international community.

Guto Bebb: My hon. Friend makes a pertinent point, which was certainly reflected in my discussions with the representatives of the Bahraini Government last week. The fact that good intentions are being taken for granted in relation to the treaty is being questioned by some of the Gulf states, which have concerns about Iran's foreign policy objectives, to put it mildly, in that part of the world. It is important when we consider the potential treaty that we take into account the views of not just the P5+1 but partner states in that part of the world.

John Howell (Henley) (Con): Does my hon. Friend not feel that what he has described as the thoughts of the Gulf states are increased by the attitude to the detail, including about centrifuges? If Iran is allowed to retain 6,000-plus centrifuges against the original estimate of 1,000, that is clearly a bad sign.

Guto Bebb: I fully endorse those comments. I will address the issue of the centrifuges in due course. It is reasonable to say that the figure of 6,000 now assumed to be part of a proposed treaty is significantly in excess of the 1,000 originally discussed by the P5+1 when the negotiations started. The question of whether that is actually in the treaty must be addressed.

I do not want to be described as a cynic, but it is fair to question whether the agreement is actually an effort to resolve the issue, or whether it is effectively an effort to ensure a foreign policy legacy for the current American Administration. I am making this contribution in the spirit of the Back-Bench business debate held in November 2014. I think that there is a genuine realisation that we need an agreement, but must that agreement be rushed

[Guto Bebb]

to achieve a foreign policy goal for a US Administration who might not be in place for very long? We need some certainty on that.

Nadhim Zahawi (Stratford-on-Avon) (Con): Many of the Gulf states—my hon. Friend mentioned Bahrain, but obviously this includes the United Arab Emirates and others—are nervous about Iran's intentions. Iran knows that we want a deal, but it clearly understands the timetabling, and that it will be much easier to leverage something advantageous to Iran if we are working to a timeline that is affected by legacies in the United States of America or anything else.

Guto Bebb: My hon. Friend makes a fair point. The key thing is that the proposed treaty stands or falls on its own merits. It should not be subject to a timetable pushed on the basis of others' priorities. That certainly came across in my meeting with GCC representatives prior to this debate.

We must ensure that the agreement satisfies the concerns of our allies in the middle east. In addition, it is important to clarify whether major concessions have been made by the P5+1, as current rumours about the agreement's content would indicate. It is important for the Government to say what concessions have been offered in return for the ones that have been made, for example in relation to the number of centrifuges. We need an outline of the concessions made.

To return to the Back-Bench business debate held in November 2014, I am glad to see my hon. Friend the Member for South Norfolk (Mr Bacon), who was one of the Members who secured it. It was a positive debate, in which a range of opinions were expressed about the intentions, or otherwise, of Iran, and about the historical context of any proposed deal. There were fine speeches that highlighted the missed opportunities in the past for an agreement with Iran. It would certainly benefit any Member who is interested in this subject to reread the debate, as I did prior to coming to Westminster Hall today.

I was struck by the very fair summary of that debate provided by the Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for Bournemouth East (Mr Ellwood), who is also here today; I welcome him back to his position in government. He concluded that debate in an excellent manner by saying clearly:

“It is right that we should leave no stone unturned in the quest to”

reach an agreement,

“but we must not, and will not, do a bad deal. The stakes are too high.”—[*Official Report*, 6 November 2014; Vol. 587, c. 1034WH.]

Those comments can probably be endorsed by everybody here today. However, we need certainty that a proposed deal or compromise, which is rumoured to include significant concessions, is the right deal; we need reassurance on that.

What are the main concerns? My hon. Friend the Member for Henley (John Howell) mentioned centrifuges, and I have to mention one of the biggest challenges in this debate: how do I pronounce “centrifuges”? Initially, the aim of the P5+1 was to reach an agreement

that would allow Iran to maintain 1,000, or possibly 1,500, centrifuges. In the Back-Bench business debate in November 2014, the then Chair of the Foreign Affairs Committee stated that the evidence that the Committee had heard as part of its inquiry was that the maximum number of centrifuges that Iran should be allowed was between 2,000 and 4,000. It is said that 4,500 centrifuges will allow the production of 25 kg of highly enriched uranium within a six-month period, yet we hear a rumour that an agreement will allow Iran to have 6,000 centrifuges. We can do the maths. We would be looking at 25 kg of enriched uranium within not six months, but four. There is a real question as to why the demands of the P5+1 have changed so dramatically and what concessions have been offered in return. We need a response to that question.

Secondly on the issue of centrifuges, perhaps 13,000 or 14,000 centrifuges would be made redundant as a result of an agreement that would leave Iran with 6,000. How many of those 13,000 or 14,000 extra centrifuges would be dismantled? If they are not dismantled, what is to stop them being recommissioned, and how long would it take to recommission them? Again, there are significant questions about the possible allowance of 6,000 centrifuges and what happens to the 13,000 or 14,000 other centrifuges that would remain in Iranian hands.

It is important to state that 30 countries have a civilian nuclear programme. In the November debate, Jack Straw, the former Member for Blackburn, forcefully made the point that any sovereign country has the right to pursue an energy policy. I agree. However, of those 30 countries, only 11 have the capacity to enrich their own fuel. On what basis do the P5+1 conclude that Iran should become the 12th, given its Government's track record on allowing monitoring and allowing third parties to examine its military capacity in relation to the enrichment of uranium?

Chloe Smith (Norwich North) (Con): Does my hon. Friend share my concern that Iran remains a premier sponsor of terror, and does he feel that we ought to consider that when we compare Iran with other nations?

Guto Bebb: I certainly accept that the good will and good intentions of Iran should be considered in the context of its continued support for terrorism in many parts of the middle east, which, as I have said, is a key concern of many of our partner nations in the region.

Nadhim Zahawi *rose*—

Guto Bebb: I will take a quick intervention.

Nadhim Zahawi: I will be very quick. We sometimes get stuck on the issue of the number of centrifuges. However, since the negotiations began, the technology around centrifuges—I declare an interest: my background is in chemical engineering—has advanced so far that a single centrifuge now is much more productive than it was when the negotiations started.

Guto Bebb: Indeed. My hon. Friend makes an important point that I was going to come on to. The issue of the research and development allowed as part of any agreement is very important. What guarantees can we be offered about the development of more advanced centrifuges?

If there are no such guarantees in the agreement, real questions must be asked. If we are trying to reach an agreement to curtail the breakout time for Iran to develop nuclear capacity, the sophistication and possible development of centrifuges is crucial, yet there is no detail, as far as I can see, about what kind of monitoring of research and development will be undertaken.

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): I congratulate my hon. Friend on securing this debate. He asked a broader question about research and development, and about the importance of the agreement being not only retrospective but prospective. It should be future-proofed, so that improvements in technology, productivity and capacity are taken into account, and sufficient protections are put in place against the future capacity to develop uranium—and, indeed, other harmful technologies.

Guto Bebb: Again, I accept my hon. Friend's comments. To a large extent, one of my concerns is monitoring, and the access that monitors will be allowed, so that that type of review can be conducted. There are real concerns as to whether that monitoring will be of an acceptable nature.

We also need to address the issue of the nuclear sites. If my understanding of the proposed deal is correct, two sites—Natanz and Fordow—will be retained. I must ask the Government and the Minister a question about that. If such a concession has been made, what concessions have been offered in return by the Iranians to facilitate the agreement?

Mr John Baron (Basildon and Billericay) (Con): I congratulate my hon. Friend on not only securing this debate, but approaching it in a very balanced way. He was good enough to accept that, in the past, mistakes were made by both sides, and we in the west would now gladly take up some of the concessions that we once refused, because things have been moved on.

I say to the Minister that although it is terribly important that we have the proper safeguards in place in any agreement, particularly to protect our friends in the region—I accept that point 100%, and we must focus on it like a laser—we must not lose sight of the benefits that would arise from our reaching some sort of agreement with Iran. There could be many such benefits across the region, which is becoming increasingly unstable, and we cannot ignore the fact that Iran is a major regional power that we created with our misguided invasion of Iraq.

Guto Bebb: I agree with many of my hon. Friend's points, and I agree that the benefits arising from a good deal are worth fighting for. However, I suspect that many Members have concerns about the nature of the proposed deal, and about the certainty that any such deal offers Iran's neighbours, who also have real concerns, as he acknowledged. I accept the point about mistakes made in the past, and the importance of having a proper deal in place. However, the key point is that the deal must be acceptable to all and must give other countries in that part of the world confidence in the long term.

There is also a concern about the proposed length of the deal; we are looking at a deal that will possibly be limited to 10 years. Again, in the context of considering

the development of nuclear capacity, we must ask ourselves whether 10 years is reasonable or sufficient. Given that the deal does nothing, as far as I can see, to deal with Iran's ballistic missile capabilities, there is a real question as to whether 10 years is insufficient.

If the aim is to secure the right deal, can we justify the type of concessions that we have been reading about? Hon. Members touched on the issue of verification in their interventions, but we need certainty from the Foreign Office and the Government that there is confidence that the degree of verification allowed under any agreement will be acceptable. Once again, the track record of the Iranian regime does not allow us to be confident in that regard. I understand from those who comment and speculate on what happens in Iran that only last month the International Atomic Energy Agency was refused access, and Ayatollah Khamenei said:

“No inspection of any military site or interview with nuclear scientists will be allowed.”

The question of whether we will have a proper verification process in any agreement gives rise to real concern. If we have an agreement with a proper verification process, it must be maintained and foolproof, but once again Iran's track record does not give us much confidence.

The other question that we need to address is whether an agreement that is as compromising as the proposed agreement appears to be actually contributes to an escalation of the arms race in the region, rather than a reduction of tensions. The agreement appears to state clearly that putting Iran in a position in which it is within six months of a breakout for the next 10 years is acceptable. My concern, which I think is shared by hon. Members, is that other countries in the region would end up in an arms race—not to produce a nuclear weapon, but to be within six months of a breakout. It is worth mentioning that Prince Turki al-Faisal from Saudi Arabia stated clearly that

“Whatever the Iranians have, we will have, too”.

That comment should be taken seriously by the Government when they assess the merits or otherwise of the deal.

Any proposed deal has to satisfy the needs of the P5+1, a very unstable region and our allies in the region. However, the real test is whether it satisfies the original intention, which was to ensure that Iran did not develop a nuclear capacity. Dr Bruno Tertrais stated that we must not

“ignore the lessons of history: nuclear-capable countries never stay at the threshold for very long.”

Looking at the bare bones of the proposed agreement, it would appear that the P5+1 are now willing to accept Iran's being at the threshold of a nuclear breakout, and that that threshold will be maintained for the next 10 years. Dr Tertrais's words are important in that context. Countries with the capacity to develop a nuclear weapon will almost invariably end up developing it.

Mr John Spellar (Warley) (Lab): The hon. Gentleman is slightly contradicted by the experience in both Libya and South Africa.

Guto Bebb: That is an interesting point, but I suspect that the significant political changes in South Africa made a real difference to how it viewed its position in

[Guto Bebb]

the world. I suspect that the changes that happened in South Africa are not going to happen any time soon in Iran, so my comments are still worth bearing in mind.

To what extent is the Foreign Office confident that the proposed deal, the outlines of which have been given, will be made in the long-term interest of not only Iran, but neighbouring states in the middle east? If assurances about that cannot be given, there are real questions to be asked about whether we can support any proposed deal.

Mr Philip Hollobone (in the Chair): I will call Guto Bebb at the end of the debate for two minutes to sum up what has been debated. Seven Members wish to contribute. I do not want to call the Front-Bench spokesmen any later than 10.40 am, with the debate closing at 11 am, so I am introducing a six-minute limit. If there are lots of interventions, I am afraid I will have to cut that to five minutes.

9.53 am

Dr Liam Fox (North Somerset) (Con): The election of Hassan Rouhani as Iranian President in June 2013 was heralded by certain sections of the western commentariat as a landmark moment: here was a Government with whom we would be able to do business and who would bring Iran in from the cold. Calls for caution from seasoned Iran observers were lost in the now all too familiar triumph of wishful thinking over critical analysis and the superficial obsession with media-friendly projection. Fast forward to 2015 and it has become clear that the country's direction has not changed. It was never going to, and those who expected change fundamentally misunderstand the structure of Iranian power.

President Rouhani was destined only ever to have a limited influence in a state dominated by the Supreme Leader and the Revolutionary Guard. Khamenei has shown an amazing ability for consistency that western politicians can only dream of. He has never wavered in his belief about the purity of the Islamic revolution, his detestation of the United States or his contempt for the existence of the state of Israel. Nor has President Rouhani's Administration brought any respite for the Iranian people. In 2014 Iran was the world's leader in executions per capita. Freedoms that we in the west take for granted continue to be aggressively curtailed. Persecution of those who supported the green movement, and their families, continues relentlessly, and the western media seem curiously detached from, or even indifferent to, the plight of their savagely repressed Iranian colleagues. Iran remains a sponsor of state terrorism, providing financial, logistical and material support to Islamist terror groups across the region, including those targeting British forces when they were in Afghanistan and Iraq.

Iran persists in its refusal to respond adequately to the international community's fears about its nuclear programme. Iran's nuclear intentions cannot be seen outside the context of its support for terror proxies, arguably the defining feature of its foreign policy. The risks are clear.

Anxieties over Iran's nuclear intentions are well placed. Iran's extensive nuclear programme features many of the key components required to facilitate the domestic

production of a nuclear weapon: possession of large quantities of enriched materials; knowledge to convert enriched materials into weaponised form; and the development and possession of a delivery mechanism in the form of ballistic missiles. The country has a long history of clandestine nuclear work. Two of the nuclear-related facilities, at Natanz and Arak, which are at the centre of the international community's concerns, were constructed secretly in a clear breach of the spirit, if not the letter, of Iran's obligations under the NPT. For years, Iran used these facilities to enrich uranium to levels and quantities beyond those required for a legitimate and peaceful civil nuclear programme. Iran routinely neglects its obligations to co-operate with the IAEA, including repeatedly denying IAEA inspectors access to contentious nuclear-related facilities, such as the one in Parchin at which it is suspected of having previously undertaken tests related to triggers for nuclear weapons. It is logical to assume that Iran's intentions are to develop a nuclear weapons capability and any claims that its intentions are exclusively peaceful should not be regarded as credible.

We may have seen a less confrontational diplomatic posture over the nuclear issue than under the former President, but the real position has not changed. Iran must not be allowed to dictate the terms of any final, permanent nuclear agreement; it has not earned the benefit of the doubt. A permanent deal must cover, in meticulous detail, all elements of Iran's nuclear-related activity, including its ballistic missile programme. Ballistic missiles are, after all, the final critical-stage component of the weaponisation process and prohibited under United Nations Security Council resolution 1929. Omitting such sensitive technology from a final agreement would be inexcusable, and the Iranians are masters at manipulating the detail of any agreement to their advantage. Likewise, to be wrong-footed over this long-term issue due to short-term considerations of potential Iranian help with ISIS would be a colossal error.

We have a number of clear concerns. The time limitation of the agreement is merely to put off the dreadful day that we have all been dreading. As my hon. Friend the Member for Aberconwy (Guto Bebb) said, allowing the number of centrifuges to remain at 6,000 or above is an utterly unacceptable risk and allows break-out at almost any time. On verification, anything less than unfettered access is unacceptable, because we know, in the light of the Iranians' behaviour in the past, how they will manipulate any weakness in the terms of the IAEA's access.

Khamenei has already talked about how sanctions must be lifted immediately that any agreement is made, tearing up the terms of the proposed agreement before it is finally put down on paper. It is a sign of things to come and we should not be giving the benefit of the doubt to such a leader.

A nuclear-armed Iran would make an absolute mockery of the NPT, not least because it would be likely to be followed into the nuclear club in short order by its regional neighbours, including Saudi Arabia, Egypt and Turkey. The prospect of a nuclear arms race in one of the world's most unstable regions, where the likelihood of the use of such weapons is probably greatest, should be of concern to us all. The stakes are enormous. It is no exaggeration to state that the fate of international security rests on the P5+1's ability to secure the right deal. Anything less would reshape our whole understanding

of international security with dire consequences. The P5+1 must not blink. A bad deal is worse than no deal. Appeasement has a very bad track record.

9.59 am

Mr Richard Bacon (South Norfolk) (Con): It is a great pleasure to serve under your chairmanship, Mr Hollobone, and to participate in this debate. I have listened to it with interest. I was tempted to intervene on a number of occasions, but did not because I observed your earlier injunction.

I will start with a couple of facts. Iran is a signatory to the non-proliferation treaty. The same cannot be said of Israel, Pakistan or India. Iran is surrounded by countries that have nuclear weapons: to the north, Russia; to the west, Israel; to the east, Pakistan; and, to the south, the United States through its navy. The desire to defend oneself in a tough neighbourhood is normal. Indeed, a moment ago my right hon. Friend the Member for North Somerset (Dr Fox) said that, if Iran were to get nuclear weapons, it would be rapidly followed by Saudi Arabia, Egypt and Turkey. That is probably correct, but when one listens to the debate, one might think that the Iranians are not sentient or thinking people. One might think that it had not occurred to them that, if they got nuclear weapons, it would be rapidly followed by Saudi Arabia, Egypt and Turkey. One might think that only we heard Prince Faisal when he said:

“Whatever the Iranians have, we will have”.

In fact, in the region, the Iranians are more directly affected by any of this than we are. I think we can take it as read, actually, that Iran will have a rather precise understanding and calibration of the consequences of its actions. I very much welcome the fact that the Iranians and the Saudi Foreign Ministers met in Oman recently.

I will quote from Seyed Hossein Mousavian’s book, “The Iranian Nuclear Crisis”. In a section at the end, under the heading, “An End to Double Standards”, he said:

“The fact that the P5+1 countries maintain strategic and aid relations with Israel, India and Pakistan, which have nuclear weapons and are not parties to the NPT, while at the same time they pressure Iran, which has not acquired nuclear weapons, sends a message to other countries that once they get the bomb they are immune.”

In one of the concluding paragraphs of the entire book, he states:

“I believe that P5+1 handling of the nuclear issue has been bedeviled by U.S. reluctance to give sufficient weight to accumulating evidence that since 2003 Iran has decided to respect its NPT obligation to refrain from manufacturing or otherwise acquiring nuclear weapons. This misjudgment freezes the P5+1 into positions which preclude any movement towards the areas of mutual interest with Iran that, I am convinced, exist.”

As my hon. Friend the Member for Aberconwy (Guto Bebb) said, we alluded to some of those areas of mutual interest in the debate on 6 November. I hope that there is a degree of flexibility in the negotiations to suggest that misjudgment has been suspended and that, while we need to keep our eyes open, there is a possibility of finding a mutually satisfactory deal.

In that debate on 6 November, Jack Straw, who sadly is no longer in the House of Commons, pointed out something that Foreign Minister Zarif had said to him in January last year:

“in 2005, Iran had fewer than 200 centrifuges. After eight years of sanctions, it now has 18,800.”—[*Official Report*, 6 November 2014; Vol. 587, c. 997WH.]

My right hon. Friend the Member for North Somerset will say, “Why on earth would they do that if they were not interested in getting nuclear weapons?” The short answer is that it is the same reason why Vladimir Putin plays silly buggers on the international stage: because he can.

Iran has been treated like a pariah state for many years. Several people, including my hon. Friend the Member for Norwich North (Chloe Smith), have referred to terrorism. Iran was described earlier in the debate as “the premier sponsor of terrorism.” It is true that Iran maintains relations with Hamas in Gaza and retains relations with Hezbollah in southern Lebanon. We know that they are groups engaged in terrorism, but no one would suggest that they are the premier threat to world peace through terrorism at the moment.

It is also true that Iran has relations with the Houthis, who, depending on the definition, are Shi’a. One can meet Iranians, as I did in Tehran in December, who will say that the Houthis are not necessarily Shi’a. When Iranian Members of Parliament visited Westminster in March this year, they made that point in the Foreign Office. Iranians are engaged with the Houthis in Yemen because they rightly think that Yemen is being used by al-Qaeda and Islamic State as an extended training base. Whoever thinks—forgive me, but I cannot remember who said it—that Iran is “the premier sponsor of terrorism” should look around. No one actually said this, but one might be forgiven for thinking that the present firestorm in the middle east, and the fact that we have the most brutal war going on, where people are being beheaded and crucified, is a direct consequence of Iran—it is not.

Several hon. Members *rose*—

Mr Philip Hollobone (in the Chair): Order. I think Mr Bacon was about to give way to Chloe Smith.

Mr Bacon: Yes, I was.

Mr Philip Hollobone (in the Chair): That is fine, but in responding to Chloe Smith, I ask Mr Bacon quickly to conclude his speech.

Chloe Smith: My intervention is extremely short, Mr Hollobone, and it is to point out that I believe I referred to Iran as “a premier sponsor”. I hope that that casts some illumination on the notion that there are various sources of threat in this world and that my hon. Friend considers all of them in his following remarks.

Mr Bacon: I will. My final point—I will observe your injunction, Mr Hollobone—is that Iran was in the frontline against the Taliban and al-Qaeda and is now in the frontline against IS, which is one of the most brutal, stone-age regimes that we have seen in modern history and which exists as a direct consequence of our having invaded Iraq in 2003 with President Bush and smashed the country into small pieces.

10.6 am

Andrew Percy (Brigg and Goole) (Con): It is a pleasure to take part in this debate, and I congratulate my hon. Friend the Member for Aberconwy (Guto Bebb) on securing it. I certainly agreed with the first two speeches,

[*Andrew Percy*]

but I did not agree with a great deal that my hon. Friend the Member for South Norfolk (Mr Bacon) said. In fact, I would describe his speech as complacent in parts, particularly what appeared to be his defence of the Iranian regime's actions compared with other countries. I think it is very complacent to dismiss the Iranian regime's behaviour in sponsoring terrorism and supporting the murder of individuals around the region and the world on the basis that Iran is on the frontline against ISIS, which is, as he said, a cruel and vicious organisation.

Mr Bacon: Since he just accused me of supporting murder—[*Interruption.*] Those were the words; the tape will show it. Will he draw attention to precisely which words he thinks I used that lent support to murder?

Andrew Percy: I was certainly not accusing my hon. Friend; I accused the Iranian regime, which I said he seemed to be defending, of being engaged in the support of mass murder. If he looks at the record, I am sure he will see that.

I pretty much agreed with everything that my hon. Friend the Member for Aberconwy had to say. It is not the first debate on Iran that he and I have taken part in, but as the United Kingdom is one of the members of the P5+1, it is slightly frustrating that we have had few opportunities in the House to debate the detail of what is emerging, or even to express our concerns during the negotiation process. It should greatly worry us all that, in the lead-up to the 30 June deadline, many issues remain outstanding. Not only are there clear discrepancies between the expectations and demands of the various parties to the negotiating process, but many of the proposed parameters are worthy of criticism.

At this very late stage, increasingly concerning reports have been emerging. An IAEA report—I apologise; with my flat vowels, it is hard to get all those letters out together—this month has revealed that Tehran's stockpile of nuclear fuel has increased by 20% in the 18 months since negotiations began. That point has been made by other speakers. Worryingly, the news completely contradicts President Obama's contention that the nuclear programme had been frozen in that period. In previous debates, I and colleagues across the House said that that was exactly what we expected to happen.

Of particular concern are the many reports of Iran's intransigence towards the verification of the so-called possible military dimensions and its continued blocking of access to the country's military sites to allow the IAEA to carry out crucial investigations. In a previous debate, I quoted a report saying exactly the same thing. Will the Minister tell us how we can possibly ensure that Iran's nuclear programme is what it says it is when the IAEA is unable to determine the true extent of Iran's historical research into nuclear weaponry or properly calculate the break-out time?

I am reminded of the words of the sadly now former Canadian Foreign Affairs Minister. His assessment of the process was that past actions predict future actions and that Iran had not earned the right—I have forgotten the quote, Mr Hollobone; I am still very tired from a recent long journey. I will come back to that point in a moment. I do apologise.

Since the announcement of the proposed parameters in April, Iranian officials have avowedly rejected any co-operation with the IAEA's crucial investigations. That justifies the IAEA's long-held concerns about the Iranian regime's true intentions. Only on Sunday, the deputy chief of staff of the Iranian armed forces, Brigadier General Masoud Jazayeri—excuse my pronunciation; being from Yorkshire I am not particularly good with anything that is not English—reiterated the regime's position that permission to visit Iran's military centres “will definitely never be issued for any kind of access...even if it runs counter to the acceptance of the Additional Protocol”.

That leads to the question: what do the Iranians have to hide?

As the international community makes numerous concessions to Iran, which is, as my hon. Friend the Member for Aberconwy and others pointed out, a country in the grip of a fundamentalist regime that has sponsored terrorism around the world and particularly in the region, Iran continues to hang its political prisoners and fund terror groups across the middle east. Given everything that the P5+1 and the west are seemingly expected to concede, will the Minister tell us what concessions the Iranians are expected to make in return? I will return to the words of the former Canadian Foreign Affairs Minister, who urged extreme caution in our approach to this situation. I hope that the Minister will have those words and warnings in mind when he responds to the debate.

10.13 am

Dr Matthew Offord (Hendon) (Con): It is a pleasure to serve under your chairmanship, Mr Hollobone. I congratulate my hon. Friend the Member for Aberconwy (Guto Bebb) on securing this debate.

This is not the first time we have discussed this issue in Westminster Hall. On 26 February 2014, I initiated a debate on the interim agreement with Iran, so it is hard not to repeat oneself; indeed, many hon. Members have already outlined many of the issues of concern. I have therefore decided to approach the matter from a completely different point of view: the environmental implications of a nuclear Iran. The Iranian regime has announced that it is interested in the construction of nuclear technology only for energy consumption and that a civilian nuclear Iran seeks such capability only for peaceful uses but, in this age of environmental sustainability and renewables, it strikes me as perverse that such a claim is being made to justify a nuclear programme in the middle east.

Iran is rich in its natural supply of minerals, oil and gas, and there is an abundance of possibilities in the country to produce renewable energy from the wind and sun. The opportunities are infinite, as the production of energy from such natural resources is not only cheaper but much safer for the environment. Iran can secure not only its domestic but possibly the regional energy supply, without resorting to nuclear technology.

We have only to look at the country's existing nuclear facilities to consider how safe such an expanded nuclear industry would be. A good example is the Bushehr nuclear plant, which lies on the coast of the Persian gulf, south of Tehran. There have been huge safety concerns about the plant, associated with its construction, its ageing equipment and under-staffing. The Center for

Energy and Security Studies, an independent Russian think tank, explained the construction delays at the plant as due partly to a

“shortage of skilled Russian engineering and construction specialists with suitable experience”.

In 2010, the International Atomic Energy Agency noted that the facility was under-staffed. It is clear that Iran does not have the human capacity for a nuclear industry.

Leaders from Gulf Co-operation Council countries have expressed fears that a serious nuclear accident at the Bushehr plant would spread radiation throughout the region. Bushehr is closer to the six Arab capitals of Kuwait City, Riyadh, Manama, Doha, Abu Dhabi and Muscat than it is to Tehran. The United States Geological Survey and NASA say the plant is near the boundary of the Arabian and Eurasian tectonic plates. The Bushehr plant could be the next Chernobyl or Fukushima, with the potential to contaminate vast swathes of the middle east in the event of an explosion.

Iran’s wants to acquire nuclear technology not so that it can match the technological achievements of the west; we all know that it is an overt attempt to challenge the military capabilities of other countries and to establish itself as a presence in the geopolitics of the middle east.

Mr Bacon: Given that, apart from Egypt, Iran is probably the most populous country in the middle east, and given its strategic position occupying one entire side of the Gulf, does it surprise my hon. Friend that it might want to have an important role in the strategic geopolitics of the region?

Dr Offord: It does not surprise me, but I worry about Iran’s intentions in such a role. I will come on to that shortly.

The nuclear programme has many attractions for the Iranian president and the supreme leader. Internally, it increases self-confidence in elements of the regime’s core supporters, such as the Revolutionary Guards and the Quds and Popular Mobilisation forces. Externally, it boosts the regime’s prestige in the eyes of fundamentalist militant sympathisers such as Hezbollah in Lebanon and Hamas in Gaza—so yes, I agree with my hon. Friend the Member for South Norfolk (Mr Bacon) that Iran wants prestige and influence. The nuclear programme can also be used for the blackmail of regional countries by raising the threat of a localised nuclear attack. It allows Iran to become a dominant voice in the Persian gulf and could ensure its ascendancy in the global community as it seeks to cajole and influence. Most of all, it can be used as a tool to sabotage the middle east peace process and give advantage to Iran to dictate the terms and destabilise order in the region, especially in countries such as Israel.

The proposed deal makes no reference to Iran’s role as leading sponsor of state terrorism, which was mentioned by my hon. Friends the Members for Filton and Bradley Stoke (Jack Lopresti) and for Gillingham and Rainham (Rehman Chishti). While negotiations were ongoing in Switzerland, Iranian-backed Houthi rebels were seizing control of the Yemeni capital, and Iran was extending its presence in Iraq and attempting to establish a new front in the Golan Heights in co-ordination with the terror group Hezbollah. Again, I agree with my hon. Friend the Member for South Norfolk: Iran is seeking to exert influence.

The Iranian regime is known to provide financial and material support to extremist Islamist terrorist organisations in the middle east, including Hamas, Hezbollah and the insurgencies in Afghanistan and Iraq. It reportedly provides Hezbollah with up to \$200 million a year and spends up to \$35 billion to prop up the Assad regime. Between 2006 and 2011, it financed Hamas with up to \$300 million annually. Iran actively sponsors international terrorist groups that are committed to the destruction of Israel and act as Iran’s proxies.

It is not just me who has concerns about the Iranian regime and its attempt to attain a nuclear weapon. The IAEA, the UN Security Council and many western countries have long-standing concerns. In November 2014, the IAEA director general called on Iran to

“increase its co-operation with the agency and to provide timely access to all relevant information, documentation, sites, material and personnel”.

Iran does not act in any way to allay the fear of us sceptics. It has repeatedly denied IAEA inspectors access to key nuclear sites, including at Parchin, where it is believed to have conducted tests involving triggers for nuclear weapons. Our concerns are legitimate. Iran needs to demonstrate the exclusively peaceful, civilian nature of its nuclear programme and intentions before it can possibly be considered a normal, non-nuclear-weapons state. It will not do that though, so I remain highly concerned about the deal, like other Members present.

The verification programme is not enough, and Iran’s failure to address the potential military dimensions to its nuclear programme undermines the IAEA’s ability to verify the programme and accurately calculate its break-out time. Iran needs to make concrete progress on the disclosure of its weaponisation activities prior to receiving sanctions relief, because an agreement that ignores Iran’s past weaponisation work would risk being unverifiable. Until such issues are resolved, I appeal to the Minister, as I did to the Prime Minister in the House, not to enable Iran to become a nuclear power. We should be wary of its intentions. As I said to the Prime Minister, the road between a civilian nuclear Iran and a military nuclear Iran is a short one. I repeat the words of my right hon. Friend the Member for North Somerset (Dr Fox), who said that it would be better to have no deal than a bad deal.

10.20 am

Neil Parish (Tiverton and Honiton) (Con): It is good to serve under your chairmanship, Mr Hollobone, and I thank my hon. Friend the Member for Aberconwy (Guto Bebb) for securing this debate.

I want to discuss the principles behind the forthcoming agreement. American Presidents in their second term are—dare I say it?—dangerous, because they are looking to leave legacies, and those who might struggle to leave a legacy look even harder. We must be careful that that is not what the agreement is about. I have much respect for my hon. Friend the Member for South Norfolk (Mr Bacon), who is a great friend of mine, but I entirely disagree with him. Will there be a pecking order for terrorism as to which groups are the worst? I think not. In our desire, which is quite right, to have Iranian help to deal with ISIS, I worry that we are blind to what is actually happening in Iran. We must be careful if we take that line.

Rehman Chishti: The point has been made that Iran is supporting the international community to defeat Daesh or Faesh. I think that that is completely wrong. The G7 statement says that we must first defeat the Assad regime to defeat Daesh, but as long as Iran is supporting the Assad regime, we cannot defeat Daesh or Faesh. That point must be clear.

Neil Parish: My hon. Friend makes a good point. The middle east is complex and contains states such as Iran that will sponsor terrorism. It is something that none of us wants to foresee, but the idea of Iran, with its attitudes towards its neighbours, especially towards Israel, having a nuclear weapon and being capable of using it is abominable.

Why does Iran need so much enriched uranium? We could go through the figures all day, but I do not intend to go into them again. I do not believe that Iran needs uranium just to create nuclear power stations; it wants to enrich it. Why does Iran not allow proper access for us to see what is going on? If we were allowed better access, we could stand up in this Chamber and say what a delight it is that we are able to go all over Iran and see exactly what it is enriching and what it is not, but we have no real idea, because we are not allowed access. We have a fairly good estimate of what might be going on, which in itself is far too much.

I am from the west of England and have the same trouble as my hon. Friend from the north of England, the hon. Member for Brigg and Goole (Andrew Percy) in pronouncing such words, but consider the Bushehr nuclear power station. It uses Russian technology—I first upset the Americans and now the Russians, so I will perhaps upset everyone this morning—and I am not always delighted with Russian technology or with Russian nuclear power stations. The idea of such a combination does not bode well. It is no good our sitting here, putting our rose-tinted glasses on and saying, “Let’s do a deal with Iran”—dare I say it?—“at all costs.” I have great faith in the Minister here today and Britain must stand up and be sensible about this matter. If we are actually to reduce terrorism in the middle east and to make the region more secure, we cannot possibly have an Iran with the capability to make a nuclear bomb.

The agreement mentions 10 to 15 years of control, but that is just not enough. Ten to 15 years passes almost in the blink of an eye. I would love to think that we could talk of a wonderfully peaceful middle east in 10 to 15 years. Call me cynical, but I do not believe that that will be the case—although I hope that it is. We must stand up to such states. It is no good sitting here saying, “It’s okay. Let’s have an agreement and brush all the problems under the carpet because they don’t really exist.” Oh yes they do. They exist and Iran will have that capability.

We have debated the matter thoroughly this morning. We need to have our eyes open. I want to hear from the Minister about the British position and not about some nice, cosy and lovely agreement that makes everyone feel warm. What is actually happening in Iran? What are we doing about getting inspectors in? I cannot see how we can sign any agreement until we know exactly what is going on.

10.25 am

Tom Tugendhat (Tonbridge and Malling) (Con): Thank you, Mr Hollobone, for calling me to speak in this debate, in which I will pick up on the theme of the 10-year timeline that my hon. Friend the Member for Tiverton and Honiton (Neil Parish) highlighted. Ten years ago, I had been in Kabul for a few months to set up the Afghan National Security Council, helping the Afghan Government to stand on their own two feet in security matters. It will not surprise many of my hon. Friends to hear that one of the biggest threats then was the penetration of Iranian agents and activists within the Afghan system. I do not have recent experience but have no reason to believe that that has changed.

We are not dealing with a country that is behaving in the ways of the post-Westphalian system in western Europe; we are dealing with a country that has ideas of itself that go back way beyond what anyone in Europe is discussing. We are talking about Cyrus the Great and the Sasanian empire. As you will no doubt remember, Mr Hollobone, the Sasanian empire had its first major expansion into Yemen in the 570s in the year of the Elephant, which is often celebrated as the birth year of the Prophet Mohammed. That expansionism is not something that the present Iranian regime has forgotten. Quite the reverse—it is echoed in every word that it says and in every speech that is made. When I hear that it is not interested in expansionism, I merely look at the maps of the Sasanian empire and of later Iranian empires and I see where its interests lie: all the way from Delhi to Turkey.

Such impacts are serious for us, because our world has also changed. Our friends now lie around the Persian gulf, on all parts of the Arabian peninsula and on the other side in Afghanistan, Pakistan and India. For us, the Iranian question is no longer a foreign question about which we know little. It is a personal, immediate and local question, because the nuclearisation of Iran—were it to happen—would trigger, as my right hon. Friend the Member for North Somerset (Dr Fox) said, the nuclearisation of Saudi Arabia and Egypt, both of which would probably get what they have already paid for: a Pakistani nuclear bomb. That is an extremely threatening situation not only for us, but for many other friends in the region.

In fact, the situation is not, as many people think, about Israel; it is much more fundamentally about Arab sovereignty and Arab states in the region. Those who think that the rights of an Iranian theocratic regime should become supreme also seem to overlook that the situation is also about the rights of the Iranian people. People have now forgotten that the first of the so-called Arab spring revolutions was the Iranian green movement, which was crushed with extreme brutality by the Iranian Government. They were able to do so because, since the revolution, they have constantly played—certainly under Ahmadinejad—the cities against the countryside. They have recruited the Basij, the revolutionary militias, from the countryside and have used them time and again to crush movements not even of liberalism, but of gentle reform in the cities, in particular Tehran. The proposed treaty endorses a theocratic regime that is anathema to peace in the region and anathema to civil rights in its own country. It is not only incumbent on our Government to stand up for ourselves—

Mr Bacon: When my hon. Friend says “anathema to peace in the region”, I immediately think of Gulf and Saudi financing for IS. When he says “anathema to civil rights”, I immediately think of the civil rights that do not exist in Saudi Arabia. Why does he think that Iran, uniquely, gets picked out?

Tom Tugendhat: My hon. Friend is right that the rest of the Gulf and the Arabian peninsula is far from being an island of perfection in an otherwise dark world. Other states have serious issues and I would not in any way seek to relieve pressure on the Salafi funding of various regimes around the area. I completely agree that such things are inimical to our interests. The pressure that Islamic State, as it has been laughably called—it should be called Daesh—is putting on our interests in the region is abhorrent. The idea, however, that somehow my enemy’s enemy is my friend is also for the birds—it is completely wrong. We are watching the continuation of a period of violence that started with the battle of Karbala and the deaths of Hassan and Hussain. We do not want to get involved, saying, “No, everyone can nuclearise themselves.” Indeed, my hon. Friend makes my point for me, that to nuclearise one would be to encourage further problems for the whole area.

I repeat, that to allow Iran to get nuclear weapons would be anathema to peace for the region, anathema to the civil rights of the society and anathema to our interests. I therefore urge the Minister, who I am glad to see in his place, because he understands the region extremely well, to look hard at what Her Majesty’s Government can do. We need to reinforce our position as a voice for peace in the region, reassure our friends in the Gulf and across north Africa that we will not abandon them and be only fair-weather friends. What will we do to stand up for them if Iran insists on pushing things, because we will be standing up not only for them, but for ourselves?

Rehman Chishti: My hon. Friend says that we should support our international allies in the region and around the world, but does he agree that we should learn lessons from what happened previously? For example, the international community stood by when Iran backed the Maliki Government in Iraq, which led to the crushing of the Sunnis and then to the rise of Daesh or Faesh and the massive problem we now have. Therefore, we have an international duty to support our friends and colleagues where oppression is going on and to deal with such policies and issues at an earlier stage.

Tom Tugendhat: I am grateful to my hon. Friend for making an excellent point. All I can add is to urge hon. Members to read “The Unravelling” by Emma Sky—a plug for a book by a friend of mine that is absolutely outstanding. It explores not only the failure of the American governance system in Iraq, but the rise of Iran’s influence. The point my hon. Friend made most eloquently is just that—Iran did not wait for us to push, but has been constantly pushing out from its borders, because its view of itself is not the same as what we say when we see the borders. It is not a post-Westphalian state; it is a pre-Islamic state that is still exploring its areas of influence.

10.33 am

Mr John Spellar (Warley) (Lab): It is a pleasure, Mr Hollobone, to serve under the chairmanship of a fellow alumnus of Bromley Borough Council. I congratulate the hon. Member for Aberconwy (Guto Bebb) on securing the debate, although I will highlight one or two differences from his approach. I make apologies for my hon. Friend the Member for Harrow West (Mr Thomas), who previously dealt with the subject; he has departed from the Front Bench to spend more time with the London mayoral election. Interestingly enough, this will also be my last debate from the Front Bench on foreign affairs, because I will be spending more time on politics, which I look forward to.

Given how the hon. Member for Aberconwy introduced the debate, I think that we may find more common ground between Front Benchers than between Front Benchers and Government Back Benchers—probably not the last time that will occur in this Parliament, particularly on foreign affairs. We have to define what we see as the objective of our relations with Iran, particularly in terms of the nuclear talks. Is any agreement a nuclear freeze or, as some have described it, weapons control? Is it to influence Iran’s foreign policy, and particularly its actions in respect of its neighbours, or is it to achieve regime change? All those things might be desirable, but they are not necessarily the prime objective of the talks. An analogy was made with eastern Europe and arms control, but that was immensely successful, as indeed were the Helsinki accords that helped to bring about perestroika and glasnost.

Guto Bebb: To clarify, the analogy with eastern Europe was made in the context of an agreement that was possibly successful as regards arms control, but was not especially good for the people of eastern Europe. An agreement now might be successful in controlling arms, but not be good for the people of the Gulf states, or indeed of Iran.

Mr Spellar: That may be true, but such an agreement is preferable to achieving none of those objectives. Not everything has to be agreed, particularly if we view the possession of nuclear weapons as a qualitative rather than simply quantitative change—it is not only another step. Throughout the history of arms control agreements, it has been recognised that the nuclear threshold is a particular and qualitatively different threshold in international relations. We could therefore have arms control agreements with the Soviet Union, even though it was repressing its own citizens and the citizens of eastern Europe and sponsoring terrorism abroad.

Dr Fox: Surely the aim is to stop a signatory to the non-proliferation treaty from gaining nuclear weapons capability, and thus making a mockery of the treaty and giving rise to a much wider risk of nuclear conflict in the region.

Mr Spellar: I take the right hon. Gentleman’s exact point. In fact, he is reinforcing my argument. The fact that there are other undesirable aspects of the Iranian regime does not necessarily mean that we cannot seek a proper, verifiable and effective nuclear agreement. We may argue about how that is achieved, but the other aspects, desirable as they may be—we should certainly

[*Mr Spellar*]

press them with the Iranian regime—should not prevent us from reaching an agreement. The former Defence Secretary is right: we need to focus on the arms control agreement.

I wish that I had some of the confidence of the hon. Member for South Norfolk (Mr Bacon) about the internal dynamics of the Iranian regime. The same goes for his comments about the sponsorship of terrorism. He referred to relations with Hamas and Hezbollah, but Iran acts as the armourers of those organisations. Furthermore, it is reasonably argued that in many cases Iran is pressing and supporting elements within Hamas and Hezbollah who want to take things further, as against those who want a more moderate position.

Tom Tugendhat *rose*—

Mr Bacon *rose*—

Mr Spellar: I will give way to the hon. Member for Tunbridge Wells first, then to the hon. Member for South Norfolk.

Tom Tugendhat: Forgive me, but I am the hon. Member for Tonbridge and Malling; the Secretary of State for Communities and Local Government, my right hon. Friend the Member for Tunbridge Wells (Greg Clark), is not present.

Does the right hon. Member for Warley (Mr Spellar) agree that Iran's actions in support of terrorism have not been limited to the region? We have heard a lot of talk about IS, but the reality is that actions in Argentina and Bulgaria, and the murder of Israeli and European citizens in Germany over many years, demonstrate that Iran's involvement in terrorism is not a foreign matter, but very much a domestic one.

Mr Spellar: As does seeking to procure the assassination of the Saudi ambassador in Washington.

Mr Bacon: Of course, the right hon. Gentleman is right: the Iranians have been sponsoring groups of what we call terrorists in Gaza and Lebanon. I did not deny that at all; in fact, I think I said it. I was simply making the point that the world is on fire, and that is not because of Iran, but because George Bush, who did not know the difference between Shi'a and Sunni six weeks before the invasion of Iraq, smashed the region. We are still suffering the consequences, and Iran is trying to help clear up the mess.

Mr Spellar: That is a very simplistic reading of history. The idea that Islamist terrorism was dependent on the invasion of Iraq does not bear any scrutiny. It is interesting that, yet again, the hon. Gentleman referred to "what we call terrorism". No, it is what the world calls terrorism—and that, indeed, is what it is.

We need to move on to the core questions: what is Iran's capability, and what is its intention? Those are undoubtedly complex issues. We certainly did not create Iran; it is of very long standing. As the hon. Member for Tonbridge and Malling (Tom Tugendhat) rightly said, it is a great historic and continuing nation, and was a great empire and civilisation. The hon. Member

for Basildon and Billericay (Mr Baron) said that we made it a regional power. History, resources and population made it a regional power.

Interestingly, unlike some other Islamist groups, the Iranian regime has not discouraged education, but very much encouraged it. There is a substantial educated—indeed, sophisticated—section of society. Unfortunately, a considerable number of its members now live in exile, and they would be a huge benefit to a liberal country. There is clearly strong internal opposition to the regime, as we saw with the green revolution after the previous elections, which, as the hon. Member for Tonbridge and Malling said, was ruthlessly and shockingly repressed, with too little reaction from the rest of the world—probably not just a moral, but a strategic mistake. There are also widespread executions, and there is imprisonment in absolutely appalling conditions.

It is also rightly said that Iran has drastically worsening relations with its neighbours, who rightly accuse it of not only external threats, but fostering internal subversion. Although there are clearly legitimate, well expressed concerns at some of those neighbouring states' internal reactions, there is, equally, an understanding of the problems they face. Those problems are a concern to the outside world, just as they are to countries to which Iran—or the Iranian regime, to be more correct—poses an existential threat.

I hope the Minister will address the broader contextual issues, but my concern is that we see little evidence of strategic vision as Britain retreats from the world stage—something that has been widely commented on in the United States and that is being increasingly understood here. That vision does not mean simplistically dividing the world into friends and foes.

A strong reaffirmation of article 5 of the NATO treaty would be especially welcome to our allies on NATO's eastern front, who face increasing Russian assertiveness and pressure, but that does not mean that we do not have similar concerns to the Russians in some other parts of the world. Over the years, Ministers will have clearly heard about the Russians' focus on Islamist fundamentalism and what they refer to as the arc of instability to their south. I agree that that is hard to reconcile with the support given by the Russian nuclear industry to the emerging Iranian nuclear programme. I have heard the justification from Russian Ministers that that support is good business. The argument has also been put to me that one driver of the Russian approach—this was rather echoed by the hon. Member for Hendon (Dr Offord)—is the Iranians' lack of capability to run the system. That runs against the evidence that there is an educated workforce in Iran. It is perhaps a slightly dismissive, almost colonial, position, and a serious miscalculation on the part of the Russians. Will the Minister tell us what efforts have been made to engage with Russia on this issue? Is there a unified Russian view, or are there diverse views in the Russian hierarchy?

Similarly, there is inconsistency in the Russian support for the Assad regime, which is, most significantly, being propped up by the Iranian Hezbollah and the revolutionary guard. We do not need to have any illusions about President Putin's actions in Ukraine—and, indeed, right the way along Russia's western flank up into Scandinavia—to see that we may have common interests and concerns in the middle east and north Africa. Ministers will recall that during the last Parliament I

regularly made similar arguments about the need to engage Afghanistan's neighbours in the post-drawdown settlement to ensure stability, stressing that not only Russia and the "stans", but Iran, should be involved. We therefore need a broader policy on this issue.

I recognise that the Minister needs time to reply, so, in conclusion, I thank him for his courtesy, and for the assistance he has provided during his time in the Foreign Office, which has been most welcome and most appreciated.

Mr Philip Hollobone (in the Chair): I know the Minister will want to conclude his remarks at 10.57 am to allow Guto Bebb the opportunity to reply.

10.45 am

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): Thank you, Mr Hollobone, for the opportunity to reply to this interesting, informative and important debate, which is taking place before the negotiations.

Let me begin by responding to the kind words from the right hon. Member for Warley (Mr Spellar). I am sorry that we have heard his valedictory foreign affairs speech. We will certainly miss him. I have worked with him for more than a year, and it has been a real pleasure. There has been huge cross-party support on this and other issues, and that is very welcome. I am sorry that the energy and enthusiasm he has shown in the debate has not been reflected by Labour Back Benchers, who have not taken part in the debate. It was perhaps also too early for Scottish National party Members to make the debate. I would have thought that they would want to engage in a debate on nuclear issues. None the less, I am grateful for the debate.

Like others, I congratulate my hon. Friend the Member for Aberconwy (Guto Bebb) on securing the debate and on his continued interest in this matter. We had a good debate last November, and I hope there will be further opportunities to discuss the issue. Through you, Mr Hollobone, I would certainly ask the Backbench Business Committee to make time for it to be debated on the Floor of the House as well as in Westminster Hall.

For more than a decade, the Iranian nuclear issue has posed one of the most intractable and persistent threats to international security and stability. The prospect of a nuclear weapons-capable Iran carries severe consequences for the security of the UK, the region and, indeed, the world. The Government have always been clear that the best solution lies in finding a peaceful, diplomatic and negotiated settlement. The process has been long and challenging, and we are grateful to both sides of the House for their support.

Our discussion today comes at a crucial moment. The joint plan of action agreed by the E3 plus 3 and Iran in November 2013, and extended in July and November 2014, froze the most concerning elements of Iran's nuclear programme in return for limited sanctions relief. When the interim deal was extended in November, we, our E3 plus 3 partners—China, France, Germany, Russia and the United States—and Iran set ourselves a deadline of 30 June to reach a final comprehensive deal.

The UK played a leading role in diplomatic efforts that secured agreement on the key parameters of a deal in Lausanne on 2 April. That marked an important

milestone in the ongoing negotiations, but as has been made clear today, those negotiations are not complete. Since April, UK diplomats and experts, and E3 plus 3 colleagues, have been working intensely to secure a comprehensive agreement by the 30 June deadline. That agreement, which has been questioned in the debate, must satisfy the Government's objectives, which have remained consistent throughout this process: preventing Iran from developing a nuclear weapons capability, while recognising its right to access nuclear energy for peaceful purposes. We have always been clear that we will not agree to a deal that fails to address our proliferation concerns.

My right hon. Friend the Foreign Secretary will be present for the talks in Vienna in the coming weeks, where he will maintain a laser-sharp focus on our key UK objectives. As the deadline draws ever nearer, it is crucial that Iran should appreciate what is at stake. Significant economic advantages and political benefits await if Iran agrees to a robust nuclear deal. Right hon. and hon. Members must forgive me for not going into the detail of the deal, but I will try to outline answers to some of the questions.

Neil Parish: Is the Minister certain that if a deal is reached Iran will stick to it?

Mr Ellwood: My hon. Friend is right to raise that question: what assurances do we have that Iran would maintain the deal? I shall certainly try to answer the questions that have been asked. I am, to the horror of my team, going to abandon the speech that they have carefully prepared for me, and do my best to answer the questions from the debate. I offer my apologies if I do not manage to answer all the detailed questions. I shall read *Hansard*—not because I like reading what I have said, but because it is important that I read what Members have said and reply in writing, if I may, to keep dialogue going.

My hon. Friend the Member for Aberconwy asked whether the agreement was intended to be a non-proliferation or arms control treaty. It is a mixture, as I have made clear. It is important for us to be able to maintain that, because there are breakout weapons systems that we are concerned about in addition to what Iran is doing on the nuclear side. He mentioned Iran's foreign policy objectives, for itself and the wider region, which I want to touch on in relation to other concerns. Iran's role, and where it sees itself in the region, is a major issue. It has a responsibility not just to itself but in the wider region and we look to it to act responsibly.

My hon. Friend mentioned the United States foreign policy aspects of the matter, and my hon. Friend the Member for Tiverton and Honiton (Neil Parish) raised the question of whether there was a legacy issue. I have never heard that line before, but a President is most dangerous in his second term. It could be argued both ways; a President in that case is not tied by anything and therefore can be more robust in some of the measures that he or she is willing to pursue.

I want to go through the eight major headings of the deal, which may help the House to understand where the conversation and agreement are going, leading up to 30 June. First there is the question of a durable and verifiable deal. The first heading is enrichment, which

[*Mr Ellwood*]

covers Iran's capacity and its enriched stockpile. The number of centrifuges is obviously part of that. Many figures have been given in the debate, but the number is less significant than the breakout time—how quickly a weapon could be procured if it was decided to close the doors and prevent IAEA from carrying out inspections. We have set that as a year. Whatever the experts are saying, that leads to the number of centrifuges that we would consider acceptable. We are less focused on the actual numbers at the moment, and more on the breakout time.

The second area heading is research and development, covering types of centrifuges, and leading to a mutually agreed scope and schedule. Thirdly, the Arak plutonium reactor has been mentioned. There will be a redesign to cut off the plutonium route to a nuclear device. Fourthly, Fordow, which has also been mentioned, will no longer be a site for enrichment of uranium. The fifth area is duration. There are programme restrictions in a number of areas. A period of 10 years for the agreement has been mentioned. It could well be that parts of it will last longer, and parts might even be shorter. That is some of the detail being worked out.

The sixth heading is the possible military dimensions, which I have touched on. That covers the measures that Iran must address: the IAEA's concerns about the possible military dimensions of its nuclear programme. If there is one area that is of concern in the discussions at the moment, that is probably the most difficult. The seventh area is sanctions: relief from the comprehensive EU and US economic and financial sanctions in return for IAEA-verified actions on Iran's programme; an agreement on termination of UN sanctions, with limiting transfers of sensitive technologies and activities; and other issues relating to conventional arms and ballistic missiles. The eighth and final area is transparency and verification, which many hon. Members have mentioned. That covers the ability to make sure that nothing is being done behind our backs, and a robust and credible monitoring programme including the implementation of various protocols to give the IAEA greater oversight of Iran's activities.

Dr Fox: Does my hon. Friend accept that any verification process that does not entail unfettered access will fail to meet its basic objective?

Mr Ellwood: My right hon. Friend is right; we must have such access. I am pleased that the IAEA has confirmed that it currently has the access it needs. Were that to be closed down, those would be the consequences—it would be about whether sanctions would be brought back. I acknowledge my right hon. Friend's understanding of and interest in the matter. He spoke about the Iranians as a proxy power elsewhere in the area. If Iran is looking for a more responsible role, as he mentioned and encouraged, it must be seen to take greater responsibility in events in places such as Syria. It is propping up Assad, and that means that no space is being given to moderate Sunnis. They are then pushed, or encouraged, to join ISIS. Iran could easily assist the international

community in progressing with a political solution for Syria, and could help immensely with what is happening in Anbar and Nineveh province in Iraq. General Soleimani is pushing across with the Hashed militias and causing sectarian friction in Iraq; that is unhelpful in the long term. Likewise in Yemen, weapons systems coming by boat, and the provision of weapons for the Houthis, further complicate an already difficult and complex issue.

There are ways for Iran to show its initiative and greater responsibility in the region, and I think that many hon. Members would like to see that. It is not happening now and we are concerned about that. I am conscious of the time; I will write to hon. Members with more details. The debate has been extremely good. I simply want to make it clear that we are working hard for the deal, but, as has been explained, we need to make sure we reach the correct one. Without the correct deal, we have no deal.

10.57 pm

Guto Bebb: The reason we needed this debate in Westminster Hall was timing. The issue is live and is reaching a conclusion. I am grateful for the Minister's comments and for his generous offer to write to right hon. and hon. Members on points raised in the debate. I fully understand that the complexity and extent of questions made it a challenge for him to respond in full in the 12 minutes allocated. I pay tribute to the shadow Minister, the right hon. Member for Warley (Mr Spellar), for his final Front-Bench speech. He said he disagreed with my viewpoint, but few disagreements came to light from his comments. I wish him well on the Back Benches.

The debate has made it clear that there is interest, certainly on the Conservative side, in this important issue. The Backbench Business Committee has not yet been convened, so Westminster Hall was our only option for getting this debated in the House. Given that the Foreign Secretary will go to Vienna, and in view of the interest shown in the Chamber, a statement should perhaps be made after the visit—and there should certainly be one if an agreement is reached.

Mr Ellwood: A statement will absolutely be made, and there will be an opportunity for Members to comment. Perhaps I may suggest that when the Backbench Business Committee is formed, if an opportunity is not provided by the Government, a full debate should be held in the House in the aftermath of 30 June.

Guto Bebb: I thank the Minister, and I am sure that there will be a delegation to the Committee.

Despite the fact that most of the Members who spoke were Conservatives, we were pleased to have some opposition, and I thank my hon. Friend the Member for South Norfolk (Mr Bacon) for his comments, which showed that this was a debate, not a one-sided discussion.

Question put and agreed to.

Resolved,

That this House has considered Iran and the proposed nuclear agreement.

Isle of Sheppey (Prisons)

11 am

Gordon Henderson (Sittingbourne and Sheppey) (Con): I beg to move,

That this House has considered prisons on the Isle of Sheppey.

It is good to see you in the Chair for my first Westminster Hall debate of this Parliament, Mr Hollobone.

My constituency has three prisons: Elmley, which is a category C prison; Standford Hill, which is a category D prison; and Swaleside, which is a category B prison. Combined, those three prisons house almost 3,000 inmates—one of the largest concentrations of prisoners in the country. I would like to pay tribute to the fantastic men and women who work on the island's prisons. They are dedicated and hard-working professionals of whom I am immensely proud. They work in an extremely challenging environment, facing the threat of violence on an almost daily basis with few complaints and a great deal of courage.

The threat of violence is growing. I have been associated with Sheppey's prisons for almost 30 years and I now live in the village of Eastchurch, where all three prisons are located. Over those years I have visited the prisons on a number of occasions—first, as the Swale borough councillor for the area, and then as Kent county councillor. Since becoming the Member of Parliament for Sittingbourne and Sheppey in 2010, I have visited the prisons every three months to meet local representatives of the Prison Officers Association. In addition to those meetings, I have been privileged to tour the prisons on a regular basis and have been able to chat with the staff and with the inmates, occasionally in their cells.

Last year, I was taken on a tour of Elmley, which is a regional prison, by the local POA representative, Mike Rolfe. For the first time in all my years of visiting, I felt a tangible air of intimidation on the wings, which was emanating from some of the inmates who were noticeably hostile. I have to admit that I was happy and pleased to have Mike Rolfe looking after me that day.

In Swaleside over the past three months, the special accommodation cells have been used for a total of 340 hours as a result of violent behaviour by prisoners towards staff, other prisoners and, on one occasion, self-harm. The latter incident is an example of the increase in mental health problems among inmates. In the same period, violent incidents have accounted for 23 planned control and restraint interventions and 42 spontaneous control and restraint interventions.

There are several reasons for the increase in intimidation and violence in Sheppey's prisons. One is the increased use of drugs and so-called legal highs that have been smuggled into prisons—the latter are an increasing problem. There is consumption of illicit alcohol, which is often distilled from fruit stolen from the kitchens. Indeed, that was the alleged cause of a disturbance at Swaleside last year which led to a prison officer being stabbed in the head.

There is an increased gang culture in prisons. Not only are there gangs from south London and Liverpool competing in Sheppey's prisons, but foreign prisoners—particularly in Swaleside, which has a high percentage of foreign prisoners—who are forming their own national gangs. That is causing huge problems in our prisons.

Violence is caused by retribution for the non-payment of debts owed by prisoners for the supply of things such as mobile phones. These days, people can buy a mobile phone from Tesco for a tenner. Smuggled into a prison, that phone can be worth £300 to £400, causing a lot of illicit trade. Violence is also generated by the recovery of stolen contraband, such as mobile phones. Increasingly, frustration is caused by a reduction in recreation time because of a shortage of prison officers. I am particularly concerned about that problem because, unless something is done soon to increase staffing in Sheppey's prisons, all the other problems I mentioned will simply get worse.

Let me again use Swaleside as an example. The target staffing level for the prison is 178 officers. However, 153 officers are currently in post. The lack of staff puts pressure on those officers who remain in post. Recruitment and retention are immensely challenging and are influenced by a number of factors. Morale is low, which is hardly surprising considering the environment in which prison officers have to work. The police are dealing with people all day, every day, but many of those people are either victims of crime or people suspected of a crime who turn out to be innocent. The people with whom prison officers have to deal, day in, day out, have all been found guilty of a crime—many of them violent crimes.

Prison officers feel undervalued compared with the police. If a police officer is attacked and injured, the perpetrators are tracked down, prosecuted and, if found guilty, sent to prison for a lengthy sentence. If a prison officer is attacked by a prisoner, too often the only punishment meted out is a withdrawal of privileges.

Let me give an example of the type of violence that prison officers face. Last year a prison officer, whom I know well and who works in Swaleside, was attacked by an inmate. The prisoner threw a kettle of boiling water at the officer. Such casual violence is not an isolated case; it happens on a daily basis. Thankfully, my prison officer friend's reactions were quick—he ducked out of the way and the boiling water missed him—but he could have been severely burned. The police took no action against that prisoner. That cannot be right. If a prisoner attacks a prison officer or, indeed, another prisoner, that person should be tried and, if found guilty, given as harsh a sentence as if the crime had been committed outside prison. That sentence should then be added to the sentence that that prisoner is already serving.

Another factor in the difficulty of retaining and recruiting prison officers on Sheppey is the relatively low unemployment in our area, as in the rest of the south-east. Last year, UK Border Force ran a successful recruitment campaign that led to a number of my local prison officers leaving to join it. I acknowledge that the Ministry of Justice has done its best to get more staff into Sheppey's prisons, including the temporary attachment of staff from as far away as North Yorkshire. I welcome those initiatives, but a long-term solution is needed. The canteen at Swaleside is operated by the private company, DHL, which pays its staff a better salary than a new entrant prison officer. That is the nub of the problem.

Gareth Johnson (Dartford) (Con): I congratulate my hon. Friend on securing this debate. I know that he feels passionately about the three prisons in his constituency. I have had the fortune of spending some time—I hasten to add in a professional capacity—at one of those

[Gareth Johnson]

prisons, Elmley. Impressive and constructive work was available for prisoners at Elmley prison, ensuring that their time was spent fruitfully. Does my hon. Friend agree that it is essential that the prison does not use its unique circumstances to undercut local businesses in any way and, thereby, increase unemployment in his constituency and in the surrounding areas?

Gordon Henderson: Yes. It is delightful that among the small number of MPs present for the debate are three Kent MPs. That is probably unique. I do agree with my hon. Friend the Member for Dartford (Gareth Johnson), but there is another factor. That employment in Elmley and Swaleside is good for the prisoners and their rehabilitation, but it cannot take place unless there are sufficient staff to manage it, and that is one of the problems that we face. I believe that we need a proper review of the working conditions and pay structure for prison officers, including, perhaps, consideration again of regionalised pay that recognises the higher cost of living in the south-east of England and the difficulty of attracting people into a job with so many challenges when there are better employment opportunities elsewhere.

I also believe that the Government need to re-examine their policy on the retirement age of prison officers. It is simply unfair that police officers and firefighters can retire at 60, whereas prison officers are expected to work until they are 68, despite their work being just as physically demanding.

What goes on in our prisons is rarely something that resonates with the public, so the Prison Service never receives from the Government the priority that it deserves. It is the Cinderella service and prison officers are the forgotten public servants. In many ways, they are as much a captive of their penal environment as the inmates whose incarceration they are charged with supervising. I believe that the Prison Service needs both financial help and moral support. In the climate of austerity in which the public sector currently operates, it is perhaps naive of me to ask for help and support for the prison officers in my constituency. However, I am very concerned that, without action, we are building up a penal powder keg on Sheppey that could explode with very serious consequences. For that reason, I believe that the Prison Service in general, and my prison officers in particular, should be made a special case.

11.12 am

The Parliamentary Under-Secretary of State for Justice (Andrew Selous): It is always a pleasure to serve under your chairmanship, Mr Hollobone. I warmly congratulate my hon. Friend the Member for Sittingbourne and Sheppey (Gordon Henderson) on securing the debate. He has rightly raised very important issues. He started by talking about the fantastic men and women of our Prison Service. I echo those comments completely. It gives me enormous pleasure to take every opportunity that I have in the House to say how much the work of our prison officers up and down the country is valued. As he said, it is often unseen, but it is incredibly important. Our prison officers are the last stop in our justice system. They are essential, and we must protect and support them.

Let me say how important the Government believe that the issues that my hon. Friend has raised are. Staffing and safety are central to everything that we are seeking to achieve in prisons. The challenges facing managers at the three prisons on the Isle of Sheppey are particularly acute, which shows the need for managers and local trade unions to work closely together to secure positive outcomes in the future. I welcome this debate to discuss the steps that the Government are taking to maintain safe, decent and secure prisons, to tackle violence and serious incidents and to reduce staff vacancies.

For those not familiar with the region, let me explain that on Sheppey there are three prisons, collectively referred to as the Sheppey cluster. HMP Elmley is a category B local prison serving all courts in Kent. That establishment opened in 1992 and includes a category C unit of up to 240 prisoners added in 1997. With an operational capacity of 1,252, Elmley is the largest of the three prisons in the group. HMP Swaleside opened in 1988 and holds 1,112 prisoners. That establishment is a category B training prison holding long-term prisoners, including those serving life and other indeterminate sentences. HMP Standford Hill is a category D open prison with an operational capacity of 464.

My hon. Friend rightly referred to staffing levels in the Sheppey cluster. I acknowledge that last year a significant number of prisons across England and Wales experienced acute staffing vacancies. With an unexpected rise in the prison population, economic recovery in a number of regions made recruitment more competitive and challenging for prisons in some areas. Those dynamics, combined with short-term retention and sickness issues, increased pressure on the prison system. I have not sought to underplay those difficulties and I am grateful for the resilience and professionalism that staff have shown in maintaining delivery in challenging circumstances.

In the past few years, there has been significant change across our prisons and the wider offender management system. The National Offender Management Service has delivered savings of almost £900 million for the taxpayer, while fundamentally reforming the way it works both in the community and in prisons.

A significant contribution to the savings was made by the benchmarking programme in public sector prisons. The benchmark applies consistent staffing models and routines to prisons of the same type, removing historical and unjustified variations in the running costs of similar establishments. It also provided a refreshed approach to the prison regime, increasing the time for which prisoners can undertake appropriate and meaningful work, training and education to enable them to obtain employment on release to their home areas, which is particularly important.

Gordon Henderson: Will my hon. Friend the Minister accept, with regard to benchmarking, that the prison officers on Sheppey showed a lead and embraced it enthusiastically?

Andrew Selous: I thank my hon. Friend for his intervention. I do accept that. The benchmarking was worked out with the help of the Prison Officers Association and, as he will hear in a second, has had some benefit for two of the prisons in his constituency.

The impact of benchmarking on the number of staff posts has varied from prison to prison, depending on their starting points, but overall it has reduced the number of staff posts and been a driver of financial savings across the system as a whole. For example, the benchmark reduced officer posts at Elmley while it will increase officer posts at Standford Hill and Swaleside. In the past five years, overall numbers of uniformed prison officers have reduced. However, the benchmark also changes the way people are deployed and work, by setting the resource according to the work required.

Nationally, the staffing picture has improved significantly following 12 months of accelerated recruitment. National recruitment delivered 1,700 new prison officer recruits into the service between January 2014 and March 2015. In the coming year, the National Offender Management Service will focus activity on recruiting greater numbers to priority regions—those geographical areas, such as London and the south-east, including the Sheppey cluster, where recruitment under the accelerated scheme has not yet matched demand.

Recruitment and retention of staff is one of the most significant challenges facing the three prisons on the Isle of Sheppey. The pressure has been felt most acutely in the number of prison officers available, but increasingly also in relation to other front-line staff. Staff numbers fell significantly despite recruitment during 2014. By the end of March 2015, the number of officer vacancies had fallen to 550 across the whole estate. At the same point, the three prisons on Sheppey cumulatively had 70 officer vacancies.

In the shorter term, the Prison Service has a number of other ways by which it can support prisons with shortfalls in staffing levels on Sheppey. Those include the ability to offer staff additional working hours, some at premium rates under a scheme known as payment plus. The service has also deployed prison officers from other parts of the country to work at sites with more acute staffing issues on a detached duty arrangement.

My hon. Friend raised concerns about officer pay and pension age. Pay rates are set at comparable levels for similarly weighted jobs in the same area. The National Offender Management Service reassesses that every year to ensure that rates remain competitive and to see whether any change is needed. Since April 2015, starting pay has increased significantly, and we will assess what impact that has on recruitment of staff. However, we are aware that certain establishments are having difficulties in recruiting and retaining staff, and a review is now being undertaken of the pay offered in the relevant areas. That includes the Sheppey cluster, and the review will conclude shortly. I point out, however, that ultimately rates of pay and local allowances are determined by the independent Prison Service Pay Review Body after receiving evidence from both the National Offender Management Service and the trade unions.

The Prison Officers Association is discussing retirement age with the Government and the Cabinet Office. We will consider any information submitted to us. Regardless of age, it is important that prison officers are fit, healthy and able to perform their role, to safeguard their colleagues and those within their care.

We are under no illusion about the scale of the problem of assaults in prison. The number of assaults increased by 10%, from 14,664 in 2013 to 16,196 in 2014. Although the increase is partly due to improvements

in reporting of assaults following changes in data assurance processes, those improvements do not account for the whole increase. Serious assaults, including on staff rather than on other prisoners, have risen even more, to 2,145 in 2014 from 1,588 in 2013—an increase of 35%.

Deaths in prison custody have risen over time, alongside an overall ageing of the population, which includes an increasing number of elderly prisoners. Around two thirds of deaths in prison custody are from natural causes. Self-inflicted deaths are a serious cause for concern. In 2014-15 there were 76; although lower than the 88 in 2013-14, that figure is higher than the level over the previous five years.

Some incident categories in the Sheppey cluster have also increased, although not all. Assaults on staff have increased significantly, and we have also seen an increase in self-inflicted deaths at Elmley prison, although not at the other sites. However, assaults on prisoners have reduced year on year since 2011 and self-harm decreased between 2013 and 2014.

Although we do not downplay the significance of each and every incident—and I wish to make clear again my commitment to reducing violence further—the statistics show that violence is a complex issue that is influenced by a number of behavioural and situational factors. There is strong evidence that an increase in the illicit trade and misuse of synthetic drugs and new psychoactive substances is linked to the recent increase in violence across the prison estate. The problem is increasingly prominent in the community at large, and my hon. Friend will be aware of the Government's intention to legislate to control such substances. We are also developing a range of responses to the challenge within our prisons, including training of drug detection dogs and the deployment of urine testing capability.

In addition, the Serious Crime Act 2015 introduced two new offences that will help combat violence in prisons. One is being in possession of a knife or other offensive weapon within a prison—I think my hon. Friend will agree that it is amazing that that was not an offence before the 2015 Act; the other is throwing items over a prison wall, which is a common way of introducing contraband, including new psychoactive substances and other drugs, into a prison. Both offences carry a penalty on conviction of imprisonment, a fine or both, depending on the circumstances of the offence.

The National Offender Management Service has established a violence reduction project to gain a better understanding of the causes of the current levels of violence in prisons and to ensure that both prevention of and response to violence are strengthened. A range of action is being taken across the prison estate as part of that programme, including issuing new guidance to governors to support the development of local violence reduction strategies. We are also piloting the use of body-worn cameras across 24 establishments, including 42 cameras at Elmley and 34 at Swaleside.

We have introduced a joint protocol between the National Offender Management Service, the police service and the Crown Prosecution Service on the handling of crimes in prison, to address precisely the issue that my hon. Friend raised. I assure him and the prison officers he represents that I take that issue extremely seriously. Where there should be a prosecution I absolutely want to see one, with a due penalty. We have also introduced the development of more rigorous case management of

[Andrew Selous]

individuals with a greater propensity to violence. HMP Swaleside is delivering a case management pilot as part of its work with personality-disordered offenders. Although distinct from the main programme at this stage, it will ultimately contribute towards learning to inform our future violence reduction work. We are also investing £2 million in increasing closed circuit television coverage during 2015-16.

A programme of work to address the rise in self-inflicted deaths is being taken forward. Last summer, new regional leads were put in place in each public sector prison's region, as well as in Wales, to support staff in prisons and share best practice. Additional staff were provided to certain high-risk establishments, and national learning days on deaths in custody were held last year. Regular communications have been sent to governors and staff to share learning from deaths in custody and promote learning from independent bodies such as the prison and probation ombudsman.

I acknowledge my hon. Friend's concerns about the prisons in his constituency. I do not underestimate for a moment the challenges faced by staff at those three prisons, and the significant challenges we face serve only to emphasise the achievements of those staff. I hope I have reassured him that I take the issues seriously and that we will continue to do everything we can to address them.

Question put and agreed to.

11.26 am

Sitting suspended.

Drugs: Ultra-rare Diseases

[MR DAVID CRAUSBY *in the Chair*]

2.30 pm

Mr David Crausby (in the Chair): The Speaker's Commission on Digital Democracy recently recommended the use of regular digital public discussion forums to inform debates held in Westminster Hall. A digital debate has taken place on Twitter ahead of today's debate on access to drugs for ultra-rare diseases. For this reason, Mr Speaker has agreed that for this debate members of the public can use hand-held electronic devices in the Public Gallery. Photos, however, must not be taken. I encourage Members who wish to refer to the Twitter debate to call it the rare diseases Twitter debate, rather than using people's individual Twitter names.

Greg Mulholland (Leeds North West) (LD): I beg to move,

That this House has considered access to drugs for ultra-rare diseases.

I am delighted to have the chance to speak on this important topic today. I was also delighted to lead and take part in the historic Twitter debate yesterday, which was a great success. On top of the very strong show of support from Members of all parties, the fact that nearly 1 million people took part in the debate yesterday shows how important the issue is.

I got involved in the issue because Katy and Simon, the parents of Sam Brown, a six-year-old boy in my constituency, came to see me. In 2009, when Sam was 16 months old, he was diagnosed with Morquio syndrome, an ultra-rare disease that 88 people in the United Kingdom have. It is a degenerative life-limiting condition with a typical life expectancy of around 25 years. It limits considerably what those suffering from it can do. All of us here can only imagine what it must feel like as a parent to receive the devastating news that your child will deteriorate before your eyes, not live to an old age, and may not even see much, if any, of their adulthood. Imagine how it feels when a nurse rings up and says, "There might be a treatment, but it is only a trial." Of course, on hearing such news, what parent would not want to sign up for a trial for the drug Vimizim, supplied by the drug company BioMarin? That is exactly what Katy and Simon did: they signed up Sam to the trial without hesitating.

For the past three years, Sam has been doing a 100-mile trip from Otley to Manchester every Thursday to get Vimizim, his enzyme replacement therapy. Without it, Sam would see his growth stunted more than it already is, with further skeletal deformities and possible heart and vision problems. With Vimizim, Sam's parents, and, even more importantly, Sam's medical team, say that he is clearly physically more capable and stronger, with more stamina than ever before. To quote Katy, his mother:

"The drug has given him the freedom to be a child again."

I ask right hon. and hon. Members to take the opportunity to share the single, "There is a Boy", produced by the Keep Sam Smiling campaign and produced at his primary school, The Whartons in Otley, where they have shown huge support to an ordinary

little lad who wants to be an ordinary boy and an ordinary man. The video for the single shows Sam being a fireman, a doctor and an astronaut, the kinds of things that he has the right to hope one day to be, but he can have that hope only if he gets treatment and is able to continue to take Vimizim.

We are here today because, after three and a half years, in just nine days' time, Sam's access to Vimizim looks set to be cut off.

Jon Trickett (Hemsworth) (Lab): The hon. Gentleman knows that I represent the grandmother of Sam Brown. This debate is important. As the hon. Gentleman has said, the mother has already testified to how Sam is stronger and fitter as a result of taking the medication. NICE has said that it is

"likely to provide valuable clinical benefits for certain aspects of the condition".

Even if it does not provide a full cure, how can the treatment for that wonderful young boy be axed?

Greg Mulholland: The recommendation from NICE is strange—I will come on to that—given that, clearly, the drug is effective.

Sam and other children and adults with Morquio disease are not the only people being let down. There are other conditions. I have been working with Members and organisations on the mutation of Duchenne muscular dystrophy and tuberous sclerosis. We have come together to campaign as one to say that we need a better way of approving drugs for ultra-rare conditions. At the moment we have a system in this country where people with ultra-rare diseases are discriminated against, and that must stop.

Rehman Chishti (Gillingham and Rainham) (Con): I pay tribute to the hon. Gentleman for the work that he has done and for securing this debate. On other rare conditions, I have a very sick two-year-old in my constituency who suffers from neuroblastoma, a rare form of cancer that only 100 children suffer from each year. It is difficult to accept that my constituent has to raise money and travel to the United States to get treatment. We should ensure that children or anyone suffering from rare conditions, such as Ruby Young and those in the hon. Gentleman's constituency, get the treatment they need at the first port of call in their own country.

Greg Mulholland: The hon. Gentleman is right to say there are other such conditions. I will not be able to mention them all today, but other Members may wish to do so. I will concentrate on the three conditions that I have been working on: Morquio, Duchenne and tuberous sclerosis. Some 180 people suffer from those conditions. I am sorry to say that all those people and their families have been hugely let down by the repeated failure of process by NHS England and by the thick wall of bureaucracy and utter lack of accountability.

Mark Tami (Alyn and Deeside) (Lab): Like the hon. Gentleman, I have been involved in the issue of Morquio. The correspondence that we have had seems to want to blame the company, the company says it has not had the information, and patients suffer. This matter has been drawn out, and we now have the news from NICE.

Greg Mulholland: I thank the hon. Gentleman for his intervention. It has been a pleasure working with him and others. We must continue to do so. That leads me on to the fiasco of the decision-making process. The leadership of NHS England should hang their heads in shame over the way they have handled this. There is also a responsibility on the shoulders of the Minister, who I know cares about this, but he needs to get a grip of NHS England and the way that it has failed families. Part of the problem goes back to the passing of the Health and Social Care Act 2012, which led to the disbanding of the advisory group for national specialised services in April 2013. That advisory group was the expert body that advised on specialist treatments and services, and it was respected by many rare disease charities.

Mr Jim Cunningham (Coventry South) (Lab): I congratulate the hon. Gentleman on securing this debate. There are muscular dystrophy treatments in Europe that have suddenly been halted in this country. I hope the Minister can give us a good answer on that because people are suffering while there are delays. In some instances, it could shorten their lives.

Greg Mulholland: I hope that we get answers today and a real promise of intervention from the Minister.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): I pay tribute to the hon. Gentleman's work on this issue. I joined this campaign because of Archie Hill, a constituent of mine aged 10 who has Duchenne muscular dystrophy. No matter what the Minister says about drugs such as Translarna and the process that the hon. Gentleman is about to outline, which has been disgraceful, that drug is available in other European countries and we have still not cleared it for patients in the UK.

Greg Mulholland: Indeed. It was a pleasure to meet the right hon. Lady's constituent, Archie, and his parents. These young people are inspiring us to campaign. She is absolutely right. We are debating the European Union Referendum Bill today in the Chamber. Other EU countries, and some non-EU countries, regard these treatments as effective and affordable, yet we do not.

I will fast-forward from the scrapping of the previous body to October 2014, when NHS England came out with the scorecard system. That is despite one of the clinicians involved, Dr Chris Hendriksz, saying on 22 October in an email:

"I would suggest the scoring is not used at all for decision making this round and I would rather have people acknowledging that they are making random decisions than to try and give some credibility to a process that was deeply flawed."

That is from one of the senior clinicians.

NHS England none the less went ahead with the scorecard system to decide which funding should be prioritised. Suzanne Mallah and her 10-year-old boy Kamal, who has Morquio and is another inspiring young person whom I have been delighted to meet, saw that that was not only haphazard but discriminatory. With the help of the MPS Society, they threatened legal action on 28 November against NHS England on the basis that the scorecard was clearly discriminatory, that there was no policy explaining it and that there had been no public consultation on its use. Just one week

[Greg Mulholland]

after that, on 2 December, NHS England announced that it was suspending use of the scorecard because the MPS Society and Kamal were right and it was wrong.

Mr David Anderson (Blaydon) (Lab): The hon. Gentleman makes a good case. Is it not also the case that clinicians have not been listened to all the way through this, in the same way that they were not listened to when the Health and Social Care Act went through? That is what has led us to where we are. I have been the chairman of the all-party group on muscular dystrophy for 10 years. We had a very good working relationship with the specialised commissioning groups, which were effective in getting medication of this type to people, but the bureaucracy created by the Act was against clinicians' wishes, which is why we are here today. NHS England has a lot to answer for. The Government's decision to ignore the voice of professionals has put us in this position.

Greg Mulholland: It has been a pleasure to work with the hon. Gentleman and the APPG on muscular dystrophy on the Translarna part of the campaign. He is absolutely right. We want not only an acknowledgment from the Minister that the current processes are not fit for purpose and not fair on those with ultra-rare diseases, but a drive to overhaul them.

Mary Glindon (North Tyneside) (Lab): I congratulate the hon. Gentleman on securing the debate. Does he agree that one of the best ways to help people suffering from ultra-rare diseases is Muscular Dystrophy UK's suggestion of a fund to ring-fence money for these rare diseases?

Greg Mulholland: That is a powerful suggestion, as is using the surplus from the tariffs that drug companies are expected to pay to form part of a fund. There certainly needs to be an overhaul.

Sir Gerald Howarth (Aldershot) (Con): Will the hon. Gentleman give way?

Greg Mulholland: I will give way, but I am conscious that I have not gone through the process yet.

Sir Gerald Howarth: We are all extremely grateful that the hon. Gentleman has been so generous in giving way. Like him, I was at Downing Street last week, supporting my constituent Harry Barnley, who suffers from Duchenne muscular dystrophy. The headquarters of the Batten Disease Family Association are in Farnborough in my constituency. The hon. Member for North Tyneside (Mary Glindon) referred to ring-fencing. Part of the problem is that there is a very small number of these cases and they are very expensive to treat. I wonder whether we should either ring-fence some funding or introduce a surcharge on prescription charges generally paid by the public, so that the funding issue is taken out of it. There are two issues: the clinical issue and the funding. If we remove the funding issue, we can concentrate on the clinical issue.

Greg Mulholland: I thank the hon. Gentleman for his contribution. I am sure the Minister will want to consider that in his drive for an appropriate system.

After NHS England suspended the use of the scorecard on 2 December, a meeting of the NHS England clinical priorities advisory group on 15 December was called off. That is when we started campaigning for an interim process while NHS England went back to the drawing board. NHS England refused to do that, which I am sorry to say left all these families in the dark, with no idea what would happen next or in what timescale. NHS England then launched a consultation on 27 January, with a new process for deciding which drugs to fund that closed on 27 April. We still have not heard the decision. We have been told that there may be a decision on 25 June, although that has not been confirmed in writing. I hope that the Minister will give confirmation today.

Linked to that are the recent NICE recommendations, and particularly those on Vimizim. Even though we were clearly told by NHS England that its decision on 25 June would not be dependent on NICE, it now says that it will not approve Vimizim because NICE will not do so in the short term. The whole thing is a fiasco and an embarrassment. I understand the Minister's argument that we cannot have political interference. However, the Secretary of State for Health made clear when he appeared before the Public Administration Committee in the previous Parliament that he accepts that the buck stops with him. When things are wrong and when bureaucrats are failing, it comes to his desk and to the life sciences Minister's desk. I urge the Minister to take that up.

I pay tribute to the MPS Society for its amazing campaigning, and particularly to the chief executive Christine Lavery, whose son Simon had Morquio and died in 1982 aged just seven. Her passion and her colleagues' passion have inspired me and others, and we will continue to work with them. The enzyme replacement therapy produced by BioMarin, Vimizim, is currently supplied on a free trial by BioMarin to 34 patients around the country out of a total of 88 patients, so more people with Morquio are not getting Vimizim than are.

The list price for Vimizim is £395,000 per person per year. In October, BioMarin proposed a fixed-term arrangement with NHS England to supply the drug at a lower price for a number of years. After BioMarin's offer in October, NHS England did not even reply, despite repeated follow-ups, forcing BioMarin to announce in February that it would cease to supply the drug after 11 May; that date was then extended to 25 June. Having heard nothing, BioMarin said that it would have to withdraw the drug.

Mark Tami: Gracie Mellalieu in my constituency, fortunately being in Wales, will get the drug until October, but there is still that cut-off point. Is the hon. Gentleman amazed, as I was, at the total lack of engagement from NHS England, even when that offer was made?

Greg Mulholland: It is absolutely disgraceful and I urge the Minister to properly take that up. We have not had answers or justifications, although there can be no justification for NHS England behaving in that way. NICE's decision not to recommend approving Vimizim in the short term has already been deemed to be flawed by those involved, including the MPS Society and clinicians, because it fails to consider BioMarin's offer and has assumed that the cost of the drug will be the original

£395,000. How has that happened? NICE also took months to put together the interim guidance, but has given only until next Tuesday to receive the extra evidence that it has asked for. Surely that is an unfair timeline for response.

As of 28 April 2015—which, incidentally, is a year after Vimizim was approved by the European Medicines Agency, meaning that it is approved in 20 European countries, including France, Germany and the Czech Republic—the drug was still not available in the UK, because NHS England has failed to put in place arrangements for funding it. Does the Minister not share the sense of frustration, anger and disbelief that the NHS refuses to fund the drug when so many of our neighbours do? More fundamentally, Earl Howe gave patients an assurance that their access to the drugs that they need would not depend on the cost per QALY measure. Can the Minister tell us why his Department has gone back on that assurance? That is exactly what it appears to have done.

I appreciate that the Minister has taken the time to meet us, but I remind him of the 11-page letter that he asked the organisations to send him some 11 weeks ago. We expected him to respond to that, as it was a complaint about NHS England's handling of the matter, yet he simply passed it on for NHS England to respond to. That is not what we asked him to do, and the response does not address the points that we made to him, at his request, about how NHS England has failed people. I ask him again to reply directly and properly, and to investigate the mishandling of the situation by NHS England.

Duchenne muscular dystrophy has been mentioned. Again, I highlight the campaigning of organisations such as Muscular Dystrophy UK, Joining Jack, Action Duchenne, the Duchenne Family Support Group, the Duchenne Children's Trust, Alex's Wish and the Harrisons Fund. Those groups share the MPS Society's frustration at the process. As many hon. Members know, Duchenne muscular dystrophy is a condition affecting only boys, and numerous potential treatments are in late clinical trial. Translarna, in particular, received conditional approval funding in the EU in August 2014. This clearly effective drug is being funded in a number of countries, including Greece, even given its economic situation, yet we are still no closer to hearing whether it will be funded here. I hope to hear positive news on that drug today.

I pay tribute to the Tuberous Sclerosis Association and the work of Jayne Spink and her colleagues. For those who do not know, tuberous sclerosis is a condition that causes the growth of tumours in organs, including the brain, eyes, heart, kidneys, skin and lungs, and a range of associated health problems, including epilepsy, learning difficulties and behavioural problems. The drug everolimus has been found to be effective in shrinking the tumours, extending life and improving quality of life, but although it was licensed for use in patients with tuberous sclerosis in February 2013, NHS England has failed to draw up a prescribing policy. At least two people have already died since the drug was licensed; Chris Kingswood, a consultant nephrologist, said that Julie Brooker's death in January 2013 was "absolutely preventable" if she had been given access to everolimus.

Jo Churchill (Bury St Edmunds) (Con): My constituent William needs that drug. The issue for his family is the timeline, which the hon. Gentleman mentioned. They

have waited two years and been told that it may be another year, but they have said to me that William might not have that much time and that, like the woman the hon. Gentleman just mentioned, he might no longer be with them by then. Those parents are fighting for their son.

Greg Mulholland: The hon. Lady is right: none of these children or families has time. All those conditions deteriorate irreversibly. She is right that it has been 28 months since the drug was approved, yet patients are no closer to accessing it. What will the Minister do to speed up a commissioning policy for everolimus?

I turn to Batten disease, another condition already mentioned. I pay tribute to the Batten Disease Family Association. Batten disease is another condition that I had not heard of until I was approached by my constituents Duncan and Lynsey Brownntt. I have been pleased to join Duncan to support some of his amazing fundraising efforts. This summer, he is off on a wonderful cycling trip to the Arctic Circle with his friend Rod to raise money, but the day after the general election, his six-year-old daughter Ellie Mae passed away from Batten disease.

Batten disease is another condition currently without any cure. It includes increasing visual impairment, complex epilepsy with severe seizures, decline of speech, language and swallowing skills, deterioration of motor skills resulting in loss of mobility and ultimately death. Potential treatment for Batten disease is not even being considered for 25 June. If the situation of the other conditions is still unclear and their drugs have been turned down, when will action be taken on treatment for Batten disease?

Mrs Flick Drummond (Portsmouth South) (Con): Can I just point out that BioMarin is also developing a treatment to alleviate some of the symptoms of Batten disease?

Greg Mulholland: The Batten Disease Family Association explained that to me when I met with representatives, but unfortunately that is not even in the consideration for 25 June. That is why we need an overhaul.

We have a five-year Parliament. I hope that the Minister will serve as the life sciences Minister for a considerable time, if not for the whole Parliament. His challenge as the life sciences Minister, as well as dealing with the accountability deficit that clearly exists in NHS England's decision making, must now be to initiate a proper process for the approval of drugs for rare conditions. Of course there are cost implications, and of course drugs must be effective, but the situation is that there are effective drugs that this country is not funding, while other countries with less strong economies are finding the money in their health services to fund them.

Rehman Chishti: The hon. Gentleman talks about funding, but one aspect that precedes funding is awareness of such diseases. For example, the Government's "Be Clear on Cancer" campaign does not take into account rare conditions and cancers such as neuroblastoma, from which my constituent, who is near death, is suffering. The Government must ensure that rare conditions are part of the bigger campaign, so that the people suffering from them get the help that they need as well.

Greg Mulholland: The hon. Gentleman is right. I am afraid to say that politically, particularly at election time, there is not enough focus on rare conditions and too much focus on more common conditions in order to appeal to a broader group of people. We cannot allow that to lead to discrimination against people with ultra-rare conditions.

I will finish with two quotes. The first is from the framework agreement with NHS England, which clearly lays out that the Minister and the Secretary of State can and should intervene. Paragraph 4.11.3 says:

“If the Secretary of State considers that NHS England is significantly failing in its duties and functions, he is able to intervene and issue directions to NHS England. This also applies where he or she considers NHS England has failed to act in the interests of the health service.”

Clearly, that is what NHS England has done, and he must now act and get a grip of this process.

I will leave the final word today to Katy Brown, the amazingly courageous mother of six-year-old Sam, because we can imagine the devastation that she felt after the flawed NICE decision not to recommend approving the drug for the time being, knowing full well that NHS England will just use that decision as its cue to say no on or before 25 June. Katy has said that, if that is the case,

“Sam is being handed a death sentence...He is being denied his freedom, his independence and his future.”

That is not something that any of us should allow when we have a drug that is affordable if we have a system such as that in other European nations and that is clearly clinically effective. We need major change and, Minister, we need it quickly.

3.1 pm

Caroline Nokes (Romsey and Southampton North) (Con): It is a pleasure to serve under your chairmanship, Mr Crausby.

I am pleased to be the first to congratulate the hon. Member for Leeds North West (Greg Mulholland) on securing this important debate. I also pay tribute to him for the enormous amount of work he has done on Morquio syndrome, which he has raised many times in the House and in Westminster Hall. He has also held numerous meetings and led delegations to Downing Street. He has worked assiduously on behalf of his constituent, Sam Brown, and, as we have heard this afternoon, he has worked on not only Morquio syndrome, but a range of ultra-rare diseases. He has done an excellent job today of highlighting the problems, the delays in funding and the amount of time it has taken simply to get these drugs through the approval process.

Rather than focusing on those aspects, I will talk about the human cost of these diseases, highlighting the case of my constituent, Jagger Curtis, who is just seven years old—he will be eight in August—and a pupil at Romsey Abbey primary school in my constituency.

Last Wednesday, Jagger was one of the brave boys who walked up Downing Street to hand-deliver his letter to the Prime Minister, which was an incredible experience for him and his parents. It was a really important part of their campaign to highlight the need for funding and approval of Translarna, because Jagger suffers from Duchenne muscular dystrophy.

Of course, Translarna is a relatively new drug. I say “relatively”, because it has been used in European countries since last year; it received conditional approval from the European Commission in August 2014. Yet here in the UK, as the hon. Gentleman has said, we are still waiting.

Duchenne muscular dystrophy is a very serious condition that affects about 2,500 people in the UK, almost all of them boys. It causes muscle weakness, leading to a dramatic loss of muscle function. Typically, patients will lose the ability to walk in their early teens; they will require respiratory support by their mid teens, and they are likely to die either of heart failure or respiratory failure before they reach 30. I cannot emphasise enough what a devastating condition it is, and how brave families are when they have to face up to and deal with the reality of a Duchenne diagnosis.

Currently, the only treatments available address the symptoms, rather than the cause of Duchenne. They include the prescription of steroids, which of course have some very severe side effects, including sudden and dramatic weight gain, mood swings, which can be particularly difficult to contend with in teenage boys, and thinning bones.

As has been said this afternoon, Duchenne is a rare condition, with very few sufferers in the UK, and only about 10% to 15% of them have what is referred to as “the nonsense mutation”, which makes them eligible for treatment with Translarna. In some respects, Jagger is very lucky, because he is one of the boys with the nonsense mutation and is therefore eligible for Translarna. Currently he is still mobile, which is absolutely critical when the use of Translarna is being considered, because it cannot be prescribed after a patient has lost their mobility. Translarna has the best chance of having a beneficial effect while the boys can still move around. Once they have lost their ambulation, it is too late and the opportunity has been missed.

Jagger’s parents, Julie and James, were told late last year that he was a suitable candidate for Translarna, and they genuinely believed that they were within a few weeks of going to the hospital and picking up a prescription for the one drug that they had been told could make a difference to their son. In November 2014, they had no idea that they would still be waiting for the drug now and that it still would not have finished going through the administrative process by the end of June. We are now seven months on from the day that they had expected to go and collect a prescription, but there has still not been a decision and they simply do not know what the outcome of this process will be.

During that time, of course, Julie and James have watched their son lose some of his mobility; his muscles have wasted away further. More than anything else, they desperately want an extension of the time in which Jagger is able to move around by himself, without the need for a wheelchair.

In his letter to the Prime Minister last week, Jagger wrote that he wanted to keep on playing football forever, just like his friends. He is an enormous Saints fan, and one of his proudest moments was going on to the pitch at St Mary’s to lead the team out. There is a fantastic photograph that he included in his letter to the Prime Minister, showing him shaking hands with the Saints manager, Ronald Koeman. In every other way, Jagger is a lively, lovely, normal little boy, who has a massive love for football, but, and it is a huge but, unlike most

seven-year-olds Jagger has already been fitted for a wheelchair. His parents have had to make the necessary preparations—it was difficult, even heartbreaking, but they had to do it—to ensure that when Jagger’s mobility is more restricted a wheelchair will be ready and waiting for him so that he can still get around.

For Jagger and every other boy with Duchenne muscular dystrophy who has the nonsense mutation, the clock is ticking. In fact, it has been ticking since last August, when Jagger’s parents and others had their hopes raised that there was a treatment that was about to become available on the market. That treatment could give boys such as Jagger the chance to see out their time at primary school without needing a wheelchair, so that, as Jagger himself puts it, he can run around with his friends and be like any other normal little boy.

My hon. Friend the Member for Leeds North West—I should refer to him as the hon. Gentleman now, but old habits die hard, and on this subject he has been a great friend and a great campaigner; I pay tribute to him for that—along with Muscular Dystrophy UK and Action Duchenne, has done great work to highlight the problems that people have faced in getting approval for Translarna in the UK. We expect a decision on Translarna at the end of June, and the company that manufactures it, PTC Therapeutics, indicated last week that it was ready to go, had stocks available and could supply it as and when it was needed.

If that drug is given the green light at the end of June, it will be distributed here, but the boys I have mentioned today have already waited for far too long, and this drug is the only one that is giving them any hope. I know the Minister has been most diligent for some months; he has listened to all we have had to say in this Chamber, in the House, on Twitter and indeed in the media. However, as we have heard, there are real concerns about how long the approval process has taken and about how complicated it has been, as well as about some of the inconsistencies and contradictions about when the drug might be made available. I hope that the Minister will make some comment on that.

I am conscious that there are many Members here in Westminster Hall this afternoon who want to contribute, so I have deliberately kept my remarks short. I will conclude with the words of Jules Geary, because I do not think anyone could better summarise how her family feels than her:

“It is hard enough watching your child have to go through losing their muscles. For the drug to work, Jagger still needs to be mobile, so we simply don’t have time to wait. We have been given hope through this drug. We just can’t let it be taken away again.”

3.8 pm

Jim Shannon (Strangford) (DUP): First, I congratulate the hon. Member for Leeds North West (Greg Mulholland) on bringing this matter to Westminster Hall for consideration. Westminster Hall is well filled today because we all have constituents who are suffering and do not have access to the drugs needed to combat these rare diseases. I also congratulate the hon. Gentleman on his hard work on this issue, for which he is well renowned; we have all said that, but it is the truth, and we all want him to know that we know it.

I am glad this debate has occurred, because it is on a subject that affects many people in my constituency. We have heard some stories and we will hear more before this debate is over.

The diseases we are considering may be rare, but collectively they affect the lives of 3 million people across the United Kingdom. That emphasises that everything must be done to create a comprehensive initiative for providing care to those affected by these difficult and challenging diseases.

Rare diseases tend to be life-threatening or chronically debilitating. There are between 6,000 and 8,000 rare diseases. Each one affects less than 0.1% of the UK’s population, but Rare Disease UK calculates that 75% of these illnesses affect children.

We are here today on behalf of our constituents, but we are also focusing very much on young people across the United Kingdom of Great Britain and Northern Ireland who have these problems.

The ultra-rare diseases that have been mentioned include Morquio disease, Duchenne muscular dystrophy and tuberous sclerosis. I would also add Prader-Willi syndrome, which some of my constituents suffer from.

The chance of improving people’s quality of life depends very much on a narrow timescale. It requires quick diagnosis, treatment and drug provision, so that drugs can be accessed when they are proven to be most effective. In other words, as every Member who has spoken has said, time is of the essence—the people who are suffering need help now, not in six or 12 months. It is our duty to make that timeline as transparent and effective as possible within the finite resources we have, and I understand the problems the Minister has. There must be adequate assistance for practitioners, to allow for timely diagnosis and the timely provision of drugs and treatment.

Mr Anderson: The hon. Gentleman has been very consistent on this issue, and he is right: as those of us in the all-party group on muscular dystrophy have found, one of the main reasons for delays is that clinicians—particularly GPs—do not see these diseases very often, and when they do, they are sometimes lost as to where to go. Once a disease is diagnosed, the people suffering from it should have no worse access to treatment than people with much more common diseases—surely that is the issue that has to be addressed. Once a disease is identified, we have to get to grips with it, and people have to get the medication and the support they need, so that they can get on and live the best life they can.

Jim Shannon: I agree wholeheartedly. I am sure the Minister has heard us all say that time is of the essence and that we should strike right away. That is what we are about.

The health and social care professionals involved in the diagnosis, treatment and care of these patients face difficult tasks. As I was saying, there must be adequate assistance for them, to allow for timely diagnosis and the timely provision of drugs and treatment. There also needs to be sufficient funding UK-wide.

In Adjournment debates and other debates about these issues, I have always referred to Queen’s University in Belfast and to the importance of research and development. Queen’s University is one of the universities that do research, and it works in conjunction with the Health Department. Perhaps the Minister could therefore give us some idea what the Government are doing on research and development to ensure that new drugs are found.

David Simpson (Upper Bann) (DUP): My hon. Friend mentions research. As he will know, I am involved in a campaign in Northern Ireland and across the United Kingdom on complex regional pain syndrome. The condition affects children, but it mostly affects adults from the age of 50 onwards, and people can lose limbs to it. One in every 3,000 people is affected, and many lives have been destroyed. We need more research to find a drug to cure this condition, and research funding needs to be put in place so that that research can be done.

Jim Shannon: I thank my hon. Friend for his intervention. That is a message that I, too, believe in, and I am sure the Minister will respond positively.

Leaving aside all the statistics we have heard today, we need to imagine the emotional strain these things put on people and their families, and we have had examples of that. Only 35% of patients are aware of a licensed treatment for their condition. There is something wrong when that is the case. How come only 35% of people know there is something there for them? How are the Government addressing that? I am not attacking the Minister—that is not how I work—but how do we move things forward in a positive fashion? Of that 35%, 89% are able to access the treatment, but 11% are not. Therefore, 65% of people are not aware of the drugs, and of the 35% who are, a proportion are not able to get them.

Like others, I want now to touch on Duchenne muscular dystrophy. If Translarna is given at the correct time, we can prolong the sufferer's mobility. My constituents deserve to have access to that drug as soon as possible, and that is what I would like to see happen. The effects of long waiting times and uncertainty are widespread, and although ultra-rare diseases affect the few, their effects for those who suffer from them are an inescapable reality and should be treated with the utmost seriousness.

Families deserve a solution to the continual failure to establish a lawful, robust and transparent commissioning service that enables the rare disease community to access new drugs in an equitable and timely manner and to avoid situations such as those we have spoken about, where crucial windows of opportunity pass by. This is a crisis—it cannot be described as anything else. People are in trouble, and they need our help now.

Let me quickly pay tribute to the lady who looks after the Northern Ireland Rare Disease Partnership, Christine Collins. Last year, we met the Under-Secretary of State for Health, the hon. Member for Battersea (Jane Ellison), to discuss these matters. We were clearly moving forward, and the Minister was very responsive. The background information for the debate says that, in November 2013, the UK Department of Health and the devolved Governments published the UK strategy for rare diseases. In June 2014, the Northern Ireland Assembly endorsed it and gave a commitment to publish an implementation plan, and last year's meeting provided an opportunity to underline the need for that to happen. Perhaps the Minister can give us some idea today of what discussions he has had with his fellow Minister to move things forward so that we can deliver on that commitment.

The debate has dealt with access to drugs. It has also given us an opportunity to bring out the gaps in the patient experience. Let us remember the patients, the families, the children and all those who suffer. They

require a co-ordinated response from not only the health service and the social services, but research bodies and the relevant charities. I hope that the common experiences we have described signal the urgent need for access to these vital treatments. I remind all those in a position to have a tangible impact on drug access that while we are debating these issues, somebody else is falling into the trap and will, unfortunately, be unable to access the necessary drugs. I urge the Minister to respond positively, and I thank the hon. Member for Leeds North West again for giving us all a chance to speak about this issue.

Several hon. Members *rose*—

Mr David Crausby (in the Chair): Order. I intend to call the three Front Benchers at 3.30 pm. Three Members are standing, so if they can keep their contributions to less than four minutes, they will all get in.

3.17 pm

Mrs Cheryl Gillan (Chesham and Amersham) (Con): I pay tribute to the hon. Member for Leeds North West (Greg Mulholland) for raising this issue and for his untiring work. I agree with my hon. Friend the Member for Romsey and Southampton North (Caroline Nokes) and the hon. Member for Strangford (Jim Shannon), who made many of the points I hoped to make.

I am grateful to have a short time to raise the case of my constituent Archie Hill and his parents' tireless campaigning to get access to Translarna for him. It is inspirational to see how this family, and many others, have campaigned for their children. I can imagine nothing worse than watching one's child slowly lose their mobility, knowing that their life expectancy will not be as great as ours might be.

Translarna is available in other European countries. As we have heard, it is available in Greece, which is not in the best economic health. Only recently, in Germany, the Federal Joint Committee determined that it provides a benefit for ambulatory patients aged five years and above with the nonsense mutation. The rise in the PTC Therapeutics share price on the back of that announcement shows that the company is well placed, and its drug is being recognised right around the world.

There is an irony here. If the decision coming down the track goes against making Translarna available to the patients who deserve it so much, the question arises as to whether this is about cost. The decision will almost definitely be made on a cost basis. Day by day, I see millions being spent in my constituency on High Speed 2 when we cannot spend £150,000 to keep a 10-year-old boy ambulatory and enjoying his life. We must question where a Government's priorities are, when there are such people in front of us and we see the pie-in-the-sky projects that Governments of all complexions sometimes choose to pursue.

The point I really want to make is that if the decision is against providing the drug—bear in mind the failed processes that it has gone through—the Government have a golden opportunity to rescue the dish from the fire. I do not think it will necessarily fall out of the frying pan. On 8 July the Chancellor of the Exchequer will deliver his emergency Budget. We have previously created a cancer drugs fund, so that expensive drugs could be available to save lives. Will the Minister have

conversations with the Treasury to see whether the Chancellor will on 8 July announce an access fund for drugs for rare conditions? If Translarna was one of the drugs on the list, it would be available in time for Archie Hill and the other children we have heard about today. To me, the awful thing is that time is running out. I do not think that letting time run out for those children would be the mark of a civilized Government, when the cost involved is small compared with some other expenditures that Governments make.

3.21 pm

Ben Howlett (Bath) (Con): I add my congratulations to those that have been offered to the hon. Member for Leeds North West (Greg Mulholland) on tabling the debate. His passion and commitment on the subject are second to few.

Last week in Bath I met an incredibly impressive constituent of mine named Sarah Long. Many hon. Members will already know of her from the Twitter debate yesterday. She met me to discuss the benefits that she has received from Vimizim, the enzyme replacement therapy to address the cause of Morquio A. She is estimated to be one of just 88 people in the UK who need the drug. While she has been on Vimizim she has experienced dramatic changes, which have become gradually more apparent. She told me that since being on the drug her ability to use her lungs has been transformed. Before she started treatment she needed almost constant access to oxygen, and today she needs just four hours of nebulising. Pre-Vimizim, Sarah found it difficult to talk, but Vimizim has given her voice back to her. The idea of a return to the former days obviously fills her with dread.

Following recent conversations with the MPS Society, the National Institute for Health and Care Excellence announced on 4 June that it is leaning towards not recommending Vimizim for treating people with MPS IVA, or Morquio. That is only a preliminary recommendation and is not its final guidance; the decision may change after consultation. I hope in the interests of my constituent that it will change. I request my hon. Friend the Minister to lean heavily on NHS England before 25 June as it decides about reimbursement with respect to Vimizim on an interim basis, while NICE completes its decision making.

The date of 25 June is critical, as hon. Members have said. If NHS England announces a positive decision, all those who want treatment and who meet the criteria will be allowed access to treatment, regardless of whether they were on the clinical trial. If NHS England follows NICE's current position and the decision is negative, BioMarin will immediately withdraw compassionate use from those in England who are receiving treatment.

As hon. Members will know, MPS can lead to reduced life expectancy. However, Sarah is in her forties. We have heard an awful lot in the debate about treatments that support young people, but Vimizim also supports adults, if they manage to get to such an age. If NICE gathered more evidence from people such as Sarah, the Minister would see that Vimizim has worked for her and for others. The real injustice is that her quality of life has dramatically improved, but it appears that NICE is unable to conduct a peer review because of the lack of cases. I hope that the Minister will be able to look into that Catch-22 case.

Being on the drug has dramatically reduced the cost of my constituent's care, because the amount of time on oxygen has fallen. That is also an obvious cost reduction to the taxpayer. NICE clearly needs to acknowledge the significance of clinical expertise in its processes, and to address its current expertise shortfalls to prevent other constituents with a rare disease from having to suffer the same problems. However, if a further extension to Vimizim is granted, it must be available to all ages and not just children.

I am delighted that the Government have published a strategy for rare diseases, but a strategy is only as good as its implementation. The strategy highlights a commitment to protecting patients with rare diseases and emphasises the need to improve and deliver effective interventions quickly, equitably and sustainably. I hope the strategy will put my constituent in a good place. I am pleased that the Government are leading the way on scientific and pharmaceutical research, but what good are those things if they do not reach those who most need them? The rare diseases strategy is excellent, but will the Minister provide the House with an update on an ultra-rare disease strategy? I would be most grateful if he were to have the time to meet my constituent in the coming days, given the urgency of the matter.

3.25 pm

Andrea Jenkyns (Morley and Outwood) (Con): I thank and commend the hon. Member for Leeds North West (Greg Mulholland) for his work.

I find it heartbreaking that we have today heard about many constituents who have had access to drugs that have given them hope and improved their lives but which have then been taken away. Like the hon. Member for Leeds North West, I have a constituent who suffers from Morquio, Angela Paton. She is 35 years old; it has taken 35 years to find a drug that works, and it is now being taken away from her. Matthew Firth is another constituent, a young man with special needs who can no longer get a basic cream that he needs.

The case of Abi Longfellow is much in the news at the moment. She is a 12-year-old girl with a rare form of dense deposit disease. She needs a kidney transplant to live. Her father has been prepared in the past 12 months to give her his kidney. He should have had the operation on Friday, but for that to go ahead she needs the drug eculizumab. NHS England and NICE say that the drug will not work in Abi's case—she has a very rare form of DDD—but there is research from the US, Canada and Italy indicating that the drug does work.

I thank the Prime Minister for intervening and asking NHS England to examine the case, and I ask my hon. Friend the Minister to ensure that that happens. There is research available; I find it difficult to understand whether, when the likes of NHS England and NICE say the drug will not work, that is just a tick-box exercise, or whether they look at research from outside this country. It is important to consider that. I would like a joined-up approach between NICE, NHS England and the Department of Health. I ask the Minister to consider the matter comprehensively, and to ensure that NHS England and NICE look into it.

Mr David Crausby (in the Chair): I will now call the Front-Bench Members; there may be a vote, in which case I shall suspend the sitting for 15 minutes.

[Mr David Crausby (in the Chair)]

The new rules allow Mr Mulholland to wind up the debate briefly, if there is time, but for that to happen, the Minister must be allowed enough time.

3.28 pm

Dr Philippa Whitford (Central Ayrshire) (SNP): I was a breast cancer surgeon for more than 30 years, and I often experienced the situation that has been described in the debate with my patients and new cancer drugs. We were turned down for Kadcylla earlier this year. With cancer, it is often end-of-life research that later translates to early treatment research. People read things in the paper and say, “Oh, £90,000 for six months of life—that doesn’t make sense.” Inevitably, however, those drugs move forward. We have a different system in Scotland, and while listening to the debate I have been struck by how what is required is a system that is open and can be approached, and which looks from all angles.

In Scotland, the Scottish Medicines Consortium considers drugs as NICE does, and it considers worldwide evidence. It will work up a drug in detail. The balance for us seems to be slightly more on effectiveness than cost, although obviously cost is part of it. Our impression is that, for NICE, cost would sometimes be a bigger component. They are both looking at cost-effectiveness, and we all know there is not an infinite pot of money.

What has changed in our system over the last year is that we have combined our cancer drugs fund with our rare diseases drug fund and simply called it the new drugs fund. The amount in the fund has been quadrupled from £20 million to £80 million, which means that in any year it is a little more flexible in responding to demand, whether that is for drugs for rare diseases or for a new cancer drug. NICE only assesses three drugs a year, so rare drugs are never going to get that work-up. They need a separate system. In Scotland, we have pathways to follow for rare diseases and ultra-diseases.

The biggest change in Scotland in the last year is patient and clinician evaluation. If the evidence for a drug is so strong that it will go through on the nod and there is not an issue, that is fine and PACE is not engendered; but if things look more finely balanced or the drug will not go through, patient groups or drug companies can request a PACE assessment. That will involve expert clinicians, patients and patient groups, and allows people to get slightly outside the numbers and talk about life change, quality of life and money saved in respect of other aspects of the NHS—things that perhaps do not appear in a research paper. That is what is required: a system.

At the end of the day, the system will not produce a favourable result for every single person and every single new drug in the world, but it has to be fair. We cannot have things not being looked at properly, or individual requests being used as the main way of accessing a drug. The system I am talking about is meant to be a transition—supporting young people, for example, who have been on a trial, by giving them access on a compassionate basis while we get through the paperwork prior to a drug being accepted. It cannot be left as the main method.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): That system sounds excellent. I commend the Scottish Government on their work. That could be a great help to my constituent, Mr Trystan James, who suffers from tuberous sclerosis complex and is reliant on a clinical trial drug to deal with a life-threatening tumour. Of course, that means that his drug prescription is completely at the discretion of the drugs company and his family are going from one prescription to the next. That relates to what the hon. Member for Strangford (Jim Shannon) said about emotional pressure on families. I commend the Scottish Government on their work.

Dr Whitford: The important thing to remember is that if this is all done by individual requests, the NHS does not go to the companies. We need to realise that companies have often made investment over decades, and that nine out of 10 drugs they research will go nowhere, but it is important to have a wider debate with companies to get the best price. Hon. Members mentioned that some companies are willing and able to reduce the price to get a drug in.

Drugs are licensed. We must not mix up licensing with funding. Licensing is about asking, “Is this drug safe and proven at a basic level?”, not anyone coming in and saying, “Rare plant juice will cure everything.” These are licensed drugs that we could prescribe—a doctor has the right to prescribe them—but the NHS has to make the decision about whether to fund them; those are funding decisions, not licensing decisions.

It is important that families know what the pathway is and how they move on when their clinician takes a case forward. It is important that they know they can respect decisions and how to lobby at the next step, and that they feel their voice is being listened to. We feel that PACE has, over more than a year, allowed us to do that. Clinicians in Scotland got frustrated about decisions going through without us informing that decision.

There could be a system that sits on the side of NICE, or a sub-group. One of NICE’s three assessments will never be given over to a drug intended for 88 patients when it is also assessing drugs that might be taken by 500,000 people. Rare diseases would always fall behind, and that is why those must have their own system and why the patient voice must be heard in these ways. Obviously, things have changed with the Health and Social Care Act 2012, but I commend such a structure to the Minister.

Mark Durkan (Foyle) (SDLP): The hon. Lady is making a thoughtful contribution. Does she agree that it would be worth all Administrations in these islands, who together form the British-Irish Council, collaborating on these issues, particularly borrowing from the good example being developed in Scotland, and seeing whether there can be common achievement and common advances, and perhaps even creating some common funding stream, as well as the discrete funds that she has talked about?

Dr Whitford: Obviously, devolution gave us the power to do things differently, but I do not think that we should re-invent the wheel. Often, we will accept work done by NICE or re-evaluate it quickly, to see whether things should be applied differently, but we do not just go back to the beginning. However, I am sure that ideas can be shared in both directions.

It seems that certain drugs were left as orphans when the system changed. We know that patients with the brain tumour form of tuberous sclerosis, which the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards) mentioned, can access the drug through the cancer drugs fund, but if they have a kidney tumour and are treated by urologists they are not part of that system and simply will not be aware of it. Such random unfairness exists.

Jim Shannon: There is a forum and association, driven by the Health Minister, that discusses matters together with the three regions. A UK-wide strategy is already in place. The process is allowing that to happen already. However, it is delayed and has not happened yet; that is why we are concerned.

Dr Whitford: I think it is a matter of what ideas go on the table and what is being discussed in the meetings. Good ideas are going ahead. I commend the idea of including patients and clinicians in evaluations, because the numerical data from trials will often be small due to the nature of the diseases in question, and we will have to look wider. The problem for children is that if these drugs are to prevent deformity, they have to be got in early. People with Morquio already have the changes. We do not know yet how much change could be prevented, or how much saving there could be on a person's disability in the long term if metastatic breast cancer treatments, which eventually become adjuvant treatments, are given earlier.

I commend the system I have talked about. I know it is difficult and challenging, but it is clearly fair, with an interim period for compassionate reasons, and people know where their voice should be heard.

3.37 pm

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): It is, as ever, a pleasure to speak under your chairmanship, Mr Crausby. I, too, commend the hon. Member for Leeds North West (Greg Mulholland) on securing this important debate on access to medicines for ultra-rare diseases and on his contribution to this debate. He has pursued the issue doggedly through debates and questions, and it is right that he has been allotted time to bring these matters to the attention of the Government today.

I commend the UK parliamentary outreach team for hosting the online debate on this issue yesterday on Twitter, using #RDdebate. The public have had an opportunity to contribute to and inform this debate, and that is valuable. I am aware that many are watching us this afternoon. I also welcome the Minister.

When viewed collectively, it is more than apparent that rare diseases are simply not that rare. One in 17 people will be affected by a rare disease at some point in their life, which means that some 3.5 million people in the UK have a rare disease. About 75% of rare diseases affect children and almost one in three rare disease patients will die before their fifth birthday. These are sobering statistics and it is clear that more must be done.

In June 2009, the previous Labour Government adopted the Council of the European Union's recommendation on action in the field of rare diseases, which recommended that member states should establish and implement plans or strategies for rare diseases. Following the work set out under the Labour Government, the coalition

published the UK strategy in November 2013, and NHS England published its statement of intent with regard to the UK Strategy in February last year. Since then, we have had the five-year forward view, which reaffirms NHS England's commitment to achieving better outcomes for people with rare diseases. While each of the publications is a step in the right direction, so much more needs to be done, as many have said this afternoon. The health reforms of the Health and Social Care Act 2012, which was introduced by the coalition, have seen patients and professionals left to navigate a labyrinth to access particular medicines that in many cases have already been approved and received licences.

We have heard already about tuberous sclerosis complex. It is a rare genetic condition that is estimated to affect 1 million people worldwide. Those with the condition develop non-cancerous tumours, often in the brain, eyes, heart, kidney, skin and lungs. Often, TSC patients are at risk of complications, and surgical removal of the tumours is not always an option. It can have a massive and often severe impact on a person's quality of life. We have heard about a drug called Everolimus that has been developed to treat some tumours associated with TSC; it has been granted market authorisation by the European Medicines Agency. However, despite being licensed in the UK 28 months ago, it has not been appraised by NICE. It is only available through the NHS on an individual basis or through the cancer drugs fund, resulting in significant inequalities in patient access.

Another example we have heard about throughout this debate, and on other occasions in recent weeks in the House, is Duchenne muscular dystrophy, which leaves many patients wheelchair-dependent by the age of 12. The drug Translarna received conditional approval in the EU in August 2014 for the treatment of DMD. However, almost a year on, too many boys who could benefit are still awaiting a decision on funding from NHS England. I commend my hon. Friend the Member for North Tyneside (Mary Glendon), who has done so much to raise awareness of the issue on behalf of her constituents. As we have heard, many Members from all parts of the House also have constituents who are affected, and the hon. Member for Romsey and Southampton North (Caroline Nokes) made a passionate contribution. Each day of delay sees the boys come closer to losing the ability to walk, by which point they would no longer be eligible for the drug.

Countries across Europe have already approved the drug. The UK has taken a leading role in clinical trials for Translarna, but we are lagging behind other European countries in the delivery of the drug to patients. Will the Minister tell us why we have fallen so far behind? I understand that NHS England is set to take a decision on funding shortly. We often hear the word "shortly", so will he provide a further update and clarify and qualify what "shortly" actually means?

The system to approve prescription is confusing and frankly chaotic. There are seven pathways through which drugs for rare diseases can be evaluated and made available to patients. I will not go through every one of them, but it is clear that there is no clarity in the process to decide on which pathway a particular drug will be put. In particular, due to a lack of clarity and transparency in the process, information on how or why one medicine evaluation approach or access route is selected over another is simply not available. Will the Minister outline

[Luciana Berger]

the steps the Government will take to clarify the process, to speed up decisions and to make those decisions more open, so that patients can better understand the process?

I have specific questions for the Minister on two of the pathways: the highly specialised technology evaluation programme, which is administered by NICE, and Evaluation through Commissioning, which is administered by NHS England. There is significant concern that they could limit access to medicines for people with rare diseases. There are widely held concerns that the process in the highly specialised technology evaluation programme, introduced following the 2012 Act to appraise medicines for rare diseases, is too opaque and that the topic selection process is out of date. Does he have any plans to work with NICE to update the selection criteria for the pathway, as they do not take into account conditions defined by genetics, biomarkers or differences in clinical presentations?

Do the Government have any plans to increase the resources available to NICE to evaluate drugs through the highly specialised technology evaluation programme route, given that it is only resourced for three drugs appraisals a year, despite the European Medicines Agency licensing more than four times that amount? Finally, it is essential that patient groups have input on the process by which the drugs upon which patients rely are appraised, but a consultation on the programme has not yet been announced. When does the Minister expect that to take place?

Evaluation through Commissioning is a specialised commissioning pathway to conduct pilots to collect data to inform the decision-making process on funding for specialised commissioning proposals. It is more than a year since Commissioning through Evaluation was expanded, and a few months since it was rebranded as Evaluation through Commissioning. Will the Minister update members on the progress the process has made in expanding patient access to drugs? As I understand it, no medicine has been selected for the programme. When does he expect that to change? Will he update the House on the effectiveness of the early access to medicines scheme to date?

There are more than 6,000 rare conditions. A disease can be described as rare, but having a rare disease is clearly anything but. Improving access to medicines and treatments for the 3.5 million people affected by rare diseases is crucial in improving their quality of life. We have heard moving personal stories from Members from all parts of the House in this debate. I was looking on Twitter at some of the contributions made by members of the public in the past 24 hours. One tweeter said:

“If I could go on the #vimizim I could start to work and pay taxes for others to get hold of the drugs they need”.

That is just one contribution among many, and I ask the Minister to reflect on them after the debate. Many issues need addressing to improve the system of medicine appraisals, and we have touched on just a few today. I hope the Minister will take on board what Members have said, and I look forward to his reply.

3.46 pm

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): I start by thanking Mr Speaker and the Speaker’s Office for granting this debate and for

allowing the Twitter debate, which has been a big step forward for public engagement. I thank the hon. Member for Leeds North West (Greg Mulholland) for bringing the debate to this forum this afternoon. I suspect that in the 14 minutes I have available, I will not be able to answer every question, but I have made a detailed log and, with permission, perhaps I can write all those present with answers if I run out of time.

I pay tribute to the parents and the patients, some of whom are here today, whom I have got to know over the past few months, particularly Sam Brown and his mother, Katy, Jagger Curtis and Archie Hill. Others have mentioned the MPS Society and Christine, and the many people in Action Duchenne and the Muscular Dystrophy UK group. This campaign raises some of the hardest issues at the heart of public health and the NHS, and is being driven hard by the parents and patients with active representation from all parties in the House. It is my job to respond as best as I can and to try to put in place a policy landscape, but I pay tribute to them for their work in raising difficult issues that need to be dealt with. I do not think anyone can fail to be moved by the situation that the parents and children find themselves in. I assure them, as I do everyone else in the Chamber, that I wish there were an easy solution.

It is absolutely right that every child and patient in this country should ask for and expect the very best from our NHS, but it is equally true that, as a taxpayer-funded, universal, free-at-the-point-of-use, comprehensive health service, we simply cannot afford to provide every single treatment. I will say some more about the pressures on the system, particularly in the field of rare diseases.

As several Members have been kind enough to point out, this is one of the issues on which I have worked most tirelessly since taking office as the first Minister for Life Sciences last year. I have had several meetings with the hon. Member for Leeds North West and campaigners. Indeed, the Prime Minister and I spent more time talking about this subject than any other in my first nine months in office. I continue to work with NHS England to help it develop a more appropriate mechanism for the transparency and timeliness of its processes in all the specialist services. I have met MPs from all parties, patient groups, drug companies, campaigners and children, and I will continue to be happy to do so.

These are some of the most complex, difficult and life-changing decisions that any Department has to deal with. It is in everyone’s interest that such decisions are taken not by politicians but by clinicians and healthcare professionals, whose job it is to make those decisions—indeed, they do it for us every day of every week of every year. I thank them for that.

I want to discuss the context in which the challenge of rare diseases is developing, and what the Government are doing about it. I also want to discuss the timetable for the specific drugs that have been mentioned. I will then deal with some of the questions that were asked. We are at the forefront of an extraordinary revolution in biomedicine that is increasing pressure on all healthcare systems throughout the developed world, and will continue to do so. There are currently more than 6,000 rare diseases, and it is estimated that one in 17 people will suffer from a rare disease at some point in their lives. That means that there are more than 3 million people

with a rare disease in the UK. The NHS is attempting to put in place a fair mechanism for dealing with their needs as best as it can.

The term “ultra-orphan” has no formal or legal definition, but it is taken to mean a disease “affecting fewer than 500 people in England”,

which means a prevalence of around one in 100,000 patients. Having come to the House after a career in biomedical research, I know well that rare-disease pressure is going to grow exponentially as the extraordinary advances in genomics and biomedical research mean that we discover that more and more diseases that we used to think of as a one-size-fits-all blockbuster are rarer diseases that require stratified, targeted and, ultimately, personalised therapies. I can assure the House that the Prime Minister, who has experienced first hand the huge pain of rare disease in a family, feels that personally. We have devoted time to trying to tackle it, and will continue to do so. Indeed, that is part of the reason why the Prime Minister created my role: part of my remit in Government is to tackle some of these issues.

We are doing a number of important things on rare diseases. We have put £20 million into funding the National Institute for Health Research’s rare diseases translational research collaboration and £900,000 into funding to support the work led by Public Health England to establish the first UK rare diseases register. We are leading the work with other EU countries and key colleagues to develop a European reference network to support research. We have also launched the precision medicine initiative and the rare disease consortium, but we are going further.

Central to the mission of the new ministry of life sciences is dramatically accelerating UK leadership in the field, which is why we have established Genomics England. We are the first nation on earth to seek to sequence the full genome of 100,000 NHS patients and combine that with clinical data to form the world’s reference database for targeted and stratified diagnostics and treatments. That is why we have launched the stratified medicines initiative, and why I have launched the early access to medicines scheme.

A number of colleagues challenged me about whether we were getting a grip on this: I have launched a review of the accelerated access to innovative medicines and technologies for that reason. I can assure Members that the scope of the review has struck a chord around the world. We are looking at NICE and at the regulator, and the vision of the review—I have asked for first recommendations this autumn—is to look at how we can dramatically accelerate the timeline for innovative medicines to come into the NHS, dramatically shorten the timeline for patients, and unlock what is essentially the great win-win at the heart of the NHS. We can use its research potential—its genomic and clinical informatics potential—as the world’s only integrated healthcare system to drive research into new drugs and bring down the time and cost of developing them. That way we can get drugs tested and developed here, to the benefit of our patients, while putting this country at the forefront of the revolution again.

We need to remember that it typically costs a billion to a billion and a half pounds and takes 10 to 15 years to develop a new medicine. That is unsustainable for the industry and for us. We cannot afford to pay the premium price at the end of patent life that the industry requires. We are leading the global race to put in place a new

landscape. I fear that the solution will not come in time to solve the particular funding issue that has been mentioned, either this month or this quarter, or even this year. Nevertheless, we are making rapid progress. We will look back with pride on the UK’s leadership in this field.

NHS England has in place very carefully worked out decision-making processes for making drugs for rare diseases available to patients, and I want briefly to outline how they work. Because of their rarity and the low patient populations, services for rare conditions are commissioned nationally by NHS England, as opposed to locally by clinical commissioning groups. These specialised services include 146 prescribed medical services set out in legislation and account for approximately 14% of the total NHS budget—£14 billion a year. It is worth remembering the price of the system. For just this one class—the Translarna drugs alone—we are talking about hundreds of millions of pounds over a lifetime. We have to reduce the cost. We simply will not be able to afford the price required by the companies for every single new class that comes on stream.

The NHS England specialised commissioning process has been set out very carefully. It starts with one of the 68 clinical reference groups in NHS England creating a commissioning policy, which is produced by clinicians and other medical professionals. The commissioning policy is referred to one of the care boards and then to a clinical panel, which assesses the draft policy against the known evidence, with particular regard to clinical effectiveness and cost-effectiveness. The supported policies are passed on to the clinical priorities advisory group, which ensures that due process has been followed and makes a recommendation to the specialised commissioning oversight group. It considers the appropriateness and relative priority of new and existing treatments. The final sign-off is by the specialised commissioning committee, an NHS board sub-committee. NHS England’s clinical priorities advisory group formulates recommendations on the basis of clinical advice. I stress to colleagues across the House that it is not in anyone’s interest for Ministers ever to attempt to intervene in clinical decisions.

I want to touch on the timetables for the drugs mentioned by a number of colleagues: Translarna and Vimizim. On Translarna, the clinical priorities advisory group developed the clinical commissioning policy for the treatment of the mutation, and the policy was out for consultation between 24 March and 23 April. The group is considering the draft commissioning policy today and tomorrow and will make a recommendation to the specialised commissioning oversight group very shortly. The oversight group will consider the recommendations on 24 June and make recommendations to the specialised commissioning committee. The committee will make recommendations on 30 June and then make a decision on whether to commission Translarna nationally until NICE releases final guidance.

Before purdah, I was delighted to refer Translarna as a topic for evaluation by NICE’s highly specialised technologies programme. It is unfortunate that the general election fell right in the middle of the consultation process; that explains some of the difficulty we had dealing with the correspondence, as the hon. Member for Leeds North West mentioned. Final guidance on Translarna is expected in February 2016; draft guidance will be complete by the end of this year.

[George Freeman]

Similarly, Vimizim is being considered by the clinical priorities advisory group today and tomorrow and a recommendation will go to the oversight group. That recommendation will be considered on 24 June, and the final recommendations will be made on 30 June for subsequent consideration. NICE's highly specialised technologies programme will release final guidance on Vimizim in October 2015. It is important to point out that NICE has not yet issued its final guidance on Vimizim to the NHS. I encourage patients, the public, professionals and the manufacturer, BioMarin, to engage with the ongoing consultation.

I have several questions to answer with just under 120 seconds remaining. It would not be appropriate for me to try to spin through every one, so with colleagues' permission, I will write with detailed answers to them all. Several Members from across the House asked whether we could do something to raise money more quickly in order to purchase these drugs. I am discussing with the Chancellor the whole issue of how we purchase specialist drugs and put in place a landscape so that we are not only bringing drugs more quickly into the NHS and unlocking its power as a research engine, but updating our commissioning structures.

The accelerated access review that I am leading does not just address how we light the runway in terms of regulations and NICE and the Medicines and Healthcare Products Regulatory Agency's processes to bring drugs to proof of concept in the system more quickly; it specifically looks at how we can commission better. It also deals with the cancer drugs fund. I hear the comments from north of the border—I used to advise Scottish Enterprise on this whole field. We will look at whether we might put in place some kind of innovative medicines fund for rare diseases and specialist drugs to support testing medicines within the system in a research medicine setting, particularly for rare diseases.

In the next few years, Genomics England and our leadership of genomic insights into diagnostics and new drugs will bring on a range of potential new therapies. We need to ensure that England has a landscape for testing those drugs that is compatible with Scotland. That may well mean that we will not pay premium retail prices to manufacturers at the end of a traditional phase III or phase IV development process, but build a new model of commissioning based genuinely on evaluation, thus unlocking the power of the NHS as the world's greatest research engine.

Motion lapsed (Standing Order No. 10(6)).

Worcester's Southern Link and the Carrington Bridge

[MR ANDREW TURNER *in the Chair*]

4 pm

Mr Robin Walker (Worcester) (Con): I beg to move,

That this House has considered dualling of Worcester's southern link and the Carrington Bridge.

It is a pleasure to move this motion under your chairmanship, Mr Turner, and to do so before a Minister whom I am truly delighted to welcome to his place and his new role. I discussed the strong case for improving Worcester's transport links with the previous Roads Minister, the Under-Secretary of State for Transport, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill), when he hosted me, my hon. Friend the Member for West Worcestershire (Harriett Baldwin) and the former Member for Mid Worcestershire, as well as representatives from Worcestershire County Council and the Worcestershire local enterprise partnership, at his office in the Department for Transport. Since then, the Secretary of State for Transport has been to Worcester to see for himself both the ongoing work to dual the southern link and the bottleneck currently formed by the Carrington bridge. The new Minister is always welcome to make that journey himself, and I would be delighted to show him the long queues of traffic.

The Minister will know that traffic is one of my constituents' top concerns—it is one of the few things keeping Worcester from the very top of the list of cities in the country in which to live; it is in the top 10—and that the southern link road is not only a vital road but a key strategic link for our county and its neighbours. In addition to its crucial role as a transport link, it provides essential flood resilience for a city that is unfortunately all too well known for its propensity to flood. Beyond the single carriageway Carrington bridge, there is a long area of causeway on which the A4440 crosses the flood plain to the south of Worcester, and I was pleased to learn from the Environment Agency only this morning that it is already advising on how best the widening of that causeway could be achieved without a negative impact on flooding elsewhere.

I am delighted that after years of support from Sir Peter Luff I am joined for today's debate by his successor, my hon. Friend the Member for Mid Worcestershire (Nigel Huddleston), whom I congratulate again on his election to this place. My hon. Friend the Member for West Worcestershire, newly elevated to high Government office, would also be here were it not for the demands of that office. The A4440 southern link road around Worcester is not only a vital part of the city and county's infrastructure, but the key link between the M5 and her constituents in Malvern and many other points west of Worcester. In addition to the strong support we have won for its improvement from Worcester City Council and Wychavon and Malvern Hills District Councils, we have now submitted letters of support from Herefordshire County Council and The Marches local enterprise partnership. It is one of only two crossings of the mighty River Severn between Holt Fleet and Upton-upon-Severn, and the only one with the potential to carry more than a single lane of

traffic. It is the key bottleneck for a population of hundreds of thousands and an increasing amount of business traffic.

As my hon. Friend the Member for Mid Worcestershire pointed out at last week's Prime Minister's questions, Worcestershire has been the third-fastest growing county economy in the UK over the past few years after only London and Oxfordshire. That growth has seen unemployment more than halve and youth unemployment decline even further. It has seen huge numbers of new businesses starting up, existing businesses, such as Joy Mining Machinery and COMPCO in the west of Worcester, growing and taking on more staff and the development of new clusters of excellence, such as Malvern's thriving cyber-security cluster. The rise of rural broadband notwithstanding, such commerce naturally increases the weight of traffic and the demand for infrastructure.

At the same time, our county has committed to building tens of thousands more homes. There are already smart new estates to the west of Worcester and where once Dines Green marked the western edge of the city, there are now new houses, doctor's surgeries and care homes at Earl's Court Farm and along the Bromyard Road. Under the south Worcestershire development plan, tens of thousands more homes will be built to the south and west of the city. Not all those people living to the west of the city will be able to work, shop and get to schools on the west side of the river and not all those on the east will be able to stay on the east. We want the new residents of the south Worcestershire urban extension to be able to enjoy the beautiful Malvern hills and the Elgar trail, and we want those on the west to be able to venture across to the constituency of my hon. Friend the Member for Mid Worcestershire and experience the delights of Evesham, Droitwich and Broadway.

In addition to the rising demand, there are some wonderful transport improvements in prospect for which I should thank the Minister and his Department. The previous Government committed to upgrading both of Worcester's motorway junctions and resurfacing much of the M5, as well as making it a smart motorway. That will improve our access to Birmingham, to the M5 corridor with its high-tech jobs and aerospace and, indirectly, to London and the rest of the country.

That improved access will only fully benefit my constituents, and those of my neighbouring Worcestershire MPs, when the southern link allows them to reach the M5 with greater ease. We also have the exciting prospect of a project for which the county has been calling for over 30 years being delivered in the next two: Worcestershire Parkway Station. That crucial addition to our rail links will improve our rail connections with London, Bristol and Birmingham and serve the entire south of the county. For my constituents in Worcester, it will mean that thousands more have access to our railways, as neither of our existing stations has sufficient parking for people to be able to leave their cars. For people living in Warndon Villages, St Peter the Great or anywhere on the western side of the city, Worcestershire Parkway will make rail travel an option, but only if they can reach the station. The southern link provides crucial connectivity for all those people.

Today, however, and for most of the past decade, the southern link has been running at capacity. As a regular listener to BBC Hereford and Worcester, I am far too often regaled with the news that traffic is at a standstill

on the Carrington bridge. Far too often in the morning, I am sat in long queues on the bridge or the approach road. Every morning and every evening, that crucial transport link is simply overwhelmed by the amount of traffic with which it must cope. As a result, more traffic is diverted through the centre of Worcester city.

When the floods hit Worcester last February and closed our city centre bridge, the queues could take hours. Getting up at 6 am in order to make a 9 am appointment in Worcester was not an ideal commute. That happened before the new developments in the south Worcestershire development plan, which the county council estimates could generate an additional 342,000 trips a day by 2019 and 588,000 a day by 2031. The road that has skirted the south of Worcester for decades has needed dualling for most of that time and the bridge that joins the west of the Severn with the east might have admirably met the challenges of 1985, but it desperately needs upgrading for the 21st century.

One of the pleasant surprises of the visit of the Secretary of State for Transport on a sunny April day this year was taking him down the hill from the viewing platform that overlooks the Carrington bridge and coming across the plaque that commemorated my father, as MP for Worcester and Energy Secretary, opening it on almost precisely the same day in 1985. A great deal has changed since 1985 when I was seven years old, but I hope we share with that period the fact that we have a Conservative Government prepared to invest in our country's infrastructure and inject new energy into the challenge.

It is worth noting that the coalition Government invested in improving the southern link and, along with Worcestershire County Council and the LEP, delivered the substantial upgrades that the Transport Secretary was able to see under way during his recent visit. Through a combination of pooling the new homes bonus, local funds and a Government contribution to the Worcestershire LEP's strategic economic plan through the local growth fund, the dualling of the southern part of the road and upgrades to its major roundabouts have already been set in motion. After decades in which Worcester's infrastructure seemed to be set in stone, this is a huge step forward and the first major new roads investment since the 1980s in this part of the county. However, the full benefits of all that work—the dualling of the A4440 between the M5 junction and the Ketch roundabout—will not be seen until full dualling of the road is achieved, including the bridge and the causeway beyond it.

Many constituents have complained to me that it could be a waste of money to have doubled the road only as far as the Carrington bridge. Many more have pointed out that traffic from the west will still head through the city, rather than around it, as long as there is no dual carriageway between the west and the south. Put simply, the wise investments made by our county, our districts and our country in upgrading the road could be made to look like a white elephant if the job is left incomplete, but a golden opportunity if it is finished. A well-supported online petition put together by my constituent Brian Gladman also made that point. Mr Gladman also campaigned for many years to improve the broadband infrastructure in the west of Worcester, which ensured that all my constituents are well served. It is great that he is bringing his leadership to improving our roads infrastructure, the importance of which was hammered home to me on the doorsteps of Worcester during the recent election campaign.

[*Mr Robin Walker*]

Any reader of the *Worcester News* will know about the concerns regarding the layout of the new roundabouts and that they are a consequence of the design of the scheme being for a proper dual carriageway but the work at this stage only being funded sufficiently to deliver that dualling as far as the River Severn. Once the dualling is taken across the river and over the Carrington bridge, the bottlenecks will be removed, the traffic will flow more freely and the roundabouts will work as they were intended.

To date, dualling has achieved significant improvements in traffic flow, but what can be achieved in taking it further would be much greater. The work has been proceeding on a phased basis and we are seeking help with phase 4, estimated to cost a total of about £74 million. The first three phases, which cost about £40 million, will be completed by 2018. At that point, crucially, whether through local funds, further LEP bids or Government funding, we must have the finance in place to secure the fourth phase. Worcestershire county council has estimated that the Government contribution required would be in the region of £60 million, but that the benefit-cost ratio is more than 2:1.

My point today is to make it clear that that would be money well invested. As the chairman of our LEP, Mark Stansfield, said:

“The southern link road is a key initiative focussed on keeping businesses moving and connected in Worcestershire and to neighbouring counties. The dualling”—

of the Carrington bridge—

“is fundamental to achieving the goals set out in the ten year Strategic Economic Plan.”

Simon Geraghty, leader of Worcester City Council and deputy leader of the county council said:

“The Worcester Southern Link Road is one of the most important strategic routes in the County, used by over 30,000 motorists a day, to connect communities and businesses west of Worcester to the M5 Motorway network as well as providing an alternative route for local traffic to bypass the busy... City Centre. However, heavy congestion on this road is now holding the Worcestershire economy back and hampering efforts to improve the environment in the historic City Centre. Everyone agrees this road needs to be dual tracked from the motorway to the west of Worcester to enable strong economic growth to continue and allow the much needed new homes and employment sites to go ahead. Working together, clear plans and funding packages are now in place to complete significant sections of the route but the narrow single lane Carrington Bridge is proving to be a real bottleneck. Securing funding to tackle this issue is now the County's number one transport and infrastructure priority.

It is vital to deliver the growth targets set out in the County's 10 year Economic Plan and working together funding must be secured if we are to unlock the economic potential of this part of Britain whilst preserving the great quality of life and environment that Worcestershire already offers.”

As Councillor Linda Robinson, the newly elected leader of Wychavon District Council, put it:

“The Carrington bridge is an essential piece of infrastructure, being part of a main arterial route connecting much of South Worcestershire and the M5. It is a notorious bottleneck and currently causes considerable delays and frustration to residents, visitors and commercial users alike. Its deficiencies represent a very real negative impact on business investment. Improving accessibility reinforces the message that Worcestershire is open for business by addressing such key issues.”

My favourite quote of the lot, however, comes from the president of our chamber of commerce, Jim McBride—never knowingly underspoken—who said:

“We must proceed with the Southern Link Bridge as the current situation is intolerable. We have a dynamic growing industry, mainly in the high tech sector, being held back by our inability to build ONE bridge. It's like having a fibre optic cable with an old fashioned copper section in the middle making the whole thing unworkable!”

You just need to come off the motorway and down to the bridge to see how ridiculous it is. We need to help our industry not hinder it.”

Amen to that.

Carrington bridge overlooks the battlefield of Worcester where, in 1651, Cromwell won the day for Parliament and stormed the River Severn with his bridge of boats. The same barrier that he overcame that day in a few hours remains a challenge centuries later for my constituents and many others beyond, but securing the investment will turn it from a barrier to growth into a pathway to prosperity. I commend the project to the Minister and I hope that he can support it for funding, whether as a pinch point, a local road or a vital strategic road. Most of all, it is a project that is essential to local growth.

4.13 pm

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): It is a pleasure to serve under your chairmanship, Mr Turner, for the first time.

I congratulate my hon. Friend the Member for Worcester (Mr Walker) on securing this afternoon's debate on the dualling of Worcester's southern link and the Carrington bridge. I also thank him for the invitation to come and see things for myself. I have some knowledge of the area and have driven the roads that we are discussing, but my main reason to visit my hon. Friend's constituency has often been related to new roads and watching the cricket. Nevertheless, at some point I hope to take him up on his offer.

My hon. Friend mentioned that people want to travel around the area and to experience the delights of the Malvern hills and western Worcestershire. I, too, want them to experience that, because the area is truly special. I liked the lovely link across the years with the story of his father opening the bridge in 1985 and my hon. Friend now working to make it even better.

I am aware that the topic has been the subject of previous parliamentary questions and ministerial correspondence. I praise my hon. Friend for continuing to highlight the importance of good transport infrastructure in building a strong economy and sustainable communities. I am aware of his excellent work over recent years to represent and promote Worcestershire as a whole. I hope to address some of his points.

Worcestershire is a marvellous county with a population of more than 500,000. It is served by a number of key transport connections, and today's debate should be placed in that broader context, which I will highlight. The nationally important M5, M42, M50 and A46 all run through the county, as do the major local roads, the A449 and the A4440—our focus today. Rail also plays an important role in the county, with lines offering connections to Birmingham, Hereford, Bristol and London, via Oxford.

My hon. Friend emphasised the success of the Worcestershire economy, which has an entrepreneurial work force—that is certainly my experience—and the county is an attractive place in which to live and do business. As he said, the Worcestershire transport network is critical to the performance of its local economy. Reliable connectivity enables the residents of Worcestershire to have good access to jobs and local businesses to have good access to their markets.

The area, however, has a propensity to flood—it is famous for that—and I have been there during occasions of intense floods, seeing for myself the impact on local roads. My hon. Friend highlighted the floods of the winter of 2013-14, which was the wettest winter on record. We had flooding not only in Worcestershire, but in parts of the south-west, the south-east, and Yorkshire and the Humber—throughout the country. I remember the Prime Minister visiting my hon. Friend's county one weekend in February during the flooding. I checked before the debate, and the River Severn had peaked at 5.3 metres, its highest level since summer '07, and 100 or so properties in Worcestershire were flooded, with more than 40 of them in his constituency.

Resilience is an important issue for the local transport network. The floods caused a number of road closures and impacted on business. The Worcestershire County Council emergency response team did an impressive job, which was highlighted at the time by my hon. Friend. The Secretary of State for Transport has announced additional funding for highways authorities throughout the country—some extra support to tackle their resilience issues—and that saw more than £2 million allocated to Worcestershire County Council. My hon. Friend made the point about the importance of the reliability and resilience of the transport infrastructure.

One of the key things that I have to tackle and one of the key priorities of the Department for Transport is our road investment strategy. Basically, the Government are committed to a long-term economic plan, as we have detailed previously, and part of that is to deliver infrastructure investment—such investment in transport is key to continuing economic growth. As we all know, roads play an important part in our economy—a central role. Nearly every area of that economy would grind to a standstill if our road network did so. We require a high-performing road network to deliver the economy that we need. Our commitment in delivering that is the road investment strategy, which is a significant, £15 billion commitment that will see investment in 127 schemes across the road network between now and 2021.

This is a positive time for road investment, and that has implications for my hon. Friend's constituency, because our strategy includes significant investment in Worcestershire, such as the introduction of smart motorways between junctions 4a and 6 on the M5. The work on that scheme is due to start later this year. When it is complete, we will see additional capacity through the use of the hard shoulder as an extra lane. We will also see the deployment of world-leading technology to make journey times more reliable and to reduce congestion on the network.

Mr Robin Walker: I am grateful for the investment that has been announced, which I welcomed earlier in my speech, in particular the fact that new surfaces are included, because that will help to make the motorway

quieter for nearby residents. Over the years that has been a major concern for my constituents in Warndon Villages and for those of my hon. Friend the Member for Mid Worcestershire in Droitwich. Does the Minister accept that linking the extra capacity on the M5 to the west of the county will have significant economic benefits for the wider county economy?

Andrew Jones: I certainly accept that. Improving the strategic road network will have a knock-on effect on all the other arterial roads surrounding it. That is the point. A network does not just stop; it runs and flows—or at least it is meant to. I agree entirely with my hon. Friend.

Investment in local transport infrastructure such as the southern link road is vital to communities in the area, as recognised not just by my hon. Friend but by all local MPs. The strong economic benefits that the southern link road and Carrington bridge would bring are recognised by the LEP in its strategic economic plan. The A4440 Worcester southern link road is seen as an essential part of Worcester's main road network, providing that important link between the M5 south and west to Worcester, Great Malvern and the wider Malvern Hills district, and on into Herefordshire and beyond. It is also an important bypass of the city centre and provides one of the two crossings of the Severn—the next crossing, at Upton, is a long way south. The road's importance—its impact on the immediate area and on the remainder of the county—is entirely understood.

That is why, as my hon. Friend has highlighted, there has already been some investment in the road: the improvements to the Ketch roundabout and dualling of the A4440 towards Norton roundabout received funding as a major local transport scheme through the Worcester transport strategy. That strategy received a funding package of £14.2 million from the DFT and aims to improve the role of Worcester as the county's principal economic hub through the delivery of a package of measures designed to improve sustainable transport and maximise access to economic activity in the city.

The elements of the southern link road package have already been detailed, and have made quite a difference. My hon. Friend highlighted how phases 1 to 3 have already brought improvement, but the image he gave of high-level fibre optics suddenly coming to an old copper connection brought home the importance of completing the scheme. I understand, however, that the work on that fibre-optic section—phases 1 and 2—has been progressing well and is due to finish this summer.

The Government recognise the need for improvement. That is not the issue here at all. The improvements on the A4440 south of Worcester have helped to support growth. The Government have put investment funding in place for those improvements. The importance of further investment was recognised in the expansion of the Worcestershire growth deal in January this year. We have confirmed that we will work with the county council, as the local highways authority, to determine how further stages of the work on the A4440 can be taken forward.

The A4440 is a key local road, and as such is the responsibility of the local highways authority, the county council. Any proposal for further improvements to the road is therefore a matter for the council. I know that the council recognises the complexity of the situation. The road is in a beautiful area of historic significance,

[Andrew Jones]

as my hon. Friend highlighted, and crosses the Severn at its floodplain. The situation is sensitive, and I understand that feasibility work would need to be undertaken on the scheme. That is already under consideration.

I turn now to the point about clarity on funding streams. The Government have made a commitment to growth deals and to providing ongoing support to local enterprise partnerships to deliver jobs and growth. Funding for proposals such as the further development of the southern link road and the Carrington bridge is provided through the Government's local growth fund and the growth deals agreed with LEPs. Any future growth deals would allow Worcestershire to put forward schemes that would make the biggest difference in the area, as has happened with previous deals, including the one for this particular road. It is therefore important that local MPs continue to work with the county council and the local enterprise partnership to maintain the scheme's visibility as funding becomes available.

The Government recognise the power of transport to change lives and economies. It brings opportunity, tackles congestion, and improves connectivity and quality of life in an area. I have mentioned some of the ways in which the Government are already working to support transport infrastructure in Worcestershire. There are others. The local enterprise partnership was awarded £47 million in its growth deal last year, and a further £7.2 million in January. The local enterprise partnership has made a good start in delivering its growth deal and should be congratulated on both its strong governance and its excellent work in delivery. My hon. Friend gave a pithy quote from his LEP leader.

My hon. Friend has made a compelling case. He has clearly won local support. The quotes from the LEP and the council demonstrate that phases 1 to 3 have made a difference. I cannot say today, "I am bringing you a cheque from the Treasury"—I wish I could—but I can say that I think the scheme is a good one and that phase 4 would indeed complete the package. The Government will continue to invest in transport, in local growth deals and through LEPs. It is therefore important to make sure that this particular scheme is at the front of the funding queue—he has made a compelling case but it is a big queue. Historically, there has been under-investment in infrastructure, and the Government are trying hard to catch up. The infrastructure deficit almost matches the financial deficit that we are also tackling. The Government remain committed to investing in infrastructure and to excellent projects waiting for funding. I know that, with his customary tenacity as a champion for Worcester, he will keep working with neighbouring MPs to maintain the profile of the scheme. I will keep working to make sure that the Government deliver the best we can for the people of the city of Worcester and the rest of the fine county of Worcestershire.

Transport infrastructure is necessary, and the scheme is a good one. It is a question not of lack of will but of making sure that we have the cash. As the Government get and keep the economy moving, more and more cash is being invested in infrastructure. The issue is making sure that this particular scheme is at the top of the list locally, and my hon. Friend has done a fantastic job of making a compelling case for that today.

Question put and agreed to.

Sustainable Development Goals

4.28 pm

Patrick Grady (Glasgow North) (SNP): I beg to move,

That this House has considered negotiation and implementation of the Sustainable Development Goals.

It is a pleasure to serve under your chairmanship, Mr Turner. I begin with the words of Nelson Mandela 10 years ago at the Make Poverty History rally:

"Like slavery and apartheid, poverty is not natural. It is man-made and it can be overcome and eradicated by the actions of human beings."

It is useful to reflect on those words as we discuss the negotiation and implementation of the sustainable development goals. I am pleased to see that Members from across the House are present. I hope there will be time for everyone who wants to speak to do so, and I look forward to the response from the Minister. I am grateful to the many organisations that have provided briefings in advance of the debate.

I refer Members to my entry in the Register of Members' Financial Interests: until the election I worked for the Scottish Catholic International Aid Fund, so I had a professional as well as a personal interest in international development issues. I was also the vice-chair of the Network of International Development Organisations in Scotland and I sat on the Scottish working group on sustainable development goals, which I will refer to later.

The Make Poverty History rally that Nelson Mandela spoke at came five years after the United Nations agreed the millennium development goals—at that time, the most ambitious agenda for tackling world poverty in history. For 15 years, the MDGs have provided a framework on which national Governments, multilateral agencies, and even small local charities can base their international development efforts. Progress has been significant, if not complete.

The headline goal of halving the proportion of people living on less than \$1.25 a day has been met, but not uniformly around the world. In some parts, notably sub-Saharan Africa, progress towards many of the goals has remained static or even gone into reverse. The framework was established with a 15-year timeframe, which is why global attention is now turning to what comes next.

Negotiations on the successor framework—the sustainable development goals—were notable for their inclusive and participatory nature, and particularly for the role played by global civil society and social movements, especially in the global south and the worldwide Beyond 2015 network. The SDGs will therefore begin life with considerably greater legitimacy than the MDG framework, but it is important in the final months of negotiation that civil society's voice continues to be heard and respected. The last thing that should happen is diplomats and ministerial delegations locking themselves in a basement room at the UN to thrash out last-minute concessions.

The zero draft outcome document for the SDG summit in September was published on 1 June, and is the culmination of several years of work by a whole range of stakeholders, including the high-level panel that the Prime Minister co-chaired in 2013. The zero draft outcome is a highly ambitious document. In its own words, it is "a plan of action for people, planet and prosperity that also seeks to strengthen universal peace in larger freedom."

The zero draft sets out 17 goals and 169 targets, encompassing a broad range of economic, social and environmental objectives, including on issues traditionally associated with tackling poverty, such as health, education and nutrition; but it also tackles questions of equality, including gender equality, and climate change, and recognises the importance of infrastructure and sustainable consumption.

Most important is the universal aspect of the framework, and the concept of leaving no one behind. The goals and targets are to be met by all social and economic groupings. These concepts have been warmly welcomed by civil society and many other stakeholders, but the draft is not perfect; it is the basis for further negotiations by UN member states. I hope that in the months that remain, more can be done to reinforce the aims and objectives that it outlines.

Save the Children and others have suggested that the language on leaving no one behind could be strengthened, and others, such as Age International, have called for a stronger commitment to data monitoring and disaggregation. There are some broader concerns about the model of development implied by the language of the zero draft. Both the Catholic Agency for Overseas Development and SCIAF call for the promotion of human dignity, rather than ideas of prosperity and economic growth, to be the driver of the development agenda. Indeed, the UN Secretary-General's synthesis report on the post-2015 agenda earlier this year specifically talked of a

"Road to Dignity by 2030".

I would be particularly interested to hear the Minister's views on including that concept in the framework.

As the final negotiations proceed, I hope that Scotland's voice will be heard at the top table. I referred earlier to the Scottish post-2015 working group on the SDGs, which has brought together civil society as well as officials from both the UK and Scottish Governments to share knowledge and information about the negotiation process and begin to look towards implementation. I hope that the Minister and Secretary of State will seriously consider inviting one of their Scottish Government counterparts—the Cabinet Secretary for Culture, Europe and External Affairs or the Minister for Europe and International Development—to join the UK delegation to the SDG summit in New York in September.

Albert Owen (Ynys Môn) (Lab): I congratulate the hon. Gentleman on securing this important debate, and on securing a debate this early in his parliamentary career. I agree with him with regards to the Scottish Government, and I ask the Minister to consider the other devolved Administrations, where there is expertise in bilateral agreements between their nations and nations in Africa and other parts of the world.

Patrick Grady: That is a helpful point. I spoke briefly in my maiden speech about the ties between Scotland and Malawi; such reciprocal agreements and community links are to be found across the United Kingdom. The respect agenda, which we heard so much about during the independence referendum, means that this is a good opportunity for the voices of Scotland and the constituent parts of the UK to be heard on a world stage.

Once those negotiations are complete—indeed, before they are complete—we must consider how the new framework will be implemented. The universal nature

of the goals is markedly different from the MDG framework. It places an obligation on all Governments—north and south, rich and poor—to work towards a world free of poverty. The Financing for Development conference in Addis Ababa in a few weeks' time will be an important opportunity for world Governments and civil society to agree ways of making funds available to deliver the goals. I hope that the Prime Minister and the Chancellor will give the summit the same priority that many of their global counterparts plan to.

Traditional aid flows are important, and I congratulate the UK Government on meeting the 0.7% target, but I question the measure of gross national income that they are using to calculate their 0.7% contribution. The Scottish National party will continue to ask hard questions about how that money is spent. Our official development assistance spend should not undermine public services in developing countries, nor should it be used for defence or securitisation purposes.

We must also move beyond aid. Many campaign groups, including Oxfam and Christian Aid, are rightly calling for a radical overhaul of international taxation. Corporate tax dodging is costing developing economies billions each year—money that could be spent on education, healthcare and other vital services. Initiatives such as the Robin Hood tax could generate further funds for tackling poverty and climate change, and we must remain alive to the question of unjust and unsustainable historical debt, which still burdens too many developing countries.

Implementing the SDGs will require a whole-of-Government response. Every decision made by Government has some kind of impact overseas—not just tax and trade decisions, but decisions around procurement, energy, education and more all have a global footprint. Indeed, our own individual energy use and consumption habits have been, for too long, at the expense of the poorest and most vulnerable people in other parts of the world who are now being hit first and hardest by the impacts of climate change.

The other major summit this year, December's United Nations framework convention on climate change in Paris, must also be part of the process of implementing the SDGs. The same is true of the World Humanitarian Summit in Istanbul next year. Once again, I draw attention to the work of the Scottish Government, and their pioneering work in the areas of climate justice and policy coherence for development.

The universal nature of the SDGs means that implementation is an individual, national and global responsibility. It means that each of us should question our lifestyle choices and consumption habits. It also means that Governments of so-called rich or developed countries must look to their own backyards. What steps will Governments take finally to eradicate poverty here at home, to bring about gender equality, and to tackle the causes and effects of climate change? Perhaps we should also ask under what reading of the SDG framework a decision to spend £100 billion on the renewal of Trident can be justified.

In concluding, I would like to thank again the many organisations that took time to provide briefings. I have not been able to refer to all their points but, in addition to those I mentioned, I encourage the Minister to look at the points raised by UNICEF, the Royal Society, Health Poverty Action, Leonard Cheshire Disability, the World Wide Fund for Nature and World Vision UK.

[Patrick Grady]

During the 2005 Make Poverty History campaign, it was often said that we were the first generation with the knowledge, tools and resources finally to end poverty. Ten years on, the SDGs have the potential to provide a robust framework to put that knowledge, those tools and those resources into action. With the right political will, they can capture the imagination of not just Governments and civil society, but the wider public and communities around the world, because—to finish as I started—in the words of Nelson Mandela:

“Overcoming poverty is not a gesture of charity. It is an act of justice. It is the protection of a fundamental human right, the right to dignity and a decent life. While poverty persists, there is no true freedom.”

4.39 pm

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Turner. I congratulate the hon. Member for Glasgow North (Patrick Grady) on securing this very important and timely debate, providing an opportunity for Members of all parties to explore these issues and for the Minister to respond. The hon. Member for Glasgow North brings a wealth of experience from prior to his election. I refer people to my relevant entries in the Register of Members' Financial Interests. I worked for five years, between 2005 and 2010, at the Foreign Policy Centre and for the Aegis Trust charity, which works in Rwanda.

As the hon. Member for Glasgow North said, Make Poverty History has been one of the most powerful social movements of this century so far. The impact that it had in mobilising a wide section of public opinion and its influence on our Government at the time was profound. It is good to have the opportunity to reflect on that and on the progress made since the millennium development goals were adopted. I do not want to repeat everything that the hon. Gentleman said, but he referred to various statistics. There is still a very big challenge on some of the basic issues that the millennium development goals were designed to address. About 1 billion people across the globe still live on less than \$1.25 a day. That is the World Bank's measure of poverty. The levels of hunger around the world are still far too high. Yes, things have got better, but more than 800 million people live without enough food to eat. Women are still fighting hard for their rights, and millions of women across the globe still die in childbirth. A great deal more needs to be done.

Like the hon. Gentleman, I welcome the progress that has been made in moving towards the summit in New York this September. The level of engagement and consultation with stakeholders, Governments and, most importantly, civil society offers the potential for a more holistic approach to development policy, which is welcome. It includes, for example, a renewed focus on climate change, the oceans, sustainable industrialisation and a strategy for modern and sustainable energy.

Focusing on the root causes of poverty is absolutely the right thing to do. The universal goals, about which the hon. Gentleman spoke, are most welcome. In particular, the aim of the focus on equality—one of the 17 proposed goals—is to reduce inequality both within and among countries. That, too, will secure a welcome. There is concern that with, as he said, 17 goals and 169 targets, this could all become somewhat unwieldy. It is right

that the process is ambitious, but it must also be achievable. I echo what he said about the importance of listening to the voices of civil society as the process moves forward.

Taking an holistic approach domestically is also critical. I would be interested to hear the Minister's response to this point. The Select Committee on International Development in the previous Parliament said that the Department for International Development

“must do more to influence policy across all Government departments”.

Concern has been expressed that DFID is now not represented on some key committees—ministerial committees and, crucially, the National Security Council, which covers very important issues such as climate change, economic stability, counter-terrorism and money laundering. It is surely vital that the Secretary of State for International Development be represented on the National Security Council, as well as on key committees such as the economic affairs committee, which deals with the crucial question of international taxation, to which the hon. Member for Glasgow North referred in opening the debate.

Let me finish by echoing what was said by both my hon. Friend the Member for Ynys Môn (Albert Owen) and the hon. Gentleman about the importance of our taking a UK-wide approach, engaging the devolved Administrations, welcoming the work that the Scottish Government and the Scottish Parliament have done with Malawi and listening to the voices from Wales and Northern Ireland as well as from Scotland and, indeed, to those at local government level in all parts of our country. The more that these issues engage not just central Government and Parliament, important as they are, but civil society, trade unions and business organisations, the more impact the sustainable development goals will surely have.

Parliament itself has a very important role to play. Opportunities such as today are, of course, welcome. There is also the role of the Select Committees—the International Development Committee and others—and groups such as the Commonwealth Parliamentary Association and the Inter-Parliamentary Union, which often provide a vehicle for focusing on some of these issues, country by country and region by region. Let us also use the opportunity of today's debate—I hope that the Minister might have something to say about this—to emphasise what Government can do, because that is vital, and what civil society can do, which the hon. Gentleman rightly emphasised, but also the very important role that this Parliament can play in ensuring that we get the decisions right in September in New York. It is important not just that we have a good summit in New York in September, but that those decisions are built on beyond that, so that in 15 years' time we can celebrate real achievements from the key goals that will be discussed in New York.

4.45 pm

Stephen Phillips (Sleaford and North Hykeham) (Con): It is a pleasure to serve under your chairmanship, Mr Turner, and to follow such an excellent speech from the hon. Member for Liverpool, West Derby (Stephen Twigg). We do not agree about very much, but I suspect that on this issue we are largely in agreement. I also congratulate the hon. Member for Glasgow North (Patrick Grady) not only on securing the debate, but on securing

his election. He is very welcome in the House, not least for the expertise that he brings in this area. Out of an abundance of caution, I will say, although this is not in my entry in the Register of Members' Financial Interests and, I think, is one of the things that do not have to be, that my partner is currently employed by the Government of Sierra Leone, but that is not something that touches much on this debate.

The debate is incredibly welcome, in part because of the importance of the sustainable development goals but also because all of us in the House who are interested in these issues have, to some extent, had our eye taken off the ball, in what has been a long process, by our own electoral cycle. I think that this is the first opportunity that the House has had to consider this matter, which is extraordinarily important not just for the developing world but for the security of this country, since we returned to this place. That makes the debate very welcome. I hope that we will have the opportunity again, before the House rises for the summer recess, to discuss all the matters that arise and to inform the process through which DFID is passing as we move towards the important adoption of the goals in September of this year.

As the hon. Member for Glasgow North said, the millennium development goals have been extraordinarily successful in tackling the root causes of poverty in much of the developing world. Some of the statistics that he mentioned are extremely telling and important. I do not know where the hon. Gentleman gets his figures from, but as I understand it, the number of people living in extreme poverty—on below \$1.25 a day—has reduced by some 700 million since the previous Government adopted the goals as part of British policy. Efforts against disease and particularly against malaria and tuberculosis made great strides between 2000 and 2012. An estimated 3.3 million deaths from malaria were averted because of the interventions resulting from the millennium development goals.

There has been access to improved drinking water across the developing world, and disparities in primary school enrolment between boys and girls have almost disappeared, although there is more work to be done in that area. The role of women—the political participation of women—has increased throughout the developing world. That is very much to be welcomed. I know that that agenda is important to all Members of this House.

None the less, there are major respects in which we have not achieved what the world community set out to achieve. Major threats to sustainability, particularly in the developing world, continue. I am thinking of the way in which resources are exploited by companies that are interested only in the bottom line and by countries that regard it as in their national interest to rape the natural resources of the poorest in the world, who have no means by which they can defend themselves against those companies and countries. That is something on which the world will have to concentrate.

Hunger continues to decline, but further efforts are needed. The proportion of undernourished people in developing regions has decreased, but progress on that has slowed considerably since the advent of the financial crisis. That issue is particularly important. We take it for granted in this country that we have enough food. If people travel in west Africa or east Africa, they will see that that is not the case there. People genuinely do

not have enough food on which to live, and chronic undernutrition of children remains a very considerable problem, as does child mortality.

I want to speak briefly about HIV therapy. There has been progress since the millennium development goals were introduced, but there remains a pervasive culture, particularly in much of Africa, in which HIV is regarded as something that cannot or ought not to be treated, and which is certainly not spoken about. The world needs to tackle that. We will tackle it when we adopt the goals in September, but there is a considerable problem to which Members have already drawn attention.

One of the great successes of the millennium development goals was that they were brief. They were an organising framework for donors and developing country governance. They provided a consensus around which the world community could coalesce, but here we have 17 goals: an amorphous set of principles that we all want to see achieved, but there are so many of them that, as the Prime Minister has said, there are simply too many to communicate effectively and there is a real danger that they will simply end up on a bookshelf gathering dust. I know that that is also the view of the Secretary of State for International Development.

In the remaining stages of the negotiation, it would be good if the message could go out clearly from this House, through Government, that what needs to be done is to focus efforts so that the goals themselves are clear. In one sense, the SDG is a visionary document—how we all want to see the world in 2030—but the targets that have to be met must be measurable. We must have a set of aims and values that we can communicate to those who provide the funds that we rightly, although we often have to persuade people that it is right, deploy in the international aid budget. There are areas that are simply not tackled in the sustainable development goals, to which the hon. Member for Glasgow North alluded, such as climate change, because the attitude of the UN is that it is dealing with them by other means. Although the goals are welcome, more progress could be made as we move towards the meeting in September.

There are two areas on which I want the Minister to concentrate when he responds to my remarks. The first relates to health. The Ebola outbreak in west Africa showed that health systems in the developing world are not adequate to deal with large, widespread outbreaks of significant problems. When we get to the end of the outbreak—pray God that we now are; it seems as though we are—more people will have died of malaria in west Africa than will have died of Ebola for the simple reason that the healthcare systems in Sierra Leone, Liberia, Guinea and other affected countries such as Mali have not been able to cope with the appalling epidemic that the world has had to face and at the same time treat endemic diseases such as malaria. Such a discussion needs to be ongoing. What is the Minister going to do to make healthcare systems in the developing world more robust, and what is DFID's view about the reform of the World Health Organisation, which, as everybody here knows, dropped the ball in relation to Ebola?

The Minister needs to concentrate on another issue that is not really mentioned in the sustainable development goals or the targets that surround it: corruption. Corruption in the developing world is endemic and takes money from the poorest people. The money being used to fund corruption, particularly in the civil services of developing

[Stephen Phillips]

countries, is money that would otherwise be used for public services and for the alleviation of poverty. That really needs to be tackled; it has not been tackled by the United Nations convention against corruption, because there are so many respects in which states are not monitored for compliance with it and so many respects in which, even if they are monitored, they fall down in relation to the common standards that ought to have been accepted. This has not been a priority for DFID and it ought to be, because economic growth is the one thing that we can probably all agree assists in the prevention of poverty.

The prevention of poverty in the developing world is important not only because it is the right thing to do, which is why we stand behind the 0.7% target, but because it secures the national security of this country and its citizens. Will the Minister say a little more about how DFID will influence the sustainable development goals and how it will drive them and ensure there is a robust healthcare system in the developing world? Will he also say more about the corruption that takes money from the poorest people in the world? If the Minister can reassure us on that, we will all know that the Government are moving in the right direction and that the world is moving in the right direction with regard to the goals.

4.54 pm

Dr Philippa Whitford (Central Ayrshire) (SNP): I also would like to make a declaration. I am still a Scottish Catholic International Aid Fund ambassador for south-west Scotland, although I am not sure how long I will manage to do that along with this role. Through SCIAF, I had the opportunity to visit AIDS projects in Kenya and Tanzania in 2006. Others have referred to Make Poverty History, and I remember traipsing off to Edinburgh with my 11-year-old son, who is now a big 21-year-old man. Although some things have improved, they definitely have not improved enough. I commend the reference to the devolved Governments, where there is expertise. The issue is reserved, but certainly in Scotland we have been active and I would like to see Humza Yousaf, our Minister for Europe and International Development, included in the summit, because devolved Administrations have things to say.

How we deal with other people matters, as well as our understanding of aid for trade and aid for defence. We have been talking about TTIP, the Transatlantic Trade and Investment Partnership, for the past couple of years, but we now have a TiSA, a trade in services agreement, that tries to ensure that developing countries, and indeed developed countries, are forced to have a more private basis of service provision, so they could not emulate the health provision that we have here. In developing countries it needs to be done in the simplest, cheapest way. Setting up private systems means the wealthy getting healthcare and illness lying at the bottom levels, so that we never eradicate polio, never control malaria and certainly never control Ebola.

Stephen Phillips: I do not know where the hon. Lady got from my remarks that I was advocating private healthcare in the developing world. I am advocating a robust healthcare system supported by donor countries and non-governmental organisations.

Dr Whitford: I am sorry; I did not mean to imply that that was coming from the hon. and learned Gentleman's comments. I was respecting his comment that such countries need help to have a robust health system. But TiSA is out there. It is not very much on our horizon, but within Europe people are already beginning to see it coming and seeing the impact it would have in Europe and developed countries and also in developing countries. We should look at the unsustainable debt and at the terms that are often laid down when a country has to borrow: we need to ensure that we are not, as it were, shackling both its ankles and one arm together and then sending it off to do things.

One important thing not within the sustainable goals is climate change. We must recognise the absolute disaster that is coming. We are currently dealing with refugees coming from north Africa and the near east because of conflict, but the Sahara is expanding. Current wars have been about oil; future wars will be about water. As the Sahara expands in both directions, populations will be driven into other territories. What we see in the Mediterranean at the moment will pale into insignificance compared with what we will see in future. That needs to come into our policies. It needs to come into everything we do; it must not just be the international development group, which is not included in anything else.

We absolutely need to look at our own behaviour, how we generate power, how we produce things and what we use. We take some weird approaches in looking at how we produce energy. We make the world price of food go up so that we can put it in cars and go on driving bigger cars. We say that nuclear is the solution to the carbon dioxide problem, despite the massive CO₂ released in the production, building and commissioning of a nuclear power station. We must look at these things in the round. Individuals, and the Government that lead individuals, need to look at our obsession with consumerism. We think sticking in a low-energy light bulb lets us off the hook, yet we are obsessed with stuff. Do we really need more gadgets? Do we really need up-to-the-minute fashion? Unless we look at every level, led by and promoted by Government, we will not change quickly enough. It is poorer people who pay the price, through climate injustice, for our behaviour.

4.59 pm

Albert Owen (Ynys Môn) (Lab): It is a pleasure to serve under your chairmanship for the first time, Mr Turner. I welcome the Minister to his new appointment, and I congratulate the hon. Member for Glasgow North (Patrick Grady) on securing the debate. A lot of what I wanted to say was said by the first few speakers and by the hon. Member for Central Ayrshire (Dr Whitford), but I will concentrate with a lot of optimism on some of the goals outlined on climate change, energy and sustainability.

We need joined-up thinking between the Department of Energy and Climate Change and the Department for International Development. We need to work together. In the past, Departments have tended to work in silos. That is why I mentioned in my intervention the need to co-operate with the devolved Administrations. I have seen some very good practice in Wales, such as the bilateral agreement between Wales and Lesotho, with links between the schools. They are going out to educate young people there. Link-ups through modern technology

are also easy to do. Many primary schools in my constituency of Ynys Môn have live link-ups to see exactly what life is like there.

I must make a declaration: I have never done anything in the conventional way. I left school at 15 and went into the merchant navy. I saw with my own eyes some of the extreme poverty and extreme wealth across the world, and it shaped my life and my politics in many ways. It is important in this modern 21st century that young people have those links with the developing world.

I congratulate the Government on some of their work, particularly on Ebola. There has been a great coming together of the world's health organisations and this country's national health service to provide essential skills to help eradicate that disease. Good work is being done. I am proud that the United Kingdom has a Department for International Development, and I was proud when it was set up. I am also proud of the Climate Change Act 2008. The theme of my speech is that we need to link those two together. We need to understand, as the hon. Member for Central Ayrshire said, the importance of weaning countries that have developed on fossil fuels off them.

This is a golden opportunity for countries that do not have the infrastructure or the legacy from oil and gas and that can adapt many of the new technologies being developed across the world. Solar energy, for example, can go into villages in isolated locations around the world. We can have new schools and clean water because we will have the electricity to provide the pumps in those areas. That is a great opportunity.

Goal 7 talks about ensuring

“access to affordable, reliable, sustainable, and modern energy”.

One problem in industrialised countries such as the United Kingdom is that our energy facilities are ancient and need to be rebuilt and retrofitted in many ways. Newer, underdeveloped countries have the opportunity to start from day one, but we have to learn and do it by example. We are doing well with our goals on renewable energy. The hon. Member for Central Ayrshire and I will not agree on nuclear power, but I believe that it will help us to reduce our carbon emissions. We in the United Kingdom have 1% of the world's population but produce 2% of carbon emissions. We need to reduce that. Nuclear technology can help us to do that, but we have to lead on it.

With these two big conferences coming up in New York and Paris, I hope that the Minister will assure me that he, the Secretary of State for International Development and his Department are talking with the Secretary of State for Energy and Climate Change so that we have joined-up thinking. We can then go on to the world stage, lead by example and use our expertise in a positive way to combat climate change and its impact on lesser developed countries.

I have a few final things to say about Scotland, Wales and Northern Ireland before the hon. Member for Glasgow North replies—is that how it works? The Department for International Development needs to get out more, to be absolutely frank. It needs to go to East Kilbride, where the Department has an office. It needs to go to the Welsh Assembly and Belfast to see the good practice in the devolved Administrations, as well as to the regions of England. Rather than talking to ourselves here in the UK Parliament, we need to go out and learn from the best examples. We can then

hopefully go to these summits, speaking and working with the devolved Administrations, to put the case for all parts of the United Kingdom and show leadership across the world. These are important summits. We want to be present and we want to make a difference.

Finally, I will talk about the Make Poverty History campaign. Although I indicated that I did not do things in the conventional way and went to sea at 16, the Make Poverty History movement really excited me because it brought together the Churches, non-governmental organisations and real people across this country. That was the important thing about that movement, and it left us with these development goals. We are now going into round 2, and we must ensure that the goals are meaningful and that they work.

Mr Andrew Turner (in the Chair): There are 22 minutes left for the major parties, followed by Mr Grady for two minutes.

5.6 pm

Mr Gavin Shuker (Luton South) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Turner, and to be back in Parliament for this important debate. I congratulate the hon. Member for Glasgow North (Patrick Grady) on an excellent opening speech that set the tone for the rest of the debate. I offer my extended congratulations for the first time to the Minister and welcome him to his role. He will already know from the short time he has been there that the Department for International Development is a fantastic Department to work in and alongside. It works on tackling many of these issues. We already share something in common, which is a very similar name. I have learned that over my five years in Parliament, because the postman here does not always deliver with 100% accuracy. I have noticed that the Minister's invites are often printed on considerably thicker card than mine. Now that I am shadowing him in this position, I hope we will tackle that inequality as well.

We live in a global society, yet every 10 seconds a child dies from hunger and malnutrition. Even after the millennium development goals come to an end this year, nearly 1 billion people will still be living in extreme poverty. Hundreds of thousands of women die each year during pregnancy and childbirth, and a population of more than three times the size of Birmingham dies each year purely from water-related diseases. To stand aside and allow that to continue when we may take action is to perpetuate a great injustice. Ours is the generation that could see the end to extreme poverty, reduce inequality and tackle climate change. It would be easy in the current climate to turn away from tackling some of the world's most intractable problems.

The thread that connects the key issues we face of climate change, economic crises, disease and conflict is their global and interdependent nature. This year is a unique opportunity for the world to see a realignment and a new settlement of institutions and shared action that can tackle those threats. The agreement to be secured in September on the replacement of the millennium development goals will take place at one of the two crucial summits this year. As Members have said, we will also hopefully agree a framework in Paris in December to tackle climate change into the next generation. The Labour party stood on a manifesto that promised to

[Mr Gavin Shuker]

prioritise those global accords, as well as twin and related ones. We are determined to hold the Government to account throughout this Parliament to ensure that Britain's reputation as a leader in international development—a reputation hard-fought and hard-won by the previous Labour Government—endures.

There have been valuable contributions in today's debate. My hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) went right to the heart of what our focus needs to be in the coming months in his comments about inequality. The hon. and learned Member for Sleaford and North Hykeham (Stephen Phillips) made a powerful contribution. Some of his most interesting comments were about the disconnect between the 17 goals and 169-odd targets currently in the zero draft, as well as the desire that I am sure we all share for those goals to be clearly explained. That probably means having fewer of them. The hon. Member for Central Ayrshire (Dr Whitford), in speaking about her own experiences, brought home how powerful it can be to confront the reality of extreme poverty and inequality, as well as the hope that many people hold not just for their own lives but for their whole community. My hon. Friend the Member for Ynys Môn (Albert Owen) spoke not just about co-operation at UK level, in which I believe passionately, but about the experiences that we can garner from devolved Administrations, such as the Government in Wales, which I know from my own experience has been hugely inspiring in tackling these issues at community level as well.

Some specific concerns were also raised, and I will go through them one after the other. We have discussed the fact that the sustainable development goals are there not just to eradicate extreme poverty but to tackle growing inequality. We put particular emphasis on that in our manifesto. Gender, caste, race, community, disability, religion, age and ethnicity all too often determine people's life chances. Health, education, jobs and participation are increasingly determined at birth, so we promised to prioritise human rights, climate change and universal healthcare in a bid to tackle that growing concern.

Health inequality is one of the most debilitating inequalities that someone can experience. As the party of the NHS, we want everyone to enjoy the protections that we in this country take for granted, and we are committed to providing the global partnerships, support and encouragement needed to countries that want to provide healthcare for their own citizens. Therefore, it was welcome to hear the Secretary of State say two weeks ago at the Dispatch Box that the Government

“have advocated very strongly for universal health coverage that truly makes a difference to people and puts them in a position to be able to play a role in helping to develop their country.”
—[*Official Report*, 3 June 2015; Vol. 596, c. 575.]

That is particularly welcome because it stands in stark contrast to the previous Secretary of State—who also happens to be the current Secretary of State—who failed to provide before the election for universal health coverage in the post-2015 agenda and refused to support a stand-alone goal on universal health coverage. Most devastatingly, she cut her Department's direct support to health systems year by year, creating the conditions in which Ebola went unchecked for too long. Can the Minister outline what steps the UK Government will take in the light of their new position on the crucial agenda

of universal healthcare? Will they push for universal healthcare, in the language of the goal on healthcare, in the room in September?

Last week in the Chamber, I spoke about how climate change will be seen as development in reverse. The world's poorest face rising sea levels, droughts and storms. When one's very survival is under threat from natural disasters, thriving diseases and conflict over resources, economic development can often become a romantic ideal. We remain concerned that, despite those clear links, the zero draft of the outcome document is still unambitious on that agenda, allowing goal 13 to remain essentially a holding text for an agreement that has not yet happened, and whose start date and implementation is five years from now.

That is why I urge the Secretary of State and the Minister to ensure in September that climate change remains a stand-alone goal in the post-2015 SDGs, with a 2° global temperature rise embedded in the language of the goal. That may seem dry, but the lesson of the millennium development goals was that their language was hugely important for focusing minds and measuring progress. Will the Minister say a few words on that issue as well?

This debate is about more than just negotiating the language of the sustainable development goals; it also needs to be about their implementation. We particularly welcome the opportunity to hear what the new Government see as their priorities within that expansive agenda. As the hon. and learned Member for Sleaford and North Hykeham said, it might be difficult to galvanise political will around 17 goals and 169 targets. Is it the UK Government's position to have fewer goals and greater focus on each of them? If so, what will those goals be?

There are questions about this Government's global leadership. When the Prime Minister was appointed co-chair of the high-level panel, we were disappointed to see that he attended only half the meetings. In that context, how does the Prime Minister mean to go about negotiating the SDGs, especially given that key issues such as climate change have fallen off the agenda in meetings that he has chaired in the past? It took Germany's Chancellor to put climate back on the agenda in the most recent G7 discussions.

The all-embracing nature of the zero draft risks prevarication and duplicity, potentially enabling Governments to address selectively those goals and targets most aligned to their existing agenda while failing to challenge the more complex and formidable issues that we face.

Stephen Phillips: Does the hon. Gentleman agree that there is also the difficulty that unless there is effective monitoring, there may be differences within regions and indeed countries? The sustainable development goals might be properly implemented in some areas, or efforts might be made to do so, but rural areas in particular in the developing world might simply be left behind because everybody is concentrating on the capital cities.

Mr Shuker: I agree completely with that well-put point. I add that one challenge that everyone in our generation must face following the negotiation of the first millennium development goals is increasing urbanisation, which could leave some people even more disconnected. On issues such as universal healthcare, the problem

becomes obvious: how can a healthcare system reach out across all communities? Monitoring will be key, which is why we have called for the disaggregation of data in the results produced through the process.

We believe that we have been clear about our priorities, and we ask the Government to be equally clear in their negotiating position in order to tackle inequality, ensure the attainment of the human rights—including the fundamental rights of women and girls—that remain at the heart of the agreements and combat climate change. Not just now but in Paris in December, I hope that the Minister is willing to match our ambitions in the field.

5.17 pm

The Minister of State, Department for International Development (Grant Shapps): It is fantastic to see you back in the Chair, Mr Turner, and a pleasure to serve under your chairmanship. I congratulate the hon. Member for Glasgow North (Patrick Grady) on securing this debate, right up front at the beginning of this Parliament, on an issue about which I know he is passionate and has a great deal of knowledge and expertise through the Scottish Catholic International Aid Fund and through the incredible Scotland-Malawi partnership, which runs incredibly deep. As the hon. Member for Central Ayrshire (Dr Whitford) also mentioned, it is threaded through everything that goes on in international development in Scotland.

I was in East Kilbride only last week and, as the hon. Member for Ynys Môn (Albert Owen) will be pleased to hear, I will no doubt be going to the Welsh Assembly soon. One thing that I discovered there was that—I think I have these numbers right—some 157 primary schools in Scotland have direct links with Malawi, as do more than 900 different non-governmental and similar organisations and 47% of Scots. That is absolutely extraordinary, impressive and commendable, and we will seek to replicate it in other important areas of development during this Parliament.

This is a fantastic debate to have, and it has been good-natured, with some extremely important points raised. I will pick up on some of them. The hon. Member for Glasgow North mentioned the principle of dignity on behalf of some NGOs. The UK Government support the concept of dignity in development; it is absolutely right, and we welcome the Secretary-General's report on dignity. He makes the intelligent point that prosperity and dignity, while allied, are not exactly the same thing.

As the new guy to this subject, I know this is the most fascinating topic that the Government have to deal with—perhaps only we in this Chamber know that. As the hon. Member for Liverpool, West Derby (Stephen Twigg) said, the number of people living on \$1.25 a day, although it is falling, is not yet down where we need it. However, it is interesting that people are now living for a decade longer than they were in the 1960s, even though their income is not necessarily higher. Also, more children are going to school now. Whereas in the 1960s, only half the kids of primary age went to school, now 90% of children in the world go to school. The world is somehow getting better without prosperity necessarily rising, although we want to see that, too. However, dignity is absolutely key to this process and the hon. Member for Glasgow North is right to raise it as an issue.

The hon. Gentleman asked a direct question about the representation at the summit on sustainable development goals; the hon. Member for Central Ayrshire also referred to that. I assure both hon. Members that although the summit is in September—so still a little way away—and the exact composition of the delegations is still being worked through, I heard what they said and I will reflect on it.

There was a rather transient comment, which is none the less important to respond to, about what on earth having Trident does for supporting development goals. The answer is, quite simply, that it has prevented the world from getting into all sorts of trouble in the last 60 or so years. I will say no more about that now, but I believe that being on the Earth is an important objective in itself, rather than our being entirely wiped out.

The hon. Member for Liverpool, West Derby made some excellent points, including about the cross-governmental nature of the Department for International Development's position. I can reassure him by saying that I absolutely know for certain that the Secretary of State for International Development regularly attends the National Security Council; I can put his mind at rest on that. Indeed, one or two people touched on cross-Government working. The level of cross-Government working at DFID is the most impressive of any Department that I have been involved or been a Minister in, or have seen operating.

I think the hon. Member for Ynys Môn asked about DFID working with the Department of Energy and Climate Change on the climate change agenda for international development. Again, the Secretaries of State for both those Departments, and the Ministers in them, including me, all work incredibly closely across Government on that agenda.

DFID is different from other Departments. It does not have a role in writing to the Home Affairs Committee to seek collective agreement on policy in the same way that the Home Office, or another domestic Department, has. However, I assure the hon. Gentleman that that absolute tie-in with other Departments, many of which have a strong role in and relationship with international development—indeed, they spend some of their budget on international development—is not missing. They include DECC, the Ministry of Defence, the Foreign and Commonwealth Office, and so on. There is a very close tie-in between Departments and international development.

My hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips) made an excellent speech, which included the absolutely correct observation about the extraordinary fact that there are 17 goals and 169 targets. Those numbers are rather unwieldy, but the zero base document starts to get to grips with them. I think the document comes up with nine principles, which will be easier for people to understand. However, we are where we are with this whole process, and I do not think that anyone believes that we should go back to square one and start again; it is important that we push forward. However, our goals need to have a sense of clarity, and some of the suggestions made in this debate can play an important role in achieving that.

My hon. and learned Friend was particularly exercised by the healthcare systems in countries such as Sierra Leone, and by their inability to respond to the Ebola outbreak and its consequences. I want to reassure him by saying that the UK's chief medical officer will now work with the World Health Organisation—as my hon. and learned Friend said, WHO's difficulties, given the

[Grant Shapps]

tools that it had available to it, were rightly pointed out by all who saw its performance—to develop a new and more advanced system to share data on disease spread on the ground. The CMO will also work with health agencies, doctors and nurses on the front line. We, as a Government, absolutely intend to make certain that the lessons are learned from what happened in Sierra Leone and elsewhere, so that we do not allow the shortcomings that existed to become problems in any future outbreak of a different disease.

My hon. and learned Friend also zeroed in on corruption and he was absolutely right to do so. Anyone who has listened to the Prime Minister talking passionately about what he calls the “golden threads” will know that having secure institutions that work on behalf of a population, rather than against it, is absolutely critical to any sense of international development. We will simply make no progress without those institutions. Anyone who has read the book, “Why Nations Fail”, will know that it is one of the inspirations for the “golden threads”. I think that those “golden threads” are absolutely embedded in target 3.8—no, sorry that is on universal health care, so I will have to find the exact target for my hon. and learned Friend. It is actually goal 16, which is to:

“Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels”.

I hope that will reassure him.

Stephen Phillips: The Independent Commission for Aid Impact produced a report in November 2014 that stressed that this area of corruption was one that DFID was not concentrating on and needed to; the report raised a number of red flags. Will my right hon. Friend give an undertaking to the House that he will go and look at that report, to see whether those issues are now being dealt with?

Grant Shapps: Yes, I am pleased to give my hon. and learned Friend that undertaking.

I will quickly move on to the energy questions that were put by the hon. Member for Central Ayrshire. She made very sensible points. I am absolutely amazed that 1.2 billion people in the world do not have any energy in their own homes. In a world where the price of solar is tumbling, batteries are becoming more available and micropayments are available in developing countries, for example through the British-inspired M-Pesa system, there is no reason to allow that situation to continue. I intend to spend my time in DFID particularly focusing on bringing energy to domestic housing situations, and I hope that hon. Members from all parties will join me in that work.

In Tanzania, I met a woman called Elizabeth who can now power three light-bulbs and charge her mobile phone from a tiny solar panel on her roof that is no bigger than a sheet of A4. That has changed her life; it saves her money on kerosene, and we should spread that practice to all the 1.2 billion people in the world who do not have such energy.

I disagreed with the hon. Lady when she said that somehow consumerism in the west is to blame for the situation. I do not think that is the case, but I fear that, because time is running out, I will not be able to have a longer and more interesting debate about that point.

The hon. Member for Ynys Môn talked about joined-up thinking, which I think I have covered, in addition to the visits that I have made to East Kilbride.

The hon. Gentleman and the hon. Members for Glasgow North and for Central Ayrshire will be interested to hear that I am going to Malawi next week, where I will do everything I can to push our relationship with Malawi and indeed learn from it.

Finally, I thank the hon. Member for Luton South (Mr Shuker) for welcoming me to my position. I can tell him that we have very strong plans. On inequality, for example, the UK is committed to an agenda that will end extreme poverty and build on prosperity for all. I can reassure him on that, as indeed I can on the language about climate change, where the goal is to take urgent action to combat climate change and its impacts, as a crucial part of our framework.

I would like to spend more time satisfying the hon. Gentleman about the issues he raised, but I know that there are only a couple of minutes left for the hon. Member for Glasgow North to respond to the debate.

5.28 pm

Patrick Grady: Thank you, Mr Turner, for giving me the opportunity to respond to the debate, and I also thank the Minister for his comments. I, too, welcome him to his post and I look forward to many exchanges with him in the coming years. He touched on a number of areas that we will probably revisit in the Chamber in the weeks and months to come.

I will respond briefly to three main points that were made during the debate. First, I chose the original title—Negotiation and Implementation of the Sustainable Development Goals—quite deliberately, because the window for negotiation is closing, and the time has passed for getting into a debate about the number of goals and so on. The opportunity now is to make the language as robust as possible, and the negotiations need to focus on collecting data and monitoring the impact of the SDGs.

The link with climate change, which was touched on, is also vital. It is mentioned; there needs to be a synthesis, and we have to respect the United Nations Framework Convention on Climate Change process. However, the language about climate change needs to be as robust as possible in the SDGs.

I am grateful to the Minister for his comments about the role of the Scottish Government. I look forward to hearing the outcome of his reflection on the question of Scottish representation at the summit on SDGs. No doubt we will continue to press him to find out when that reflection has been completed.

The contributions today recognise the importance of this issue. I am aware that in another place this evening there is a debate on exactly the same topic, which will be led by the former First Minister of Scotland, Lord McConnell, who is a champion of Scotland’s links with Malawi. Perhaps when the Minister comes back from Malawi we will have an opportunity to discuss his experiences there in detail, either formally or informally. Indeed, if he wants to speak to me—

5.30 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).

Written Statements

Tuesday 16 June 2015

FOREIGN AND COMMONWEALTH OFFICE

Foreign Affairs Council and General Affairs Council

The Minister for Europe (Mr David Lidington): My right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs will attend the Foreign Affairs Council on 22 June and I will attend the General Affairs Council on 23 June. The Foreign Affairs Council will be chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Federica Mogherini, and the General Affairs Council will be chaired by the Latvian presidency. The meetings will be held in Luxembourg.

FOREIGN AFFAIRS COUNCIL

Asia

Ministers will have a strategic discussion on Asia. The UK will emphasise the importance of deepening EU co-operation with Asia on traditional and non-traditional security challenges which affect all our interests, including involvement with regional multilateral structures such as the East Asia summit. On China, the UK will encourage member states to push for agreement on a substantial investment agreement, and to agree to seek a reference to an EU-China free trade agreement (FTA) in the EU-China summit's joint statement, alongside an ambitious statement on climate change. The UK will also encourage the EU to make progress on the EU-Japan FTA. The UK will highlight its positive engagement with the Asia Infrastructure Investment Bank and encourage other member states to do the same. Council conclusions on strengthening partnership between the EU and ASEAN and on Burma ahead of the November elections are also likely to be adopted.

Lunch with UN Secretary-General Ban Ki Moon

EU Foreign Ministers will attend a lunch hosted by High Representative Ms Mogherini with UN Secretary-General Ban Ki Moon. This is an opportunity to hear, first hand, the most pressing areas of interest for the Secretary-General. Discussions are expected to cover a range of issues including the post 2015 development agenda, UN climate negotiations, migration in the Mediterranean, Yemen, Syria and Libya.

Mediterranean migration

Mediterranean migration will be on the agenda for the 25 and 26 June European Council (JEC), and ahead of this will be discussed at the JHA Council (16 June) and FAC (22 June). Some member states want to agree arrangements to share the burden of refugees across the EU. We also expect discussion of a CSDP operation to disrupt the smugglers' business model. We need to break the link between being rescued and automatic entry into the EU, which means challenging the people smugglers' business model that encourages potential economic migrants to believe that they can achieve settlement in Europe. We will argue strongly, at the FAC

and JEC, that tackling the flows requires a comprehensive approach, incorporating development, capacity-building and good governance work in source and transit countries, action against smugglers, and robust arrangements to return economic migrants to source countries. We will also be pressing the EU and member states to put their weight behind a political deal in Libya and—if one is agreed—strongly support a Government of National Accord.

Energy diplomacy

The European External Action Service (EEAS) has produced an “energy diplomacy action plan” for consideration by Ministers. The plan proposes EU foreign policy measures and actions in follow up to the European Commission's communication of February 2015 “A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy” and the March 2015 European Council conclusions. The UK broadly welcomes efforts to make best use of the EU's external diplomacy and co-operation mechanisms where this can add value to the work of member states in support of secure, sustainable and competitive energy supplies. While further co-operation between member states and the EU institutions may be useful in some situations, the UK will continue to argue against any extension of EU competence in the international energy sphere.

Macedonia

We expect a discussion on the ongoing political crisis in Macedonia and an update on EU-facilitated talks with political leaders.

GENERAL AFFAIRS COUNCIL

The General Affairs Council (GAC) on 23 June is due to focus on: preparation of the European Council on 25 and 26 June 2015; the 2015 European semester; the better regulation agenda; and Macedonia.

Preparation of the March European Council

The GAC will prepare the 25 and 26 June European Council, which the Prime Minister will attend. The June European Council agenda is expected to include Mediterranean migration and security and defence issues as well as economic issues—including the digital single market, the country specific recommendations of the 2015 European semester and a report on better economic governance in the euro area. The Prime Minister will continue his discussions with other leaders on EU reform.

European semester

The GAC will consider the country specific recommendations (CSRs), published by the Commission to all non-programme EU member states on 13 May, as part of the European semester process. CSRs will also be considered by the Employment, Social Policy, Health and Consumer Affairs Council on 18 and 19 June and the Economic and Financial Affairs Council on 19 June.

The advice to the UK is to continue reducing the deficit, boost housing supply and strengthen the labour market. These are generally in line with the Government's long-term economic plan.

Better regulation agenda

The GAC will hold an initial discussion on the recently published better regulation package by the European Commission. The key part of the package is the inter institutional agreement (IIA) on better regulation.

The IIA focuses on red tape in the EU and the institutional co-operation among the Council of Ministers, the Commission and the European Parliament.

Macedonia

We expect a short discussion on the ongoing political crisis in Macedonia and an update on EU-facilitated talks with Macedonia's political leaders. We expect short conclusions setting out the EU's concerns about the current political crisis.

[HCWS37]

JUSTICE

Departmental Statistics

The Parliamentary Under-Secretary of State for Justice (Andrew Selous): A typographical error has been identified in the table attached to the written statement I provided to the House on 11 June 2015.

The table showed revised figures for the percentage of prisoners in crowded and doubled conditions, following errors in how the figures had been collated dating back

to 2008-09. The revised doubling figure for 2013-14 was incorrectly presented as 24.5% of prisoners held. This figure was a duplicate of the 2014-15 doubling figure. The correct figure for the number of prisoners held in doubled conditions in 2013-14 is 23.2%. All other figures in the table are correct.

The table below shows the national figures for crowding and doubling, with the correct figure for 2013-14.

<i>Percentage of Prisoners in Crowded or Doubled Conditions</i>		
<i>Financial Year</i>	<i>Crowding Figures</i>	<i>Doubling Figures</i>
2008-09	25.3%	24.2%
2009-10	24.6%	23.6%
2010-11	24.2%	23.3%
2011-12	25.1%	24.1%
2012-13	23.9%	23.0%
2013-14	24.1%	23.2%
2014-15	25.5%	24.5%

I have been reassured that this mistake was the result of an administrative error rather than any more serious flaw in how the Department collates statistics. Once again, I sincerely apologise to the House for this mistake.

[HCWS36]

ORAL ANSWERS

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