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17 June 2015

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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Wednesday 17 June 2015

House of Commons

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The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

COMMITTEE OF SELECTION

Motion made, and Question proposed,

That Heidi Alexander, Mr Alan Campbell, Jackie Doyle-Price, David Evennett, Anne Milton, Julian Smith, Mark Tami, Owen Thompson, and Bill Wiggin be members of the Committee of Selection until the end of the current Parliament.—(*Anne Milton.*)

Question put and agreed to.

Oral Answers to Questions

WALES

The Secretary of State was asked—

EU Referendum

1. **Tom Pursglove** (Corby) (Con): What discussions he has had in Wales on the implications for Wales of a referendum on the UK's membership of the EU. [900270]

The Secretary of State for Wales (Stephen Crabb): As this is the first Wales Office business since the election, I would like to take this opportunity to welcome new and returning Members, especially new Welsh Members. I look forward to working with them all over the next five years in the best interests of Wales.

On the EU referendum, I have been listening to what people and businesses across Wales have to say, and what they want is a less intrusive, less costly and less burdensome membership of the EU. We intend to secure that and deliver an in/out referendum by the end of 2017.

Tom Pursglove: Does my right hon. Friend agree that the spectacular U-turn by the Labour party demonstrates just how out of touch it is with business and local opinion in Wales?

Mr Speaker: The Secretary of State will focus his reply on the Government's position. A brief sentence will suffice.

Stephen Crabb: I completely agree with my hon. Friend. The Labour party fought its entire election campaign by scaremongering about the EU referendum, showing that it was wrong on that issue, as on so many others—wrong in Gower, wrong in Cardiff North and wrong in the Vale of Clwyd.

Mr Speaker: Order. I was being very generous to the Secretary of State, but he must not abuse my generosity. I was trying to be kindly to a new Member.

Ann Clwyd (Cynon Valley) (Lab): I am sure that the Secretary of State will agree that it is important to have an objective assessment of the implications for the people of Wales of pulling out of the EU. Will he therefore commission an objective report on the issues and publish the results?

Stephen Crabb: The right hon. Lady makes an extremely useful and important point. We want the people of the UK to make an evidence-led decision. It is not for the Wales Office to commission such a report, but I suspect that many other independent organisations will be looking at such evidence, and we look forward to seeing the results.

Mr David Jones (Clwyd West) (Con): The provisions of the European Union Referendum Bill that relate to the dilution of purdah would apply no less to the Welsh Assembly Government than to Her Majesty's Government. Will the Secretary of State please undertake to mention that to his right hon. Friend the Minister for Europe so that the people of Wales can expect a fair referendum?

Stephen Crabb: I have had several discussions with my right hon. Friend the Minister for Europe on issues relating to the EU referendum in Wales, and the important decision that has been taken is to avoid the referendum clashing with the Assembly elections.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): I welcome the Secretary of State and his team back to the House, and I offer the apologies of my hon. Friend the Member for Pontypridd (Owen Smith), who has been detained on urgent personal business.

Given that more than 150,000 jobs in Wales depend on our membership of the EU, can the Secretary of State say whether any members of his ministerial team belong to or support the Conservatives for Britain group? What does he have to say to sceptical Government Members about the benefits of EU membership for Wales?

Stephen Crabb: I am absolutely clear: I want to approach the EU referendum campaigning for Britain to stay in a reformed EU. We have huge support from people and businesses across Wales for the Prime Minister's strategy of seeking a less costly and less intrusive membership of the EU, and one of the most useful things we can do in this House is give him our full-throated support in those renegotiations.

Economy

2. **Byron Davies** (Gower) (Con): What assessment he has made of the effects in Wales of the Government's long-term economic plan. [900271]

The Parliamentary Under-Secretary of State for Wales (Alun Cairns): The Government's long-term economic plan is clearly working for the Welsh economy. The UK is the fastest growing nation of the G7, and Wales is the fastest growing part of the UK. Our long-term economic plan has achieved some of the highest levels of employment in our history.

Byron Davies: I thank my hon. Friend for that answer. Having hauled my constituency out of the hands of Labour dominance after 109 years, I wonder whether my hon. Friend agrees that the general election result demonstrated clearly what we knew all along, which is that the Labour party, together with its failing chums in Cardiff Bay, was consistently on the wrong side of the economic argument.

Alun Cairns: My hon. Friend hits the nail on the head. His success in Gower was one of the most remarkable across the United Kingdom. His presence here is testament to the economic success of the Conservative Government. To his credit, he has played a significant part in lobbying the Government on major infrastructure projects that will benefit his constituency, such as electrification of the Great Western main line all the way to Swansea.

Jessica Morden (Newport East) (Lab): Cutting the Severn bridge toll should be an integral part of any plan for the Welsh economy, because we have the highest tolls in the UK, and they hit bridge users in south Wales particularly hard. Yes, VAT will come off the toll in 2018, but that is not nearly enough. Can the Minister confirm that he will be lobbying the Secretary of State for Transport extremely hard so that we get a much fairer deal for Severn bridge users?

Alun Cairns: The hon. Lady has raised that matter on several occasions. I am sure that she was pleased to hear the Chancellor announce that VAT will no longer apply, but she is right that we need to go further. We are abolishing category 2 so that white vans and pink minibuses will pay the same price as a light vehicle, unlike the way it was left by the Labour party.

Nia Griffith (Llanelli) (Lab): I very much welcome any rise in employment in Wales, but more than half of all households with children in Wales, many of which include people working in low-income jobs, rely on tax credits to make ends meet. What reassurance can the Minister give to those Welsh families that his Government's long-term economic plan does not include cutting their child tax credits?

Alun Cairns: The Government's long-term economic plan is taking people out of poverty and bringing them into work. The hon. Lady should welcome the unemployment data that were announced today, which show that more than 100,000 private sector jobs have been created in the Welsh economy. Unemployment is falling and investment is growing. I hope that the hon. Lady will welcome that.

Nia Griffith: Indeed, I did welcome that. Yet again, there were no real answers from the hon. Gentleman; perhaps he is practising to be Prime Minister. Families across Wales who are going out to work and doing their best for their children will be very worried by that answer. If he cannot give full reassurance that his Government will protect tax credits, will he at least speak up and try to stop his fellow Ministers from giving a kick in the teeth to working families while passing laws to protect millionaires from tax rises?

Alun Cairns: I am surprised that the Labour party is still pursuing the wrong priorities. It is on the wrong side of public opinion. The public rightly demand that

we reform welfare and incentivise people to work. That policy worked over the past five years and I hope that she will welcome its continuation over the next five years.

Welsh Government Funding

3. **Susan Elan Jones** (Clwyd South) (Lab): What recent discussions he has had with the Chancellor of the Exchequer on the level of funding received by the Welsh Government. [900272]

5. **Carolyn Harris** (Swansea East) (Lab): What recent discussions he has had with the Chancellor of the Exchequer on the level of funding received by the Welsh Government. [900274]

11. **Gerald Jones** (Merthyr Tydfil and Rhymney) (Lab): What recent discussions he has had with the Chancellor of the Exchequer on the level of funding received by the Welsh Government. [900280]

The Secretary of State for Wales (Stephen Crabb): I have regular discussions with the Chancellor of the Exchequer, Treasury Ministers, the First Minister and the Welsh Finance Minister on the level of funding received by the Welsh Government.

Susan Elan Jones: The Secretary of State may be aware that my constituency had the terrible news yesterday that Dobson & Crowther in Llangollen had gone into administration. Will he assure me that he will work with the Welsh Government on that? Does he agree that the £50 million of in-year cuts to the Welsh Government's budget that the Chancellor has brought in are a very bad thing and that we cannot have the same thing again, because we need to be working together for the people of Wales?

Stephen Crabb: We are aware of the situation in the hon. Lady's constituency. We stay in close touch with Jobcentre Plus and the Welsh Government to find ways to support those who face uncertainty over their jobs. We have just been through an election campaign in which responsibility over finances was at the heart of the debate. The fact that she is standing here today, saying that the Welsh Government should somehow be immune from shouldering any of the responsibility for getting on top of our national finances, shows that she has learned nothing from the past five years.

Carolyn Harris: Wales did not benefit from Barnett consequential from the Olympics. Will the Secretary of State tell the House whether south Wales will benefit from HS2? If it will not, will there be a Barnett consequential?

Stephen Crabb: I welcome the hon. Lady to the House. HS2 is a strategic project that will benefit the whole United Kingdom. It will benefit Wales, not least through the new hub station at Crewe, which will increase the potential for electrification in north Wales. On that basis, there is no argument for a Barnett consequential.

Gerald Jones: Does the Government's failure to eliminate the deficit in the last Parliament not mean that Wales faces further significant cuts, which will be deeper than

those we have had so far? Why should the people of Merthyr Tydfil and Rhymney pay for the Chancellor's broken promises?

Stephen Crabb: The hon. Gentleman risks repeating the mistakes that his colleagues made throughout the five years of the last Parliament, when they set their face against responsibility and failed to support any of the measures that we took to get on top of the national deficit. Something that they might want to learn as they review their election defeat is that people up and down the United Kingdom support financial responsibility.

12. [900281] **Glyn Davies** (Montgomeryshire) (Con): Does the Secretary of State agree that the Welsh Government should be held more financially accountable to the Welsh taxpayer for the money they spend? Will he consider including in the anticipated Wales Bill the devolution of income tax without the unnecessary block of a referendum?

Stephen Crabb: I absolutely agree with my hon. Friend about the need for the Welsh Government to assume greater responsibility for raising money, as well as just spending it. I hear his argument about the referendum, and other people are making similar arguments. However, if the Welsh Government are not up for the challenge of greater financial responsibility, any discussion about whether there should be a referendum is academic.

Seema Kennedy (South Ribble) (Con): If money is so tight, how have the Welsh Government found millions of pounds to spend on refurbishing their offices and expanding the ministerial car fleet?

Stephen Crabb: I thank my hon. Friend for that question. There are many mysteries about the way in which the Welsh Government operate their finances—we could point to others. The important thing to remember is that at the general election the people of this country gave a strong mandate to this Government to get on top of our deficit and fix our national finances. It is beholden on every Department, where taxpayers' money is spent, to play its part.

Mr Mark Williams (Ceredigion) (LD): The historic underfunding of Wales is not in doubt. Has the Secretary of State given any further attention to commissioning an urgent report, by someone such as Gerald Holtham, into the precise figure of that underfunding, so that we can act accordingly?

Stephen Crabb: I thank the hon. Gentleman for that question. One of my first conversations after being reappointed as Secretary of State was to meet Gerry Holtham to talk about his analysis of Welsh funding. He agrees with me that we do not need to commission any independent new evidence. The work has been done and we need to crack on with introducing the fair funding floor. We are committed to doing that.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Both Labour and Conservative parties have cynically sought to redefine what constitutes fair funding for Wales, with both parties seeing it as a funding floor rather than putting us on an equal footing with Scotland. Will the

Government join the people of Wales, 78% of whom believe that Wales should be funded to the same level per head as Scotland?

Stephen Crabb: Plaid Cymru had one single theme and policy during the general election campaign: funding and seeking parity with Scotland. *[Interruption.]* A voice behind her asks what about the north-east of England. The trouble with seeking parity with Scotland is that one would have to start dividing up the whole pie. The important thing is that we are delivering on a fair funding floor for Wales that will correct the way the Barnett formula operates for Wales, and she should be supporting that.

Borderlands Line Rail Franchise

4. **Justin Madders** (Ellesmere Port and Neston) (Lab): How the views of English rail passengers will be taken into account after the transfer of responsibility for the Borderlands Line rail franchise to the Welsh Government. [900273]

The Parliamentary Under-Secretary of State for Wales (Alun Cairns): I have met the Under-Secretary of State for Transport to discuss aspirations to upgrade north Wales' rail infrastructure. On the franchise, the Wales Office is working closely with the Department for Transport and the Welsh Government to agree which services will be devolved. Specific proposals will be consulted on in due course and I hope the hon. Gentleman will play his part.

Justin Madders: I thank the Minister for that answer. He has highlighted the difficulties in implementing some of the practicalities of devolution. Will he meet me and interested bodies from both sides of the border to discuss the practicalities, and how my constituents can be best represented during this process?

Alun Cairns: I am grateful to the hon. Gentleman for that question; he makes an important point. Rail passengers just want smooth services on both sides of the border. Administrative boundaries should be there to support rather than to hinder. I look forward to the hon. Gentleman's involvement in any discussions.

Jo Stevens (Cardiff Central) (Lab): Many Welsh passengers use railway lines, such as the Great Western line, that are under the control of the UK Government. They are concerned about suggestions that the Government are going to break up and privatise parts of Network Rail. Will the Minister rule that out?

Alun Cairns: That is, of course, a matter for the Department for Transport, but I will take no lessons from the Labour party on electrification. When the Labour party was in government it left Wales languishing with Moldova and Albania as one of only three nations in Europe without a single track of electrified railway. Some £1.5 billion has been invested in the electrification of the main line right the way through to Swansea. I would hope that the hon. Lady would welcome that.

Albert Owen (Ynys Môn) (Lab): The new franchise offers a golden opportunity for extra routes connecting north Wales with England and the Republic of Ireland.

Does the Minister agree that it is important that we look at the new European structural funds, so that we can have trans-European networks going from Dublin to London, via north Wales?

Alun Cairns: The hon. Gentleman makes a constructive point. There is a need to develop a project board in north Wales that brings in the Welsh Government, potential European funding and Department for Transport support to develop the best possible, strongest case.

Air Police: Dyfed Powys

6. **Jonathan Edwards** (Carmarthen East and Dinefwr) (PC): What plans he has for the future of air police services in the Dyfed Powys area; and if he will make a statement. [900275]

The Parliamentary Under-Secretary of State for Wales (Alun Cairns): The National Police Air Service plays an important role in keeping the people of England and Wales safe. Operational capability decisions regarding the provision of police air support remain the responsibility of the strategic board.

Jonathan Edwards: Maps produced by NPAS show that about half of the Dyfed Powys police force area will fall within 30 minutes' flying time from a helicopter base, despite NPAS wanting to reach 90% of the population of Wales and England within 20 minutes. Is the Minister content with this extension of response times and with the fact that parts of Dyfed Powys will still not be reachable even within the extended 30-minute timescale?

Alun Cairns: The hon. Gentleman has a strong record in scrutinising such changes—the Westminster Hall debate just last week was testimony to that—but I also pay tribute to the police and crime commissioner, who is seeking to improve cover and save money at the same time. Any money saved, of course, will create an opportunity to support more officers on the beat.

Jonathan Edwards: Anyone looking at the proposed NPAS division will come to the conclusion that the residents of Dyfed Powys will receive a second-class service compared with the dedicated police helicopter service currently enjoyed. Considering that the commissioner is powerless to act, will the Minister join me in calling on the Home Office to hold an urgent review into the situation in Wales, and Dyfed Powys in particular, as it is doing in the north-east of England?

Alun Cairns: I encourage the hon. Gentleman to meet the police and crime commissioner, who has said he is more than happy to meet him to discuss such issues. There is an opportunity, however, not only to save money but to improve cover. At the moment, the station he talks about operates limited hours, whereas the NPAS proposals would operate 24-hour cover and also provide access to more helicopters and added resilience.

Mr Speaker: To ask about Dyfed Powys, rather than Lichfield, I call Mr Fabricant.

Michael Fabricant (Lichfield) (Con): My hon. Friend will know how rural an area Wales is, and the hon. Member for Carmarthen East and Dinefwr (Jonathan

Edwards) is absolutely right to raise this point, but what consideration has the Minister given to combining the Wales police force covering the hon. Gentleman's constituency with north Wales police in order to provide a better service?

Alun Cairns: There are no proposals to merge the police forces, but co-operation between them is one way of saving money and operating a much better service. [Interruption.] The reorganisation of the helicopter service under NPAS provides the opportunity for 24-hour cover, which will be much better, as we all know that offenders do not restrict their activities to daylight hours. [Interruption.]

Mr Speaker: Order. I understand the House is in a state of high excitement and anticipation of Prime Minister's questions, but I am sure that the people of Wales would expect us to treat of their concerns seriously. Let us have a bit of order for Mr Hywel Williams.

Health Policy

7. **Hywel Williams** (Arfon) (PC): What discussions he has had on returning control of health policy from the Welsh Government to Westminster. [900276]

The Secretary of State for Wales (Stephen Crabb): None.

Hywel Williams: I am grateful for that reply. Will the Secretary of State ignore any siren calls there might be for the repatriation of health policy? Does he agree that this is not a matter of a war with Wales or of Offa's Dyke being the border between life and death, and will he put the responsibility where it lies—with the Labour Governments who have reorganised health and tolerated the situation in north Wales for far too long?

Stephen Crabb: I agree with the hon. Gentleman's point. The Welsh Government have full policy responsibility for health services and all the levers available to them. Full responsibility for the challenges and problems in Welsh health services lies with them.

David T. C. Davies (Monmouth) (Con): Does my right hon. Friend agree that all those looking across the River Severn enviously at the shorter waiting times and better ambulance response times under the Conservative-run NHS in England have an opportunity for change next May, when they can vote for a Conservative Government in the Welsh Assembly?

Stephen Crabb: As ever, the Chairman of the Welsh Affairs Committee speaks truth and wisdom. It is not healthy for Wales or the Welsh Labour party for the latter always to assume it will be in power in Cardiff Bay. A non-Labour alternative to running the Assembly would do the Welsh health service the world of good.

Chris Evans (Islwyn) (Lab/Co-op): Many constituents receive excellent cancer care from Velindre hospital. Is there not a danger when the NHS is used as a political football of diminishing the great work done in such hospitals by the fantastic professionals in the Welsh NHS?

Stephen Crabb: I do not know what the hon. Gentleman is referring to, but I know that the former leader of his party said he wanted to “weaponise” the NHS.

Chris Davies (Brecon and Radnorshire) (Con): Does my right hon. Friend share my concern about the fact that the Welsh Government are ignoring calls for the provision of a cancer drugs fund in Wales, thus putting my constituents at a severe disadvantage in comparison with those on the other side of Offa’s Dyke?

Stephen Crabb: My hon. Friend makes a good point. On doorsteps throughout Wales during the election campaign, people expressed anger and frustration about their inability to gain access to the life-enhancing cancer drugs that are available to patients in England. A petition calling on the Welsh Government to introduce a cancer drugs fund has been signed by 100,000 people in Wales, and I cannot for the life of me understand why the Welsh Government are being so stubborn.

Engineering Careers

8. **Neil Carmichael** (Stroud) (Con): What steps he is taking to promote engineering as a career in Wales. [900277]

The Parliamentary Under-Secretary of State for Wales (Alun Cairns): Engineers have highly adaptable skills that are valuable across the whole economy. Thanks to the priority that the Government have given to nationally significant infrastructure, there has never been a better time to work or train as an engineer in Wales, or, indeed, throughout the United Kingdom.

Neil Carmichael: I am delighted to note that Renishaw is developing excellent industrial links with Wales, but does the Minister agree that we need more science, technology, engineering and maths and more STEM pupils in the pipeline, so that we can make a proper effort to generate more careers in engineering?

Alun Cairns: My hon. Friend makes an important point. Renishaw, which is in his constituency, is doing exceptionally well in Wales, including, I should add, in my constituency. It is providing the higher engineering skills and investment that we are seeing across the United Kingdom and beyond.

My hon. Friend makes an important point about STEM subjects. He will welcome the establishment of the STEMNET UK-wide network of volunteer ambassadors to support STEM careers. Additional funding of £6.3 million has been provided to support the network.

Geraint Davies (Swansea West) (Lab/Co-op): Wales’s output per head amounts to 70% of the United Kingdom average, which explains why we have the lowest wages in Britain yet some of the largest cuts. What is the Minister doing to ensure that we have our fair share of investment in engineering, in order to boost productivity, boost wages, and boost family incomes for once?

Alun Cairns: I am surprised to hear that question from the hon. Gentleman. After all, it was his party that left Wales the poorest part of the United Kingdom. Since then, it has become the fastest-growing part of the United Kingdom, and the UK is the fastest-growing

nation in the G7. He ought to welcome that, along with the fact that wages and gross domestic household income are growing faster in Wales than in any other part of the United Kingdom. However, we will further improve both productivity and wealth through significant infrastructure spending.

Cross-border Road Links

9. **Ian C. Lucas** (Wrexham) (Lab): What discussions he has had with the Secretary of State for Transport on cross-border road links between Wales and England. [900278]

The Parliamentary Under-Secretary of State for Wales (Alun Cairns): I met the Department for Transport and Highways England last week to express my concern about the delays to the A483/A55 roadworks at the Posthouse roundabout. The Government have invested £6 million in that complex scheme, which will deliver significant benefits to road users on both sides of the border. I am sure that the hon. Gentleman supports such investment to improve passenger journeys, tackle congestion and clear the way for business investment in the cross-border region.

Ian C. Lucas: But the Government told me in February that the work would be completed by April, by the time of the general election. That has not happened, and the Wales Office did nothing before then to get this work done. Will the Minister assure me that it will be completed by 28 June?

Alun Cairns: Although the hon. Gentleman called for an improvement in the network for many years, his party did nothing in government to bring that improvement about. It was only when my right hon. Friend the Chancellor of the Exchequer announced the scheme as part of the pinch point programme in 2011 that action was taken to improve the network. We are now working closely with the Department for Transport.

The hon. Gentleman must be the only Member who calls for roadworks and then complains when that construction is under way.

Great Western Cities Devolution

10. **Kerry McCarthy** (Bristol East) (Lab): What discussions he has had with the leaders of Newport, Cardiff and Bristol councils on the great western cities devolution proposal. [900279]

The Secretary of State for Wales (Stephen Crabb): Last week I brought together council leaders from across the Cardiff capital region to hear their views on an emerging vision for an ambitious city deal for Cardiff that will create new economic opportunities for the wider area, including the great western cities region.

Kerry McCarthy: I thank the Secretary of State for his response, but obviously my concern is Bristol rather than Cardiff. How does he see a cross-border initiative such as this fitting in with the agenda for city regions, combined authorities and everything else that is going on?

Stephen Crabb: I am clear that my priority is Cardiff and not Bristol, but having a strong Cardiff capital region supported by an ambitious city deal will provide opportunities for both cities. That represents good news for Wales and for the hon. Lady’s constituency.

Craig Williams (Cardiff North) (Con): I know that the Secretary of State shares my excitement about the Cardiff city deal. It has huge potential for Cardiff and it really will deliver for south Wales. Does he share my view that all parties should come together constructively to ensure that Cardiff does not miss out on this opportunity of a generation?

Stephen Crabb: I agree with my hon. Friend, and I pay tribute to him for the leadership that he has shown in driving forward a Cardiff city deal proposal. I am clear in my mind that a Cardiff city deal will work only with the Welsh Government, the UK Government, local partners and, crucially, the business community all working together.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [900370] **Heidi Alexander** (Lewisham East) (Lab): If he will list his official engagements for Wednesday 17 June.

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): The Prime Minister is in Italy and I have been asked to reply. This morning I had meetings with ministerial colleagues and others, and in addition to my duties in the House I shall have further such meetings later today.

Heidi Alexander: Under this Government's leadership, the construction of social rented homes has fallen to a 20-year low, but since 2010 the amount of housing benefit paid to private landlords has risen by £1.5 billion. Does the Chancellor understand the connection, or would he like to come to my next advice surgery so that my constituents can explain it to him?

Mr Osborne: Of course we are aware that there is an acute housing shortage in London, which is why we need to build more homes, but I can tell the hon. Lady that we built more council housing in the last five years than was built in the entire 13 years of the last Labour Government. I am very happy to come to Lewisham, where we will talk about the fact that today the claimant count is down by 25% over the year and long-term youth unemployment is down 45% in the last year. The economic plan in Lewisham is working.

Q2. [900371] **Nigel Huddleston** (Mid Worcestershire) (Con): Pensions are a really important issue to my constituents, and the Government have delivered on their side of the bargain by giving savers the freedom to access their pensions. Will the Chancellor do all he can to ensure that the industry lives up to its side of the bargain and delivers on those freedoms?

Mr Osborne: My hon. Friend is absolutely right. The pension freedoms that we introduced in April are delivering the fundamental Conservative principle that people who have worked hard and saved hard all their lives should be trusted with their own money, and 60,000 people have accessed their pension savings. There are clearly concerns, however, that some

companies are not doing their part to make those freedoms available. We are investigating how to remove the barriers, and we are now considering a cap on charges. I am asking the Financial Conduct Authority to investigate. People who have worked hard and saved hard deserve a better deal.

Hilary Benn (Leeds Central) (Lab): May I begin by congratulating the right hon. Gentleman on his appointment as First Secretary of State?

It was reported this week that Talha Asmal, a 17-year-old from Dewsbury, blew himself up in an ISIL attack that killed 11 people. I am sure the right hon. Gentleman would agree that we need to do everything we can to prevent our young people from travelling to Iraq and Syria, so will he tell the House whether the Government now have an agreement in place with all the airlines to raise alerts when unaccompanied minors travel to known Syrian routes, and whether our police are being notified by the Turkish authorities when British citizens arrive at transit points to Syria?

Mr Osborne: I thank the right hon. Gentleman for his welcome, and I welcome him to his place. I think his father would have been extremely proud to see him leading for the Labour party today. Speaking for those on this side of the House, we are extremely relieved to see that there is no Benn in the Labour leadership contest but plenty of Bennites.

The right hon. Gentleman raises the very serious situation around ISIL, and I think everyone in this House is shocked that a 17-year-old citizen of our country can become radicalised and, apparently, become a suicide bomber on the other side of the world—of course, we also have had the distressing reports of the families from Bradford. So we are taking a number of steps. First, we want to work with schools, mosques and other community institutions to help prevent the radicalisation—there is a new statutory duty to do that. Secondly, we are working with the airlines, including getting in place those agreements that the right hon. Gentleman talks about and providing training at the borders, to stop people travelling to countries such as Syria and to remove their passports if they attempt to do so. Thirdly—this will be an issue in this Parliament—we also need to make sure that our security and intelligence services have the powers they need to track people who are trying to get back into this country. I look forward to cross-party support on that issue.

Hilary Benn: I am grateful for that reply. I think the House would appreciate an update on the progress of those discussions with the airlines, and I noted that the right hon. Gentleman was not able to respond to the question I asked about the Turkish authorities. This is a very serious matter and we need to know where things have got to.

We know that, for some time, a growing number of young people have been being groomed to travel to Syria and Iraq. Last November, the Intelligence and Security Committee criticised the Government for not giving the Prevent programme sufficient priority and concluded that

“counter-radicalisation programmes are not working.”

Why does he think that is?

Mr Osborne: Frankly, I do not accept all those conclusions, and there has been a disagreement about the Prevent programme. In the past, there was a confusion between the programmes that supported integration and the programmes that tried to prevent radical extremism. As a result, certain organisations that should never have got public money did so under the last Government.

The Prevent programme is doing its work, but we have also passed a very important law in this Parliament that now ensures there is a statutory duty on public authorities such as a schools, universities and the police to develop the Prevent strategy and the counter-radicalisation strategy. Where I think we agree—after all, on an issue such as this let us try to find areas where we agree—is on the need to try to do more in these communities to prevent this radicalisation from taking place in the first place.

Hilary Benn: I assure the right hon. Gentleman that he will, of course, have the full support of Members on the Opposition Benches on measures that are taken to try to deal with this problem. But can he assure us that community-led Prevent programmes are now actually being implemented in places such as Dewsbury and elsewhere, including by providing appropriate training to teachers and other workers in the public sector, as the new public sector duty to which he has just referred comes into force in two weeks' time?

Mr Osborne: I can confirm that that training is taking place—indeed, we have provided additional resources. In the spirit of this constructive conversation, may I say that we have an extremism Bill in the Queen's Speech which goes further in seeking to disrupt groups that are plotting either to commit offences here in this country or to travel abroad and become further radicalised? I hope the Labour party looks seriously at that Bill and offers its support to the Government.

Hilary Benn: It is now clear that right across the middle east and north Africa, the common enemy is ISIL. Does the right hon. Gentleman agree that our strategic objective must be to continue to bring together all of the countries affected, in the region and internationally, to put aside other differences and co-operate to confront ISIL?

Mr Osborne: I of course completely agree with the right hon. Gentleman on that. Britain plays a leading role in bringing together the various allies that are delivering the impact against ISIL. Indeed, we have had some welcome news of prominent terrorist leaders, not necessarily in ISIL but in other organisations, who have been killed in the past couple of days. If those reports are correct, it is a very welcome step forward in the global fight against terrorism.

The right hon. Gentleman is absolutely right; ultimately, the Iraqi Government and the Syrian people are going to have to find a way to take greater control of their own security. In Iraq, we work with the legitimate Government there. In Syria, we support the moderate Opposition, continuing to support and train them in the tasks that they undertake.

Hilary Benn: Turning now to how we resolve that crisis, which, as the right hon. Gentleman will know, has seen the largest movement of refugees since the end

of the second world war, can he tell the House what expectations he has for the new round of talks that UN special envoy Staffan de Mistura is holding in Geneva?

Mr Osborne: First of all, the right hon. Gentleman is right to talk about the displaced persons, particularly in countries such as Jordan and Turkey, which are bearing an enormous burden. That is why Britain has such a massive aid contribution. Across this House, we can be incredibly proud that the parties in the recent general election stood on a commitment to deliver 0.7% of our national income in development aid. That is not just a humanitarian effort but to make sure that we are able to help in situations such as this. When it comes to burden sharing across the region, of course we want to help, but we must be realistic. We cannot take large numbers of Syrian refugees into our country.

Hilary Benn: Finally, as more and more people gather in Libya to try to cross the Mediterranean, HMS Bulwark is doing an extraordinary job in rescuing frightened people. But we learned yesterday that its deployment is under active review. Having made a grave error last October in withdrawing support from the Mare Nostrum search and rescue operations, will the right hon. Gentleman assure the House that the Government will continue to save the lives of those in peril on that sea?

Mr Osborne: Of course I can give the right hon. Gentleman the assurance that we will continue to play our full part in the search and rescue operation in the Mediterranean. As I understand it, essential maintenance needs to be carried out on HMS Bulwark, which is clearly an operational issue, but no one should doubt Britain's determination to play its role in helping with this situation.

May I end on this point? Taking people out of the water and rescuing them is essential—we are a humanitarian nation and we need to deal with those issues—but, in the end, we must break the link that enables someone to get on a boat and then claim asylum in Europe and spend the rest of their lives on the European continent. That is what draws these people. They are aiming for a better life, but circumventing proper immigration controls on the European continent. We should work across Europe to break that link. I look forward to the right hon. Gentleman's role in helping us do that.

Helen Whately (Faversham and Mid Kent) (Con): Businesses in Kent need capable school leavers and graduates to employ. Will my right hon. Friend explain what the Government are doing to ensure that pupils study the most important academic subjects, such as maths, which employers value?

Mr Osborne: I completely agree with my hon. Friend. My right hon. Friend the Education Secretary set out really important education reforms yesterday. The introduction of the EBacc, which will increase rigour in our schools, will ensure that children are learning the essential subjects they need to get great jobs. Of course, today—this has not been much talked about yet, but perhaps will be later in this Session—we should reflect on the fact that unemployment is down again in our country, employment is up, and long-term unemployment

is down. For the first time, wages are growing faster than since the great recession. That shows that our economic plan is working.

Angus Robertson (Moray) (SNP): The Iraq war a decade ago and its aftermath have been an unmitigated disaster. The Chilcot inquiry into the causes of that war has now been running for six years at a cost of £10 million. Is it true that the Chilcot report has been delayed until next year?

Mr Osborne: The Chilcot inquiry is completely independent of Government, and we do not determine when it publishes its conclusions. I agree with the hon. Gentleman that it has been a long time coming, and people are running out of patience, as they want to see that report. I make a broader observation, which is that there was a cross-party alliance between the Scottish nationalists and the Conservative party when we called for that inquiry to be set up earlier than it actually was. If it had been, we would have the conclusions now.

Angus Robertson: It is worth remembering that the Chancellor of the Exchequer and the Prime Minister both voted for the war that we were led into by the then Labour Government. Does the Chancellor feel that he has no moral or political responsibility to get to the bottom of the reasons why we went into this catastrophic war in the first place, and what is he going to do about it?

Mr Osborne: That responsibility was fulfilled when we voted to create an independent inquiry. We want to see the results of that independent inquiry. Those involved in Chilcot will have heard the view of the House of Commons today, and indeed the public concern, about how long the inquiry is taking, but ultimately it is an independent inquiry. If it was not independent, people would question its motives and the basis on which it had been set up. It is independent, but it should get on with it.

Dame Angela Watkinson (Hornchurch and Upminster) (Con): The tunnel boring part of the Crossrail project is now completed. The route will run through my constituency at Harold Wood. Will the Chancellor join me in congratulating everybody who has been involved in this most amazing feat of engineering, of which this country must be truly proud?

Mr Osborne: My hon. Friend rightly draws attention to one of the great engineering marvels of the world—the fantastic Crossrail tunnel that has been built under one of the oldest capital cities on the planet. *[Interruption.]* Hon. Members ask, “How much did it cost?” It did cost money, but I tell you what: this Government are investing in the infrastructure to provide the jobs in the future, and if we were not making the savings in the Government budget elsewhere, we would not be able to provide for our children. *[Interruption.]*

Mr Speaker: Mr Campbell, it is all that hot curry; it is getting to you. Calm yourself, man! Calm down! A bit of yoga would help.

Q3. [900372] **Mr David Lammy** (Tottenham) (Lab): It is both sad and disturbing that the number of reported rapes in Greater London has risen by 68% in the last

10 years. Sexual crime is up by 35% in the last year. Will the Chancellor commit the extra resources to the police to ensure that they catch and jail the perpetrators, and that they continue to support organisations working with women in the most sensitive manner?

Mr Osborne: Of course we continue to provide that support. Indeed we have, through the operational independence of the Metropolitan police, seen the police focusing more on these heinous crimes. One of the better pieces of news is that there has been increased reporting as well, and women coming forward who have been victims of this horrific crime, but I am always prepared to look at extra requests for resources if there is more we can do to help.

Q4. [900373] **Richard Harrington** (Watford) (Con): In my constituency, in Watford, in one year alone in the last Parliament, the number of apprenticeships doubled. They were among more than 2 million apprenticeship starts in the country as a whole, and clearly very beneficial to businesses and young people alike. Would my right hon. Friend confirm that a further growth in apprenticeships is an important priority for this Government?

Mr Osborne: I can confirm that 3 million apprenticeships is the objective of this Government in this Parliament, building on our success of providing 2 million apprenticeships in the last Parliament. I think the whole House will want to congratulate my hon. Friend on becoming the apprenticeships adviser to the Prime Minister. He has a very important role to play, because there are many great companies who run great apprenticeship programmes, but not enough companies do have apprenticeship programmes. I hope they will receive a knock on the door from my hon. Friend.

Q5. [900374] **Geraint Davies** (Swansea West) (Lab/Co-op): Will the Chancellor confirm that the waste water from fracking will be properly treated, so that it is safe to drink again?

Mr Osborne: We will have the proper environmental standards around the exploration of shale gas, but I think for this country to turn its back on one of these great natural resources, which other countries are using, would be to basically condemn our country to higher energy bills and not as many jobs. Frankly, I do not want to be part of a generation that says, “All the economic activity was happening somewhere else in the world, and was not happening in our country, and was not happening on our continent.” So we should get on with the safe, environmentally protected exploration of our shale gas resources.

Q6. [900375] **David Rutley** (Macclesfield) (Con): In recent months, Jodrell Bank successfully secured the future of the globally significant Square Kilometre Array telescope project at its site, and over £12 million in heritage lottery funding to highlight its unique science heritage. Does my right hon. Friend agree that this is further evidence of the importance of science in his compelling vision of a northern powerhouse?

Mr Osborne: My hon. Friend is right to draw attention to the success that Manchester University and Jodrell Bank have had in securing the international headquarters

of the Square Kilometre Array experiment. I visited Jodrell Bank in the middle of the election campaign—I dropped in to congratulate them on the achievement, which was achieved during the purdah period but under instructions issued by the previous Government. It is the world's largest science experiment. It is an incredible collaboration across nations, and I am extremely proud that its headquarters are in the northern powerhouse.

Caroline Lucas (Brighton, Pavilion) (Green): Today sees a mass lobby here in Westminster of people who are demanding urgent action on climate change. Since coal is the most damaging of the fossil fuels, does the Chancellor agree that as well as phasing out coal, we in this House have a responsibility to divest our parliamentary pension fund from fossil fuels, as has been done in Norway very recently?

Mr Osborne: It is way above my pay grade to interfere with the parliamentary trustees of the pension fund here, and I leave the decisions on investments to them. I agree with the hon. Lady that the lobby of Parliament today is important and the Paris talks at the end of the year are a real opportunity to get a global commitment to binding standards and carbon targets. Britain will play its full part. What we want to achieve is dealing with those greenhouse gas emissions and meeting our international obligations on climate change, but doing so in the cheapest way possible for the consumers of electricity here in Britain.

Q7. [900376] **Johnny Mercer** (Plymouth, Moor View) (Con): After years of undeserved neglect my city, Plymouth, is beginning to enjoy some infrastructure investment and realise its brilliant potential. We can see that from today's jobs figures, which show an unemployment fall of almost half since this Chancellor came in. A most important step in that is our Hitachi trains deal. Will he please clarify where we are today with that?

Mr Osborne: My hon. Friend is already doing a great job in speaking up for the city of Plymouth, alongside my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colville), and as a result we have major investments in transport in the south-west, such as the upgrade of the A303 and the new trains on the Great Western line down to the south-west. I can confirm that we are in active discussions to provide those new trains and we hope to have further good news later this summer.

Q8. [900377] **Jess Phillips** (Birmingham, Yardley) (Lab): According to the Women's Aid annual survey last year, on one single day there were 132 women aged 18 to 20 living in refuge after being attacked, assaulted and in some cases raped. Will the Chancellor guarantee for me and those women that those living in supported accommodation like refuge will not be included in his Government's plans to remove housing benefit from those aged 18 to 21, or will he see 132 women who have been abused return to their violent partners every day?

Mr Osborne: We made it very clear when we set out our proposals on housing benefit that we would protect particularly vulnerable people, such as those that the hon. Lady refers to, and I welcome her to the House.

I would make a broader argument about welfare reform. This country faces a very simple choice. We have 1% of the world's population and 4% of its GDP, but we undertake 7% of the world's welfare spending. We can either carry on on a completely unsustainable path or we can continue to reform welfare so that work pays and we give a fair deal to those on welfare and a fair deal to the taxpayers of this country who pay for it.

Mr Andrew Tyrrie (Chichester) (Con): Does the Chancellor agree that today's elections to chairmanships of Select Committees are a great success story for Parliament as a whole? [Interruption.] Particularly for me—[Interruption.] I am very grateful for that further gesture of support from the whole House of Commons. Since those elections are a success, and particularly if the Prime Minister is going to miss a few Wednesdays, will my right hon. Friend suggest to the Prime Minister that he appear before the Liaison Committee more than three times a year?

Mr Osborne: I will certainly pass on the request. My hon. Friend is right to draw attention to the success of these elections, which did not exist before the Conservatives came into office. I am not sure that his own election is the best possible example, as I think he is unelected and unopposed in his own election.

Mr Speaker: Well, elected unopposed, anyway. I think that is what the right hon. Gentleman meant.

Q9. [900378] **Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): I, too, want to add my tribute to CAFOD, Christian Aid and the thousands of others who are outside today making the case for a tough deal on climate change. Will the Chancellor explain what the Government are doing diplomatically to support a tough global deal and to ensure that there is a level field for carbon-efficient companies in the UK, such as Celsa Steel UK in my constituency, so that global emissions are not simply increased by being offshored to places such as China?

Mr Osborne: That, of course, is why a global deal is so important. We are actively engaged in these negotiations; indeed, the Prime Minister was speaking to the French President about the matter only last week. We are absolutely determined that Britain should play a leading role along with our colleagues in Europe in delivering that binding global target so that individual parts of the world cannot opt out.

Q10. [900379] **Henry Smith** (Crawley) (Con): Employment in Crawley is at a record high level, with companies such as Creative Pod having created extra jobs. Will my right hon. Friend tell us what additional policies the Government can introduce to ensure that small and medium-sized companies can flourish further still?

Mr Osborne: Small and medium-sized businesses, of which around three quarters of a million have been created in the past five years, are the engine of growth in our economy, and they are one of the reasons why the claimant count in my hon. Friend's constituency is down by almost two thirds. Even more encouragingly, the long-term youth claimant count is today down by

75%. We will go on doing things such as providing the employment allowance, which helps small businesses to employ more people. Of course, what would be disastrous would be to abandon the economic plan and borrow and spend more, because the worst thing for a small business is economic instability that puts them out of business.

Judith Cummins (Bradford South) (Lab): The Chancellor will be aware of the appalling incident last Thursday at Dixons Kings Academy in my constituency, where a pupil is accused of stabbing his teacher, Mr Vincent Uzomah. I am sure that the whole House will wish to join me in expressing its shock at this horrifying incident, and in wishing Mr Uzomah a swift and full recovery. Will the Chancellor tell the House what steps he is taking to tackle knife crime in our schools?

Mr Osborne: The hon. Lady speaks for the whole House in sending our sympathies to Mr Uzomah and to the pupils and staff at the school. Our hearts go out to them. The leadership in the school dealt with the situation incredibly well, and I know my right hon. Friend the Education Secretary has spoken to the headteacher. What we have done is to give teachers powers to search pupils' bags and the like, but if there is more that we can do as we learn the lessons of this incident, of course we will.

Q11. [900380] **Richard Drax** (South Dorset) (Con): Figures released today show that the number of jobseeker's allowance claimants in my constituency has dropped over the past five years by nearly 60%. May I thank my right hon. Friend for his recent letter, and may I ask him to agree that further rail investment to Weymouth and Portland will increase jobs and prosperity in my constituency?

Mr Osborne: My hon. Friend has raised with me the case of the particularly slow rail service to Weymouth and Portland, and we will look into it. We are making a massive commitment to the south-west—a £7 billion programme, which is the biggest ever commitment of infrastructure to the south-west—and I will look to see what we can do to improve the rail service for his constituents so that we properly connect up the south-west.

Tom Brake (Carshalton and Wallington) (LD): The Chancellor will be aware that under the coalition, £219 million was allocated to rebuilding St Helier hospital. Will he restate the commitment to that funding so that we can save St Helier?

Mr Osborne: We did commit to that hospital project, and provided that it continues to represent value for money, which I am pretty clear that it does, we will go on providing that support. What we have done is to commit to the Simon Stevens plan for the national health service—an additional £8 billion of NHS spending—which is something we can only do if we have our public finances in better order and we are growing our economy, which is precisely what we are doing.

Q12. [900381] **Amanda Solloway** (Derby North) (Con): Since my right hon. Friend became Chancellor, unemployment in Derby has fallen by 64%, and our city recently topped a list of 138 cities, towns and counties as the fastest-growing economy in the UK. This will come as no surprise to the Chancellor, who

recently visited my constituency and spoke about the midlands being Britain's engine for growth. Does he agree that we should do even more to support small business across the midlands to create more jobs and better skills, and boost our economy even further?

Mr Osborne: I very much enjoyed visiting the engineering firm Garrandale in my hon. Friend's constituency a couple of weeks ago. It is an outstanding example of a successful medium-sized business growing in the east midlands and exporting around the world, and we want to see more of that in our country. That is why we have a policy that delivers economic security for our nation in uncertain times, more jobs, more infrastructure, and more support for small businesses—all so that we can back the working people of this country.

Paula Sherriff (Dewsbury) (Lab): The right hon. Gentleman referred to Talha Asmal from my constituency, who is alleged to have become the UK's youngest-ever suicide bomber. Will he agree to convene a meeting between myself and Home Office Ministers to discuss a review of counter-terror policy, particularly with reference to tackling radicalisation?

Mr Osborne: Home Office Ministers will be very happy to meet the hon. Lady and her constituents. Of course, we want to work together to try to prevent other tragic cases like this one; and of course, let us not forget the victims of the suicide bomb as well as the suicide bomber. That is going to be a great generational task for us. It is clear that Islamic extremism and the radicalisation of our young people is not going to be something that we solve in space of a week or a month, or even, potentially, in this Parliament. We need to work across party divides. We also need to work with all the different public services to make sure that we prevent these young people from thinking that somehow their life, or their death, is better on the other side of the world.

Q13. [900382] **Alan Mak** (Havant) (Con): Today's employment figures are good news for my constituency of Havant, where the number of people out of work is down by 895. During the election, the Chancellor set out his plans for the south coast. Will he update the House on what steps he is taking to deliver on those commitments, which will deliver aspiration and growth for my region? *[Interruption.]*

Mr Osborne: First, I very much welcome my hon. Friend to the House. Is it not extraordinary that after 32 minutes of this session there has been not a single question from Labour on jobs, and when an hon. Member stands up to talk about the good news in his constituency, he gets shouted down by the Opposition? The truth is that the long-term youth claimant count in his constituency is down by 50%. We are going to go on investing in the south coast. At the general election, Labour wanted to cancel the improvements to the A27; that spoke volumes for its long-term vision for our country. We are going to go on investing in that vital road on the south coast and the other key infrastructure we need—road and rail and broadband—across the south of England.

Q14. [900383] **Jim Dowd** (Lewisham West and Penge) (Lab): Is the First Secretary aware of the concern among authors that the calculation of public lending

rights is being distorted by the increasing number of public libraries being run by volunteers because of the huge cuts in local council spending? Will he ask the Culture Secretary, who is extremely knowledgeable in these matters, to ensure that this is rectified and that writers can reasonably expect the rewards to which they are entitled?

Mr Osborne: We have been able to address some of the concerns about lending rights in the past couple of years. I am very happy to look specifically at the issue the hon. Gentleman raises to see if there is more we can do.

Sir Gerald Howarth (Aldershot) (Con): Today's unemployment figures provide further compelling evidence of the strength of the United Kingdom's economic recovery, thanks in large measure to the long-term economic plan for this country. But given the strength of that recovery, may I lodge an appeal to my right hon. Friend that we now commit to spending 2% of GDP on our defences, both to plug the military capability gaps we have had to sustain and, in these troubled times, to assure our principal ally, the United States of America,

that so long as we have a Conservative Government, defence of the realm will be the No. 1 priority of this Government?

Mr Osborne: First, I welcome my hon. Friend's support for the economic plan that is delivering those jobs in Aldershot. Of course, the military and defence industries are an incredibly important employer in his constituency. He is absolutely right that we cannot have strong defence without a strong economy, and he is right to link the two. We are spending 2% of our GDP on defence. We have made a big commitment to the future equipment programme for defence, and we will set out our future plans at the spending review.

Since my hon. Friend raises a military matter, I will, if I may, Mr Speaker, at the end of this session, say that this is the 75th anniversary of the sinking of HMT *Lancastria*. It was the largest loss of British lives at sea in the history of this maritime nation. Some of the survivors are still alive today, and many of course mourn those who died. It was kept secret at the time for reasons of wartime secrecy. It is appropriate today in this House of Commons to remember all those who died, those who survived and the families who still mourn them.

Opposition Day

[2ND ALLOTTED DAY]

Skills and Growth

12.37 pm

Tristram Hunt (Stoke-on-Trent Central) (Lab): I beg to move,

That this House notes that improving education is imperative for the future economic growth of this country, that gains in productivity play an instrumental role in achieving high growth and better living standards, and that in order to prevent a recurrence of the deficiencies in the previous Government's strategy for 14-19 education, the Government should initiate a cross-party review of 14-19 education, as recommended by the Confederation of British Industry, to cover exams, educational institutions and the curriculum in order to take full advantage of the increase in the participation age to 18.

As Opposition Members know only too well, we are holding this Opposition day debate in the aftermath of a general election which, if we are honest with ourselves as politicians, did little as a campaign to rehabilitate the standing of politics in this country. Too many important issues such as climate change, foreign policy and reform of the European Union were too absent from the campaign debate. The motion seeks to put the bleak functionalism, the harrowing terrain of Crosby Textor behind us. Instead, it contains a big idea for the big issues facing the English education system.

I want to make it very clear from the beginning that I am sincere in seeking Government support for the motion and in beginning to explore proposals for a cross-party review of 14-to-19 education. Let us make no mistake, there will be plenty of time for the convention of opposition over the coming weeks as we scrutinise the various education Bills going through different parts of Parliament. Even at this stage, five days before Second Reading, I will be delighted to give way if the Education Secretary wants to step up to the Dispatch Box and explain her definition of "coasting schools"—the first words of the first clause on the first page of the first of those Government Bills. I fear that she and her Ministers still do not know what a coasting school is, even as we are asked to vote on the Bill.

Before I outline why I think we need a radical overhaul of upper secondary education, let me first explain why it is so vital. Of all the issues given too scant attention during the election, perhaps our deep-seated malaise on productivity is the most serious. The statistics are dire. Output per worker is still lower than before the financial crash—a stagnation that the Office for National Statistics has called

"unprecedented in the post-war period".

Our productivity is well over 20% lower than that of the United States, and we trail every G7 nation except Japan.

I know that nobody in this House seriously believes that that represents a true reflection of the efforts of British workers or the enterprise of British business. Neither do I mean to imply that the roots of our productivity challenge can be explained entirely by the economic policies of the current Government. Poor productivity, however, affects our economy and our society. It affects our competitiveness, our prosperity

and our standing in the world. That is why the Labour party was so keen right at the beginning of this Parliament to have a day's debate on productivity and how we deal with the productivity challenge. Given the direct link between productivity and economic growth, the scale of the measures needed to restore the public finances to good health is not an inconsiderable concern for this Parliament to address.

What is more, if we look into the causes of the productivity puzzle, we find many of the issues that Labour Members raised during the general election campaign. Despite today's welcome news on wages, there is still a low-wage cost of living crisis in the UK. Of the 15 initial members of the EU, only Greece and Portugal now have lower hourly wages.

Too many of the recent jobs created have been of too poor a quality and low-skilled, particularly in the low growth regions of the north and the midlands. The structure of our finance industry is not delivering the right conditions for long-term business investment or the necessary access to start-up and growth capital. In so many parts of the country, working people have not seen living standards rise for over a decade. We are still simply too unequal, over-reliant on financial services and property for creating wealth and still not encouraging enough business investment. According to a shocking OECD report published last month, we have the biggest skills gap of all countries surveyed.

Joan Ryan (Enfield North) (Lab): In 2013-14, apprenticeship starts in Enfield North fell from 710 to 590. While I agree that the focus on apprenticeships is welcome and necessary, I do not think it should be at the expense of adult skills training. The College of Haringey, Enfield and North East London in my constituency faces an unprecedented 21.2% cut in funding, losing some 40 posts. Is this a coherent strategy, given that a large proportion of students—

Mr Speaker: Order. Interventions must be brief. Although this debate is not hugely subscribed, 14 Members want to speak and I would like to try to accommodate all colleagues. Consideration from Back Benchers and indeed from Front Benchers is of the essence. These debates are mainly about Back Benchers and not about shadow Ministers or Ministers.

Tristram Hunt: I almost forgot what you were saying at the beginning of that intervention, Mr Speaker, but I know that pithiness was the key to it. I would—

Mr Speaker: Order. Let me say to the hon. Gentleman, who was far too long-winded the other day, rather than arguing the toss, "Make it pithy and you would be doing yourself a favour, mate."

Tristram Hunt: Adult skills budgets have faced a 24% cut under this Government, and that will not do anything to meet the productivity challenge in Enfield and right across the UK. I am wholly in agreement with my right hon. Friend on that.

We have the most unequal skills and education system in the developed world and it is our productivity performance that best provides the index for that continued structural failure. The purpose of the debate is to explore the role that education must play in tackling our poor

productivity. That is not to deny that the purpose of education is far broader. What is more, the productivity challenge cannot be solved by higher skills alone. Arguably, Governments of all stripes have overly focused in the past on pushing the supply side of the equation, yet at a very basic level our education system must seek to equip all our young people with the skills they need to thrive in this most competitive of centuries.

More and more, our economic strength will come to be defined by the quality of our human capital. The Royal Academy of Engineering forecasts that the UK needs an extra 50,000 science, technology, engineering and maths technicians and 90,000 STEM professionals every year just to replace people retiring from the workforce.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): As usual, my hon. Friend is making a fantastic speech. He has raised the very important question of STEM. I started out as a computer programmer. Does he agree that we must take advantage of new technologies, have a much better national strategy for the next generation and reskill people for digital jobs, including in programming? As more than 90% of our programmers are men, there is also a gender dimension to the problem.

Tristram Hunt: My hon. Friend is totally right. One of the cross-party achievements of the previous six or seven years is the state of English education in computing science and the move away from the drawbacks of the information communications technology world and the qualifications surrounding it. We are world leading in some of the qualifications we are now developing in computing science.

Justin Madders (Ellesmere Port and Neston) (Lab): In my constituency, we have the Vauxhall car plant, which, time and again, has risen to the challenge of global competitiveness. That has been done by the employer's working in partnership with the trade union. Does my hon. Friend agree that partnership with trade unions is a vital part of rising to the challenge of productivity?

Tristram Hunt: My hon. Friend makes a valuable point. One of the issues with the productivity challenge is the need for management to ensure continual training on the job and not just in the initial state of the skills. Trade unions play an important role in that. We will get through the productivity puzzle by ensuring that at every stage—from education to skills to employment—we work out how we can get more from our human capital. The link between higher skills and rising productivity is well established.

Andrew Bridgen (North West Leicestershire) (Con): At a time when the Labour party is saying that it needs to be more business friendly, what message does the hon. Gentleman think it sends out when he criticises the jobs created by the private sector? Will he concede that it is far easier to move jobs if a person already has a job and has work experience?

Tristram Hunt: I do not think that I criticised any jobs. I hope that the hon. Gentleman is making sure that those working in the potato industry in his places of employment are getting the necessary training, support and growth.

We are failing miserably to provide young people with an education that spreads enough opportunity and excellence for all. The long tale of underperformance—the bane of practically every Government for at least the past 30 years—remains a stubborn reality. You will not be surprised to learn, Mr Speaker, that I believe that the Labour party education manifesto contains some excellent measures that could have boosted our education, skills and training system. For a start, we would have protected further education, sixth-form colleges and sixth forms from the round of cuts already heading their way. We would have thought it rather curious that private schools continue to get tax breaks whereas sixth-form colleges have to pay VAT. That is not what we would call fair. The Government chose to spend £45 million on the Westminster academy free school, while we would have supported education and training in the communities that need it most. That is simply the great moral and ethical difference between the Labour party and the Conservative party.

I strongly encourage the Government to match our manifesto investment in dedicated independent careers advice for young people. By reallocating some £50 million from the universities' widening participation fund, which, as far as I can see, has not done nearly enough to widen participation, we could have funded effective careers guidance. Our labour market is particularly weak in matching skills supply with demand and there is some evidence that misallocation is a component of our productivity challenge. We need to be more ambitious.

Richard Harrington (Watford) (Con): Does the hon. Gentleman agree that well-meaning Governments have increased year on year the target for the number of people going to university without giving any real thought to whether there will be suitable jobs for them when they leave?

Tristram Hunt: One of the interesting components of both the rise in the popularity of apprenticeships, which I know the hon. Gentleman is doing a great deal to support, and some of the costs associated with university is that we have a much greater insight into the relative success of an apprenticeship compared with a degree. I think there is more realism about what young people can get from each institution. The hon. Gentleman has a point and I would take it right back to the mass conversion of polytechnics to university status. I am not sure that that was necessarily the best initiative introduced by the Conservative party, but we can also think about that 50% target being the best use of some of the human capital.

We need to be more ambitious when it comes to developing an institutional pathway for advanced technical skills, whether they are called national colleges or institutes of technical education. We need far more stringent and demanding apprenticeships, which I know the hon. Gentleman supports. Indeed, I would suggest that what we need on apprenticeships is not dissimilar to the dramatic reduction in the number of semi-vocational, grade-inflating, GCSE-equivalent qualifications following the Wolf report—arguably the Government's most important achievement in education over the past five years. Far too many children in communities such as Stoke-on-Trent were put on courses with little or even no labour market value, and yet there is absolutely no

[Tristram Hunt]

doubt in my mind that a similar, gallery-pleasing numbers game is developing with the re-badging of short-term, low-quality workplace training as apprenticeships.

Ian Austin (Dudley North) (Lab): We have to be very careful about the argument that there are too many young people going to university. In areas such as mine, where long-term youth unemployment is three times the national average, not enough young people are going to university, doing apprenticeships or advanced apprenticeships, or continuing to study at all.

Tristram Hunt: My hon. Friend is totally right. He has made the case in Dudley—and the same is true of Stoke-on-Trent—that we need many more young people to be doing level 3, 4 and 5 qualifications. I would like to see a much more amphibious relationship between our universities and apprenticeships, so that young people can move in and out of them and at each stage go up the value chain with the qualifications they need.

Bill Esterson (Sefton Central) (Lab): Does my hon. Friend agree that each young person needs to be offered the right opportunity, whether it be vocational or academic, and that it should be about whatever is right for the individual? Does he share my concern that, under the last Government, there was a big increase in apprenticeships for older people, but not for 16 to 19-year-olds, and does he agree that we must target that latter group if we are to address the skills issue highlighted by his proposal?

Tristram Hunt: My hon. Friend is exactly right. I urge the Government to move on from playing the fatuous numbers game of highlighting 2 million or 3 million apprenticeships. They should think about the quality of the apprenticeships, rather than just re-badging Train to Gain. They should think about what these people are actually learning and focus on quality as much as quantity. At the moment we are not seeing that kind of focus from this Government. Indeed, the Government's plan to solve the problem—Alice in Wonderland-like—is not to work to improve the quality of apprenticeships. The Skills Minister has said instead that they will establish in law that apprenticeships are equal to degrees, as if such statist hubris and a Whitehall edict will solve the problem.

I do not want to get bogged down in party political bickering. As an early sign of our bipartisan approach, I am willing here and now to support the Education Secretary's new ministerial edict on stopping children swinging on their chairs, which follows on from her predecessor's edict on having children run around playing fields as punishment—which I think she reversed. What is more, I am happy to endorse the Education Secretary's appointment of Mr Tom Bennett as the anti-low-level classroom disruption tsar. Who knows? One day the Conservative party might think that teachers need to be trained and qualified to teach in a classroom, but we are not quite there yet.

We have far too unequal a distribution of skills, and our young people have poorer levels of literacy and numeracy compared with their older contemporaries. We need a serious shake-up of secondary education, to broaden the skills base and boost productivity, and so that it values what people can do alongside what they

know and prepares young people for the rigours of the modern workplace by nurturing their character, resilience and wellbeing.

Andrew Gwynne (Denton and Reddish) (Lab): My hon. Friend is absolutely right to raise the need to improve secondary education. My constituency has some of the very best levels of primary education, but those children who leave the secondary system at year 11 do not do so with anything like the grades they should be getting when compared with those with which they entered secondary school. Is that not the challenge for us—to make sure that they are pushed to do their very best throughout the whole system?

Tristram Hunt: My hon. Friend is furiously ambitious for his constituency and the children in it. He is exactly right. The key to that is great teaching and strong leadership, making sure that young people are focusing on their academic subjects in order to get the basics right and then pursuing other academic or vocational routes.

One of the reasons we are disappointed with the Education Secretary's approach in her new Bill is that it seems too indicative of an exhaustive, target-driven, bureaucratic, central-command approach. It is a 20th-century answer to a 21st-century problem. In the words of Steve Hilton, a great guru for the Conservative party, this marks a backwards and "Soviet" approach to education.

Higher ambitions require more substantial reform, and I am convinced that in England that requires us to explore the merits of a 14-to-19 baccalaureate system of upper secondary education, particularly now we are raising the participation age. There is an emerging consensus on that idea, and it demands closer inspection.

The Minister for Schools (Mr Nick Gibb) *indicated dissent.*

Tristram Hunt: The Schools Minister says there is not, but he should listen to the CBI and leading headteachers, including those on the Headteachers' Roundtable, and to one of the great Tory Education Secretaries, Lord Baker. There is a far broader consensus on the need to rethink the purposes of upper secondary education in the light of the continued inability of the current high-stakes, teach-to-the-test, exam-factory model in order to tackle our long tale of underperformance.

I do not expect the Government to commit to that today as a point of public policy. I accept, as we did during the election, that the short-term priority is to provide heads and teachers with a degree of curriculum stability, given the rather, shall we say, frenzied pace of recent reform. Now is the time to launch—as the CBI, the voice of business, has requested, alongside the Labour party—a broader cross-party review.

Disappointingly, prior to the election the Education Secretary walked out on the cross-party talks that the Royal Society had convened to introduce some stability to the curriculum process. Now that she is back in office, I hope she will take a slightly more mature approach and support a CBI-endorsed cross-party review to look into a more ambitious settlement for secondary education that can stretch the more able students, challenge the damaging snobbery towards creative, technical and vocational pathways, and tackle our seemingly intractable low skills problem, which so cripples our productivity.

In the light of the radical skills shift required by the industrial revolution we see all around us, with the move towards a digital society, we need to answer the deeper question of what skills, knowledge and attributes our young people now need to thrive and succeed in the 21st century. Until we have a clearer answer to that question, I fear we will not find a long-term solution to the productivity woes.

I hope the Government will give serious consideration to backing this bipartisan motion, and I commend it to the House.

12.59 pm

The Secretary of State for Education (Nicky Morgan): This debate provides a great opportunity, in contrast to the doom-mongering of the hon. Member for Stoke-on-Trent Central (Tristram Hunt), to set out the reforms and progress that the Government have made in the area of skills and growth. Every time he speaks, the hon. Gentleman seems to collect people whom he wishes to offend. First, it was nuns; today, he offended anyone working in the potato industry, such as my hon. Friend the Member for North West Leicestershire (Andrew Bridgen), who runs a successful business employing many hundreds of people.

Conducting a root and branch review of 14-to-19 education of the sort the CBI advocated in its report is exactly what we have been doing for the past five years, ensuring that every young person, wherever their talents lie, has the opportunity to succeed in modern Britain. As ever, the hon. Gentleman managed to be a torrent of sound and fury—but little else, unfortunately.

Guy Opperman (Hexham) (Con): Not pithy.

Nicky Morgan: He certainly was not pithy.

The skills and qualifications of 14 to 19-year-olds should not be the subject of the hon. Gentleman's sound and fury. I wait with bated breath for the day when he acknowledges the 2.2 million apprenticeship starts and the fact that more young people than ever are going to university, including those from disadvantaged backgrounds, and that over 70% more pupils are taking GCSEs in the core academic subjects that will help them to get on in life.

Andrew Gwynne: May I take the right hon. Lady back to the start of the shadow Secretary of State's opening speech, when he asked for the definition of a coasting school? Does she recognise that coasting schools include not just schools that are underperforming at a low level, but schools at a higher level that are not pushing children as hard as they should be or as far as the children are capable of going?

Nicky Morgan: Although I do not want to cover the ground that the House will cover on Monday when we come to the Second Reading of the Education and Adoption Bill, I agree with the hon. Gentleman that coasting schools need to be challenged, including schools that do not stretch pupils of all abilities. That is why we are moving to the Progress 8 measure. I hope that he will speak on Monday, and perhaps play a full part in the Committee proceedings too.

As was clear from Question Time, nobody on the Opposition Benches wants to talk about the successes of the Government's long-term economic plan. The

most relevant of those successes to this debate is the fact that the youth unemployment count has come down by 115,000 over the past 12 months. That is a record that I am proud to defend.

Lucy Frazer (South East Cambridgeshire) (Con): On that very point, according to records produced this morning, youth unemployment in my constituency is at its lowest level on record: only 70 young people there are claiming jobseeker's allowance, compared with 365 young people in April 2010. The credit for that must go not only to the further education institutions and business, but to the coalition Government. Of course, there is more that we should do, so will the Secretary of State say what steps are being taken to increase the quality of apprenticeships for 16 to 24-year-olds?

Nicky Morgan: I welcome my hon. and learned Friend to the House. This is the first time I have been in the Chamber when she has spoken, and she did so eloquently. She was right to recognise the fall in youth unemployment in her constituency and across the country. I will come on to the steps that we will take to ensure that apprenticeships are highly valued by employers and give every young person the best start in life, which is what the Conservative party is all about.

Steve Rotheram (Liverpool, Walton) (Lab): The right hon. Lady mentioned the quality of apprenticeships. The average length of stay on an apprenticeship, as described by the Government, is 10 months. Would she allow somebody with 10 months' training to build an extension to her home?

Nicky Morgan: I do not recognise the hon. Gentleman's point, because there is a statutory minimum of 12 months for apprenticeships. He may well be talking about the programme-led apprenticeships that were introduced by the last Labour Government.

Let us remember what we inherited in 2010 from the Labour party: standards were falling and vocational qualifications were debased, which the hon. Member for Stoke-on-Trent Central did have the grace to recognise. Indeed, at the heart of many of his problems is the fact that he agrees with an awful lot of what the Government have done. Even he has admitted that he failed to persuade his former party leader to take much interest in education during the election campaign.

Young people and students were failed by those debased vocational qualifications. Young people from the most disadvantaged backgrounds were told that academic qualifications were not for them, and those who wanted a vocational qualification were sold short by qualifications that were not backed by employers and did not lead to a job. Schools in England were stagnating in the international league tables, going from seventh to 25th in reading, eighth to 28th in maths and fourth to 16th in science.

Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): Does the Secretary of State agree that, with female employment at a record high, we need to ensure that maths teaching in particular continues to improve so that we can encourage girls to follow a maths education right through their careers? I speak as a woman with a maths degree—a rare bird, I admit.

Nicky Morgan: I agree very much with my hon. Friend. I welcome her to the House; this is the first time I have heard her speak. She put her case passionately. I am delighted to hear about her maths degree. I hope she will take the opportunity presented by her position in this House to visit local schools and encourage all students, but particularly girls, to study maths to the highest possible level. We know that the higher the level at which people study maths, the greater their earning power. The subject is important in tackling issues such as the gender pay gap.

I was talking about the legacy of the Labour party on equipping young people with the skills they need to succeed. Despite the daily dose of painstaking soul-searching that the Labour party is subjecting us to, it simply has not learned its lesson when it comes to education.

Bill Esterson: When the Conservative party came to power in 2010, work experience was a common feature of the work of secondary schools and that was supported by education business partnerships. The last Government removed work experience and cut the funding for EBPs. I urge the Secretary of State to reconsider the use of EBPs and to work in co-ordination with business to get work experience back into schools, because businesses value work experience and say that it prepares young people for the world of work. Taking forward the skills agenda must be a fundamental part of our efforts to address the productivity gap.

Nicky Morgan: I know how passionately the hon. Gentleman feels about work experience. He raised it with me in the last Parliament as a member of the Education Committee. The issue is that even if something is compulsory, that does not mean it is of high quality. Young people were going on work experience weeks, but were gaining no skills at all. That is why we are focusing on high-quality, meaningful work experience post-16, the age at which students can acquire those skills. There are other ways of gaining meaningful interactions with the workplace that inspire young people before they hit the age of 16. Many employers were also reluctant to offer work experience because of the red tape surrounding it. We have taken that away.

Education gives every child the chance to reach their full potential, so it is the key to delivering true social justice. It is through good education that we can ensure that all young people are prepared for adult life and sustained employment in an increasingly global world. Good education also lies at the heart of a strong economy. Our analysis, which is backed by the Institute for Fiscal Studies, shows that the increased number of pupils getting good GCSE grades since 2010 will add more than £1.3 billion to the country's economy. Achieving five GCSEs at grades A* to C, including in the vital subjects of English and maths, adds £80,000 to a student's earnings over their lifetime.

Kate Green (Stretford and Urmston) (Lab): In that context, I ask the Secretary of State to consider the position of disabled young people. The Government have introduced education, health and care plans, which have been widely welcomed, but there is no obvious link with the employment prospects of those young people. What will she do to ensure that the ambitions that our

schools and colleges have for disabled young people relate not only to their education, but to their employment prospects?

Nicky Morgan: The hon. Lady makes a very good point. I am glad to hear that there is cross-party agreement that education, health and care plans are welcome. They offer an opportunity for various services, including schools, to support young people with disabilities. At its heart, the issue is about inspiring young people about all the options, making sure that no barriers are put in place, and ensuring that nobody else makes choices for young people about what they can and cannot do. I would welcome any thoughts or suggestions that the hon. Lady has in that area, as would the Minister for Children and Families. I want all young people to fulfil their potential—and that, of course, includes anybody with disabilities.

We need to ensure that young people master the basics at primary school and go on to develop deep understanding in secondary school. Under the party of the hon. Member for Stoke-on-Trent Central, one in three children left primary school unable to read, write or add up properly—a figure that we have reduced to just one in five, with further still to go. Until age 16, there is a fundamental core of knowledge and skill that all young people need to access.

As I said, it is the most disadvantaged who always lose out when anyone says that a core education is not for everyone. A rigorous academic curriculum until age 16 is the best way to ensure that every child succeeds regardless of their background and allows us to be ambitious for everyone, to keep options open and horizons broad. We have revised the national curriculum to make it more rigorous and it now provides pupils with an introduction to the essential knowledge that they need to be educated citizens. It introduces pupils to the best that has been thought and said, and helps to develop an appreciation of culture, creativity and achievement.

The new curriculum sets expectations that match those in the highest-performing education jurisdictions in the world, challenging pupils to realise their potential in an increasingly competitive global market. We have reformed GCSEs, so they are more rigorous and provide a better preparation for employment and further study. GCSE students taking modern languages will now have to translate into the target language accurately, applying grammatical knowledge of language and structures in context. GCSE students in maths will have to know how to develop clear mathematical arguments and solve realistic mathematical problems. The new English literature GCSE requires students to study whole texts in detail, covering a range of literature including Shakespeare, 19th-century novels and romantic poetry. Unfortunately, the hon. Gentleman's books are not on that list.

Tristram Hunt: They are non-fiction.

Nicky Morgan: Well, that's debatable. [*Laughter.*]

This is what the top performing countries in the world expect for their children and we should settle for nothing less. Yesterday, we announced that every child starting year 7 this year will be expected to study core academic subjects that make up the EBacc. This means studying English, maths, sciences, history or geography and a language right up to GCSE.

Tristram Hunt: There were reports in *The Sunday Times* and other newspapers that every child will be studying the EBacc subjects. Just to be clear, are they expected to or will they be required to?

Nicky Morgan: We want every child to be studying the EBacc subjects. There will, of course, be some children for whom that is not the right thing. There might be particular special needs, in which case there will need to be some flexibility in the system—I appreciate that. The hon. Gentleman, who wants to mandate things, will find that much harder to do with the profession. Safely for all of us, he is not on the Government Benches and is not having to work with the education sector.

There is no suggestion that arts subjects are in any way less valuable. Good schools, such as King Solomon academy, which I visited yesterday, show that there does not need to be a false choice between an academic or arts-based curriculum. Children can do them both and they can do them both well. There is time for most pupils to study other subjects in addition to the EBacc, including technical disciplines which set them up for apprenticeships or further study, but the academic core of the EBacc is something we think every school has a duty to provide and every child has a right to study.

A core curriculum needs to be backed by strong accountability. From 2016, the existing five A* to C English and maths headline measure will be replaced by Progress 8, a measure based on the progress a pupil makes from the end of primary school to the end of secondary school compared with pupils who had the same starting point. Schools with tough intakes will be rewarded for the work that they do, and schools with high-attaining intakes will—rightly, as I said earlier—be challenged to help their pupils achieve their full potential. Above all, the measure will remove the obsessive focus on the C/D borderline and instead place a premium on those schools that push every young person to reach their full potential.

Tristram Hunt: The Labour party supports the move towards Progress 8. Just so we are clear, the new expectations on EBacc will sit alongside the Progress 8 requirements. Which will have priority?

Nicky Morgan: The Progress 8 measure will come into force beforehand. What we are saying with the EBacc is that students starting year 7 in September will be taking the EBacc subjects when they reach GCSE. They will sit alongside each other. I think they are both extremely valuable.

Above all, we need great teachers. Evidence from around the world is clear that the single most important factor in determining how well pupils achieve is the quality of the teaching they receive. We are hugely fortunate to have many thousands of dedicated and hard-working professionals in classrooms throughout our country. Teaching continues to be a hugely popular career. Almost three quarters of new teachers now have an upper second or first class degree, which is 10% higher than was the case in 2010. We have a record proportion of teacher trainees and 17% with first class degrees. Unlike the hon. Gentleman, I trust head teachers to hire the best teachers for their schools, rather than proposing to sack more than 17,000 of them from our classrooms.

Having mastered the basic core at 16, we then want to give young people the chance to choose the future path for them. High quality post-16 education is vital for ensuring that every young person will leave education capable of getting a good job, a place at university or an apprenticeship.

For some young people an academic path will be right. We have reformed A-levels. Giving universities a greater role in how A-levels are developed has been an important part of the Government's plans to reform the qualifications. Their involvement will ensure that A-levels provide the appropriate foundation for degree-level study.

Kate Green: Will the Secretary of State give way?

Nicky Morgan: I will make some progress. If I have some time towards the end I will certainly give way, but I want to allow time for Back Benchers. I do not want the Front-Bench speeches to go on and on.

We have introduced linear A-levels, of the sort the hon. Gentleman is on the record as having once supported, to make sure that young people spend less time in exams and more time learning and studying.

For other young people, professional and technical education will be the route they take. Until 2010, this critical provision was neglected for far too long. Thanks to our reforms, we are no longer selling students or employers short.

Rebecca Pow (Taunton Deane) (Con): Records show that youth unemployment in Taunton Deane is today at a record low, but that is not to say that we should not still invest in the skills to get the right students coming forward. I am very pleased that there is now an emphasis on vocational qualifications, which I think my right hon. Friend will go on to talk about. I am thinking particularly about subjects I am very interested in and were sadly neglected by the Labour party: agriculture, horticulture, the environment and conservation. I am delighted that my right hon. Friend is bringing this in.

Nicky Morgan: I welcome my hon. Friend to the House. It is the first time I have heard her speak. I know she will be a passionate advocate for Taunton Deane. She is absolutely right that, while it is very welcome that youth unemployment continues to fall, there are still many employers who are identifying skill shortages. There are sectors and industries that continue to need more people and a younger workforce, and she has mentioned some of them in her intervention.

Under Labour, students were encouraged to study hollow vocational qualifications that were not valued by universities or employers. It is notable that the hon. Gentleman welcomes the Wolf reforms. I am delighted. It is absolutely right to take away qualifications that were not valued by university employers. Young people were being asked to study qualifications and then finding they were not worth the paper they were written on. That is why Alison Wolf concluded that 350,000 young people were let down by courses that had little or no value. The flagship Tomlinson diplomas under the previous Labour Government turned out to be the greatest white elephant in the history of education—universally rejected by colleges, universities and employers.

Jo Cox (Batley and Spen) (Lab): May I recommend the latest Manpower report to the Secretary of State? It talks about how businesses in Yorkshire are very keen to take on more staff, but are struggling from skills shortages and a worsening crisis—something that has happened on her watch. I recently visited an engineering firm in my constituency, Wakefield Acoustics. It has jobs, but is struggling to take on qualified engineers, particularly younger people. I recommend the report and I would like the Secretary of State to address this issue.

Nicky Morgan: I thank the hon. Lady for her intervention. I will certainly look at the report. *[Interruption.]* I thank the hon. Member for Cardiff West (Kevin Brennan) for helpfully prompting me, but I am able to tell when I have heard female Members of Parliament from both sides of the House make excellent contributions. As I was saying, I will certainly look at the report.

The overall point that the hon. Lady makes about a skills shortage is absolutely right. Those seeking employment or looking for engineers would have started their education under the previous Labour Government, but she has made her point and she is right to identify that we need more highly skilled young people, particularly in engineering.

Ian Austin: The Secretary of State and I get on well, and she knows I have a high regard for a lot of what she does, but we have to get away from this sterile debate in which she claims that everything was terrible under the last Labour Government and that everything is brilliant now. The truth is that we did not do nearly well enough and the current Government are not doing nearly well enough either. We face a long-term crisis in the quality of education and skills, so we need to drop this ridiculous habit of dressing up relatively minor differences as huge ideological chasms. We need a royal commission so that we can agree as a country that education and skills are the No. 1 priority and to set cross-party, long-term goals enabling every child to fulfil their potential.

Nicky Morgan: The hon. Gentleman is right that we get on well. We have had some interesting conversations—I am not sure that is good for his career in the Labour party, but I do not think he is standing for anything in the upcoming Labour party elections, so perhaps it will not be too damaging. He and I agree on the importance of academies and the success they bring, so it is a great shame that, as we will probably hear on Monday, other Labour Members are rowing back from the reform introduced by a Minister in the last Labour Government. A royal commission would mean more hot air and time. We have made enormous progress in the past five years in giving young people the right skills, providing more apprenticeships and getting people into university, and I am grateful for his support for that.

I want to make some progress, because I know that other hon. Members want to contribute. *[Interruption.]* The hon. Member for Stoke-on-Trent Central talks about being pithy, but he did not typify that today when he spoke. We have stripped out 3,000 poor-quality qualifications so that the only vocational qualifications are those backed by employers that lead to a job. In addition, we have put in place rigorous 16-to-19 tech levels endorsed by employers and leading to a technical

baccalaureate for the most talented. Every qualification for which young people now study, be it academic or vocational, will be demanding and rigorous and provide a clear route to employment. English and maths are critical to successful progression to employment, which is why all students now have to continue studying them if they do not get a good GCSE.

The quality of apprenticeships is rising too. Every apprenticeship now needs to be a paid job in the workplace, to last 12 months and to include meaningful training on and off the job. Employers can design the standard an apprentice must reach, and the reformed funding provisions mean that the training apprentices receive follows the needs of their employers. New traineeships are helping young people who need extra work experience, as well as English and maths education, to move on to a lifetime of sustained employment. Let us not forget that the hon. Member for Stoke-on-Trent Central went into the election promising to scrap level 2 apprenticeships.

It is not often I agree with the TUC, but on this occasion I wholeheartedly agree with Unionlearn that scrapping apprenticeships in key areas, such as construction and plastering, would be a disaster for the young people for whom this provides their opportunity. Young people need resilience and character to get back up in the face of adversity. If we are to have high expectations for every child, we have to create the right conditions for those high expectations—conditions in which a love for learning can flourish—so that, when young people leave school, they can bounce back from the knocks life throws at them. That is why I announced at the end of the last Parliament £3.5 million in character grants to support work to develop civic awareness, resilience and grit in schools, and it is why we will offer any young person who wants it the opportunity to participate in the National Citizen Service.

There is more to do, however. The rising participation age gives us the chance to ensure all young people are on the right path to the world of work. We will ensure that the routes are clear and that all young people have options leading to outcomes with real labour market currency. There will be no dead ends. We are developing a comprehensive plan to increase to 3 million the number of apprenticeships in this Parliament. That will include more work with large employers, more support for small businesses and a greater role for the public sector. We will put in place the right incentives and support to ensure that everyone is earning or learning, including support for young people who are not in education, employment or training or at risk of not being—I am pleased to say that the number of NEETs is already at a record low. Catch-up support will also be in place to provide a stepping stone to employment.

We want to ensure that in every area of the country there are strong institutions making available a full range of specialisms to every child, based on collaboration between different providers and institutions. University technical colleges and studio schools are unique in how they develop their education around the needs of local employers, and I would like to send my congratulations to UTC Reading on being the first to be judged “outstanding” by Ofsted.

I am proud to defend the work of the last Government on improving the knowledge, skills and life prospects of the next generation. Now, as part of our commitment to securing real social justice, we are determined to

ensure that the reforms of the last Parliament—the innovation and progress we unleashed—reach every young person in every part of our country. If governing for one nation means anything, it is ensuring that the education we provide—be it academic, professional or technical—gives every student the chance to realise their full potential and to be all they can be. We will be asking the House to reject the motion this afternoon.

1.25 pm

John Nicolson (East Dunbartonshire) (SNP): Mr Speaker, right hon. and hon. Members, I am grateful for this opportunity to deliver my maiden speech, and on such an important subject.

I am honoured to represent East Dunbartonshire. For those who do not know my beautiful constituency, Dunbartonshire is an ancient land, and one that has always fascinated outsiders, from the Romans to Margaret Thatcher. It is said to be the Scottish constituency that fascinated the late Prime Minister above all others. “How could it be”, she used to ask her Scottish Ministers— younger Members might not know that there was once a time when the plural tense could be used about Scottish Conservatives—“that such a prosperous constituency, with more than its fair share of *douce hooses* and perhaps the highest percentage of graduates in the whole country, keeps returning non-Conservative MPs to the Commons?” Not for the first time, Mrs Thatcher misunderstood Scotland. The Prime Minister who believed that the reason the Good Samaritan attained lasting fame was that he was rich enough to become a philanthropist—who, indeed, visited the General Assembly of the Church of Scotland to labour that point in her Sermon on the Mound—did not realise that East Dunbartonshire rejected Conservatism for many reasons, and not least precisely because it had one of the highest percentages of graduates in the country. It is a thoughtful place.

Mr Speaker, you well know of the towns of Bearsden, its name shrouded in mystery, and Milngavie, bane of a thousand newscasters who have fallen into the “Milngavie” trap. You will have heard of Lenzie and Kirkintilloch, of Westerton and Bishopbriggs—a town, as the name suggests, with pious origins, having been granted to Jocelin, Bishop of Glasgow, in the 12th century by King William the Lion. The Caledonians, the Picts and the Vikings battled it out for control of my constituency’s fertile soil and ancient sandstone hills.

Some claim the Romans called Dunbartonshire the province of *Vespasiana*. Perhaps; in any event, it was a place they could not hold. Running across Dunbartonshire to this day is the Antonine Wall, named after Antoninus Pius, who ordered its construction in AD 142 to defend the mighty armies of Rome from the locals. The Antonine Wall was the northern-most point of the Roman Empire. Having fought and conquered Hispania, Gaul, Germania and, of course, Anglia, the Roman legions were halted in East Dunbartonshire, just outside Bearsden—as it might have been called had they been allowed to stay. We underestimate my constituents at our peril.

It was not just the Romans who found the locals difficult to woo. More recently, my MP predecessors have often been reminded of just how tough the locals can be. Over the past few decades, East Dunbartonshire and its earlier incarnation, Strathkelvin and Bearsden,

have been represented by MPs from all the major parties. Margaret Bain was one of three outstanding nationalist women to represent Scotland in this House in the 1970s, the others of course being Winnie Ewing and Margo MacDonald. Maggie snatched the constituency in 1974 with a majority of just 22 votes. She went on to lose at the next election, but she left a legacy of respect and affection. Norman Hogg, John Lyons, and the late lamented Dr Sam Galbraith held my seat and its predecessor for the Labour Party. Michael Hirst was an inclusive Conservative whose misfortune was to be in situ when Scotland turned against the Tories. My immediate predecessor, Jo Swinson, held this seat for 10 years, arriving as the baby of the House, before—famously and rightly—bringing her baby to the House. She was, as many Members will know, tenacious. The lesson is clear: East Dunbartonshire voters are not sentimental when it comes to political defenestration. I am acutely aware of the lessons of that history.

Many think of East Dunbartonshire as a prosperous place, and it certainly has many advantages. It is the constituency with the longest life expectancy in the country, and it is also a constituency with excellent state schools, which may explain the large number of graduates.

I find myself agreeing with the central tenet of the motion. We all know how vital education is to growth, not just for the benefit of the economy but for the individuals who, of course, benefit from it. Education has transformed the circumstances of my own family. Like all her relatives, my grandma, Janet Stant, left school at the age of 12—in her case, to go into domestic service—and was self-conscious for ever thereafter about her reading and writing skills. My mum left school at 14, because she had to go to work to support her family when her dad was killed in a shipyard during the Clydeside blitz. From my earliest years, I heard from both of them, and from my dad, about the importance of education. They did not care what I studied; all they cared about was that I should study. I went to university, the first member of my family to do so, first to Glasgow and then, with a scholarship, to Harvard. Such privileges would have been impossible dreams for my immediate forebears.

For me, and for many people of my age, free education was key. As an SNP politician, I take immense pride in the fact that my party has championed free tuition north of the border. For me, it was immensely depressing to see some of my contemporaries—on both the Conservative and the Labour Benches, sadly—who had themselves benefited from free education voting to pull the ladder up and away from future generations. Unfettered access to education and training is, for me, the mark of an improving, ever more civilised society. It is also, of course, the key to social mobility.

Earlier in my speech, I mentioned some of the benefits of living in my constituency, but it would be a mistake to think of it as a place of uniform privilege. In recent decades, post-industrialisation has brought pain in the form of unemployment. Kirkintilloch is one of several places in the constituency that have been hit hard. A fine market town with ancient roots and a legacy of outstanding architecture, it was a hotbed of the industrial revolution. It had a booming textile industry in the 18th and 19th centuries, but in the 20th century shipbuilders were the principal employers. Until 1984, the town made the iconic red phone boxes and red pillar boxes

[John Nicolson]

which are known around the world. As in other areas, however, manufacturing jobs were lost, and successive Westminster Governments gave too little thought to what would replace them. That apathetic detachment in the face of radical social and economic change planted the seeds which led to the seismic political events of last year and this year in Scotland.

The radical tradition is not a new development in my constituency. The great Thomas Muir, sometimes described as the father of Scottish democracy, had his home at Huntershill, which, tragically, is now under threat from its unappreciative custodians on East Dunbartonshire council. A champion of parliamentary reform and a leading light of the Friends of the Scottish People Movement, he was shipped to Botany Bay as a punishment for inspiring the people with his dream of a democratic franchise. Undeterred, he escaped to France, where he was lauded as the foremost proponent of a Scottish republic.

In the House this week, we have found ourselves debating the Scotland Bill, the latest in a long and sorry sequence of Westminster attempts to appease Scottish national aspirations. It is as inadequate as its predecessors. Events north of the border on 7 May have deep roots which are, I suspect, little understood in this place. The SNP is engaging with the current proposals in order to improve them, as we promised our electorate we would. We have made it clear that we want to see the findings of the Smith commission delivered in full, and then some. That is the only appropriate response to an unprecedented election that has seen Scotland return a national movement: 56 SNP Members of Parliament were sent here with 50% of the popular vote. That is a mandate that the Prime Minister could only dream of.

The Prime Minister promises that he will listen. He promises that he will respect Scotland and its Government. We shall see whether he matches fine words with deeds.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I am not imposing a time limit, but if Members aim to speak for between eight and nine minutes, everyone will be able to speak, and everyone will have an equal amount of time in which to do so.

1.35 pm

Richard Harrington (Watford) (Con): Thank you, Mr Deputy Speaker. Let me welcome you back to the Chair.

I listened carefully to the maiden speech of the hon. Member for East Dunbartonshire (John Nicolson), and I commend him unreservedly for the articulate and eloquent way in which he told us about his constituency and some of the issues there. Having heard what he said about the constituency, which I must confess I have never visited, I think that he may have been wrong when he said that the Romans had been held there. From the sound of it, they may have found it so nice when they got there that they decided that they might as well stay and enjoy the food and the view; but, whatever the reason, they decided to stay. I do not know whether the hon. Gentleman is descended from the Romans, but,

having seen him on television and having heard him speak today, I wish him a long and prosperous career. I am sure that we have not heard the last of him.

I shall try to confine myself to eight minutes as you asked, Mr Deputy Speaker. I shall restrict my speech to two specific issues, one of which I think is key to the development of skills among younger people. I refer to the development of university technical colleges. Contrary to some of the partisan comments that are made regularly by the hon. Member for Stoke-on-Trent Central (Tristram Hunt), UTCs are a classic example of a project with a cross-party foundation. I commend both Lord Baker, a former Conservative Education Secretary, and Lord Adonis, a former Labour education Minister, for the help that they gave me with the setting up of a UTC in Watford. The Watford UTC is chaired by David Meller, a non-executive director of the Department for Education who is very well respected. It opened just 14 months after we had dreamt it up in a café in Watford, which shows that bureaucracy, like everything else, can be overridden with determination.

What struck me most during a conversation that I had with Lord Baker and Lord Adonis at the outset was a statistic that they have often produced. Apparently, 40% of people who work in bars and cafés in London are university graduates. I am not one to undermine universities; like many Members of Parliament, I was the first member of my family to go to a university, and it was a huge thing for me. The fact is, however, that many people have been driven to go to university without really thinking of it as part of a future career. Somewhat depressingly, I nearly always agree with the hon. Member for Dudley North (Ian Austin), and I thought he was absolutely right to say that not enough young people either go to university or take up other options.

Kevin Brennan (Cardiff West) (Lab): I agree with what the hon. Gentleman has said about UTCs. Labour Members have always strongly supported their establishment. Does he think that all pupils who attend them should have to do the EBacc?

Richard Harrington: The response that people give on television quiz shows when they are not quite sure of the position is “Ask me one on sport.” I may be able to give the hon. Gentleman an answer after listening to the debate on Monday, but perhaps I can help him for the future by saying that he might have asked a better question if he had asked whether I agreed that children who go to UTCs should not really be the kind of children who would consider going to university. I do not agree with that at all.

The advantage of the UTCs is the practical education that they provide. Their pupils are thinking about careers at the age of 12 or 13, which is really good. They can combine an academic education, studying for GCSEs like everyone else, with learning specific skills. The UTC in Watford is geared towards hotel and hospitality management, an area in which there are lots of good skilled jobs available, as well as IT skills, the need for which is universal. It is commendable that there are already 30 UTCs in England, with nearly 6,500 pupils, and by September 2016 there will be 25 more. I have met the principals of various UTCs, including Emma Loveland, the principal of the one in Watford, and their view of education is based on their belief that this country is

under-skilled and that conventional education— notwithstanding the academies, which are very good—has been producing quite a lot of children who are either unskilled or not in a position to become skilled.

Dame Angela Watkinson (Hornchurch and Upminster) (Con): Does my hon. Friend agree that the preparation for the world of work needs to involve the acquisition not only of practical or academic skills but also employability skills? Students need interpersonal skills that include good manners and good timekeeping. They need to appear interested and look as though they really want the job when they go for an interview. That is all part of getting on to the first rung of their career ladder.

Richard Harrington: I agree with everything that my hon. Friend has said. I am pleased that the UTCs are leading the way for the education system now to include ways of getting a job in the whole process, rather than that being an afterthought at a careers fair, as it used to be in the sixth form.

Ian Austin: Like the hon. Gentleman, I am an evangelist for the UTC programme. Does he agree that we need a massive expansion of the programme, so that we have a UTC in every town? They should become part of the fabric of education so as to give more young people the opportunity to learn in a vocational setting. Every child in the country should have that choice, not just the ones in Watford and the other towns that have UTCs at the moment.

Richard Harrington: It will not surprise the hon. Gentleman to learn that I agree with every word he has said. It is important that Members on both sides of the House should champion UTCs in their constituencies. Their development is driven by individual people, whatever the Government policy might be. The Baker Dering Educational Trust is really good, but in the end, one individual has to drive the development of a UTC. If the local Member of Parliament could be that individual, or find that individual, it would help tremendously. That is how the academy programme started. Lord Adonis found individuals and talked to them over lunch—which they usually paid for, I might add—to persuade them to establish academies. So I think that engagement is okay.

I am conscious of Mr Deputy Speaker's guideline time of eight minutes, but I hope that he will allow me to deduct the time I spent congratulating the hon. Member for East Dunbartonshire on his maiden speech, because I want to talk a little bit about academies. [HON. MEMBERS: "Cheeky!"] Well, I have learned that we can speak in this place until they tell us to shut up—that is for the benefit of new Members—although Mr Deputy Speaker is far too gentlemanly to say that. [Interruption.] I am not going to talk about academies. He has given me the look, so I shall go straight on to apprenticeships.

I think there is consensus that apprenticeships are the key mechanism for getting skills into the workplace where they are needed. Unfortunately, for a lot of people of my generation and above, apprenticeships still carry the image of some bloke who could not get into any form of education lying around in a boiler suit

with a spanner. I commend the coalition Government on taking steps to show that that was a ridiculous and ignorant assumption. The first apprentices I ever met in my constituency were doing what used to be called bookkeeping—it is actually business administration—which I confess appeared to me in my ignorance to be completely unrelated to apprenticeships. The number of apprenticeships achieved under the last Government—2.3 million starts, according to the Secretary of State—is commendable. I am sure everyone would agree that apprenticeships are becoming much more sophisticated, and the announcement by Ministers of a comparison with degree level education is absolutely right.

In the time remaining, I would like to concentrate on two things that we need to overcome, both of which are related to sentiment. A lot of work still needs to be done to enhance the status of apprenticeships. The first thing relates to schools: I do not believe that they do enough to promote apprenticeships. That is based on my experience in my constituency. The teaching profession is very much geared towards graduates, as most of its members are graduates. [Interruption.] Will you bear with me for one minute, Mr Deputy Speaker? [Interruption.] Okay, two minutes—[Laughter.] I'll take five if you like.

The second point relates to the status of apprenticeships among young people. Will the Minister have another look at the original proposal for a royal college of apprenticeships? Under such an arrangement, everyone graduating from an apprenticeship at whatever level would have an independent certification. That would do a lot to help employers to change their sentiments towards apprenticeships, and it would certainly mean a lot to the apprentices if they could become members of the royal college.

1.46 pm

Mr Khalid Mahmood (Birmingham, Perry Barr) (Lab): It is a pleasure to see you back in the Chair, Mr Deputy Speaker. I congratulate you on your re-election. I also congratulate the hon. Member for East Dunbartonshire (John Nicolson) on his maiden speech. I was interested to hear what he said about his constituency. In terms of policy based on his party's mandate, I believe that the Government should look at giving Scotland full fiscal responsibility. They should take the ball and run with it. They need to do this properly, and they should take some advice on the matter.

John Nicolson: So why didn't you vote for it?

Mr Mahmood: I would be very happy to vote for it. The Government should take responsibility for what they have said.

I have a huge interest in apprenticeships. I left school with CSEs—many people probably do not know what they were—but I was fortunate to get an apprenticeship through what was then the Engineering Industry Training Board. I spent my first year doing off-the-job training, then I was lucky enough to be picked up by Delta Metals, as it then was, to do my apprenticeship.

Further education colleges are a hugely important asset to people like me who did not take the academic route, as they enable us to follow the vocational route. More importantly, they provide a basis for people who have not been able to get the vocational qualifications in

[Mr Khalid Mahmood]

school that they need to prepare themselves for their lives. The colleges are the last door for those people who want to move forward and get on in life. The focus for colleges is to enable people of all ages to get qualifications and skills and to help them to get into jobs.

I want to talk about funding. Colleges have had a 24% cut in their 19-plus funding. We have heard about the provision for 16 to 19-year-olds, and about the agenda for 14 to 19-year-olds, but there is a real issue for apprenticeships, because they are necessary to give people the life chances that they need. The Government announced the 24% cut in March, and it will take effect when the colleges' financial year starts on 1 August. That has given them very little time to prepare. This will hit 16 to 18-year-olds as well as those of 19 and over, because courses are often planned to include both age groups. In certain specialist courses, the age groups are often combined to provide the educational support and funding that they need, in order to make it worthwhile for the college to run the course.

Students who are 19-plus are in college because they have failed to gain qualifications in schools, are two or three years behind and need to play catch-up in their studying. Most people who want to take the step necessary to get to that level are dedicated, because they realise that perhaps they have been let down and the support they needed was not there for them. They have decided to take the baton themselves in order to move forward. It is important that we look at this issue and see how it can be dealt with.

A significant number of adults who come into college have few or only basic qualifications and need to gain others in order to get into a job or to get to a level where they can get an apprenticeship. We need to help these people to move to those level 2 apprenticeships. That is a real issue in many inner-city constituencies such as mine and that of my Front-Bench colleague, my right hon. Friend the Member for Birmingham, Hodge Hill (Liam Byrne). Our constituencies have historically had a high level of unemployment, which they have not been able to address for at least for the past four decades, and putting this sort of funding burden on the colleges makes it even more difficult for us to address it.

I am lucky that my constituency has the EEF Training college, which is doing well—it is oversubscribed. It is predominantly funded by the EEF, but it faces a funding problem because it seeks to provide the hardware needed to bring engineering apprenticeships into effect. That requires a huge amount of kit. I am talking about traditional kit for the engineering industry, such as lathes, millers and welders. Computer numerical control lathes and millers cost a huge amount of money. When I went to Garretts Green College to do my apprenticeship, all colleges across Birmingham had this sort of equipment and so that training was provided.

My constituency is also blessed with having the advanced manufacturing zone in Birmingham, which means we need more support from people such as EEF. It is also blessed with two colleges, South & City College and Birmingham Metropolitan College, which are working hard to move this agenda forward. The normal further education colleges have moved away, by and large, from that type of engineering training, although some facilities are now being provided at South & City College. Again, it costs a huge amount to put that together, so it is

important to see what additional funding we can provide to the training providers and colleges that are actually able to provide that sort of training. If we do not do that, all this talk about the manufacturing recovery and the engineering recovery will amount to very little. I am very determined that we examine those issues and see how we can do that. It is important for all of us if we are to be, as Birmingham and the west midlands has always been, at the forefront of engineering development.

We are very glad that Jaguar Land Rover has its new plant in Wolverhampton and we are glad about all the engineering works we are getting. At the moment, one of the world's leaders in submarine hull valves, a huge speciality area, is working with Birmingham University to try to develop it. A lot of the employers are moving towards working with universities to try to get this support, but we need the trainers to have support from the Government in order to provide the funding for the equipment they need; it is not just about the current funding that colleges have. I am determined that we ask the Government to support 19-plus funding to do that.

Another area of funding has been restricted, again to our detriment: funding for ESOL—English for speakers of other languages. If we are trying to get unemployment down in our inner-city areas, we need to look seriously at that issue. It is not good enough to say that we cannot fund this any more—colleges are under huge pressure not to fund it. Funding is available from employment-type grants and from the Department for Work and Pensions, but if we stick to the current funding reductions for ESOL providers, particularly for colleges in the inner city of Birmingham, we will not be able to move these people forward and lower unemployment in those areas. People in those areas have the skills in most instances, but they do not have the English to match their skills and therefore to be placed into jobs. It is important that we look at ESOL and how we fund it, particularly where inner-city unemployment is high. People want to work and move forward, so it is important that we provide ESOL and fund it.

My hon. Friend the Member for Stretford and Urmston (Kate Green), who is not in her place, talked about people with disabilities. There needs to be a recognition in further education of funding for disabilities, because if we do not have that, those people will be isolated and left out, and they need real additional support.

It is important for us to provide the right sort of support in areas such as Birmingham and my constituency if we are to move forward and allow people to get back into employment and into apprenticeships, which is what we and employers in my constituency want. I hope the Minister has taken notice of that.

1.55 pm

Amanda Solloway (Derby North) (Con): I, too, would like to congratulate the hon. Member for East Dunbartonshire (John Nicolson) on his maiden speech. I thank the House for allowing me the opportunity to deliver my maiden speech during what is such an important debate, given my training and development background. It really is an honour and a privilege to speak in this House as the Member of Parliament for Derby North.

First, I would like to thank my predecessor, Chris Williamson, who has a long history of being involved in Derby, as a councillor, as council leader and, subsequently, as the MP. None who met Chris can deny his passion

for and knowledge of Derby North. For me, winning on 7 May was a tremendous victory—with a very respectable majority of 41 votes. I am honoured to be elected to serve the people of Derby North, the only seat to change hands in the east midlands. One of the first notes of congratulations I received was from my right hon. Friend the Member for East Yorkshire (Sir Greg Knight). His note read:

“Well done, an excellent result!

Congratulations on becoming only the second Conservative MP to represent Derby North since the seat was created.

Yours ever

Greg

The first Conservative MP ever to be elected in Derby North”.

I am delighted to be the second Conservative MP for Derby North, the first female MP for Derby North, and the first Conservative MP for Derby North in 18 years, in what has otherwise been a Labour-held seat. Winning by 41 was a little tense, I have to admit, but the House can rest assured that I plan to double that in 2020.

I want to note the amazing work that my team did, throughout the campaign and the years of hard work leading up to it; throughout the day, when they came back exhausted, and I asked them to go out one more time and they did; and then throughout the very long night and morning, standing firm in their resolve at all of the four counts, to secure a Conservative win. I especially want to thank my campaign manager, Miles Pattison, for his immense effort, companionship and sense of humour, which kept me going in the hardest times.

While victory was hoped for, it certainly was not a given, but increasingly we were getting a consistently positive message on the doorstep. People believed we needed to have a Conservative Government to ensure that the country continued to thrive; it was a genuine concern that we would take a step back if Labour won. As has been said many times, we are a nation of aspiration, and nowhere has that been shown more than in Derby North.

I have always had a keen interest in politics, but it is only recently that I had the courage to pursue my dream of serving the people in Derby North. As I stand here among so many people, of all political persuasions, whom I have admired for so long, I feel very humbled. I am also a little scared, as I know my brother will be having me streamed live into his office, delighted by my success. Since arriving, I have been notorious for getting lost, though now I can exit a broom cupboard with such confidence and dignity that it looks like I was meant to be there in the first place!

I do not have a degree or any A-levels that I can talk about, but I do have common sense and a business background. The economy is of paramount importance, with regeneration, production and growth at its centre. My background in retail and manufacturing has given me the opportunity to experience at first hand the impact of good management. We are the only party that can truly manage this country's economy and growth.

Derby is a thriving city, built on its long-standing engineering and manufacturing pedigree. It was with great delight that we received the Chancellor two weeks ago in stunning Darley Abbey. As he visited one of our rail engineering firms, he announced that the midlands is Britain's engine for growth, and I can tell Members that Derby North is the heart of the midlands.

Derby North has long been the unsung hero of industry. As an example of our industrial heritage, we have an amazing regeneration project in Darley mills, which was originally powered by the Derwent. Established by Jedidiah Strutt, it is one of the most complete cotton mills complexes, which now houses all types of businesses, including IT, photography firms and independent gyms.

In Derby North, unemployment has fallen by 64% since 2010. We have a whole host of small and medium-sized enterprises, which continue to grow and thrive as a result of hard work, vision and ambition. I plan to support all opportunities for growth and to help add even more apprenticeships to the 1,200-plus apprenticeships that have been created so far in Derby North.

Derby has many reasons for being well known. Joseph Wright the artist lived there. We have an ever-growing number of microbreweries, one of the most haunted pubs in England—it is probably haunted by my husband trying out one of those ever growing number of microbreweries—and pyclets, a small oat cake, which I recommend to all Members of the House. Derby is also noted for its straight talking, and I hope to bring some good Derbyshire straight talking to this House.

We also have the tremendous football team of Derby County, or the Rams—[*Interruption.*] I am sorry, but we do. Recently, Mel Morris was appointed the new chairman. Mel, as Members may know, is a local businessman from Littleover in Derby North. As one of our great innovators, he created Candy Crush, which we are very fond of in Derbyshire, as my hon. Friend the Member for Amber Valley (Nigel Mills) can confirm.

I also know how important community is. Having worked for Help the Aged—now Age UK—I am even more convinced that we must support elderly people across the country to live with dignity. Having been involved with the Prince's Trust and latterly the YMCA, I recognise that there are times when some young vulnerable people slip through the net, and I will be working to provide some real solutions to that problem.

When I was 17, I was unable to stay in the family home, and friends took me in for a while, which was really good. We must ensure that people are not left uncared for. Mental health is a personal issue for me. My mum suffered from depression, prescription drug addiction and alcohol abuse throughout her life. It was tragic to watch this beautiful and vibrant woman succumb to the illness. I have also experienced first hand the tragic loss of my gorgeous and fun-loving cousin to suicide. He took his own life at 36 because he thought that he had no other option available. This cannot go on. We need to be serious about the problem, and I am fully committed to helping us tackle mental health issues head on, as it is a subject that we must not ignore.

There is much to do in Derby North, which has business at its heart, and so much needs doing in the community, which has compassion at its heart. I made a promise on election night that I would do my utmost for the people of Derby North. I look forward to many years of fulfilling that promise.

2.3 pm

Imran Hussain (Bradford East) (Lab): Thank you, Mr Deputy Speaker, for affording me the opportunity to make my maiden speech in this very important debate. Before I start, may I ask Members to join me in

[*Imran Hussain*]

expressing sympathy for the fathers in Bradford whose children have disappeared? I am sure that everyone will join me in praying for their children's safe return.

As I make my maiden speech here today, I reflect on my background and roots. I am a working-class lad from Bradford. My grandfather came to this country from Kashmir in search of an opportunity to better himself and to provide a brighter future for his family. He came from a poor village where there was no electricity, let alone job opportunities. It was the Bradford mills that provided him with that opportunity. He worked there for many years to improve the quality of life for himself and his family.

My father started work at a very young age, in a light bulb factory in Bradford, and then, when the opportunity presented itself, he went on to study part time at college to gain qualifications, thereby enabling him to move on and better himself and his family.

I started work at the age 15, sweeping floors at Morrisons supermarket in Bradford. By the age of 17, I was appointed to the prestigious and much sought after position of head of the toiletries aisle. Members will note that I was even given my very own brush. Bradford afforded me many more opportunities that eventually led me to qualify as a barrister. It is a great honour and privilege to speak here today as the MP for Bradford East, as Bradford the city has given both my family and me so much.

As is customary, I wish to thank my predecessor, David Ward. I did not agree with him very often, and I did not know him very well, but he did have Bradford's interests at heart. Although David was not from Bradford originally, he became part of Bradford and I wish both him and his staff all the best.

Bradford is a beautiful city. Its hills and panoramic views have inspired generations. Its people demonstrate all that is great about Yorkshire. They are gritty, determined and, above all else, resilient. They are also creative and hard-working. Bradford East mirrors the diversity of the city of Bradford, not just in its people but in its landscape, from the farmlands and leafy suburbs of Idle to the inner-city areas of Little Horton and Bradford Moor. It is a diverse constituency, both ethnically and socially.

More importantly, the Independent Labour Party was also born in Bradford out of the struggles of working people for equality and justice. I salute the courage of those pioneers and pledge to carry on those struggles to address the problems that Bradford continues to face.

Famous Bradfordians of note include the magician Dynamo who walked across the Thames, just outside this Chamber. Members need to note that I have no such plans—certainly not in my first 12 months. Richard Oastler is another famous son, who campaigned to end the use of child labour in the mills. Another pioneering figure who can never be forgotten was Bradford MP W. E. Forster, who was the architect of the Elementary Education Act 1870.

Bradford has a proud industrial heritage. Its wealth came from its position as the wool capital of the world, and the names and landmarks in the city, such as Listers and Salts Mill, for example, pay testimony to that past.

However, that grandeur has now sadly passed. Bradford suffered from de-industrialisation as early as the 1960s, but is still an important manufacturing centre. It is now crying out for a new, modern industrial and manufacturing strategy to challenge the failing low-wage economy.

But the biggest challenge that we face is undoubtedly our educational achievement. Our schools are at the bottom of the league tables, and we have a school places crisis that lies unresolved. That will be a clear priority. One in five adults in my constituency lack any educational qualification and our young people are told that they lack the aspiration they need to go on and succeed. As a young person who was told it was too aspirational for somebody like me—somebody from my background—to be a barrister, I understand only too well how that feels. And it is not that our young people lack this aspiration; it is that the circumstances they find themselves in do not afford them the opportunities they need. It is particularly telling that both my predecessors made reference to education in Bradford as part of their maiden speeches.

We cannot fail our young people any longer. They are the future, and we cannot be in the same place 10 years from now, having failed another generation of young people, having debates about the failure of education in our great city. They have the potential and the talent to make the city a dynamic, forward-looking, wealth-creating city. We just need to unleash it.

I will be working to bring a game-changing intervention to Bradford to solve our education crisis. The benefits and successes of the London Challenge are clear for all to see, and my heartfelt, clear view is that Bradford's children deserve the same chances and opportunities as young people from everywhere else.

I have fought against injustice my whole life, not just within Bradford but wherever that may be in the world, and I will be a strong voice in this Chamber for the struggle of the sons and daughters of Kashmir, the suffering of the Palestinians and, as we have heard in this Chamber over the last few weeks, the plight of the Rohingya. Indeed, I have tabled an early-day motion this week, No. 121, that highlights the plight of the Rohingya people in Burma, and I would urge hon. Members from across the Chamber to consider signing it. We are witnessing an absolute human catastrophe and we cannot in these circumstances sit back and watch. We must act in relation to the Rohingya people, quickly and decisively.

At the beginning of my political career, I made it clear that I am a servant of the people. I want to end here, at the start of this new part of my journey, by saying to all the people of Bradford that I will always remain their humble servant.

2.12 pm

David Mackintosh (Northampton South) (Con): I start by congratulating the hon. Members for East Dunbartonshire (John Nicolson) and for Bradford East (Imran Hussain) and my hon. Friend the Member for Derby North (Amanda Solloway) on their maiden speeches in this debate.

I am very pleased to be making my maiden speech today, representing the town where I was born, where I grew up, and where, for the last four years, I served as leader of Northampton borough council. I want to start by paying tribute to my predecessors, including

Spencer Perceval, who in 1796 was elected as the Member of Parliament for Northampton. To date, he is the only Member of Parliament for Northampton to have become Prime Minister and, thankfully, the only Prime Minister to have been assassinated. He was shot dead in the corridor leading to Central Lobby in 1812. I was reminded of him daily in my previous job because there is a statue of him in Northampton's beautiful Guildhall, and I was pleased to be invited to the House of Commons by Mr Speaker last year, while I was leader of the council, when he unveiled a plaque to mark the spot.

At the time, it was said that Spencer Perceval was assassinated because he failed to adequately address an issue raised with him by a member of the public. So, Mr Deputy Speaker, you can imagine how nervous I am every time I walk along that corridor, as another Member of Parliament representing Northampton, hoping that I have adequately addressed all the issues that have been raised with me by the members of the public that I now represent.

I pay tribute to my immediate predecessor, Brian Binley, who served here for 10 years. He ably served his constituents, was deputy Chairman of the Business, Innovation and Skills Committee and treasurer of the 1922 committee, and served on the Conservative party board. But I want to pay tribute to the work that Brian Binley and I focused on for the last four years—the Northampton Alive regeneration programme, with over 40 projects that are changing our town, including a new railway station and bus station, and the relocation of the University of Northampton to a new town centre campus.

Those projects are regenerating Northampton, but the enterprise zone is a real catalyst for growth and job creation. Four years ago, Brian Binley and I lobbied my right hon. Friend the Chancellor for the enterprise zone. Since then, we have created over 1,000 jobs and attracted over £119 million of private sector investment. That is before the University of Northampton relocation, which is a further £330 million of investment and will make a massive difference to our town centre. The work is testament to Brian's commitment and the work done by Northampton Borough Council, Northamptonshire County Council, NEP and SEMLEP—the Northamptonshire and South East Midlands local enterprise partnerships—and all the businesses, institutions and organisations in Northampton that work so well together. Those include the University of Northampton, Northampton College, Moulton College and the many fantastic schools, which I am sure my right hon. Friend the Secretary of State for Education will join me in applauding. I know that Members from all parts of the Chamber will join me in wishing Brian Binley well in his retirement, and I know that a certain golf club will already have seen an increase in its takings.

I should also like to thank my right hon. Friend the Prime Minister for coming to my constituency earlier this year to visit Cosworth—a key employer, which is helping to develop high-performance engineering—to see the new advanced manufacturing centre and to see how the enterprise zone is helping our local economy. I am pleased to report that I visited Cosworth again last week to see the latest progress and applaud how the company continues to grow.

Other key employers in the enterprise zone include the brewery, Carlsberg, and Church's shoes, continuing

Northampton's proud tradition as a shoe manufacturing town, plus many of the small businesses that make up 97% of Northampton's economy.

And I could not, in my maiden speech, fail to mention Northampton's great sports teams, the Saints, the Cobblers and the Steelbacks, who are fantastic ambassadors for our town.

But today we are debating skills, and a key priority for me is to ensure that we equip future generations with the ability to continue the economic growth and development that we have started. The enterprise zone was a great opportunity to work with employers to improve skills provision, and in Northamptonshire we have two university technical colleges, at Silverstone and in Daventry, which shows that we are at the forefront of the new skills agenda. They are great examples of using local employers to provide skills to young people who are the employees of the future. The Silverstone Formula 1 grand prix circuit, close to my constituency, is also a great location for young people to learn.

I am pleased by the economic growth in Northampton and the jobs that have been created, but with growth comes pressure on our public services and infrastructure. So my hon. Friend the Member for Northampton North (Michael Ellis) and I have both pledged to work hard to secure investment and funding for Northampton general hospital—a key service for our constituents, staffed by excellent people dedicated to our NHS, to whom I also pay tribute today. The general hospital is an important facility, and my hon. Friend and I are committed to working with our right hon. Friend the Secretary of State for Health on its future. It is also imperative that the St James' Mill link road is finally finished, as it is a key road for people using the road networks in Northampton, and will also help businesses in the enterprise zone, which is so relevant to today's debate.

I take the opportunity to thank all the supporters who worked so hard on my election campaign, and indeed my family, who have always helped and supported me. When I was elected, I pledged to work tirelessly for my constituents and to be there for them in their time of need. I am proud to pledge that again today.

2.18 pm

Yvonne Fovargue (Makerfield) (Lab): I congratulate the hon. Member for Northampton South (David Mackintosh) on his excellent maiden speech. I am sure we are all hoping that he continues to answer his constituents' queries adequately.

I also congratulate the hon. Members for East Dunbartonshire (John Nicolson) and for Derby North (Amanda Solloway) and my hon. Friend the Member for Bradford East (Imran Hussain) on their maiden speeches—they all have totally different constituencies and different backgrounds, but I am sure they will all make a major contribution to the House.

"You are too bright to take an apprenticeship." That was the advice given to a young woman in my constituency by her maths teacher. Fortunately, she ignored that advice and took up an apprenticeship with MBDA, a company specialising in missile and defence systems. I digress a little to praise MBDA for its policy of taking on at least 50% female apprentices, which the company says has changed its culture for the better. My young constituent completed her apprenticeship, and I met her

[Yvonne Fovargue]

in this place after she had received an award as apprentice of the year. She is going on to complete a degree sponsored by MBDA, and she acts as an ambassador, speaking to schools about apprenticeships. We all feel extremely fortunate that she did not listen to that well-meaning but misguided careers advice from her maths teacher.

For me, that highlights one of the major problems in our schools: careers advice is a postcode lottery. Many teachers are unaware of the range of business opportunities available in the local area, and indeed why should they be aware? They already have a demanding and time-consuming job teaching our young people. But that means that many of our young people are unaware of the range of pathways available to them. They may know the destination they want to reach, but some of them do not know that there are many different routes.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): I am glad my hon. Friend has raised this point. Does she agree that in the past, the careers service has been looked upon as a sort of bolt-on to the education service, whereas in fact an effective, well informed, professional careers service is vital for challenging young people not only in their best interests, but in the best interests of the economy as a whole?

Yvonne Fovargue: Indeed. The fact that young people do not know that there are many different routes rather than one academic path disadvantages them. Some 85% of students, according to a survey commissioned by the University and College Union, know how to complete an UCAS form, but less than 20% know how to access information about apprenticeships. Youth Employment UK surveyed 16 to 24-year-olds who had current or recent experience of careers advice, and found that 58% were provided with an interview with a professional careers adviser, but just 1% received advice about all their options; 24% were advised about university courses, 7% about apprenticeships and only 2% were given labour market information.

If we are truly committed to developing a highly skilled workforce for the future, as my hon. Friend says, this situation cannot be allowed to continue. All young people have to receive careers advice that gives them all the options, which must include all the qualifications and training available to them.

However, it is not just schools and colleges that young people look to for advice. Family and friends are important sources of information. How are they to keep up to date with the jobs and training available? I would like to praise my local authority in Wigan, which has a partnership with businesses and colleges called Wigan Works. I recently attended an event at Wigan Youth Zone for young people and their families, where local construction companies that have contracted with the council talked about available apprenticeships, and the trainers and apprentices were available to talk to. The event was very well attended. At the end of it, there were queues of young people and their parents signing up for interviews to take up those apprenticeship opportunities. That must be a great result for both the businesses and the young people.

Earlier in the week Wigan had held apprentice awards. I agree that apprenticeships have to be given a higher status. One of the ways of doing that is by holding awards ceremonies and demonstrating to young people and their families that the academic route is not the only prestigious choice available.

I cannot end my speech without a plea for the funding of my excellent sixth-form colleges. My constituency does not have schools with sixth forms; students have to move to another establishment. I am extremely fortunate to have outstanding colleges, St John Rigby and Winstanley, in my constituency. I will use as an example Winstanley College, a member of the Maple Group, which comprises the best performing sixth-form colleges. By the end of 2016 it will have lost more than £1 million in funding cuts over the past five years, with nearly £500,000 in cuts to come this year. That is despite the fact that the college has 17 Oxbridge offers to students, 36 offers to future engineers and high quality offers of apprenticeships. Those cuts will impact on the future chances of young people in my constituency.

From September 2016 many of the college's students will start on three A-levels, not four, and the college is struggling to protect the maximum class size of 24. Wigan and Leigh College, just outside my constituency, offers high-quality vocational education, but it is struggling to attract engineering lecturers and struggling to pay them at the appropriate level. What is the Minister doing to address that gap?

Some 75% of sixth-form colleges have cut their curriculum, including languages and science courses. The school-leaving age will increase to 18 this year. Given that the funding for 16 to 18-year-olds is already 22% lower than for students aged 14 to 16, it is indefensible to cut funding still further, jeopardising the future of the young people in my constituency. Investing in 16-to-18 education and, crucially, giving young people a clear map of the routes through the maze of opportunities and qualifications by providing quality careers advice, is vital not just to the career prospects of young people but to creating the workforce of the future who will provide the foundation for our economic prosperity.

2.26 pm

Mrs Flick Drummond (Portsmouth South) (Con): Congratulations to all those who have made their maiden speeches. They have been fascinating, and it has been enjoyable to hear lots of them from all round the country. I will have them in mind when I start travelling.

I am very pleased to announce that a university technical college will soon be coming to Portsmouth. I rang up about it two years ago, and it is finally coming next year. Education is improving in Portsmouth, but there has been a lack of options for those who are not academically minded, so that initiative by Lord Baker and others will add to the choice for our young people.

Portsmouth is becoming a centre of excellence for maritime services and technology. We have BAE, Airbus, QinetiQ and many other engineering companies, alongside the Royal Navy. I am delighted that many of those companies, along with Portsmouth University, will be sponsoring the university technical college, as well as taking on more apprentices and providing more opportunities for further training.

We must make sure that the qualifications are suitable, so I am delighted that the Government are bringing in the new technical levels advocated by Professor Alison Wolf, which will provide a vital stepping stone and ensure that employers can recognise that there is a gold standard as an alternative to A-levels. Vocational qualifications should be treated as equal to A-levels, and I am pleased that young people are going to university with a variety of BTEC qualifications. May I congratulate my own nephew, Cuthbert Shepherd, who recently got three starred distinctions in sports development, fitness and coaching? He will be taking up a place at Birmingham University to read sports science. One does not necessarily need A-levels to go to top universities.

However, university is not for everybody, so I welcome the massive increase in apprenticeships, many of which have been taken up by young people in Portsmouth in a variety of jobs. BAE is taking on 80 apprentices this year, up from 40 the last year. There are also opportunities in leisure, sport, travel and tourism. I have visited many schemes, including those at the Kings theatre, Portsmouth College and the Cathedral Innovation Centre, to name just a few. I know that an increase in apprenticeships and technical levels will add hugely to engaging our young people in Portsmouth and around the country, and I welcome the initiatives that this Government have introduced.

2.28 pm

Alison Thewliss (Glasgow Central) (SNP): Thank you, Mr Deputy Speaker, for calling me to speak in this important debate on skills and growth. I begin by paying tribute to those who have made their maiden speeches this afternoon, some of whom have left now. I associate myself with the comments of the hon. Member for Birmingham, Perry Barr (Mr Mahmood) about ESOL and English as a second language, which is a huge issue in my constituency too. I was touched by the tributes of the hon. Member for Bradford East (Imran Hussain). He is a huge credit to his family and he should be an inspiration to all the young people in Bradford. The hon. Member for Derby North (Amanda Solloway) is not my in-laws' MP, unfortunately, but my husband bears the same name as the artist from that town, so I have a soft spot for it.

I intend to focus on the need to improve skills, particularly in the area that I represent. My predecessors in the seat—Anas Sarwar, Mohammad Sarwar, Mike Watson and Robert McTaggart—all made reference in their maiden speeches to the need to boost employment in the constituency, so it seems appropriate that I should make my maiden speech this afternoon.

There have been many changes in employment in Glasgow Central over the years, marked in the main by a decline in heavy industry and a move to a more service-based economy. The situation is similar in many constituencies, as we have heard this afternoon. There are particular challenges in that. I urge anyone who is not familiar with the work of Scotland's outgoing chief medical officer, Sir Harry Burns, to seek out his thoughts on the disproportionate effects that de-industrialisation has had on the city of Glasgow and on the health and wellbeing of the people who live there. His key point is that people must have a sense of control over their lives.

A sense of pride in one's work is absolutely vital, which is why it is so important to build up skills and support people to achieve.

People who lose their skills can suffer the effects of hopelessness for the rest of their lives. Sir Harry Burns often refers to the late, great Jimmy Reid, whose portrait hangs in the People's Palace in Glasgow Green. Jimmy Reid's famous Glasgow University rectoral address, which the Scottish Government have made available to students across Scotland, contains much about alienation and a critique of the rat race. I ask hon. Members to reflect on this quote:

"To appreciate fully the inhumanity of this situation, you have to see the hurt and despair in the eyes of a man suddenly told he is redundant without provision made for suitable alternative employment, with the prospect in the west of Scotland, if he is in his late forties or fifties, of spending the rest of his life in the Labour Exchange. Someone, somewhere has decided he is unwanted, unneeded, and is to be thrown on the industrial scrap heap. From the very depth of my being, I challenge the right of any man or any group of men, in business or in government, to tell a fellow human being that he or she is expendable."

It is in that vein that I implore the Government to change track. I urge them, instead of beating people of all ages with sanctions, to invest in enabling people to develop their skills and use their talents, and to support people in employment.

The Scottish Government have done a great deal in the areas over which they have control. More people than ever are active in Scotland's labour market, and we are taking action to help them into work. Economic inactivity is at the lowest level on record. When I wrote this speech earlier, I put that the female employment rate was 72.4%, but it is actually 72.5%; it has gone up in the figures that were released today, making it the highest in the UK and among the highest in the EU. Increases in childcare entitlement, support for women to start their own businesses and a raft of support to tackle youth unemployment are all helping women into work. That should be commended and reflected here as well.

Figures released today show that youth unemployment is at its lowest rate for six years. The Scottish Government continue to act to address the long-term effects of unemployment through strategies such as "Developing the Young Workforce" and the refreshed youth employment strategy, and initiatives such as Community Jobs Scotland, the youth employment Scotland fund and "Opportunities for All".

Our employability fund in 2013-14 provided £34 million to offer 17,150 pre-employment skills training places to unemployed people of all ages. It achieved 68% successful job outcomes, compared with the UK Government's Work programme, which averages 20%. During the past year, the Scottish Government's Partnership Action for Continuing Employment initiative for responding to redundancy situations, like those of which Jimmy Reid spoke, supported 12,161 individuals and 252 employers over 392 sites in Scotland. The latest research shows that 72% of those surveyed who received PACE support obtained employment within six months. The significance of that to workers and their families cannot be downplayed. We seek further powers to make work pay—powers to raise wages and to build the fairer Scotland that we seek. We have a mandate for that, and the people of Scotland have high expectations that it will happen.

[Alison Thewliss]

I am proud to have been allowed the honour of representing the Calton ward as a councillor in Glasgow over the past eight years. I was sad to leave that role to come here, although I was pleased with the result. The ward covers the Calton, Bridgeton, Dalmarnock, Parkhead, Gallowgate, Reidvale, Saltmarket, Lilybank, and Barrowfield communities. Despite unfair characterisations of the east end of Glasgow, kinder and more generous people are not to be found anywhere, so I am glad that the Glasgow Central constituency encompasses some of those communities.

The Calton is one of Glasgow's oldest communities and it has the distinction of requiring "the" in its title. It is a community dominated by formidable women, such as the late Betty McAllister, a community activist and Labour stalwart, who famously told a certain Conservative Prime Minister in most unparliamentary language what she could do with her poll tax. I firmly believe that the UK Government have never done enough for communities such as the Calton, and I seek a better deal for all such communities.

Bridgeton and Dalmarnock have seen stunning transformation over the past few years, with community-led regeneration through the urban regeneration company Clyde Gateway, which is a partnership between the Scottish Government, Scottish Enterprise, Glasgow City Council and South Lanarkshire Council. Clyde Gateway has learned the lessons of failed past regeneration projects that were imposed on people, and it is working closely with the local community to spearhead the changes in the area and turn around decades of post-industrial decline. Clyde Gateway has brought much needed investment to the area and supported 700 local people into work, some of whom are working for the very first time. Clyde Gateway has seized the opportunity brought to the area by the Commonwealth Games, and it has embedded good practice, working incredibly hard alongside local people to improve their lives. Through the innovative use of community benefit clauses in contracts, Glasgow residents have been able to access apprenticeships and many have now moved on to employment. Any Member in whose constituency construction work is taking place should find out whether such a clause can be brought to bear, because they were of huge value to local people in my constituency.

The offer of an apprenticeship was not the only important thing, however; for a significant number of people in the area, their skills were not adequate to allow them to be considered for an apprenticeship. In the Clyde gateway area, 46% of people do not have formal qualifications, but that is being addressed by community centres, housing associations and other agencies, which are all working hard to target that group and ensure that people of all ages can acquire the qualifications and the soft skills that they need to get into the workplace. In the area covered by Clyde Gateway, the number of people moving into higher education has improved from 11% to 17% since 2008, but it still lags far behind the overall Scottish figure of nearly 40%. There is a lot still to be done, but things are moving in the right direction.

Clyde Gateway has a 20-year plan, and that foresight is what is required; there is no quick fix for problems of de-industrialisation and generational unemployment. The UK Government must look at the example of

Clyde Gateway and factor meaningful training into their plans, otherwise they will set people up to fail. I invite all hon. Members to come to Glasgow to see the transformation that is taking place, and to speak to local people, such as Grace Donald, whose powers of persuasion have seen Scottish Government Ministers part with many a bawbee.

Many hon. Members have spoken passionately about their constituencies, but few constituencies can be as diverse and exciting as Glasgow Central. It covers the city centre, which has the best shopping area outside London, the international financial services district, the vibrant merchant city and institutions such as Strathclyde and Glasgow Caledonian Universities, the world famous Charles Rennie Mackintosh Glasgow School of Art—at which the exceptionally talented students have their degree show just now—and the City of Glasgow and Glasgow Kelvin Colleges. They all combine to make Glasgow a vibrant and creative city that leads in many sectors.

There are too many brilliant community organisations to mention each by name, but I would like to single out the Glasgow Women's library in its new home in Bridgeton. Its staff and volunteers deserve recognition for the work that they have done for women from all backgrounds in Glasgow and beyond. I am proud to be the first woman MP for Glasgow Central, and I will donate to the library's archive a copy of this speech along with my rosette and my yellow election dress.

The city bears the slogan "People Make Glasgow", and that is absolutely true. Glasgow Central is diverse in its population, with many churches, mosques, gurdwara and the synagogue in Garnethill. There are people of many faiths and none, with many languages and backgrounds. Some are born and bred, and others, like me, have chosen to make Glasgow their home and raise their family there.

Glasgow Central is dominated by the great River Clyde, which flows through it and deserves to be a focal point of our city. North of the Clyde are the city centre and the communities of Townhead, Garnethill, Dundasvale, Cowcaddens, Anderston, Yorkhill, Park Circus and Finnieston. South of the Clyde are the communities of Toryglen—where, I am sad to say, Government Members will not find very many Tories—Hutchesontown, Oatlands, the Gorbals, Laurieston, Govanhill, Strathbungo, Pollokshields, Dumbreck, Cessnock, Kinning Park and Tradeston. Each area has a distinct identity, which is why I have mentioned them all by name. To me, Glasgow is like a series of villages, rather than an urban mass, and I aim to respect and represent each one of them.

The constituency contains many wonderful arts and cultural institutions, such as the Kings theatre, the Tron, the Tramway, Kelvingrove Art Gallery, the People's Palace, the Panopticon, where Stan Laurel played, and of course the much-beloved Barrowland ballroom. I was sad to see that one such institution, the Arches, went into administration last week, and I hope that a solution can be found to keep it open. Glasgow Central has modern venues too, such as the SSE Hydro arena, which has a very significant distinction: our First Minister Nicola Sturgeon is the only politician to fill the 12,000-seater venue.

My election result is no mean achievement; the hon. Member for Harwich and North Essex (Mr Jenkin) and my hon. Friend the Member for Argyll and Bute (Brendan O'Hara) can surely testify to that as former candidates

for the seat. In winning in Glasgow Central, I have managed to achieve something that Nicola Sturgeon has not: defeating a Sarwar. In all seriousness, I would like to say a few words of thanks to my predecessor, Anas Sarwar, who represented Glasgow Central with great enthusiasm from 2010, and to his father Mohammed Sarwar who became the UK's first Muslim MP when he was elected in 1997 for the Glasgow Govan Constituency. They worked hard over the years for the communities of Glasgow Central, and I thank them for their endeavours.

The result in Glasgow Central in the early hours of 8 May was nothing short of extraordinary. It came on the back of decades of discontent in the city. These are communities who became scunnered with the Labour party, but not with politics. The referendum has changed Scotland, resulting in the most politically engaged and educated population anyone has ever seen. In Glasgow Central people campaigned to save Govanhill baths, to save their schools, to save the Accord centre, to keep the Buchanan Street steps, and to secure a yes vote in the city of Glasgow. The Labour party slung them all a deafie, and now the people have had their say. I and the SNP will do all we can to honour their trust.

2.40 pm

John Howell (Henley) (Con): May I say what a privilege it is to be called in this debate—first, Mr Deputy Speaker, to welcome you back to the Chair, but also to follow the excellent maiden speech by the hon. Member for Glasgow Central (Alison Thewliss)? She represents a fascinating area of the country and she gave a very good explanation of what has been going on there and her role in it. Her speech comes on the back of an enormous number of excellent maiden speeches, including those of the new broom, the hon. Member for Bradford East (Imran Hussain), and the hon. Member for East Dunbartonshire (John Nicolson), if I may pick out just two. The latter reminded me of my days as an archaeologist at the University of Edinburgh. I am very familiar with the Antonine Wall that he described.

I want to deal with apprenticeships. I can agree with the first bit of the motion—

“That this House notes that improving education is imperative for the future economic growth of the country”—

but not with the rest of it. If the hon. Member for Dudley North (Ian Austin), who is no longer in his seat, wants a more bipartisan approach, it could start with this motion acknowledging that the apprenticeship programme has been a flagship programme of this Government and we have put £1.5 billion into making sure that it works.

The wording of the motion does not bear comparison with the situation in my constituency, where the advancement of the apprenticeships scheme is having an excellent result. One way of seeing that is to look at the unemployment figures in the constituency. The figures released today show that the total number of people unemployed across the whole constituency amounts to 244. That is a diminution in the number of unemployed on the previous month, and in effect it represents full unemployment and the normal churn of people looking for jobs. Most importantly, in the previous month the number of youth unemployed in the constituency was down to 30. I have every sympathy for those 30, but this

represents a very good achievement for the Government. I welcome my hon. Friend the Member for Watford (Richard Harrington), who is no longer in the Chamber, to his new position. He is right to stress the role of MPs in driving the process along; each of us has the ability to do that. In my constituency I have Henley College, which is a very strong player in providing training for apprenticeships and has been working hand in hand with companies to promote those apprenticeships.

Dame Angela Watkinson: Will my hon. Friend join me in welcoming the increasing number of girls who are taking STEM subjects, which are leading to apprenticeships in engineering and technical subjects, and does he agree that we need more of them?

John Howell: I absolutely welcome my hon. Friend's comments. She makes a very good point that we all need to bear in mind.

At the time when the recession was at its deepest, I took the initiative in my constituency to get together a whole lot of players in this field, including Henley College, to help businesses cope with the fact that they were going into recession. Henley College rose to the challenge very well. It was instructive to find that many people in the room from firms that had done business in the area for 25 years did not know a single soul among the rest of those gathered there. I think that if I were to do the same thing now, that would not be the case. They know where they are going, and they are taking the lead in promoting apprenticeships.

Colleges like Henley can make an important contribution in encouraging the provision of training. This is to do with a lot of the work that companies are undertaking to find the best training providers to help them in delivering apprenticeships. I recently went to see two contrasting companies in the constituency to hear about the work they were doing in apprenticeships. One was DAF, the truck manufacturer, which is one of the biggest companies in my constituency and sits at the centre of a web of apprenticeships that goes right across the country. It has made great efforts to find the right training provider to help it in this—a college down in the west country with which it can work to deliver this training. It has degree-type award ceremonies at the end of the apprenticeship training so that people feel they have got something out of the whole process. I have been invited to the ceremony it will conduct in September, to witness it at first hand.

The other company I went to visit was Williams Performance Tenders. Despite the constituency being landlocked, Williams Performance Tenders is the biggest producer of boats by volume in the whole country. Having been on one of those boats, I know they are extremely fast. This company, too, has a very good apprenticeship scheme that it manages largely by itself. That scheme operates in the most deprived village in the whole of my constituency, and it is making a big difference to people's lives.

As a result of all this, if we look back to the beginning of 2010, we see that there has been an increase of some 58% in the number of apprenticeships taken up in the constituency. That is an excellent achievement. I put on record my thanks to all the businesses that have participated in and are contributing to this.

Dame Angela Watkinson: Does my hon. Friend attribute that to good co-operation between local education and training providers and local employers, so that the skills that employers need are identified and young people are taking the right courses?

John Howell: That is a difficult question to answer. I attribute it partly to that, but the role of schools needs to be worked on further, because they can do more.

During the election campaign, I became aware of the way schools in the constituency still regard apprenticeships in an academic light as providing an academic training rather than a genuine life option for people.

Alex Cunningham (Stockton North) (Lab): I am interested in the increase in the number of apprenticeships in the hon. Gentleman's area. Despite the statutory duty on schools to provide a better careers service, the opposite has happened. We are finding that they are not giving people the option of doing very different things or telling them about the availability of apprenticeships. Does he agree that we need to invest more in the careers services in our schools so that people get proper advice and are offered the very different options that are now available?

John Howell: I think I agree with the hon. Gentleman, but I would like more effort to be put into encouraging schools to focus on apprenticeships being self-standing as a life's ambition that can be fulfilled. So many schools approach apprenticeships as though such people were going to university and deal with them in the same way—the careers advice process still encapsulates the whole thing—which is wrong. We need to ensure not just that providers and companies provide quality, but that the schools regard them as providing quality. To that extent, I fully agree with the hon. Gentleman. There is therefore an onus on the Government to redirect some of their efforts towards schools to encourage them to do this, and to move the debate on so that in a few years' time people will have genuinely equal opportunities, whether they want to go to university, as I did, or have an apprenticeship, as so many young people in my constituency want. I welcome the Government's emphasis on apprenticeships, and the important part that apprenticeships play in delivering the long-term economic plan.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. May I just say that we will stray over time if we are not careful? [*Interruption.*] I am not going to impose a time limit, Mr Rotheram; do not worry about that. If hon. Members aim for between seven and eight minutes, we will all be happier.

2.51 pm

Steve Rotheram (Liverpool, Walton) (Lab): Welcome back to your place in the Chamber, Mr Deputy Speaker. I thank the hon. Member for Glasgow Central (Alison Thewliss) for her speech and congratulate her on it. I have a great affection for Glasgow as well, and for her predecessor, Anas Sarwar. I also congratulate my hon. Friend the new Member for Bradford East (Imran Hussain) on his maiden speech, and all other Members who have made their made their debuts in the Chamber today.

It is a pleasure to be back in the Chamber, following my narrow electoral victory, to speak on the really important issue of apprenticeships. First, I want to place on the record how concerned I am that the City of Liverpool College is facing further cuts on top of the 24% FE cut to date. If that cut is implemented, it is estimated that it will equate to a further reduction of about 1,300 off its rolls. That is setting a near-impossible task for colleges, such as the City of Liverpool College, in continuing to provide courses to disadvantaged students from places like Walton.

I want to press the Minister to look more carefully at his Department's flawed decision to scrap its plan for a UTC in Anfield, which had been hugely welcomed in Liverpool, Walton and had the backing of major companies, including Peel Ports. The decision flies in the face of the Tory rhetoric about commitments to having UTCs in every city.

Colleagues who sat in the last Parliament will be aware that I was critical of the Government's use of rhetoric over reality in relation to apprenticeships. It will therefore come as no surprise to Conservative Members to hear that I have no intention of discontinuing that particular stance in this Parliament when they get things wrong. The reason for that is quite simply that apprenticeships are close to my heart. As a former apprentice bricklayer, I know their value and necessity in the modern age.

It is irresponsible of any Government erroneously to claim that they have created 2.2 million apprenticeships, when they have in fact created nowhere near that number—not proper apprenticeships anyway. The apprenticeships that the Government claim to have created are on programmes where the average length of stay is a duration of just 10 months. One of the Conservative Members—I cannot remember who—highlighted an example of best practice in an apprenticeship that was 16 weeks long. That is not an apprenticeship. I obtained that figure of an average stay of 10 months from the Department for Business, Innovation and Skills, so the Minister may wish to have a word with his colleagues in BIS before attempting to question his own Government's figures. Such illustrations highlight the problem. Short-stay programmes are simply work-based training programmes re-badged to hit Government apprenticeship targets. These distortions, which are commonly perceived as bona fide apprenticeships, dilute and devalue the brand.

Huw Merriman (Bexhill and Battle) (Con): We have created 2.2 million apprenticeships, which the hon. Gentleman doubts, and we have also created 2 million jobs. On that basis, are people not moving from apprenticeships into jobs, and therefore carrying on their training in the workplace?

Steve Rotheram: No. The hon. Gentleman conflates two things, which is exactly what I am trying to highlight. Taking somebody in a job who is getting some training and re-badging them as an apprentice is wrong. That is not an apprenticeship. Most think of an apprenticeship as having a duration of two and a half or perhaps three years and involving people learning the skills of a particular occupation and going on to get a full-time job in that skills area. It is not the 16-week shelf-stacking example that one of the hon. Gentleman's colleagues gave.

In my constituency, we now have the worst of all worlds, as the plans for the UTC have been scrapped, and there has been a fall of 32% in apprenticeship starts in Liverpool, Walton for 16 to 18-year-olds since the Tories came to power.

Alex Cunningham: I am sure my hon. Friend's majority is as narrow as the Mersey.

Our FE colleges are playing an increasing role in supporting apprenticeships. We heard some great examples of that on Monday, when the Association of Colleges held a reception. Yet colleges' ability is restricted by funding cuts and the fact that they are paid up to a year in arrears for new courses that they develop. That is putting them at the mercy of the banks as colleges run out of money. Does my hon. Friend agree that we need to sort out this funding mess, and release our colleges to drive the apprenticeship programmes we know they are capable of providing?

Steve Rotheram: My hon. Friend highlights just one of the anomalies in the funding system for FE colleges. I hope that I will be able to tease out one or two other anomalies in the time remaining.

I believe that we have to be honest about the scale of the problem facing our nation, so I want to talk specifically about apprenticeships in technical sectors. As colleagues will know, our country needs 82,000 additional engineers, scientists and technologists by 2017. To compete globally, almost half of those in technical roles will require upskilling to keep pace with technological advancements. Some 10,000 new technicians are required for the rail industry, of which 30% are required in London and the south-east alone. In aviation, 7,000 new engineers are needed between now and 2020, of which 30% need to have an NVQ level 4 and above. A growing number of engineering roles feature on the national shortage occupation list, and there is the stark statistic that two in five businesses requiring employees with STEM qualifications and skills are reporting difficulties with recruitment.

The time has come for the Government to roll out advanced technology colleges across the UK to match their, as yet undelivered, commitment for a UTC in every city. We have long lived in a country where the post-16 education system is geared towards results and targets, rather than businesses and young people's needs and aspirations. In essence, this country faces a skills shortage in many leading industries, such as engineering and construction, because we have not focused our post-16 education system on equipping people with the skills that businesses need in order to thrive. Successive Governments have sometimes got this wrong, and I believe that one way to address the escalating problem is to increase the number of advanced technology colleges.

Last week, I had the privilege to visit Prospects College of Advanced Technology in Basildon. PROCAT is an advanced technology college that specialises in the engineering, rail, aviation, construction and building service sectors. It comprises three skills campuses, with more than 2,000 students and 850 apprentices. The previous Labour Government invested significantly in this facility, with a bursary of about £20 million. I visited to learn about how it recruits, trains and retains apprentices in specific sectors, because I am interested in how we can develop the ATC model across the

country. In fact, in the 1950s a host of what are now known as universities, such as Brunel, Aston, Bradford, Cardiff and many more, were all ATCs before they became polytechnics and then universities. The beauty of an ATC is that it has a direct link to the business—it is a model, I think, of absolute success.

ATCs align themselves with businesses that invest in their apprentices, helping to provide a clear and professional training environment and a guaranteed job and career at the end of the training, which is exactly what I was trying to outline to the hon. Member for Bexhill and Battle (Huw Merriman). The curriculum at an ATC is also aligned to the needs of that business, which helps to ensure that all apprentices leave with the necessary skills to be employable.

Lord Heseltine made it clear in his 2013 report on growth that university technical colleges, with links to businesses, are the way forward. I would not normally quote Lord Heseltine; it is not easy for me to quote him, but, after all, he was responsible for bringing Thatcher down, so every cloud has a silver lining and all that! Indeed, I think we must go full circle and return to ATC status in order to restore parity of esteem and to address the urgent need to deal with our growing skills shortages.

In my remaining time, I would like to touch on another issue. Another anomaly in the education system is the entry level for UTC students, which currently stands at 14. At 14, many students will have decided what path they wish to take and whether they want to specialise in any particular occupational area. A UTC is therefore perfect for them, as it allows them to begin their vocational training in a new college at an early stage and focus on that specialty 40% of the time, with the other 60% focused on STEM subjects.

I implore the Minister to study the faculty of foundation apprenticeships, which is being developed by PROCAT and offers pre-apprenticeship training to any 16-year-old seeking to enter technical apprenticeships. There is a gap in the system, and that would be a good way for the Government to address it. They should look seriously at promoting ATCs, step up their game and improve the quality of apprenticeship training to provide real choice for young people deciding between an academic or vocational route to the workplace. We could then finally achieve that parity of esteem we so often hear about in this place.

Mr Deputy Speaker (Mr Lindsay Hoyle): There are four remaining speakers. With nine minutes each, we will have time for the Front-Bench speeches and a 4 o'clock vote.

3.2 pm

Dr Roberta Blackman-Woods (City of Durham) (Lab): It is a pleasure to speak in this debate. This topic is one of the most important facing our country. We must skill the next generation for the jobs of the future. I am pleased to follow my hon. Friend the Member for Liverpool, Walton (Steve Rotheram), who set out clearly some of those challenges.

We know that the UK is facing the worst skills crisis for a generation, with skills levels failing to support the diversity of the modern economy and secure job opportunities and investment for the future. A number of recent reports, such as those of Lord Adonis and the OECD, clearly showed that skills shortages were the

[*Dr Roberta Blackman-Woods*]

main barrier to growth amongst employers in our top 10 major cities. They made it clear that we need to do a much better job of linking the development of relevant skills to growth sectors in our economy. Only then will we deliver the economic growth that is needed for the future.

Nowhere is that more exemplified than in my own area of the north-east of England. We had a very interesting report from the local enterprise partnership last year, which set out the challenge very clearly, stating that, for the north-east, it

“is not just the number of jobs but the quality of these jobs”

Improving the quality is fundamental to its plan. It says:

“the area needs to increase the volume of skills at a higher level to address a changing demographic, in particular higher skills required by employers of younger people and those moving into and between work”.

That clearly sets out the situation we face. The report also highlighted the fact that productivity levels are a real problem—we have heard about that today—as are the skills levels. The report mentioned the disparity in skills levels between more advantaged areas and disadvantaged areas, including areas such as the north-east. It states:

“The proportion of secondary schools judged as good or outstanding for teaching in the least deprived areas is 85%—almost equal to the national average of 86%. In the most deprived areas however, this drops to 29% compared with the national average of 65%.”

This shows the “massive...percentage point difference” between the proportions achieving five A to C grades at GCSE in the average areas in comparison with the most deprived areas. The Government have not given that problem enough recognition when it comes to putting additional resources into the areas that need it most.

Overall, there has been an increase in levels of educational attainment in the north-east and a fall in the proportion of adults with no qualifications. As I said, however, we need to increase the volume of higher-level skills to address the changing demographics in the region, with a particular focus on key sectors, particularly the STEM—science, technology, engineering and maths—sector. In many areas of the UK, there are too few people achieving qualifications in STEM subjects, particularly amongst women.

Andrew Gwynne: My hon. Friend is absolutely right to focus on these issues. Does she think that it was a retrograde step when the previous Government scrapped Aimhigher? We all talk about aspiration, but in many of the communities my hon. Friend mentions, we need to raise those ambitions further.

Dr Blackman-Woods: I agree with my hon. Friend that it was a hugely retrograde step to get rid of Aimhigher, as indeed it was to scrap other measures that supported young people, particularly from disadvantaged backgrounds, into taking up opportunities in further and higher education.

The CBI cites major skills shortages in STEM subjects as being a major barrier to growth, while the Royal Academy of Engineering forecasts that the UK needs an extra 50,000 STEM technicians and 90,000 professionals each year just to replace people retiring from the work force.

We are really fortunate in the north-east in that there have been more new technology company start-ups than in any areas of the UK outside London. However, due to skills shortages, organisations frequently need to recruit from outside the region—and increasingly overseas—to fill the skills gaps in the area. We want to see young people skilled, and the reskilling of those who are currently seeking work, so that they can find employment in some of the key sectors that are growing in the north-east, such as advanced manufacturing, pharmaceuticals, our university and technology sector, professional services, tourism, creative and digital industries, logistics and the renewable energy sector. Improved investment and additional skills are needed if we are to achieve the 100,000 additional jobs that the LEP wants to see across those sectors over the next 10 years.

We also want an expansion of high-quality vocational education and youth apprenticeships to establish a stronger non-university route into employment. That is not to say that higher education is not important—I think it is, and we must continue to invest in it—but we want to ensure that young people know that there are wider training opportunities available. They might want to know that they can combine vocational education in the workplace with education in the university and further education sector. My right hon. Friend the Member for Birmingham, Hodge Hill (Liam Byrne), one of our Front-Bench team, produced a wonderful report last year called “Robbins Rebooted” that really highlights the mixtures that we are capable of achieving when we are imaginative about training opportunities for young people to take them from school into the workplace. They can be then assigned to college courses to ensure that they get the skills levels they need.

Let me make two brief points before I conclude. Funding from Europe is really important in the north-east and sustains a lot of our skills and education. In future debates about staying in Europe, it is really important that European social fund financial support is put into the mix, because we could not sustain the skills levels without it.

Devolution is very much on the agenda in helping areas to link the skills that are needed to future economic development. The Association of Colleges has produced a very helpful report for all of us that considers what devolution could bring by giving local people much more knowledge about the industries there are likely to be in the area in the coming years and how they can acquire the skills for themselves and for their children and grandchildren so that they can take on those opportunities.

My final challenge is for the Minister. Will he say what he is going to do to sustain investment in the infrastructure supporting education and skills development and to ensure that those opportunities are spread into the most deprived areas of our country?

3.11 pm

Ian Austin (Dudley North) (Lab): We have to make education and skills our country’s No. 1 priority. Improving education is the answer to our country’s biggest challenges, as it brings better paid and more secure jobs to areas that have lost their traditional industries, tackles poverty and improves social mobility, boosts productivity, builds a stronger economy and enables us to tackle the deficit.

The only way our country will pay its way, let alone prosper, is with the skills we need to compete. Germany has three times as many apprentices as the UK. The number of young apprentices and apprentices in IT and construction is falling and, although I welcome degree-level apprenticeships, they account for less than 2% of the total number. On education, we are no longer merely falling behind Finland, South Korea and Germany in basic numeracy and literacy but behind Estonia, Poland, Slovakia and the Czech Republic as well. Think about this: we are the only country in the developed world in which those approaching retirement are more literate and numerate than those entering the workforce.

Children today will work with technologies that have not yet been invented or even imagined. They will have more than a dozen jobs over their lifetime, so they must learn how to adapt, how to learn and how to acquire new skills, but a CBI survey found that nearly a third of employers were dissatisfied with school leavers' basic literacy and numeracy.

We should all agree—all parties, the Government, schools, colleges, universities, the teaching profession and businesses—on clear long-term targets to improve education and provide the skills we need to compete. The CBI is right to call for a cross-party review of 14-to-19 education considering exams, the curriculum and the status of vocational education so that we can plan properly for the future and prevent the sort of problems we face in Dudley at the moment.

Mike Wood (Dudley South) (Con): Does the hon. Gentleman agree that there is a real need for greater and better capacity in vocational education for children with special educational needs, particularly for 14 to 19-year-olds?

Ian Austin: The hon. Gentleman is completely right. As he represents Dudley South, he will know that Dudley College has just opened fantastic new facilities on The Broadway. I do not know whether he has had a chance to visit yet, but he definitely should. It provides fantastic opportunities for young people with profound disabilities and learning difficulties. It is a unique institution, the first of its kind in the country. It is another brilliant success, which is down to Principal Lowell Williams and his colleagues, and it is an example that colleges around Britain should be following. The hon. Gentleman is absolutely right and I look forward to working with him to drive up educational standards and improve standards not just for children with special needs but for all children in Dudley over the next five years.

Under the brilliant leadership of Lowell Williams and his colleagues, Dudley College has not only provided those fantastic facilities but has transformed our town centre and opportunities for local people. Our new manufacturing college, Dudley Advance, has been developed with Aston University and local manufacturers. We have a new vocational centre, a new sixth form college and plans for a new construction centre. Ministers will be pleased to hear that the vast majority has been funded by more efficient use of the college's own resources and not by external funding. Ofsted has rated all aspects of the college's provision as "good" or "outstanding" in its most recent inspections and the college has been named one of the top three colleges in the country for

students completing apprenticeships, with nine out of 10 students successfully completing their training compared with 69% nationally.

Mr Williams and his colleagues are helping local businesses to grow, educating young people and helping adults to get new jobs, too. They are doing exactly what Ministers have asked of them, but far from supporting their work, Government policies are putting courses and places at risk.

Cutting the adult skills budget by 24% means that Dudley College will lose £1.4 million, so 30 jobs are at risk and 1,500 places will be cut, most of which are employability programmes for unemployed adults and workplace qualifications in health and social care, early years and construction. The college faces further 20% reductions in each of the following two years, removing another 1,700 adult places. Thousands of adults struggling to find work will lose their retraining and many more jobs are at risk.

Dudley College has worked hard to help Ministers to increase apprenticeships, doing exactly what they want and making it by far the largest provider in the region. In May, the college again requested additional places from the Skills Funding Agency for 16 to 18-year-olds in areas such as engineering, manufacturing and care, which, again, is exactly what the Government want it to do. The agency indicated that that would be possible, as it was in previous years, but the funding is now at risk after the Chancellor's announcement that the Department for Business, Innovation and Skills and the Department for Education must find £450 million of savings this year.

Spending on 16 to 18-year-olds is unprotected and apprenticeship providers are worried that the SFA will not be able to deliver the promised funding. That is the complete opposite of the long-term planning needed to fix the skills gap. Dudley College must either turn away 150 apprentices in priority areas or deliver the training without any funding. The college has also requested growth for 2015-16 and beyond, but how will the Government meet their target of 3 million additional apprentices if they cannot fund the growth at successful institutions, such as Dudley College, that are already doing a brilliant job and delivering exactly what the Government want?

Finally, Dudley College is now particularly vulnerable to changes in the amount of funding that the Education Funding Agency will offer for courses for 16 to 19-year-olds. That has been another growth area, with the EFA set to fund places for an extra 263 learners next year. A significant part of the college's investment in new facilities such as Dudley Advance has been based on the expectation that EFA funding will increase, but the Chancellor's announcement threatens that funding too, and any change in the number of funded places or the rate of funding will damage the college's ability to meet local needs skills such as manufacturing. That comes on top of an 8% reduction in funding per learner in the past four years and a 22% funding reduction for 16-year-olds.

All of that shows why we should listen to the CBI, launch a cross-party inquiry and set out a long-term plan to tackle our country's skills gap and, as I said at the outset, make education and skills our country's No. 1 priority. But for a long-term plan to work, the Government need to give colleges the certainty they need to keep growing to meet demand.

[Ian Austin]

Will the Minister work with the Skills Funding Agency to set out urgently the number of places it will fund in the coming year? Will he and the Business Secretary set out plans to meet the spending reductions as soon as possible, so that providers know how much funding will be available in the future? Will he come to Dudley and join me and the hon. Member for Dudley South (Mike Wood) in visiting the college, where he will be able to meet Mr Williams and his colleagues, see the brilliant work they are doing and help them solve the problems they face?

3.19 pm

Angela Rayner (Ashton-under-Lyne) (Lab): May I congratulate you on your re-election, Mr Deputy Speaker? I also congratulate all the new Members who have made their maiden speeches today.

The Achilles heel that is causing the skills and growth shortage is the issue of funding. This debate shows that any pretence the Government have of being in favour of aspiration is a total fabrication. How is it possible to have strong institutions when Tameside College in my constituency of Ashton-under-Lyne has had nearly half its funding cut in the past five years? That amounts to more than £2.3 million—or 44%—of its total budget. Meanwhile, more than a third of the population in Tameside have qualifications below a national vocational qualification level 2.

It just does not compute. How can my constituents aspire to get on in life, gain extra qualifications, get decent jobs and provide for their families when one of their main routes to doing so—further education—is being closed off or shut down? How do Ministers think my constituents will be able to access the jobs that may come from their much-vaunted northern powerhouse project without the training and skills revolution that will be needed?

Mike Kane (Wythenshawe and Sale East) (Lab): I welcome my hon. Friend to the House; she has already made a fantastic contribution. Greater Manchester spends £22 billion on public services and raises £17 billion from taxes. The key driver to bridging that gap over the next few years will be ensuring that we have the skills to wipe our own feet economically as a conurbation. How can the Government talk about a northern powerhouse without investing in improving the skills we need to make sure that we reduce our public spending and increase the amount we raise in taxes through a skilled workforce?

Angela Rayner: I thank my hon. Friend for that contribution.

For people like me who left school at 16, further education was one of the few routes out of poverty. I did an NVQ in care at my local college, and as a young woman—as a young single mum—it gave me just the start I needed to find work and fend for myself. I needed that opportunity to try to make my way in the world.

Further education gave me, and millions more like me, a second chance. It was a vital part of the comprehensive education system, which this Government now seem hellbent on destroying. They are kicking away the ladder

of opportunity for thousands of young adults in my constituency in Tameside and Oldham. I recommend that they come and visit. It is all right for those who can afford a place at Eton, but there's nothing in this Government's cuts to further education that will help the people to aspire to go to Tameside College or Ashton sixth-form college. One nation Britain? Do me a favour.

Huw Merriman: Coming from a very similar background to the hon. Lady, and having benefited from a sixth-form college, I will give her a different take. In my constituency, Bexhill sixth-form college continues to thrive and provide vocational education and to build people's confidence. That is a very different pattern from the one she has just painted.

Angela Rayner: But may I just remind the hon. Gentleman of the enormous 24% cut to the adult further education budget in England? That is a massive blow to the hopes and aspirations of millions of people who just want to get on in life: people who want improved qualifications in order to improve their pay and prospects; people who want to learn English so that they can be fully part of our communities, get work and pay their way in our country; people who may have lost their jobs because of the massive cuts in public services and who want to retrain and develop new skills; women with families who want to return to education and better themselves after bringing up their children; and young people looking for an apprenticeship because they have a vocation in life.

Andrew Gwynne: I welcome my hon. Friend, my neighbour in Tameside, to her place. With regard to upskilling young people, is it not worth commending Labour-controlled Tameside council, which has established a Tameside apprenticeship company, working with local partners and businesses, to provide the opportunities that she is talking about?

Angela Rayner: My hon. Friend is absolutely right, but this Government are saying no to all those people, kicking away the ladder of opportunity. [Interruption.] They are destroying people's hope. It is a massive blow to our economic success as a nation. They are setting our country back decades. The Opposition agree that the future for Britain is a high-skill, high-wage, dynamic economy in which learning is lifelong. We do not believe in a race to the bottom on the basis of low skills and low wages so that we can become the sink economy of the developed world.

Heidi Allen (South Cambridgeshire) (Con): Will the hon. Lady give way?

Angela Rayner: No, I am going to continue.

That way lies failure, waste and stagnation. I call on this Government to think again. You do not have a mandate for this. You did not tell the electorate about it. [Interruption.] If you continue with these shocking cuts, you will be wrecking Britain's future and blighting the lives of millions of people for whom further education is the route onwards and upwards to reaching their goals and achieving their dreams. You will also set back our economic prosperity. I urge you to think again.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. To be helpful, Ms Rayner, I just want to let you know that when you say “you,” that means me, and I do not want to accept any responsibility for what you are accusing others of. I have taken the blame, so I do not know why Government Front Benchers got quite so upset.

Ian Austin: On a point of order, Mr Deputy Speaker. I would never use the sort of appalling, sexist language that the former First Minister of Scotland used to describe the right hon. Member for Broxtowe (Anna Soubry), but is it in order for her to chunter through the Government Front Bench all the way through an Opposition Member’s speech, and as loudly as possibly—

Mr Deputy Speaker: Order. We both know that that is not a point of order. It is for the Chair to decide that, and I must say that I thought on this occasion the Minister was much quieter than she normally is, so let us not worry about it.

3.27 pm

Daniel Zeichner (Cambridge) (Lab): I would like first to congratulate those Members who have made their maiden speeches. I was particularly taken by what the hon. Member for East Dunbartonshire (John Nicolson) said about a well-educated electorate. I represent Cambridge, so I recognise his description. The point he was making is that the better educated the electorate, the more sensible their electoral choice. If the Government are as successful in their education policies as they claim to be, we will have a much better educated country, so I think the future of progressive politics looks bright. We look forward to their success on that basis. I also agree with the comments of the hon. Member for Watford (Richard Harrington) on university technical colleges. We have a university technical college in Cambridge, and it is doing excellent work and making a major contribution.

I want to reflect on not only some of the problems of the skills crisis, but some of the less well-rehearsed consequences. The problems that my constituency faces—we have an excellent further education college, Cambridge Regional College—are similar to those described so eloquently by many other Members. Unfortunately, there have been similar levels of cuts, with cuts in its budget every year since 2010, and it is facing funding cuts of between £2.5 million and £3 million over the next couple of years.

Yesterday we spoke to a number of representatives from the University and College Union, Unison and the Association of Teachers and Lecturers. They fleshed out what those cuts actually mean. While Government Members are claiming that things are going well, the people on the front line are telling us what that means in practice. We heard about the effective deskilling of many of our key people. For instance, people who had been lecturers are becoming instructors. I do not think that many of us would like to be offered the opportunity to come back the following year to do effectively the same job for £10,000 a year less, and with a very different status, but that is clearly what is happening in a number of places. Whatever one feels about the effect on those individuals, we have to ask what the effect is on the learner experience. I do not believe that it can be good.

If Government Members do not want to listen to the people who represent the staff, I suggest that they talk to employers in their area, as I do in my area. The messages that I hear about skills shortages are absolutely clear. Our local enterprise partnership recently conducted a survey and found that about 91% of employers had problems recruiting in the previous year because they could not find people with the right skills. That is a block on economic progress in our area. Last week, I met the Federation of Small Businesses, which said that the biggest issue its members face is exactly the same problem: they cannot find people with the right skills to do the jobs.

Perhaps more surprising is what I heard from local housing associations when I met them yesterday. Housing associations have a lot on their plate at the moment, as Members can probably imagine. Should the Conservative party’s policies be implemented, they will be required to replace houses. The problem they face is that finding the skilled people to build houses in areas like Cambridgeshire is near impossible. That is the basic problem with that policy. I will tell Members what the answer is for the housing associations. It is migrant labour, because people from other countries have got the skills and will come here to do the jobs.

Interestingly, it is often claimed in debates on other issues that the pull factor to this country is benefits. Actually, the pull factor is the lack of skills in this country—our inability to train our own people to do the jobs that we need to be done. This is a five-year Parliament and there is a long time ahead, so I suggest to Conservative Members, in a friendly, positive way, that if they want to have economic success, they will have to analyse the problem correctly in the first place. If they misdiagnose the problem, they are certain to fail to get the right answer.

Alex Cunningham: One problem in this country is the difference between the regions. Unemployment is almost 50% higher in the north-east of England than in the rest of the country, yet there has been a shift of money from the north to the south. I appreciate that my hon. Friend has problems in his area, but there has been a shift of funding from north to south. Does he agree that the Government need to tackle that issue?

Daniel Zeichner: It is certainly right that we need different approaches for different parts of the country. That is why I have always been a strong regionalist and why I decry the savage cuts to the regional structures that were made by the last Government. However, I have funding problems and inequalities in my part of the world. Schools in Cambridgeshire are woefully underfunded compared with schools in other parts of the country. This is a complicated set of issues, but my hon. Friend is right that, in general, there has been a shift of resources from poorer areas to wealthier areas. That cannot be right.

I want to reflect on some of the alternative solutions. Given what I have said, it is obvious that in my view the policy that is being pursued of reducing the resources that go to those who provide our training services is not the right way forward. However, this matter goes beyond our colleges. As I just mentioned, our sixth-form colleges have suffered an enormous hit to their funding over the past few years. I understand that over the past five

[Daniel Zeichner]

years, their budgets have been cut by as much as a third. My constituency has some fantastic sixth-form colleges—some of the best performing in the country—but they continue to perform well only because of the heroic efforts of their staff in very difficult circumstances. Some of them face appalling recruitment problems. That is not sustainable. We will not be able to go on producing good results with ever-diminishing resources. Frankly, that will not work.

We have seen the near destruction of the careers service in many places. That means that, all too often, the provision of careers advice falls to teachers, who are not necessarily trained in making the right suggestions to young people. Understandably, they tend to fall back on their own experiences. What happens far too often is that the advice given to our young people does not necessarily put them down the vocational route that would be best for them.

Some good things are happening. Marshall Aerospace is doing a very good job in my constituency, working with schools on a programme it has just launched, of encouraging more young people to go into engineering. Frankly, however, it is a drop in the ocean compared with what we need. We need a major change of tack to tackle this problem. I have to say that I have not heard much from Government Members to give me great confidence that that is going to happen. I fear we will have to wait for a different Government to solve these long-term problems.

3.35 pm

Liam Byrne (Birmingham, Hodge Hill) (Lab): This has been an excellent debate. It has been made all the better for the outstanding maiden speeches we heard from the hon. Members for East Dunbartonshire (John Nicolson), for Glasgow Central (Alison Thewliss), for Derby North (Amanda Solloway) and for Northampton South (David Mackintosh) and my hon. Friend the Member for Bradford East (Imran Hussain). I was very glad to hear about the warnings and risks to our line of work from the hon. Member for Northampton South. The hon. Member for Derby North spoke with great courage about the progress we need to make to improve our mental health services. My hon. Friend the Member for Bradford East spoke with real passion and force about the transformative power of education. They all spoke with great wit, great eloquence and great passion, making a mark on both the debate and the House.

What we have sought to do in the debate is put the challenge of productivity centre stage. I am delighted that the Chancellor has now woken up to the productivity crisis that bedevils us, albeit arguably five years too late. The facts are very clear, extraordinary and alarming: there is now a 20% productivity gap between the United Kingdom and our G7 competitors. What does that mean? It means something pretty stark: what the rest of the G7 finish making on a Thursday night takes us to the end of Friday to get done. If this carries on, it will mean something pretty simple for the UK economy. We will become the cheap labour economy of Europe, while the rest of our competitors—we have heard many of those stories today—will continue to streak ahead. Quite simply, unless we grow smarter, we are going to grow poorer. There is no other way of raising living standards

in the medium term unless we improve our productivity. It is good that the Chancellor has finally woken up to this issue. In three weeks' time, he has the chance to set out a Budget that reflects on the contributions we have heard this afternoon and, crucially, does something about it.

The productivity crisis has come around every decade or two in this country since the second world war. In the 1970s we invented a phrase for it. We used to call it the British disease. Right now, the growth in productivity is worse—not better—than it was at the end of the 1970s. The British disease is back and it is worse than ever. The danger is that this is unfolding at a time when our challenges are getting stronger. We are now all pretty familiar with the strength of the education system in countries such as China and in cities such as Shanghai. I commend the Government for seeking to learn what lessons they can about how we improve our education system from some of those new competitors. I think it is next year, however, that China will spend more on science than the whole of Europe put together. Four out of the top 10 biggest global technology firms are now Asian. We are going to fall behind, and fall behind fast, unless we tackle skills and growth with greater vigour.

Across Westminster and beyond, I think there is an acceptance and a sense that reform of technical education is too fragmentary, not ambitious enough and too piecemeal. What we are seeing in some of the Government's reforms are challenges to every single rung of the ladder. It is not clear whether the EBacc will apply to all students in all schools, such as UTCs. I hope the Minister can clarify that.

The hon. Member for Watford (Richard Harrington) was heroically, and quite understandably, unable to answer that question. We hope the Minister will do a better job.

The number of unqualified teachers in our classrooms is up 16% at the last count. Half of state schools do not send a single girl to do A-level physics. The CBI says our careers service is on life support. As the Minister will know, the number of apprenticeships for under-25s has not risen in the past year, but has actually fallen. The Secretary of State needs to talk far more about the apprenticeship opportunities she is championing in government for 16 to 19-year-olds. It is now widely accepted that it is not enough for the Government to talk about their ambition for the number of apprentices; they have to talk about raising the quality bar too.

A far-too-small number of apprentices go on to degree-level study. I know the Minister is working hard on this, but it is simply not good enough, as my hon. Friend the Member for Dudley North (Ian Austin) pointed out, that only 2% of apprentices go on to degree-level studies. At the moment, 70% of higher apprentices go to over-25s, and there has been a 40% fall in the number of people studying for HNCs and HNDs. As a result, the skills gap is getting wider and wider. The chief executive of Jaguar Land Rover, Mike Wright, says that there is a 40% gap every year in the number of qualifying engineers. My hon. Friend the Member for City of Durham (Dr Blackman-Woods) set out with tremendous eloquence what damage that is doing to the fabric of our economy.

Of all the challenges, however, perhaps the most serious is that the Government seem hellbent on destroying the spine of the technical education system—our further

education colleges. This afternoon we have heard powerful testimony about the damage being wrought all over the country. My hon. Friend the Member for Birmingham, Perry Barr (Mr Mahmood) spoke with his customary eloquence about the impact of the 24% in-year cut to the adult skills budget. It is hard for cities such as Birmingham to move people up the skills ladder when every rung of that ladder seems to be being broken. He was absolutely right to set out the extraordinary work that colleges such as South and City College Birmingham and Birmingham Metropolitan College are doing, but they are doing it despite the Government, not because of them.

Antoinette Sandbach (Eddisbury) (Con): The right hon. Gentleman's words might have more credence were Labour not doing the same in Wales to further education colleges there. It is clear that cuts are being delivered and that qualifications, particularly in STEM subjects, are not being achieved in Wales.

Liam Byrne: The hon. Lady cannot evade the fact that a 24% cut is being delivered to adult education budgets across our country. Right now, colleges and college leaders all over Britain are saying to right. hon. and hon. Members that many colleges are about to fall over. If the Minister is serious, as I hope he is, he has a judgment day coming at him in three weeks. If the Chancellor stands at the Dispatch Box and does not deliver a sensible, sustainable settlement for further education, I fear that the Minister's ambitions for the future of the technical education system will come to naught.

My hon. Friend the Member for Liverpool, Walton (Steve Rotheram) set out the horrifying scale of cuts to the City of Liverpool College. I cannot believe that such a college is having to lose 1,300 places at a time when the prospects for regeneration in Liverpool are pretty good. My hon. Friend the Member for Dudley North talked about the catastrophe unfolding at Dudley College, which is doing anything and everything to help people in Dudley get up the skills ladder, get qualified and get better jobs, and again it is doing that despite the Government, not because of them.

My hon. Friend the Member for Ashton-under-Lyne (Angela Rayner) has not been in the House long, but she made a powerful speech about the damage being wrought to Tameside College and the denial of opportunities she is already seeing in her constituency. The right answer would have been to protect the 16-to-19 education budget, which would have delivered a £400 million uplift to further education over this Parliament.

The Government will have to make a decision in three weeks' time. Are they serious about backing the Secretary of State for Education in her ambitions? Are they serious about backing the Minister for Skills in his? It will be decision time, and Ministers will be judged on whether the Chancellor delivers.

George Kerevan (East Lothian) (SNP): Does the right hon. Gentleman agree that one of the prime examples of the lack of numeracy in the United Kingdom workforce that is undermining our productivity is the inability of Conservative Members to make any association between

the massive cuts that they are introducing and the reduction in the skills base and skills training in this country?

Liam Byrne: The hon. Gentleman is absolutely right. The same case was made earlier, with some force, by my hon. Friend the Member for Cambridge (Daniel Zeichner).

There has been an improvement in the youth unemployment figures, but they are still too high. *[Interruption.]* The Secretary of State should listen, because it is in towns such as her constituency of Loughborough that employers are "sponsoring in". This country imported 300,000 people over the course of the last Parliament because firms were able to prove that there was a skills shortage here, and I am afraid that that gap, and that pull, will only increase unless the Secretary of State weaves her magic with her right hon. Friend the Chancellor in three weeks' time. Where initiatives such as the northern powerhouse are creating the opportunities for which we pray, those initiatives will come to mean nothing to families unless we give local people the skills that will enable them to do those new jobs.

Last week, in Westminster Hall, the Minister reflected thoughtfully—as he often does—on his ambition to agree strategic principles for the long term to underpin reform of the technical education system. Our motion this afternoon, which has been welcomed by the Institution of Mechanical Engineers, gives him a chance to seize that opportunity with both hands, and I hope that he will take up the offer to agree on principles that could reform the system for a generation to come. There are points of consensus, a couple of which were identified by the hon. Member for Watford in what was a very thoughtful speech.

Over the last year, my hon. Friend the Member for Stoke-on-Trent Central (Tristram Hunt) and I have set a number of principles, which I offer the Minister this afternoon. First, there must be a broad and balanced curriculum in our schools. That will be harder to deliver at a time when school budgets are being cut by 10%, and at a time when there is ambiguity and confusion over whether every pupil in every school is required to take the English baccalaureate. Secondly, we need to rebuild the careers service in this country. Modern economies need strong careers services in schools. There is an obvious place to look for the money: £50 million could be taken from the widening participation fund.

Thirdly, there must be huge support from the Government for the city apprenticeship agencies that are being established by Labour councils such as those in Leeds and my home city of Birmingham. They are important, because they help small and medium-sized enterprises by finding young people who want to take up apprenticeships. SMEs are creating most of the jobs in our economy today.

Fourthly, there must be more specialisation and quality in further education, which will require a sensible funding settlement. That is the only way in which we can set good examples such as Prospects College of Advanced Technology, or PROCAT, which was mentioned earlier. Fifthly, we must allow more apprentices to study skills to degree level. We cannot simply pass a law to deliver parity of esteem between apprenticeships and degrees. We must create a system that will allow more than 14,000 apprentices a year to proceed to higher-level skills.

[Liam Byrne]

When we live in a country where those who are retiring are more literate than those who are coming into the labour market, we face a very serious challenge, and, this afternoon, no one described that challenge better than my hon. Friend the Member for Dudley North. The challenge of technical education has long frustrated us in this country. It was back in 1944 that Lord Percy said, in a report that he delivered to the Government, that

“the position of Great Britain is being endangered by a failure to secure the fullest possible application of science to industry... and...this failure is partly due to deficiencies in education.”

We do not want that conclusion to be delivered again in 50 years' time.

I hope that the Minister will take it on himself today to deliver a level of consensus, agreement and support for the motion. I hope that generations to come will look back on days like today and say, “That was the moment when partisan differences were put aside, and the parties decided to come together to rise to the challenge of the future.” I commend the motion to the House.

3.49 pm

The Minister for Skills (Nick Boles): This has been an excellent debate. We have heard a series of remarkable maiden speeches telling the story of what we all want to see: a nation of opportunity and aspiration, and a nation in which people of every background in every part of the country are able to achieve professional success and, in the case of those hon. Members making their maiden speeches, the ultimate accolade of election to Parliament.

We heard from the hon. Member for East Dunbartonshire (John Nicolson), with whom I have not exchanged words for about 25 years. We met once, many years ago.

Mr Iain Wright (Hartlepool) (Lab): Tell us more!

Nick Boles: Sadly, there were other people present.

We heard from the hon. Gentleman that he had been the first person from his family to go to university, and here he is now. He is going to do his constituents proud in this Chamber. I should like to add a note of thanks for his generous tribute to his predecessor, Jo Swinson, who was probably the Conservatives' favourite Liberal Democrat.

We also heard from my hon. Friend the Member for Derby North (Amanda Solloway), who will be relieved to hear that I am not going to recall a meeting of 20 years ago with her. She spoke of the idea of a nation of aspiration that had given her the opportunity, despite having had an education that had not given her great qualifications or a degree, to succeed in retail and manufacturing and then to find her way on to these green Benches. Having heard her fantastic speech, I can assure her that she will do much more than double her majority in five years' time.

We heard from the new broom in Bradford East, the hon. Member for Bradford East (Imran Hussain). His grandfather found opportunity in Bradford's mills. How proud he would be today to see that his grandson had not only qualified as a barrister in the courts of the United Kingdom but now been elected to Parliament.

My hon. Friend the Member for Northampton South (David Mackintosh) spoke eloquently and with the experience of a local government leader on the role of education in regeneration and, in particular, on the project that he has spearheaded—the Northampton Alive regeneration scheme. I have no doubt that he will never give any of his constituents reason to follow the example of the assassin of one of his predecessors.

The hon. Member for Glasgow Central (Alison Thewliss) spoke very well of the work of the Scottish Government on improving skills training. I have heard good reports about the Scottish apprenticeship programme from employers who provide apprenticeships in all parts of our country. I believe in learning from anyone and everyone, and I would be keen to learn from Scottish Ministers what they have found to be successful. I am planning to visit the hon. Lady's fair city this summer, and I shall be sure to visit the area of Toryglen, even if I am the only Tory in it.

Following this debate, I wish I could report that Her Majesty's Opposition were reflecting on the result of the election and on the messages sent to them, ever so politely, by the British public. I wish I could say that they were approaching that subject with humility and an open mind, asking themselves whether there was anything in their presentation before early May that they should perhaps revise. Sadly, however, that was not to be. We heard groundhog day of the Labour story. All we heard from Opposition Members was an endless series of increasingly hysterical attacks on cuts in public spending.

I have a lot of time for my opponent, the right hon. Member for Birmingham, Hodge Hill (Liam Byrne). I believe he is a good and thoughtful man, and that he was a good and thoughtful Minister in his time, but he can tell his colleagues why those public spending cuts were necessary.

Tristram Hunt: Will the Minister give way?

Nick Boles: I will not give way.

My right hon. Friend the Prime Minister spent quite a lot of the past six to eight weeks opening his breast pocket and brandishing a letter from the right hon. Member for Birmingham, Hodge Hill, in which he said that there was no money left. We never wanted to cut public spending and never wanted to impose those difficult decisions; we have done so because of the legacy that he left us and made fun of in a letter—we are living with those consequences.

Tristram Hunt *rose*—

Nick Boles: I will not give way, as the right hon. Member for Birmingham, Hodge Hill has had his go.

We heard barely a word from Labour Members about qualifications reform or about our apprenticeship reforms, which are putting employers in charge of developing standards and controlling Government investment in apprenticeships. [Interruption.]

Madam Deputy Speaker (Mrs Eleanor Laing): Order. If the hon. Gentleman wishes to give way, he will do so. It is not for others to tell him to give way—he is not giving way.

Nick Boles: Let me make it clear that I would be happy to give way to a Back Bencher, but I think we can all agree that we have heard quite enough from the hon. Member for Stoke-on-Trent Central (Tristram Hunt) this week, in his not-so-pithy contributions to our debates.

We heard barely a word from Labour Members about our plans to ensure that anyone who has been failed in school and who has failed to achieve sufficient qualifications in English and maths should carry on studying them, through a further education college or whatever other route they take. That is a plan we have invested in and that we are developing.

Alex Cunningham *rose*—

Nick Boles: I am happy to give way to a gentleman who is also always pithy.

Alex Cunningham: I am grateful to the Minister for giving way. He mentioned trying to give opportunities to those who fail to achieve the necessary standard in maths and English. When will the Government provide parity of funding to our colleges so that they can do that job?

Nick Boles: I am sure the hon. Gentleman is aware that, unlike under the Government he supported, when sixth forms in schools received much more money per pupil than sixth-formers in other institutions, we have an absolutely equal funding system. Whether someone is in a sixth form or school, or a further education college or a sixth-form college, they will receive exactly the same amount of money per pupil, as he should know well.

We do not believe that we have a monopoly on good ideas, and we are not remotely complacent about the state of education for 14 to 19-year-olds, but we will oppose the motion because a review or, God forbid, the royal commission that one Labour Member called for would distract the Government at a time when we are making real progress. We are making progress in ensuring that everybody secures that vital passport to success which is a mastery of English and maths. We are making progress in reforming qualifications so that they are rigorous, respected and backed by employers. We are making progress with apprenticeships, not just by increasing their number to 2.2 million in the last Parliament, but by introducing reforms that got rid of programme-led apprenticeships, which the last Labour Government introduced. Those involved no employer, no job and a few months of training in a college, yet Labour dared to call them apprenticeships. We have got rid of those and our reforms will continue.

We are making progress with the introduction of university technical colleges, and I was glad to hear support for the concept from Opposition Members. We want UTCs, spearheaded by one of the greatest Education Secretaries that any Conservative Government have ever had, to be within reach of every city. But we want them to flourish too, and we will be looking to make sure that every UTC can succeed, both financially and educationally.

We are agreed on one thing at the end of this debate: we have huge ambitions for our education system, and they are not yet met. We have huge aspirations for every

young person going through school and going into a further education institution in our country, and those aspirations are not yet guaranteed. We will not rest until everybody in this country, in this one nation—in Scotland, Wales, England and Northern Ireland—is able to leave school and college with qualifications that equip them for a life of work; a life that is fulfilling and rewarding and that helps to make this country one of the greatest countries on Earth.

Question put.

The House divided: Ayes 265, Noes 315.

Division No. 17]

[3.59 pm

AYES

Abbott, Ms Diane	David, Wayne
Abrahams, Debbie	Davies, Geraint
Ahmed-Sheikh, Ms Tasmina	Day, Martyn
Alexander, Heidi	De Piero, Gloria
Ali, Rushanara	Debbonaire, Thangam
Allen, Mr Graham	Docherty, Martin John
Anderson, Mr David	Dodds, rh Mr Nigel
Arkless, Richard	Donaldson, rh Mr Jeffrey M.
Ashworth, Jonathan	Donaldson, Stuart Blair
Austin, Ian	Doughty, Stephen
Bailey, Mr Adrian	Dowd, Peter
Bardell, Hannah	Dromey, Jack
Barron, rh Kevin	Dugher, Michael
Benn, rh Hilary	Durkan, Mark
Betts, Mr Clive	Eagle, Ms Angela
Black, Ms Mhairi	Eagle, Maria
Blackford, Ian	Efford, Clive
Blackman, Kirsty	Elliott, Tom
Blackman-Woods, Dr Roberta	Esterson, Bill
Blomfield, Paul	Evans, Chris
Boswell, Philip	Fellows, Marion
Bradshaw, rh Mr Ben	Ferrier, Margaret
Brennan, Kevin	Field, rh Frank
Brock, Deidre	Fitzpatrick, Jim
Brown, Alan	Fleelo, Robert
Brown, Lyn	Fletcher, Colleen
Brown, rh Mr Nicholas	Flint, rh Caroline
Bryant, Chris	Fovargue, Yvonne
Buck, Ms Karen	Foxcroft, Vicky
Burden, Richard	Gapes, Mike
Burgon, Richard	Gardiner, Barry
Butler, Dawn	Gethins, Stephen
Byrne, rh Liam	Gibson, Patricia
Cadbury, Ruth	Glass, Pat
Cameron, Dr Lisa	Glindon, Mary
Campbell, rh Mr Alan	Godsiff, Mr Roger
Campbell, Mr Gregory	Goodman, Helen
Campbell, Mr Ronnie	Grady, Patrick
Champion, Sarah	Grant, Peter
Chapman, Douglas	Gray, Neil
Cherry, Joanna	Green, Kate
Coffey, Ann	Greenwood, Lilian
Cooper, Julie	Greenwood, Margaret
Cooper, Rosie	Griffith, Nia
Cowan, Ronnie	Gwynne, Andrew
Cox, Jo	Haigh, Louise
Coyle, Neil	Hamilton, Fabian
Crausby, Mr David	Hanson, rh Mr David
Creagh, Mary	Harman, rh Ms Harriet
Cruddas, Jon	Harpham, Harry
Cryer, John	Harris, Carolyn
Cummins, Judith	Hayes, Helen
Cunningham, Alex	Hayman, Sue
Cunningham, Mr Jim	Healey, rh John
Dakin, Nic	Hendrick, Mr Mark
Danczuk, Simon	Hendry, Drew

Hepburn, Mr Stephen
 Hermon, Lady
 Hillier, Meg
 Hodge, rh Margaret
 Hodgson, Mrs Sharon
 Hoey, Kate
 Hollern, Kate
 Hopkins, Kelvin
 Hosie, Stewart
 Howarth, rh Mr George
 Hunt, Tristram
 Huq, Dr Rupa
 Hussain, Imran
 Irranca-Davies, Huw
 Jarvis, Dan
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Kaufman, rh Sir Gerald
 Keeley, Barbara
 Kerevan, George
 Kerr, Calum
 Khan, rh Sadiq
 Kinnock, Stephen
 Kyle, Peter
 Lavery, Ian
 Law, Chris
 Leslie, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Clive
 Lewis, Mr Ivan
 Long Bailey, Rebecca
 Lucas, Caroline
 Lucas, Ian C.
 Lynch, Holly
 MacNeil, Mr Angus Brendan
 Mactaggart, rh Fiona
 Madders, Justin
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Mr Gordon
 Maskell, Rachael
 Matheson, Christian
 Mc Nally, John
 McCabe, Steve
 McCaig, Callum
 McCarthy, Kerry
 McDonald, Andy
 McDonald, Stewart
 McDonald, Stuart C.
 McDonnell, Dr Alasdair
 McDonnell, John
 McFadden, rh Mr Pat
 McGarry, Natalie
 McGinn, Conor
 McInnes, Liz
 McLaughlin, Anne
 Meacher, rh Mr Michael
 Meale, Sir Alan
 Mearns, Ian
 Miliband, rh Edward
 Monaghan, Carol
 Monaghan, Dr Paul
 Moon, Mrs Madeleine
 Morden, Jessica
 Morris, Grahame M.

Mullin, Roger
 Murray, Ian
 Nicolson, John
 O'Hara, Brendan
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Owen, Albert
 Paisley, Ian
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Phillips, Jess
 Pound, Stephen
 Powell, Lucy
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Jamie
 Reed, Mr Steve
 Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan
 Ritchie, Ms Margaret
 Robertson, Angus
 Robinson, Gavin
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Shah, Naz
 Shannon, Jim
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Shuker, Mr Gavin
 Siddiq, Tulip
 Skinner, Mr Dennis
 Slaughter, Andy
 Smeeth, Ruth
 Smith, rh Mr Andrew
 Smith, Angela
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Spellar, rh Mr John
 Starmer, Keir
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Stuart, Ms Gisela
 Tami, Mark
 Thewliss, Alison
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thompson, Owen
 Thomson, Michelle
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turner, Karl
 Twigg, Derek
 Twigg, Stephen
 Umunna, Mr Chuka
 Vaz, rh Keith
 Vaz, Valerie
 Weir, Mike
 West, Catherine
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan

Wilson, Corri
 Wilson, Phil
 Wilson, Sammy
 Winnick, Mr David
 Winterton, rh Ms Rosie
 Wishart, Pete

Woodcock, John
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Ayes:
Bridget Phillipson and
Tom Blenkinsop

NOES

Adams, Nigel
 Afriyie, Adam
 Aldous, Peter
 Allan, Lucy
 Allen, Heidi
 Amess, Sir David
 Andrew, Stuart
 Ansell, Caroline
 Argar, Edward
 Atkins, Victoria
 Bacon, Mr Richard
 Baker, Mr Steve
 Baldwin, Harriett
 Barclay, Stephen
 Baron, Mr John
 Barwell, Gavin
 Bebb, Guto
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Crispin
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 Brady, Mr Graham
 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
 Carmichael, Neil
 Cartledge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 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
 Davies, Philip
 Dinenage, Caroline
 Djanogly, Mr Jonathan
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Drax, Richard
 Drummond, Mrs Flick
 Duncan, rh Sir Alan
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Ellis, Michael
 Ellison, Jane
 Ellwood, Mr Tobias
 Elphicke, Charlie
 Eustice, George
 Evans, Graham
 Evans, Mr Nigel
 Evennett, rh Mr David
 Fabricant, Michael
 Fernandes, Suella
 Field, rh Mark
 Foster, Kevin
 Fox, rh Dr Liam
 Francois, rh Mr Mark
 Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, Mark
 Gauke, Mr David
 Ghani, Nusrat
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 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
 Heappey, James
 Heaton-Harris, Chris
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Boris
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kirby, Simon
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Leadsom, Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian

Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 McPartland, Stephen
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Newton, Sarah
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Osborne, rh Mr George
 Patel, rh Priti
 Paterson, rh Mr Owen
 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
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robinson, Mary
 Rosindell, Andrew
 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, Bob
 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
 Turner, Mr Andrew
 Tyrrie, 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
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:
 Guy Opperman and
 Jackie Doyle-Price

Question accordingly negated.

Productivity

4.12 pm

Chris Leslie (Nottingham East) (Lab/Co-op): I beg to move,

That this House notes that UK economic productivity has been stagnating for several years with productivity growth the second worst of the G7 countries; recognises that supporting business to improve output efficiency and enhanced productivity is the best route to higher living standards and in turn is crucial for the health of the public finances; regrets that the Chancellor failed to address productivity in his March Budget speech; urges the Government to ask the Office for Budget Responsibility to report on the impact on productivity of the options likely to be considered in the forthcoming Spending Review; and believes that decisions on reducing public service expenditure must take into account their impact on productivity performance.

The productivity of our economy and of businesses, the workforce and the resources of our country is critical for our recovery and for our future prosperity. There should be a cross-party consensus that productivity is the key challenge facing Britain today, which is why I was very disappointed by the Chancellor's attitude at Treasury questions yesterday and at his point-blank refusal to engage with this crucial debate in the House of Commons today. We have learned that when it comes to dealing with issues that he does not want to attend to, the Chancellor either blames someone else or sends someone else. In that growing tradition, I welcome the new Chief Secretary to the Treasury to his new role.

The Chief Secretary to the Treasury (Greg Hands): Will the hon. Gentleman give way?

Chris Leslie: Of course I will. How could I not?

Greg Hands: Surely the hon. Gentleman must admit that, given that the Chancellor was here yesterday at Treasury questions, and able to answer questions on productivity, and that he was here again today as First Secretary for Prime Minister's questions, and able to answer questions on productivity, he has been available in this House to answer questions.

Chris Leslie: I am sure the Chancellor is very much focused on being the Prime Minister in waiting. He is, of course, the eminent First Secretary of State, and I hope his junior Ministers occasionally manage to peek round his door and get the odd minute of his very busy time on these matters.

The mark of a Chancellor focused on our economic challenges would have been to engage a bit more thoughtfully in considering how best we can tackle Britain's productivity problems, but he could not bring himself to mention productivity once during his 8,000-word Budget speech three months ago.

Simon Hoare (North Dorset) (Con): The hon. Gentleman is being a little churlish. I am sure that we can all be accused of all sorts of things, but over the past five and a half years my right hon. Friend the Chancellor has focused with Exocet precision on making the economy grow, increasing jobs and getting us on the move again. Such churlishness belies the hon. Gentleman.

Chris Leslie: I am sorry that the hon. Gentleman finds my remarks a little churlish. When did he last speak to the Chancellor about productivity?

Simon Hoare: Clearly, the hon. Gentleman is not a barrister. One should never ask a question to which one does not know the answer. Last Thursday in the Lobby.

Chris Leslie: I am delighted to hear it. I only wish that the Chancellor would come and talk to the rest of us about productivity.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. For the record and for the avoidance of doubt, it is not normal practice, although I will forgive the hon. Member for Nottingham East (Chris Leslie) on this one occasion, for the performer at the Dispatch Box to ask questions of the other side's Back Benchers. In case anyone who is new to the House thinks that this is how we do things, I should say that it is not. However, on this occasion, I will allow some leniency.

Chris Leslie: Thank you for that sage advice, Madam Deputy Speaker. I suspect that the Chancellor will be forced to address the question of productivity in the forthcoming emergency Budget on 8 July. Let us dwell for a moment on why productivity matters.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I think that my hon. Friend is being a little unfair on the Chancellor. I have asked the Chancellor several times about productivity and he has no answers. That is the truth of the matter. Time and time again, the Opposition have asked the question and he does not know the answer, because productivity is flatlining.

Chris Leslie: That is why I think it is so appalling that the Chancellor could not be bothered to mention it in the Budget speech in March. It should be at the top of the agenda of all Treasury teams and all Departments—

Mark Garnier (Wyre Forest) (Con) *rose*—

Chris Leslie: I will give way in a moment to the hon. Gentleman, who will, I know, have plenty to contribute on the subject.

Our economic prosperity depends on maximising the output from the efforts of working people and the resources available to business. The amount of output per hour worked is a useful way for us to measure whether our economy is advancing and adding value, or whether we are just treading water. Creating a more productive economy means creating a virtuous circle of higher growth, higher living standards and, as a consequence, more effective deficit reduction. When working people can produce more and they have the tools and the skills to create output more efficiently, employers can afford to pay them more, tax revenues become more buoyant and our GDP can grow in a more sustainable way.

Andrew Gwynne (Denton and Reddish) (Lab): *rose*—

Chris Leslie: I will give way to my hon. Friend after I have given way to the hon. Member for Wyre Forest (Mark Garnier).

Mark Garnier: The shadow Chancellor is absolutely right: productivity is incredibly important. The Treasury Committee and *The Economist* have been banging on ad nauseam about it, certainly during my five years as a Member of Parliament. Why has he picked up on it only in the past six months?

Chris Leslie: I will send the hon. Gentleman the anthology of Chris Leslie's speeches, because I am sure that he will be keen to find out every occasion—in 2013, 2014 and 2015—on which I have talked about productivity. I have been talking about it for a very long time. We must not think of it as simply a parliamentary issue. The CBI has emphasised the importance of higher productivity as the only way to secure long-term and sustainable wage growth. In the words of the Governor of the Bank of England,

“productivity growth—doing more with less—is the key determinant of income growth. Our shared prosperity depends on it.”

As Paul Krugman famously put it:

“Productivity isn't everything, but in the long run it is almost everything.”

We need a cross-party approach to the challenge.

Andrew Gwynne: The Chancellor is always very keen to make economic comparisons between the United Kingdom economy and G7 counterparts, but UK output per hour is 17% below the G7 average and a huge 31% below the USA average. Is not that the root cause of this problem?

Chris Leslie: We can see that the problem is particularly stark when we make those international comparisons. Our productivity growth rate has plummeted to the second worst in the G7. The UK was ranked 29th out of 36 OECD countries for GDP growth between 2010 and 2014. My hon. Friend makes an important point.

Andrew Bridgen (North West Leicestershire) (Con) *rose—*

Mr Jim Cunningham (Coventry South) (Lab): Will my hon. Friend give way?

Chris Leslie: I give way to my hon. Friend.

Mr Cunningham: Surely we can take the argument further when we talk about productivity. This is not a new debate—it has been going on for very many years. We do not necessarily have to look at hourly productivity; we have to give the individual who produces things the equipment and research to do the job. That is how we increase productivity, when we break it all down.

Chris Leslie: As my hon. Friend says, it is incredibly important to invest in new production process technologies and make sure that we have the necessary machinery and capital equipment. I will turn to business investment and how we can incentivise it. We have to make sure that the Chancellor addresses those challenges. He has his emergency Budget and his own political priorities that he wants to put first, but this, ultimately, is the key.

John Redwood (Wokingham) (Con) *rose—*

Chris Leslie: The hon. Member for North West Leicestershire (Andrew Bridgen) was on his feet first, and I would not want to pick the right hon. Gentleman before him.

Andrew Bridgen: The shadow Chancellor talks about productivity and the need to invest in plant and machinery, and the need for cross-Chamber support, to improve our productivity. Does he therefore support the Conservative Government's maintenance or increase of capital allowances for businesses, giving them a clear incentive to invest in their businesses?

Chris Leslie: Labour Members have consistently supported proper and sustained capital allowances for business investment. One of the errors in the previous Parliament was that the Chancellor reduced them so rapidly before he then saw the error of his ways and returned them to the level at which they are now. That chopping-and-changing, stop-start approach is anathema to good, proper, long-term business planning.

We would not know it from the Chancellor's complacency, but UK economic productivity is stuck in the slow lane. According to the Office for National Statistics, the stagnation of productivity growth is “unprecedented” in post-war Britain. Earlier this month, the OECD said that weak labour productivity remains a problem and that

“the sustainability of economic expansion and further progress in living standards rest on boosting productivity growth”.

The Bank of England has emphasised the “extremely and uncharacteristically weak” growth in UK productivity and said that there is still

“great uncertainty about how productivity might evolve” and how that could affect the economy.

Cat Smith (Lancaster and Fleetwood) (Lab): Why does my hon. Friend think that productivity has been so stagnant for the past three years in particular?

Chris Leslie: The evidence is very clear that we have had persistently poor productivity in recent years. I will talk about the impact of Government investment on infrastructure and tackling the skills challenge that we need to address. The issue has been very much kicked into the long grass in recent years, and that is not good enough.

Michael Fabricant (Lichfield) (Con): I commend the hon. Gentleman for introducing this debate on an important subject. Does he accept that in certain areas and segments, such as car manufacturing, UK productivity is high? At Nissan, for example, productivity is as high as at any car manufacturer in Europe. Will he applaud the Government's proposals to create 3 million apprentices? Nissan and other manufacturers accept that it is through the apprenticeship schemes that productivity will be raised.

Chris Leslie: It is important to recognise that productivity problems are not the same across every single sector. Some sectors are managing to break through and making a difference, perhaps relative to other sectors in other parts of the world. It is important that we focus on apprenticeships and skills, but the quality of those apprenticeships is key as well. I will say more about skills, on which we have just had an Opposition day debate.

Robert Ffello (Stoke-on-Trent South) (Lab): Some apprenticeships are undoubtedly very good, but I am aware of some in north Staffordshire and the wider area that are little more than “YTS rebranded”—people come in, work for a period almost as exploited slave labour, are then kicked out, and the next batch of apprentices are brought in. There are some very good apprenticeships, but some are frankly scandalous.

Chris Leslie: I agree that we need far better scrutiny of the nature of apprenticeships and of skills and training. We sometimes have a blanket approach that all schemes or tax incentives are the same and—this is the

[Chris Leslie]

classic Whitehall problem—leave them without going into the detail of how they add value and of how quality fits in. I would advocate a better look at the quality of such investments.

John Redwood *rose*—

Chris Leslie: I ought to give way to the right hon. Gentleman.

John Redwood: This is a very important debate, and we can learn together about how we can do better. During the 13 years of the Labour Government, there was practically no productivity gain whatever throughout the whole public service. Why was that, and what can we learn from it?

Chris Leslie: Normally, I have a lot of respect for the right hon. Gentleman, but I am afraid his facts on that are wrong. Under the previous Labour Government, we had a period of sustained productivity growth. [HON. MEMBERS: “Public sector!”] Did I hear something, Madam Deputy Speaker? When it comes to private sector productivity, we had a sustained period of growth. We can talk about public sector productivity, but I am focusing on the wider economic, private sector productivity, which is ultimately the way in which we create wealth and prosperity in this country.

I am very proud of what the previous Labour Government did. Between 1997 and the period just before the global financial crisis, productivity grew by an average of 2.2%. In fact, it reached 4.2% in 2003. At the time, the UK’s productivity was second only to that of the United States. The CBI has emphasised that improvements in labour productivity accounted for almost three quarters of UK economic growth during that decade. Over that period, real wages rose faster in the UK than in other advanced economies, and rising productivity and GDP growth meant that the previous Labour Government were able to take significant steps in tackling poverty and improving public services. That was not by accident, but by design.

We achieved sustainable growth in productivity because of relentless efforts to focus on competition, innovation, investment, skills and enterprise, including a 10-year framework for science and innovation, incentives for investment in business research and development, the expansion of higher education and adult and vocational training. That was the record of the previous Labour Government.

Sammy Wilson (East Antrim) (DUP): Does the hon. Gentleman accept that employers also have a big role to play? The appetite for low-paid, unskilled employees has added to the problem. Employers must value workers much more, invest in them and be prepared to pay them wages that mean it is worth while investing in them.

Chris Leslie: There is indeed a problem in the shift away from the added-value, higher-skilled economy that we must have to maintain our place in, and indeed win, that famous global race. If we think that we can do it simply by chasing lower-wage, lower-skilled markets, we will never ultimately succeed relative to other countries.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP) *rose*—

Chris Leslie: I will make a little progress, if I may, and then give way.

The Office for Budget Responsibility’s recent forecasts have lamented the persistent weakness of our recent productivity. According to the OBR, if our productivity per worker was closer to 4%, our national debt would be £350 billion lower by the end of this Parliament. Those are big numbers, but that is £5,000 less debt for each person in this country. The productivity issue is therefore absolutely crucial, and it is linked to the health of our public finances. Translated into potential GDP, it would mean growth of 3.7% by 2019-20, which is the sort of growth that we need in this country. The OBR is right to warn that improvements in growth and living standards very much depend on our productivity performance and to say that it is the most important and uncertain part of its economic forecasts.

Quite simply, if sustainable productivity growth fails to materialise, the Chancellor will just continue to miss his deficit reduction targets, however hard he may try to distract us with his dreams about permanent surpluses. Although productivity traditionally drops off during a recession, seven years after the global banking crisis our productivity is still 1.7% below the pre-crisis peak, and a whopping 16% below the level implied by the pre-crisis trend. Last year, productivity growth was just 0.2%; in 2013, it was negative, at minus 0.3%; and in 2012, minus 1.2%. That is just not good enough.

Chris Philp (Croydon South) (Con): The figure that the hon. Gentleman has not mentioned is, of course, the productivity figure for 2009—the last year in which Labour was in government—and in that year it dropped by a staggering 2.6%, the highest for the last 25 years.

Chris Leslie: This might be a shock to the hon. Gentleman, and I am not sure where he was at the time, but there was a global banking crisis—[*Interruption.*] I know it is a shock to Conservative Members, because in their script it has been expunged from the record, as if it never happened.

Mr MacNeil: The hon. Gentleman is making a very good speech. Does he agree that the culture of long working hours can often be the enemy of productivity? The textbook example is Volkswagen 10 or 20 years ago: when the working week was cut from 35 to 28 hours, productivity went up. When workers feel that they do not have all day to do the job, they get on with that job and productivity rises.

Chris Leslie: I think there is a case to be made for ensuring that we focus on the morale of those in employment. There is an optimal point from which morale can dip and fall. We have to focus on what creates the optimal circumstances for those in work to produce the amounts that our economy needs. That is all part of this complicated picture.

When we have managed to get the Chancellor to talk about productivity in the past, he referred to a “productivity puzzle”. If we are looking for clues to the solution to that puzzle, looking more closely at the nature of our economic recovery is important. It still feels a bit stressed, quite fraught and fragile. Reflecting on that is part of the solution.

On skills, just a few weeks ago, the Office for National Statistics published its analysis showing that the share of high-skilled jobs in the economy is falling relative to the share of low-skilled work, which is of course taking its place. The Bank of England's last inflation report stated that since mid-2013, employment growth had been more concentrated in lower-skilled occupations, concluding that this shift in the composition of the labour force could have dragged down aggregate productivity growth over the past two years.

That is not something that we should simply accept. I do not believe that we are just at the mercy of events and unable to influence our economic productivity. On this side, we believe that it does not have to be that way. History shows that Britain can do better. By contrast with the traditional Conservative approach, which is to step back and hope that productivity magically springs from the market out of thin air, we take a very different view. We believe that decent infrastructure and decent public services can support business growth. Motorways that flow freely and trains that commuters can get on; tax offices that answer business queries efficiently rather than keeping their company staff always on hold; swift treatment of sick employees in a decent NHS: all that is part of the productivity story, as is an education system that supports a workforce with high-quality skills. So many aspects of our public services are crucial for our future economic productivity. Each of those depends on the Chancellor making the right fiscal choices for this Parliament. This should have been at the top of the Chancellor's agenda throughout the last Parliament; for him not even to mention it in the last Budget speech was a grievous error.

Kevin Hollinrake (Thirsk and Malton) (Con): It is important to look at the facts. The hon. Gentleman quoted the ONS. Does he agree that when the ONS talked about oil and the financial service industries, it said:

"Together, these two industry groupings account for the majority of the fall in productivity since Q1 2008."?

Chris Leslie: As I said earlier, different sectors face different productivity challenges. Ultimately, if we think that this is just a problem in one or two sectors, we would be wrong. We need to address this forensically and make sure that we look from sector to sector to assess the problem in a mature, evidence-led way. That is what we need to do.

I am aware that many Members want to join the debate because they believe that productivity is an important topic. I respect them for that, but it is important not to let this issue pass without seeing the connection between productivity and the health of our public finances. We still have a £75 billion deficit in this country and I would like the new Chief Secretary to at least acknowledge in his response to the debate the truth that stronger productivity is crucial for repairing the public finances.

We need sensible savings across non-protected Departments to reduce levels of public expenditure, but if the Chancellor makes the wrong fiscal choices in the forthcoming emergency Budget he could make the situation far worse. There is a hard-headed business case for protecting and prioritising those services that enhance investment, skills and innovation. That is the responsible fiscal approach the Chancellor should take. Productivity

should not be adversely affected by his fiscal choices and that is the point that I hope the Chancellor will understand. Whether he does and whether he can see through his political ambitions to the economic consequence of the decisions he takes are the important issues.

I have written to Robert Chote, the director of the Office for Budget Responsibility, to see whether we can make some progress, working across parties, to try to get a better evidence-led approach to the impact of the choices the Chancellor faces on productivity and on levels of public investment. I think that an OBR review would acknowledge the centrality of the productivity challenge and would help to make the right choices for the country. It would be better to have that evidence-led understanding of the consequences of alternative fiscal choices.

David Mowat (Warrington South) (Con): When my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) intervened and mentioned the oil industry, which has become significantly less material to the national accounts and is massively productive in value-added for numbers of people, the shadow Chancellor did not answer the question properly. One of the productivity challenges is the significant relative demise of the oil industry, and the hon. Gentleman should not use words such as "forensic" without recognising that.

Chris Leslie: As one industry declines, others will have to fill the gap. It is also important to recognise that multiple aspects of energy activity and energy markets are coming on stream and we need to ensure that we develop them and exploit new opportunities for our country, for energy security and for our future economic prosperity.

Robert Flello: My hon. Friend is being extremely generous with his time. I was hoping that he might touch on the question of workers on zero-hours contracts. They have seen their salaries driven down to minimum wage levels, they might have to supply their own uniform, and, if they are an agency worker, they might not know from one day to the next what they will be doing and where they will be doing it. Is it any wonder that their productivity is depressed?

Chris Leslie: That is a crucial point. A far healthier environment is one in which the workforce feel valued and that they have a stake in the output, not just in their wages but as partners in the company or in the firm. Those are the sorts of discussions we must have about the economy we want for the long term.

The Chancellor faces a fork in the road, and this is very relevant as the emergency Budget on 8 July approaches. Will he take an ideological approach to public services and public investment or will he join a consensus that productivity, growth and living standards should be at the heart of those Budget choices? We are now hearing some practical options that are open to the Chancellor if he is serious about boosting productivity.

We need further reform of incentives to encourage research and development, support scientific discovery and underpin long-term financial backing for projects that do not necessarily always yield near-term returns. We need to break the politicking about infrastructure and flush through the pipeline of stalled projects. Ministers

[Chris Leslie]

should feel free to steal the idea of a more independent and evidence-led approach to infrastructure prioritisation as advocated so eloquently by Sir John Armitage in his report for us before the election. We need to sweat the authorisations already voted for by Parliament to underwrite infrastructure development with Government-backed guarantees, which are so woefully underutilised at present. We need skills and training to flourish and not fall victim to short-term and ill-thought-through budget decisions driven by a political timetable. We need serious action on housing supply to help working people with the choices they face in work and to support new employment opportunities as they arise; and we need clarity that local enterprise partnerships will get the immediate devolved powers required to unlock local growth—not political delays because the Chancellor takes exception to a particular form of local governance arrangement.

We need an early decision in response to the Davies commission report on airport capacity. It is due imminently, but Ministers are already starting to kick it into the long grass. Apparently they are only going to address this vital question at the end of this year at the earliest. We also need real announcements, in short order, on specific rail interconnectivity between towns and cities. Those are some of the priorities that deserve urgent attention at the top of Government.

Will the Chief Secretary shed some light on the thinking of his great and glorious leader, the First Secretary of State, or will we have to wait for this agenda to fit into a Downing Street soundbite before it gets any attention? I genuinely wish the Chief Secretary luck in gaining favour with the Prime Minister-in-waiting, because right now we have a Chancellor distracted by his political ambitions who cannot even be bothered to debate productivity, let alone remember to mention it in his Budget speech. Britain cannot afford this issue being neglected any longer, and we will keep reminding the Chancellor—when he is here—of his responsibilities until real action is taken.

4.41 pm

The Chief Secretary to the Treasury (Greg Hands): I am delighted to respond to this debate on productivity, because it is absolutely central to our long-term plan to fix the economy. My ministerial colleagues at the Treasury have been candid about the scale of the productivity challenge, so in some ways I agree with a great deal of what the hon. Member for Nottingham East (Chris Leslie) has said, but this is a challenge that the UK has faced for decades, not “several years” as the motion suggests.

We have been very clear that increasing productivity is a key challenge in this Parliament for this Government: it will be a key focus of ours over the next five years. Indeed, the Chancellor noted as early as August 2010—very early on in the last Government—that our relatively low productivity was a drag to economic recovery, when he spoke at Bloomberg about the economy of the future.

The hon. Gentleman has said that productivity was not mentioned in the Budget, but I refer him to page 1—the very first page—of the Budget document.

Chris Leslie *rose*—

Greg Hands: No, first of all I am going to tell the hon. Gentleman what it says:

“The deficit remains too high and productivity too low, there are still long-standing structural weaknesses in the economy, and the gap between the economic performance of London and the rest of the UK remains too wide.”

Chris Leslie: The key thing is the difference between the Budget document and the Budget speech. The Budget speech was more than an hour long, so why did the Chancellor not mention that very paragraph?

Greg Hands: Surely the most important thing is the delivery of the Budget, not just the speech. The delivery of the Budget was all about things such as digital communications infrastructure, housing, science, innovation, freezing fuel duty, doing something for the oil and gas regime, the sharing economy and backing business by launching a comprehensive review of business rates. The most important thing in government is what is delivered.

The Chancellor announced four weeks ago—way before the hon. Gentleman tabled a motion or wrote an article—that we will publish a productivity plan: a plan to make Britain work better. I will remind the hon. Gentleman of that speech, because he was there with various Labour leadership contenders, minus the hon. Member for Islington North (Jeremy Corbyn). Curiously, he seemed to have been missed off the CBI invitation list, but he may be up for an invitation in the future. The Chancellor said:

“Let me be clear”—

perhaps he was not clear enough for the hon. Member for Nottingham East—

“improving the productivity of our country is the route to raising standards of living for everyone in this country.”

I am sure the shadow Chancellor will recall that, because he was there.

It speaks volumes that the Treasury ministerial team announced in May by the Prime Minister includes Jim O’Neill, one of the most respected economists in the country and an authority on productivity. His input is more about deeds than words and it will be vital as we put in place the policies that will turbo-charge our economy.

Our productivity plan will build on the significant supply-side reforms we have put in place over the past five years. It will be wide-ranging and ambitious. It will look to the long term. It will help rebalance the economy and build the northern powerhouse. It will improve our infrastructure and reduce burdens on businesses; increase our support for childcare; ensure that many more affordable homes are built; expand apprenticeships and equip us with the skills we need for the 21st century; and make a bold next step in this country’s remarkable economic recovery.

Andrew Gwynne: Can the Chief Secretary confirm whether the success or otherwise of his productivity plan will be assessed by the Office for Budget Responsibility? Will it cut across all Government Departments to ensure that some of the regional imbalances that he has mentioned will be tackled across Government?

Greg Hands: The hon. Gentleman makes an important point. Of course the OBR looks at all Government proposals at the appropriate time, and I do not think that there will be any exception for this.

John Redwood: Does the Chief Secretary recall that Labour took into public ownership Network Rail, a crucial industry for our country, and that the previous Government commissioned the McNulty report, which discovered that that big organisation was way behind its continental comparators when it came to productivity and efficiency and that their system of managing it had fallen short? Is that something he can help remedy?

Greg Hands: I thank my right hon. Friend for that intervention. Infrastructure will be a key part of the productivity plan, so we must study which are the productive and which the less productive areas of our infrastructure.

Gareth Johnson (Dartford) (Con): Productivity is vital for the British economy, and the way to achieve good productivity is by having a strong economy. Does the Chief Secretary agree that we need a pro-enterprise, low-taxation and low-regulation economy, as opposed to what the Labour party is proposing?

Greg Hands: My hon. Friend is quite right. Labour seems not to be learning the lessons of the general election five weeks ago. Encouraging enterprise and promoting sound public finances by dealing with the deficit are extremely important, so I entirely agree.

Andrew Bridgen: At least twice during his opening speech the shadow Chancellor said that we are now seeing highly skilled employees replaced by low-skilled employees. Does my right hon. Friend agree that the shadow Chancellor should not talk himself down like that?

Greg Hands: My hon. Friend makes his point in his usual way. All that I can say—

Chris Leslie: At least he is here.

Greg Hands: Yes, my hon. Friend is here, unlike half the shadow Treasury team who went into the election and were wiped out by either the Conservatives or the Scottish National party—and that includes the hon. Gentleman's former leader.

Ian Blackford (Ross, Skye and Lochaber) (SNP) rose—

Greg Hands: I shall give way shortly. I think I have awakened the hon. Gentleman's interest with my reference to the SNP.

I thought that it would be helpful to start by setting out the productivity question in relation to the UK's general economic competitiveness, setting the scene for the problems we face. Hon. Members will of course be aware that, thanks to our long-term economic plan, we can be proud of having the highest growth of the major advanced economies in 2014, and we are predicted to repeat that in 2015. We are highly competitive, and that is linked to productivity. We are ranked ninth of 144 countries globally for competitiveness, we enjoy the lowest corporation tax in the G7, and we are seen as being well governed, as we are in the top 20 of 102 countries on all eight factors of the World Justice Project's Rule of Law index for 2015. London remains a world-leading international financial centre. British universities are by far the best in the world outside the US. For those who complain that we no longer make things, within two years we expect the UK to match its all-time car production

record, which was set back in the 1970s. The city of Sunderland now produces more cars than the whole of Italy put together. We are extremely competitive.

George Kerevan (East Lothian) (SNP): Is the Chief Secretary aware that the high productivity in British automotive products is an optical illusion because only 37% of the spend in the value chain relates to this country, whereas two thirds of it relates to the imported content of those cars, most of which comes from Europe—the Europe that you are trying to take us out of?

Greg Hands: It is a bit churlish to debate the precise details like that. The fact remains that car production in this country is extremely impressive. We should celebrate that throughout the UK, including in Scotland.

Graham Evans (Weaver Vale) (Con): Will my right hon. Friend give way?

Greg Hands: Let me make a bit of progress.

The high productivity that I have mentioned is very good, but we need to be equally honest about the areas where we can do better. We need to improve our literacy and numeracy skills, and our OECD position for intermediate skills needs to rise. To match the highest rate of female participation in the workforce in the G7, which is in Canada, or in the OECD, which is in Iceland, we would need over 500,000 or 2.5 million more women to enter the labour force respectively. Our gross value added growth is still too reliant on London and the south-east. We are not building enough housing, and our investment in roads and rail has not yet undone the effects of the decades in which we under-invested. All that means that our economy needs to find an extra gear.

We should view this debate in the context of the broad decreases in productivity growth across the OECD over the past few years. We are not unique in this regard. Other G7 countries, including Germany and Italy, have seen their measured productivity per worker fall since 2007. We have to accept that productivity is a major challenge, but it is not a new challenge—it has been around for decades. To meet that challenge, we must look calmly and seriously at the variety of factors that affect productivity, and put in place wide and ambitious long-term reforms.

Importantly—the hon. Member for Nottingham East needs to engage with this point—those reforms must not jeopardise other elements of our economic growth. That is the approach that the Government will take in our productivity plan, because productivity is not an end in itself, but a means to an end. It is all about prosperity. When we publish our productivity plan, I hope that the Labour party will see fit to support it, because we agree that improved productivity will be good for living standards across the country and help us to meet our fiscal commitments, which is a point that he raised.

Ian Blackford: What the Chief Secretary is saying does not meet the reality of what has been happening for the past seven years. Productivity in the UK has fallen and the Government have failed to deliver prosperity. The root of that has been the failure of macroeconomic policy. Your big idea was quantitative easing, with

[*Ian Blackford*]

£375 billion of new assets being created, but none of that has fed through to bank lending. That is why we have not seen the underlying investment in our economy that is required. You need to address that and make sure that we see investment in infrastructure, industrial investment and a plan for growth, not some meaningless productivity, which is just hot air and words, but no reality.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. Several people this afternoon, not just the hon. Gentleman who has just spoken, have used the word “you”. When one uses the word “you” in this Chamber, it refers to the Chair. I have not done any of the things I have been accused of this afternoon. I do not want to pick on individual Members at this early stage of the Parliament, but please let us use the correct language.

Greg Hands: I dispute the premise of the hon. Gentleman’s question. Productivity in this country is rising, albeit at a relatively low level. We would like it to be higher. It has risen by 0.9% this year. The OBR’s projection is that productivity will increase by between 2.1% and 2.5% per annum in the coming years. We need it to increase by even more than that, but it is certainly not the case that productivity has collapsed over the past couple of years.

Ian Blackford: Over the past seven years, it has declined.

Greg Hands: Okay, I hear the hon. Gentleman.

To answer the point raised by hon. Member for Nottingham East about the OBR, the OBR already produces forecasts and commentary on productivity, and will continue to do so independently and impartially as it always has done.

Chris Leslie: We are looking for the right hon. Gentleman’s support in commissioning the OBR to look at the spending choices the Chancellor has before him. He will have to acknowledge that certain decisions on reducing public expenditure could have more of an adverse effect on productivity than others. We want to make sure that we have a proper analysis of the impact of those decisions. That would be a better, more sensible way to think about how we spend. It is not just a debate about how much we spend.

Greg Hands: The OBR remit is pretty clear on this kind of thing. Let me just say that I have listened to the hon. Gentleman a great deal in the past five years. Coming from a party that never set up the OBR, or any equivalent to it, he seems now to be rather over-fascinated in what its operations should be. He might have thought of some of those questions during the 13 years of the Labour Government.

The hon. Gentleman said that employment growth had been of poor quality. I would dispute that. I think we will find that in the five years since the first quarter of 2010, more than 60% of the increase in employment has been in high skilled occupations. Some 75% of the increase has been in full-time employment and, after the excellent results this week, wages growth now exceeds inflation for the eighth consecutive month.

I am going now to make a bit of progress, because I am conscious that we have one or two maiden speeches

coming up and a highly subscribed debate. Let us look at what we did in the previous Parliament. In 2010, the priority clearly for the Prime Minister and the Chancellor was to put in place a jobs-based recovery. We all know the result: 1,000 jobs created every day, with three quarters of them full time. The employment rate is now at its highest on record at 73.5% and around the highest level on record at 31.1 million. We make no apology for prioritising job growth in the past five years. It is the best way to make people’s lives better, as the nearly 12,000 people who found employment in the shadow Chancellor’s constituency will surely agree.

At the same time, we put in place important supply side measures to improve our national productivity. We increased average public and private infrastructure investment to about £47 billion a year between 2011 and 2014, which is more than a sixth higher than it was in the previous Parliament. We have completed 15 major schemes on the strategic road network, worth £3.4 billion, with a further 17 schemes, worth £2.5 billion, under way. We have completed more than 2,650 infrastructure projects and extended access to superfast broadband to more than 2.5 million more premises. We have accelerated the academies programme, with more than 4,600 academies now opened, and we have set the path for high-speed rail to unleash the full potential of our northern cities. We have protected the science budget in cash terms and set out a long-term capital commitment on the science budget as well, ensuring that it will rise in line with inflation for the duration of the Parliament.

Peter Kyle (Hove) (Lab): Does the Chief Secretary recognise that in constituencies such as mine 90% of all businesses employ fewer than eight people? The skills and productivity challenge we have is on the softer, entrepreneurial side. He mentions the skills challenge and the setting up of academies. Does he acknowledge that we need to invest more in the soft, communication and entrepreneurial skills that young people need in an economy such as mine?

Greg Hands: I welcome the hon. Gentleman to this place and thank him for his intervention. I do not necessarily disagree with anything he says. Equally, I am sure that he would welcome what has been done in Hove in the past five years. Unemployment has fallen by, I think, almost 1,200 in his constituency—a 53% fall in joblessness. We will consider what he proposes, but he must recognise what has been delivered for his constituency.

We have raised the annual budget of Innovate UK, the core innovation support mechanism for businesses in the UK, from £360 million in 2011 to more than £500 million in 2015-16. I am sure the hon. Gentleman will also be delighted to learn that we have put a premium on apprenticeships, of which more than 2.2 million have been created, and that we have pledged to deliver 3 million this Parliament.

As I said, productivity began to rise last year, although we are still below our pre-crisis peak. We agree on the extent of the problem. The OBR expects productivity to pick up in 2015 and to grow at a reasonable rate afterwards in every year of the forecast period, which is good news for businesses and individuals and has undoubtedly contributed to our economic recovery.

I want to say a few words about the next five years, because, although a lot has been done, now is the time to redouble our efforts. My right hon. Friend the Chancellor

told the CBI last month that we had a once-in-a-generation opportunity to find an extra gear for the British economy. Our productivity plan will set out how we will do that, and I will not, and cannot be expected to, pre-empt that plan. Let me remind hon. Members, however, of our manifesto commitments to boost productivity. We said we would invest in infrastructure, on which previous Governments failed to take the decisions that other countries did, meaning we fell behind in the '90s and in the time of the last Labour Government.

Can you imagine, Madam Deputy Speaker, that in 2010 we did not even have a national infrastructure plan? I appreciate that the hon. Member for Nottingham East was not here between 2005 and 2010, having lost his seat in Shipley, but he was a Minister for part of the time Labour was in government, so he could have raised some of these points when he was sitting around the table. We have caught up a lot since, but our historical stop-start approach has meant that our physical infrastructure is not nearly as good as it should be. Now is our opportunity to fix that.

Chris Leslie: Will the Minister give way?

Greg Hands: No, I am going to make a bit more progress.

We will invest more than £100 billion in infrastructure over the next Parliament, including more than £70 billion in transport alone, of which £15 billion will be spent on our roads.

Chris Leslie: Will the Minister give way?

Greg Hands: I will come back to the hon. Gentleman in a moment.

We are investing in broadband and home building, with a commitment to build 200,000 starter homes to be sold at a 20% discount exclusively to first-time buyers under the age of 40.

Chris Leslie *rose*—

Graham Evans *rose*—

Greg Hands: I give way to my hon. Friend the Member for Weaver Vale (Graham Evans) and welcome him back to the House after his fantastic election result last month.

Graham Evans: I am grateful to my right hon. Friend. Will he remind the House of the previous Labour Government's record over 13 years? In 1997, 20% of GDP was from manufacturing, but by 2010 that had dropped to less than 10%.

Greg Hands: My hon. Friend is right that the previous Labour Government had a dreadful record on manufacturing, and that is one of the key challenges—this reads through to productivity—facing us this Parliament.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab) *rose*—

Chris Leslie *rose*—

Greg Hands: I have allowed the shadow Chancellor quite a bit of time already, so I will give way to the Member for Washington.

Tom Blenkinsop: I am the Member for Middlesbrough South and East Cleveland. I welcome the Minister to his new role. Of course, in the past five years, under the coalition Government, manufacturing shrank by 1%. In terms of productivity, the north-east is probably the lead region in the country, mainly because of its chemical and pharmaceutical sectors, but they have seen the largest slump over the past five years, due mainly to the lack of investment. Does he agree that one problem is that the Government imposed the unilateral carbon floor price tax on energy-intensive industries, and did not the Chancellor promise to bring in a compensation mechanism? Will he speak about that, because it would not pre-empt the Chancellor's emergency Budget in July?

Greg Hands: I thank the hon. Gentleman for that series of questions, but his use of statistics was highly selective. I am sure he will join me in celebrating the fact that the two regions in which employment is rising the fastest are the north-west and the north-east. Of all regions, the north-east leads the way in export growth. I am sure he will also join me in welcoming the fall of 1,518 in unemployment in his constituency under the last Government—again, just shy of a 50% fall.

Chris Leslie *rose*—

Greg Hands: I will give way to the very patient Member for Nottingham.

Chris Leslie: I thank the Member for Fulham for giving way. Would he be so good as to look at the point he was making on transport infrastructure? I asked about the Davies commission on airport capacity, which he knows is an issue affecting Britain's productivity as a whole. Will he give us an assurance that the Government will make a swift decision when presented with the final conclusions of the commission's report, and not kick it into the long grass until the end of the year or beyond?

Greg Hands: The position is unchanged. It is as set out in our manifesto. We await the publication of the Davies report, and we will act accordingly. However, we recognise that airport capacity is an issue, which is why we commissioned the report in the first place.

Several hon. Members *rose*—

Greg Hands: I am going to make some more progress, because I know that others wish to speak.

Marcus Fysh (Yeovil) (Con) *rose*—

Greg Hands: I will give way to my hon. Friend the Member for Yeovil (Marcus Fysh)

Marcus Fysh: I thank my right hon. Friend.

The A358 runs from my constituency up to the M5 and all the new jobs that will come on stream at Hinkley Point. Before the election, the Labour party planned to cancel the dualling of the road. Will my right hon. Friend confirm that that will not happen under t his Government?

Greg Hands: I congratulate my hon. Friend on his amazing election result. It was a fantastic achievement. Indeed, I think that he unseated one of my predecessors as Chief Secretary.

Of course we are still committed to delivering the A358. I believe that the Labour party produced only two proposals for reducing the deficit during the election campaign, both of which were highly misguided, including the proposal for cuts in the A358 programme.

It is, in many ways, a vindication of what we have achieved since 2010 that we are debating the issue of productivity today. Over the last five years—*[Interruption.]* The hon. Member for Nottingham East says that he has been raising the issue. I have gone through all the speeches—well, not all of them, because I could not find them all, but most of them—that he made when he was leading the “Gordon Brown for leader” campaign in 2007. I have also gone through the speeches that he made when he was backing Ed Balls in 2010. I must say that I found scant reference to the word “productivity”.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): Will the Minister give way?

Greg Hands: No. I am going to finish now.

As I was saying, it is, in so many ways, a vindication of our record of the last five years that we are debating the issue of productivity. Many of us will remember our debates—led by the hon. Member for Nottingham East—on mass unemployment, the cost of living crisis, and “too far, too fast”. In all those respects, the hon. Gentleman’s approach turned out to be absolutely wrong. We now have financial stability, unemployment is down to historic lows, and living standards this year are predicted to grow at their fastest rate since 2001. All that is thanks to the tough decisions that we have made.

We now have a great opportunity to step things up a gear, and to solve a challenge that has been a drag on the United Kingdom’s economy for decades. The wind is blowing in the right direction. We have a falling deficit, a growing economy, an historic mandate, and a firm resolve to tackle this issue, along with the right team to do it. That is how we deliver for the people of the United Kingdom, and that is what this Government will do.

5.8 pm

Michelle Thomson (Edinburgh West) (SNP): I commend the Chief Secretary on his speech. He has clearly been reading the SNP manifesto, given his comments on female participation in the workplace and the gravitational pull of London. I hope that he enjoyed reading it.

Productivity in the UK is indeed low, and it has shrunk by 0.7% over the past seven years. It is now 17% lower than the average in the G7 economies, and that has had an associated impact on living standards. Growth in the EU has been 5% over the same period. The United Kingdom’s GDP is only now returning to pre-crash levels, a point that most of our European competitors reached many years ago. Our downturn in the UK was steeper and lasted longer than those of our neighbours, and recovery has also taken longer.

Jeremy Quin (Horsham) (Con): Does the hon. Lady not recognise that during that period we were more

dependent on the financial services sector than any other country in the G7, and also in the EU? That undoubtedly had an impact on our productivity.

Michelle Thomson: I am going to address that point.

The much-vaunted recent growth has brought us back only to a certain point. When judged against nations smaller in population size—those with between 3 million and 10 million people—the sluggishness of UK plc is laid bare for all to see. Sweden’s productivity is 18% higher than that of the UK; Denmark’s is 26% higher and Norway’s an incredible 77% higher. Even poor Finland, which has no oil, no fisheries and no substantive premium food and drink industry—in fact, it has none of the inherent advantages and natural resources that Scotland enjoys—delivers a productivity performance some 8% higher than that of the UK. The phenomenon is not limited to Scandinavia. In central Europe, Austria’s productivity is 13% higher, and Switzerland’s 23% higher, than that of the UK.

Ian Blackford: The picture that my hon. Friend is painting of many small, successful countries is one with which we are all familiar. I am delighted to see that our friends in the Scottish Government have an aggressive agenda of investing in innovation and skills. If Scotland had powers over taxation, however, would not that allow us to deliver higher rates of productivity similar to those of the small, successful European countries?

Michelle Thomson: I am inclined to agree with my hon. Friend, and I shall address that point further in a moment.

Sammy Wilson: I know that it is in vogue for the Scottish nationalists to blame everything on the Westminster Parliament, but does the hon. Lady accept that most of the supply-side measures that could be introduced to improve productivity are already in the hands of the Government in Scotland?

Michelle Thomson: I thank the hon. Gentleman for his intervention, but he is, quite frankly, wrong. I shall also cover that point later in my speech.

The sad fact is that the recent growth in UK GDP has been driven not by increased productivity and not by a focus on increased investment levels or high-value sectors. Instead, it has been delivered with zero-hours contracts, often paying the minimum wage and with low employee engagement. That is not the way to power a modern 21st-century advanced economy. We see the results of this poor performance in our manufacturing sector. Previously, manufacturing accounted for some 30% of total GDP—a position shared with many of our European neighbours. However, a lack of investment and a focus on the City of London have resulted in a manufacturing percentage of GDP that is now barely into double figures.

With only a limited set of powers, the Scottish Government have set out an ambitious strategy to increase Scotland’s productivity and, as a result, Scotland’s economy has seen sustained growth over recent years, with record numbers of people in employment. Female participation in the labour market has increased, and Scotland’s female employment has reached a record high. Including more women in the workforce is a

powerful driver to increased productivity and encourages a balanced and inclusive economy. The Scottish Government's plans to expand the provision of free childcare will encourage more parents into work, too. It is worthy of note that between 2007—the year of the SNP's election to Holyrood—and 2013, the largest relative rise in productivity of any region or nation in the UK was in Scotland.

This debate must fundamentally be about ambition, which is something that the SNP has for Scotland in droves, but our ambition is for much more than simply a return to pre-recession levels of economic performance. Allow me to highlight some key areas that the Scottish Government's economic strategy—a real long-term economic plan—promotes.

Tom Blenkinsop: The hon. Lady is making a very good speech. She will note that, in the last three years of the coalition Government, imports of Chinese steel have risen by 40%. Does she think it was helpful that the Scottish Executive awarded a contract for the fifth of Forth bridge to a Chinese company instead of using British steel?

Michelle Thomson: I thank the hon. Gentleman for his comment, but I would point out that that we did not make the steel in Scotland and that it was a decision of the Scottish Government, not the Scottish Executive.

I was about to highlight some key areas that the Scottish Government's economic strategy promotes. They include internationalisation, which helps firms to compete in international markets, to increase exports, to make Scotland a preferred location for inward investment and—most importantly from my business perspective—to promote Scotland as the brand of “We are outward looking, we are ambitious and we are open for business”. The plan also promotes investment in our infrastructure, transport, technology and digital connectivity.

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): Does my hon. Friend agree that one key component of our productivity strategy has to be building on that essential power of the production of knowledge and that universities throughout the UK, including our world-class universities in Scotland, are key in that regard? It is vital that we protect, and indeed enhance, research funding through the universities.

Michelle Thomson: I thank my hon. Friend for his comments. I absolutely agree with them, and I am going to cover that issue further in my remarks.

We must equip our people, who live in and give to Scotland, with the skills—supporting them with free university education—the health, the ambition and the engagement to contribute to making Scotland a great place.

I mentioned manufacturing, and the SNP supports measures to boost the sector, including targeted research and development tax credits and support provided through the Scottish business development bank. However, the lack of access to business funding remains the biggest critical factor affecting small business, which is the lifeblood of our economy. I still await any evidence of that being recognised and acted on by the Government.

The plan promotes innovation, creating a culture of ambition and drive where we reward the risk-taking entrepreneurs—those who drive real change and live by

creative and adaptive thinking. Our plan also supports our excellent universities in commercialising the work they do. Finally, it promotes inclusivity, in the form of building a labour market that can contribute equitably, by promoting fair work and sustainable jobs and by taking positive steps to ensure that families can contribute and lead the way in supported childcare. With further devolution of employment law and the minimum wage, the Scottish Parliament could boost pay and standards, and raise employee satisfaction still further. We want to see more sustainable and high-quality employment opportunities, with a partnership approach to employment conditions. We have also proposed a £2 rise in the minimum wage to £8.70 by 2020 and have actively promoted the living wage.

The Scottish Government are doing what they can with the devolved powers they currently have. Given Scotland's impressive relative performance since 2007, they have been successful. The truth is that the UK operates a failed and outdated business model, one that delivers for the few but not for the many. With its focus on the City of London and its neglect of key manufacturing and other high value added sectors, it has failed to deliver for the people of Scotland, as well as for many across many other parts of the UK.

Chris Philp: Does the hon. Lady not welcome the fact that the UK has the highest growth in the G7, the highest level of employment on record and the lowest unemployment since 1975? Does she not welcome those things?

Michelle Thomson: Of course I welcome those things. What I am suggesting is that we can do much better and that we have the ambition in Scotland. I hear a lot of talk, but not enough about substantive ambition. We need to do a lot more and we in Scotland are ready for that.

Delivering more meaningful economic powers to the Scottish Parliament, not the extremely limited ones included in the Scotland Bill, would allow a much more holistic and comprehensive economic strategy. With full tax, investment and employment powers, the Scottish Government could implement policies to boost economic growth and raise productivity levels in Scotland. We have the ambition.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. Before I call the next speaker, may I say that it would be obvious to the House that a great many people wish to speak, including some who will make maiden speeches this afternoon, and I have therefore to impose a time limit of six minutes?

5.18 pm

John Redwood (Wokingham) (Con): The productivity puzzle can be understood and resolved. It is a combination of bad news and not such bad news. There was a sharp fall in productivity at the time of the crisis, because we lost a lot of very expensive output, a lot of people lost their jobs and the net result was a big fall. Since the crisis has hit, there has been a continued loss of top-end jobs in areas such as oil, financial services and banking, which score very well in terms of the way people compile productivity figures. An industry such as oil, which produces a lot of extremely valuable output and has a limited number of very well-paid people, gives an enormous

[John Redwood]

boost to productivity, as we have learned today from Norway. We have just lived through a period when, through no fault of any of the three Governments who have been presiding over it, there has been a sharp decline in the output of oil—because it is now a very mature province—and a big fall in the oil price. That recent fall is down to market circumstance and to things happening well away from this country.

There was also a big loss of top-end jobs in banking and financial services. There will be mixed views in the House of Commons on the social value of those jobs, but they scored very well in the run-up to the crash. Some of those jobs have now gone all together and some have gone to lower tax jurisdictions elsewhere. The bad news side of it accounts for the drop in productivity during the crisis and the slow growth since the crisis.

The better reason why our productivity is below that of some of our continental comparators is that we have gone for a model—I think and hope with the agreement of all parties—of having more people in employment and of creating conditions in which this economy can produce many more lower paid jobs in the hope that that will lead on to higher paid jobs and more output and activity, which is a better model than those people being out of work.

Let us look at the way the productivity figures are calculated. If a country sacks 10% of the least productive people in the economy, which is the kind of thing that the euro was doing to some of our competitor countries in euroland, it can be flattering for its productivity figures, because the least productive jobs go, and the productivity of the total country rises, but the country is a lot worse off, because it then has 10% of its workforce out of work who would otherwise have been in less productive jobs. It is the same in a business. The easiest way for a business with below-average productivity to get to average or above-average productivity is to close its worst factory, but that is not always the answer that people in this House would like.

George Kerevan: The right hon. Gentleman is making the best he can of a bad job. For instance, if we look at the share of research and development in gross domestic product in the UK, we see that it was down not just over the 1990s, when we had the last Conservative Government, but for the period from 2000 to 2007. R and D is a fundamental component of productivity and it is down. He cannot gainsay that.

John Redwood: One has to first understand a problem before one can address the problem. I think we are all in agreement on this issue. Would we like higher productivity? Yes, we would. Would we like more better paid jobs? Yes, we would, and that goes for Conservatives as much as any other party in this House—probably more than any other party in this House. We not only will the end—more high-paid jobs—but are prepared to take some of the decisions that Opposition parties always deny or query in order to allow those better paid jobs to be created.

Let me go on from the analysis. I hope that the hon. Gentleman will reflect on what I have said and understand that I have provided a good explanation of the path that

productivity has taken since 2007, which is a matter of common concern but has some understandable things that we cannot address. For example, we cannot suddenly wish a lot more oil into Scotland, and that remains a fact. We will not be able suddenly to create all those high-end banking jobs. Some Opposition parties probably would not like them anyway. We are where we are. What we can do about productivity is to work away on those parts of the economy where the performance has been most disappointing.

Amanda Milling (Cannock Chase) (Con): Does my right hon. Friend agree that cutting some of the red tape that affects our small and medium-sized businesses would help with the productivity puzzle?

John Redwood: I agree, but only if we have ineffective or over-the-top regulation. Removing it can give more people access to the market and provide a greater competitive challenge, but we need some regulation, because we need rules and certain guarantees in the market.

Let us take a sector that I asked the shadow Chancellor about. It was a problem that, in the Labour years, we had a long period of practically no growth in public sector productivity. I am the first to admit that the concept of productivity is more difficult in parts of the public sector. People actually like more teachers relative to the number of pupils, because they hope that that will create better teaching and a better system in classes, but it means that productivity falls. That means that we need other parts of the public sector, where the productivity issue is more straightforward or more like the private sector, to be even better, so that the overall performance of the public sector does not lag behind and cause difficulties. As we have quite a big public sector in this economy, the performance of the public sector is very important. It also happens to be the area where Ministers have most control and most direct influence, so it is the area that this House should spend more time on, because we are collectively responsible for the performance of the public sector. I think most parties now agree that we want to get more for less in the public sector, so that we can control public spending. There are disagreements about how much control we should exert on public spending, but I hope there is agreement that if it is possible to do more for less while improving—or not damaging—quality, that is a good thing to do.

Bill Esterson (Sefton Central) (Lab) *rose*—

John Redwood: I am afraid I need to move on because many people wish to speak. Time is limited.

I draw the attention of my right hon. Friend the Chief Secretary to the Treasury to the issue that I raised with him in my intervention. One very important industry that is almost completely nationalised—the tracks, signals and stations are completely nationalised and the train operating companies are very strongly regulated and controlled by franchises, so they are almost nationalised—is the railway industry. It is a growing industry, and this Government are committing a lot of money to it. It is an industry which, I believe, all the main parties in the House wish to commit money to and wish to grow and invest in.

However, an independent study in 2011, the McNulty report, showed that our railway does less for more cost than comparable railways on the continent. It should be a matter of great concern, and I hope it will be a matter for review by those dealing with the railways and with public spending, because as we channel those huge sums of money into our railway to try to get expansion and improvement, we need to pull off the trick that the best private sector companies manage—of driving quality up and costs down at the same time. A myth in some public sector managers' minds is that a cut in the amount spent is bound to lead to worse quality or impaired service, whereas every day in a good private sector company they go to work saying, "How can I spend less and serve the customer better? How can I apply new technology so that I get more for less? How can I have a better skilled and better motivated workforce?"—I hope it is not done by unpleasant management, because that usually leads to the wrong results—and "How can I motivate the workforce more so that they are empowered to achieve more and do less?"

That is the spirit that we need in the public sector, and if we began with the railways, it would make a very important contribution to improving our overall productivity rate.

5.27 pm

Mr Iain Wright (Hartlepool) (Lab): It is a pleasure to follow the right hon. Member for Wokingham (John Redwood). I seem to recall reading in the *Financial Times* three or four weeks ago an extremely perceptive article by him on productivity, so it is a real pleasure to follow him. He has given these issues careful thought.

I am pleased that we are discussing productivity so early in this Parliament. UK output per hour is about a fifth below that of the rest of the G7. It is the largest gap since 1991. In France, output per hour has increased by 2%. In the US, it has increased by 9%. Ours has not shifted. It has been said time and again that if we want rising living standards and a historically decent long-term economic growth trend of 2.5% or 3%, productivity needs to improve.

Chris Philp: In France, their productivity figures may well have been achieved at the expense of extremely high unemployment. Is the hon. Gentleman suggesting that he would like to see very high unemployment here in exchange for fractionally better productivity?

Mr Wright: I represent a constituency in the north-east that has suffered and still bears the scars of long-term unemployment. I do not want to see unemployment at all. We need to address that. But in order to remain competitive in the global economy, we must address productivity.

The Chief Secretary to the Treasury said that not all sectors of the economy had been affected by stagnating productivity. It is true. High-value manufacturing sectors such as aerospace and automotives have seen huge leaps in productivity in recent years. They have led to better, more innovative products that are more competitive than our rivals' products, and which are sold in increasing numbers around the world. He mentioned Nissan in Sunderland, which produces a car every 61 seconds, to rival any other car plant on earth. This week we are

seeing the Paris air show, where something like £7.8 billion-worth of products from enterprises based in the UK have been sold around the world. We need to encourage this virtuous cycle, because that will lead to more well-paid jobs in these sectors. It is the model of the British economy that we should be encouraging.

To be fair, credit must be given to Vince Cable and David Willetts when they were in the Department for Business, Innovation and Skills for continuing the approach set out by the Labour Government. That long-term approach, a mature business policy transcending individual Parliaments and thinking about what is required for our economy for the next 20 or 30 years, gives business the confidence to invest for the long term. We have seen the dividends of such an approach in globally competitive sectors such as aerospace and automotives, but I worry that we have seen no endorsement of that approach from the new Business Secretary. It is concerning that in his interview in the *Financial Times* about two weeks ago, he seemed to draw a line under the industrial strategy that has helped competitive sectors succeed in Britain.

Great examples of business-Government collaboration, such as the Automotive Council, the Aerospace Growth Partnership and the Aerospace Technology Institute, which have brought billions of pounds of investment into Britain, no longer seem to have Ministers' attention. Is the new Business Secretary going to adopt a new approach? Is that long-term business policy going to wither on the vine on his watch? That would be to the detriment of long-term, high-value economic success and improvements in productivity. I hope that when he responds, the Minister will provide clarity as to what the new Government's industrial strategy will be.

A key way to improve our competitiveness and productivity is to invest in new technology and innovation. However, our long-term performance in that respect is woeful and has been for far too long. UK gross domestic research and development expenditure, as a percentage of our GDP, peaked in 1986 at 2.03%. In the past 15 years or so, R and D spend as a percentage of GDP has been in the range of 1.59% to 1.73%, well below the EU average and significantly below ambitiously innovative nations. South Korea spends five times as much on R and D—not as a percentage of its economy, but the actual amount—as the average European nation, and that relentless focus on innovation and moving up the value chain has reaped massive rewards. Half a century ago, South Korea was poorer than Bolivia and Mozambique; now, it is richer than Spain and New Zealand. That is the lesson we have to learn.

We are living in what could be the most significant era of challenge and innovation for humanity. Britain's historic strengths in science and in areas such as pharmaceuticals, aerospace and motor vehicles should and could be harnessed much more and spread throughout the economy in a much more balanced way. We are complacent in the extreme if we think we can carry on as before and not provide more resources to R and D. So will the Government commit to prioritising science? What is the future of the catapult centres, which have seen Government and industry collaborate on a range of issues relating to technology and innovation? Will funding be secure in those areas?

A further way that we will rise up the productivity chain and in competitiveness is by emphasising skills. The days 40 years ago when somebody in my constituency

[Mr Iain Wright]

would leave school on a Friday at the age of 15, start work at the steelworks on the following Monday and stay there for 35 years have gone. That will never come back. The modern British workforce will need to adapt and retrain and, crucially, be given the opportunity to do so. Men and women in Hartlepool and elsewhere may be made redundant in their 30s and 40s, and will need the means to retrain for a new career—quite possible several different careers. But BIS, supposedly the Department for growth, is cutting the adult skills budget by 11% in this financial year.

The total budget from the Department for adult further education and skills funding will fall not just in real terms, but by 5% in absolute terms. When the BIS cuts took place during this Parliament, announced by the Chancellor in the Queen's Speech debate a couple of weeks ago, £450 million was stripped out of further and higher education. That will not give us a modern, innovative workforce.

Should we not be prioritising adult skills? We should have flexibility areas to ensure that we can maintain Britain's future prosperity. As Neil Carberry, CBI director for employment and skills, said today:

"If we are to deliver sustainable higher wage growth, we need to see a rise in productivity. That means businesses investing in skills, and the Government helping firms innovate by supporting investment in next month's Budget."

I hope that for the sake of future prosperity, productivity gains and our competitiveness as a nation, the Government will respond to those concerns and make sure that we can be a high-value, innovative nation that can compete with the rest of the world.

5.34 pm

Oliver Dowden (Hertsmere) (Con): I have the tremendous privilege of representing the constituency of Hertsmere. Hertsmere was created in 1983, incorporating much of the then constituency of Enfield West, which was for many years represented by the late Iain Macleod. He is well known in this House as a proponent of the one nation tradition of conservatism, and I am proud to see that it is so well represented in the Government's legislative programme. Perhaps a little less well known is the fact that as Minister for Health in the 1950s, he was the first person to announce that the link between smoking and lung cancer had been proven. He did so at a press conference, through which he chain-smoked continuously. Iain Macleod was a tremendous politician and parliamentarian, and his death in 1970 cut short his service to the House.

Macleod's immediate successor was Cecil Parkinson, who is now Lord Parkinson. It is almost 25 years since he stood down as our Member of Parliament, and to this day he is fondly remembered in the constituency, not only for the central role that he played in the transformative Thatcher Governments of the 1980s, but for his tremendous personal warmth and charm, which he has kindly demonstrated towards me on many occasions.

My most recent predecessor was James Clappison. James is a true gentleman who was absolutely devoted to his duties in the House, both as a Minister in the 1990s and as a diligent constituency Member of Parliament.

He remains fiercely committed to defending the Jewish community in this country. In his first intervention in the House, he attacked the scourge of anti-Semitism. That is of particular importance in Hertsmere, where we have one of the fastest-growing Jewish communities in the country. I assure the House that I will do my utmost to continue his excellent work.

Many other faiths also thrive in Hertsmere. In particular, our Christian community remains strong, as I saw this weekend when I joined the congregation at St Mary's in Potters Bar for a joyful celebration of their centenary. Hon. Members may also be interested to know that we are home to the United Kingdom Hare Krishna community. Their temple is a delightful place, where one can always be sure of a very warm welcome—although perhaps not as warm as that accorded to their cows, which are hand-milked and treated to massages with scented candles and soothing music in a spacious cowshed made of the finest French oak. Their luxurious residence is known locally as the Ritz of the cow world.

I assure hon. Members that the cowshed is not the only place of beauty in Hertsmere, however. They will find no finer spots on this island than villages such as Shenley, Aldenham and neighbouring Letchmore Heath. Such beauty is given greater poignancy by its sheer fragility, because Hertsmere is 80% green belt. It lies at the very southern edge of Hertfordshire. When I stand in the delightful churchyard at Ridge, where the Earl Alexander of Tunis rests, I see ahead of me the last unspoiled rolling hills of England before the home counties give way to London. It was during childhood walks through those fields that my love of the English countryside was fostered. They give us the space to roam and enjoy nature, and they enhance the charm and character of our towns and villages. I am absolutely determined to preserve them from soulless urban sprawl so that my children and grandchildren may enjoy them as I have done.

Hertsmere has the distinction of being at the heart of the British film industry. Many films, from "Star Wars" to, most recently, "Paddington", have been shot at Elstree film studios in Borehamwood. We also play host to the BBC Elstree centre, which is home to the permanent set of "EastEnders", so hon. Members may be surprised to hear that I can make a legitimate claim to be the Member of Parliament for Albert Square.

What characterises Hertsmere, far more than its landscape or its industry, is the character of its people. They get up very early every morning and from Bushey, Potters Bar, Radlett and Borehamwood they cram on to commuter trains or set off along the M25 and the A1. They are hard-working men and women who make sacrifices to provide for themselves, their families and their community. They know that in this life, we do not get something for nothing; we have to work in order to get something out.

Growing up locally, I was very much imbued with those values. My dad worked in a factory in Watford, my mum at a chemist's in St Albans. They worked hard and were determined to give me the very best start in life. That started with the excellent education that I received at my local comprehensive school. These are the values that have built the prosperity of this country, and the values that lie at the heart of this debate on productivity. For only if, as with this Government, we take tough choices to reform welfare and control our

deficit can we continue to invest in our infrastructure, invest in our schools, and cut taxes so that hard-working people keep more of what they earn. That is how we boost productivity—by pursuing this Government's aspirational agenda that will deliver for the hard-working people of Hertsmere.

5.40 pm

Harry Harpham (Sheffield, Brightside and Hillsborough) (Lab): May I congratulate the hon. Member for Hertsmere (Oliver Dowden) and say what a pleasure it is to follow him?

As the new Member for Sheffield, Brightside and Hillsborough, I stand here with a good deal of trepidation, knowing the tireless and dedicated service that my predecessor, David Blunkett, devoted to his constituents. From both the Front and Back Benches, David fought unceasingly to improve the lives of ordinary people. David is Sheffield through and through. He was born in the constituency he would go on to represent, became a councillor at the age of 22, and led the city through the turbulent years of the 1980s. He was elected to the Commons in 1987, moved swiftly into the shadow Cabinet, and finally became a Cabinet Minister in 1997. He fought ferociously for his point of view in Cabinet, and although he may not always have got his way, as a lifelong Sheffield Wednesday supporter he was well accustomed to taking the rough with the smooth.

David carried the views of his constituents into Cabinet, and despite his heavy workload as Secretary of State for Education and Employment in Labour's first term, and as Home Secretary dealing with the aftermath of the Oldham riots and the 9/11 terrorist atrocities in New York, he made a point of continuing to attend his constituency advice surgeries in person. He was relentless in his desire to drive up educational standards and improve the educational opportunities of all. Throughout his career, David was dedicated to the idea that for democracy to be worth the name, it should be a truly collaborative endeavour, and that politicians should reach out to the disaffected and the disfranchised. I pay tribute to the work of a man who has made an indelible mark on British politics.

Sheffield Brightside and Hillsborough covers the north-east of the city and is dominated by the low-rise housing that was originally built for those working in the steel industry centred in the nearby Don valley. These days, employment patterns are more diverse, and many of my constituents work in the retail sector and in health and social care. There is an iron age hill fort at the eastern end of the constituency on Wincobank hill. This was built by the Brigantes tribe to keep out the Roman legions, so clearly our ancestors were against further integration with Europe. Perhaps if they had had the Prime Minister renegotiate the terms, they might have thought differently.

Despite the fort, we are a diverse constituency, but we are a community that faces some stiff challenges. My constituency is ranked 19th highest in the country for the proportion of people claiming jobseeker's allowance—6.4%, a rate well over double the national average—and the number of children living in poverty is double that found across the UK as a whole. Much of the so-called economic recovery in our area has come in the form of low-paid, zero-hours contract work, leaving families unable to budget from one week to the next. Despite the

Chancellor's crowing, far too many of my constituents are still struggling to make ends meet. There are 6,000 households in my constituency living in fuel poverty, 14% of the total in the whole of the Yorkshire and the Humber region. That is one of the issues I will take up vigorously over the coming weeks and months.

Although I welcome the Government's commitment to full employment and the creation of more apprenticeships, this by itself is not enough. We need not just more jobs, but better jobs. Our poor productivity is holding back our economy and holding down living standards. I am deeply concerned that the Government have no clear plan for boosting output. What we need is the investment in infrastructure and a properly thought out skills agenda that will not only lead to more stable, meaningful jobs but address the pressing problem of productivity that Britain is facing. Unless Ministers act on this, not only will UK businesses fall behind their international competitors, but working people will not see the improvement in their standard of living that Government rhetoric leads them to expect.

In Sheffield, budget cuts have left the public services that so many of my constituents depend on struggling to cope. In spite of the innovative and dedicated efforts of the council, local NHS services and ordinary men and women in my constituency, people are turning to support that more and more simply is not there.

I am originally from Nottinghamshire. At 15, I left school on a Friday and started down the pit on the Monday morning. I had no qualifications to speak of. It was moving to Sheffield that gave me a second chance at education. It is the city where knowledge that everyone's chances can be improved has been found in the past, and where I will do my best to make sure that it can be found in our future.

I got into politics because I know the good that can be done by public servants working in the interest of the communities they serve. From the Opposition green Benches, I will do what I can to protect those services from ideological attacks that would reduce them to a shadow and leave those they serve paying the price.

Several hon. Members *rose*—

Madam Deputy Speaker (Natascha Engel): Order. Before I call the next Speaker, I am afraid that I must reduce the time limit to four minutes to accommodate as many Members as possible. With that in mind, I call Huw Merriman.

5.47 pm

Huw Merriman (Bexhill and Battle) (Con): I pay tribute to the hon. Member for Sheffield, Brightside and Hillsborough (Harry Harpham) for his moving speech about a part of the world I know well, having spent two and a half years fighting you, Madam Deputy Speaker, in North East Derbyshire; my productivity was not as high as yours. I also pay tribute to my hon. Friend the Member for Hertsmere (Oliver Dowden) for a fantastic, polished speech. I would like to follow in the same manner, but I may fail.

I am reminded that the concept of productivity requires the measurement of the quantity of goods and services produced per unit of labour input. Although many Conservative Members would maintain that it has indeed

[*Huw Merriman*]

been Labour input that has caused a lack of productivity, via the party's role in government during the economic crisis of 2007, I wish to explore the performance of my Government since 2010. In short, I contend that our success in creating 2 million new jobs in a difficult economic climate may have had some impact in the ratio of goods and services produced per unit of labour, but increased employment will ultimately cause the increase in productivity that I believe we are on the cusp of enjoying if we remain on the course we have plotted since 2010.

In reaching that conclusion, I am indebted to the excellent article "The UK productivity puzzle", published by the Bank of England. The report explores the various factors at play in explaining why productivity has not behaved as one would expect following a recession. Again, I consider these reasons to be grounds for reflection or optimism in that, first, the UK electorate has been protected by the Government's macro interventions since 2010; secondly, companies have focused their output on matters, such as research and development, that are not measured in productivity figures until unleashed on the market; and, thirdly, that we have new entrants to the workforce—some of whom are economic migrants, who have the potential to increase our productivity as they excel up the career ladder. I will briefly take each point in turn.

First, on protecting the UK electorate, unlike in previous recessions UK plc has not shed its workforce, but has retained its staff. Companies have kept going and kept workers employed and they deserve our thanks for doing so. These positive survival rates for businesses can also be put down to the increased forbearance of banks with respect to SMEs.

In previous recessions, banks failed to stand by businesses, which experienced falls in profitability. Thanks to the pressure applied by this Government since 2010, companies have been able to ride out the recession because banks have been forced to stand by them. Additionally, the Treasury, the Bank of England and HMRC have played a part by providing incentives to employ, keeping interests low and granting time-to-pay schemes for staffing levels to be maintained and for recruitment to occur.

Maria Caulfield (Lewes) (Con): Does my hon. Friend share the view that the Labour party's aim to raise taxes from businesses would have put people out of work and put job security at risk?

Huw Merriman: I absolutely agree. These decisions and the extra 2 million new jobs created might have had some impact on productivity in a statistical sense, but we have done what a one nation Government should do. It is markedly different from the behaviour of other Governments during past recessions. It is different, too, from measures taken by countries such as France. French productivity may be higher, but France created fewer jobs between 2010 and 2015 than did Yorkshire. The French labour market is so regulated and expensive that French companies opt out by failing to hire. Higher productivity can mean lower employment and vice-versa.

A second cause of optimism about increased productivity is the output to come. Companies have had to work harder to win or maintain a stagnant order book,

perhaps moving labour to roles such as sales and marketing, which would not count as "output" in the national accounts until the product was sold. As this effort bears fruit, the productivity rates will benefit. A similar argument can be put for research and development. Thanks to this Government's programme of incentives to increase R and D, investment has proved strong. The output from R and D is not apparent, and not included in the GDP data, but as these returns filter through, R and D will, as the Bank of England reports,

"bring about a relatively prompt and significant improvement in productivity growth".

Helen Whately (Faversham and Mid Kent) (Con): Does my hon. Friend agree that the roll-out of high-speed broadband is vital in constituencies such as mine and his for the productivity of rural businesses?

Huw Merriman: I agree that high-speed broadband is essential. It would create capacity and productivity in areas that infrastructure might find hard to reach.

These factors will, I believe, allow the UK to overcome the impact on productivity from cyclical and sector changes, such as the scaling back of financial services and the artificial productivity that financial services might have created during the last 10 years.

The third cause of optimism is the new workforce. Although a high proportion of the 2 million jobs are highly skilled, some are obviously lower skilled and might not yet contribute as much to the UK's productivity. This is part of the investment in people, via new jobs and apprenticeships, which will take people up the career ladder to increased productivity. Giving a job opportunity to someone who was previously on welfare can transform their lives and, as they reach their potential, I believe that will help our economic productivity as well as enriching the cause of social justice in this country.

I am led to conclude that the nation has experienced significant support, thanks to action taken by the Government since 2010 that has allowed UK plc to increase the UK employment rate by 2 million jobs. Naturally, with the definition of productivity being the unit of output per unit of labour, that may have impacted on overall productivity rates, but I believe we stand right to increase our productivity as long as the Government stand their course on the route ahead.

5.53 pm

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I would like to welcome you, Madam Deputy Speaker, to your position. I also welcome two new Members—the hon. Member for Hertsmere (Oliver Dowden) and my hon. Friend the Member for Sheffield, Brightside and Hillsborough (Harry Harpham). I was moved by their contributions and I am sure that the House will benefit from both their careers.

Low productivity is not in the interests of the UK, of employees or of business. One reason why the Chancellor missed every single one of his 2010 economic targets was that tax revenues did not meet Treasury forecasts. The jobs created by the last Government were low-paid, low-skilled, insecure jobs for commoditised labour. Although the toll of such insecurity on individuals is hard, the toll on the economy is also harsh. Less money is raised in tax, which means that we need more cuts.

To improve productivity, we need to do one of two things: improve the outputs from people or from technology. During my 20 years in industry, including an MBA at Manchester Business School, successful managers often cited to me the bestseller and classic “In Search of Excellence”, which sets out two fundamental principles that mark a great company. The first is valuing employees as partners and as

“the primary source of productivity gains”.

The second is shared values of respect, quality and responsibility.

The Labour party is absolutely right to champion skills and encourage businesses to value and invest in their employees. What value does a zero-hour contract place on a worker? The Government consider labour to be a commodity, and commodities are not productive. We need to give people the skills and tools as well as a sense of agency and involvement to increase their productivity. As Mariana Mazzucato, a leading innovation economist, says, productivity does not come from paying workers less or attacking their rights.

That brings me to the second factor in productivity, which is technology. An article in the *Harvard Business Review* yesterday drew on analysis from the London Centre for Economic Policy Research to demonstrate that robots contribute 0.36% to total annual productivity growth rates whereas IT contributes 0.6%. Remember, our productivity growth rate is 0.4%, so we would welcome that increased contribution. As leading US technologists, economists and investors argued in the *MIT Technology Review* this month, the technology revolution

“is delivering an unprecedented set of tools for bolstering growth and productivity, creating wealth, and improving the world.”

That does not mean dumping people in low wage, low skill and insecure zero-hour jobs.

When I asked the Prime Minister last week about productivity, his answer simply showed how little the Government understand about what drives productivity. He talked about planning and entrepreneurship, but for entrepreneurship to work we need a competitive environment that new companies can enter and compete in and we need high skills in the workforce. We will never achieve high rates of productivity unless we understand that people as well as technology are the key drivers.

5.57 pm

Marcus Fysh (Yeovil) (Con): It is a pleasure to follow such excellent maiden speeches, not least that of my hon. Friend the Member for Hertsmere (Oliver Dowden), who gave us a wonderful tour of the massage parlours of his constituency.

The amount of value we create in our work is key to what we can expect to earn over the long term. We heard earlier this afternoon from the Secretary of State for Education how this Government are focused on getting great teaching and skills to our young people to give them the best chances in life. I support that and am keen to ensure that recent improvements on that front in my Yeovil constituency are consolidated and taken further. I want more funding for school places in my county of Somerset, too, so that we can build a better future for our children, developing their talents to their full potential.

I also support the plan for productivity mentioned earlier by the Chief Secretary to the Treasury. We have a plan for productivity, not just platitudes as espoused by the Opposition. Differences in productivity levels between G7 nations have been relatively static over time, reflecting widely different structural characteristics. There are significant measurement problems in the statistics—for example, in picking up the intangible benefits of changing technology. Productivity growth has dipped in America, too, in recent years, so it is not just a British disease, as some are trying to claim, although we should look to America as an example of an economy with higher productivity growth on average than we have managed over time.

Recessions are bad for productivity growth, as capital for investment becomes scarce, so confidence in further recovery is definitely a factor for us to encourage. We also must be careful not to restrict our service businesses while we attempt, rightly, to encourage manufacturing. Services are a huge competitive advantage that we have as a nation, and we need to get them firing on all cylinders and respect their contribution.

It is fantastic news that 2 million net new jobs have been taken up since 2010. In the past year alone, the unemployment count in my constituency has come down by 24%. That is an outstanding achievement and it shows that my constituents are finding positive answers to their questions on employment, even if there is more to do and we need always to prepare for an uncertain future. We must not be complacent and we must certainly do what we can to enable employers to make the jobs they offer more rewarding, improve the number and quality of apprenticeships, and support businesses with the right policy settings.

Of course, we can do better as a nation, and that is important to the national finances, as well as to personal pay packets. People in the south-west want to cut red tape, extend investment allowances, keep taxes low, invest in infrastructure such as the dualling of the A303 and A358, connect people with broadband, including those in rural areas, and reopen rail connections in Yeovil and Chard, to get people and their work and ideas to where they need to be.

Simon Hoare: My hon. Friend is absolutely right to mention broadband, an issue that affects many constituencies. Does he agree that an increase in mobile telephone signal is also very important in rural areas, to help small and medium-sized businesses?

Marcus Fysh: That is a very good point, and we are pursuing it in the south-west.

People are not just productivity statistics from a survey in a report. What suits one person will not necessarily suit another, and it is wrong to say that lower-paid work is necessarily bad or should not be respected. It is a good thing that all types of jobs are being created. Things are getting better in our country and we must resist talking down the great achievements and sacrifices our people have made over the testing period we are coming out of. We can all play our part to build a better future, and if we do the right thing the statistics will follow.

6.2 pm

Mr Steve Reed (Croydon North) (Lab): First, may I congratulate you, Madam Deputy Speaker, on your new role? I also add my congratulations to my hon. Friend the Member for Sheffield, Brightside and Hillsborough (Harry Harpham) and the hon. Member for Hertsmere (Oliver Dowden), who made their maiden speeches during this debate. They were incredibly impressive contributions and I am sure the whole House looks forward to hearing much more from both of them over the coming years.

It takes British workers until the end of Friday to produce what a German or American worker has produced by Thursday, and yet British workers work some of the longest hours in the industrialised world. The fault lies not with our workforce, but with a Government who have failed on investment. After 2010, the previous coalition Government choked off investment in infrastructure, which damaged the confidence of the private sector to invest. They failed to reform the banking sector with regional and sectoral banks, so it remained difficult for businesses to secure the investment and borrowing they needed to grow.

The economy is becoming more global and more digital. We need a workforce with the skills to match the opportunities, but instead we have continuing cuts to further education, a failure to recognise the importance of vocational education, and pressure on schools to teach learning by rote instead of the flexible skills that young people need for tomorrow's economy.

Low productivity leads to low pay, and low pay leads to job insecurity and growing levels of household debt. Just like before the crash, Britain now faces a credit bubble based on an unsustainable housing market. The huge increase of people in work forced to claim benefits to top up poverty pay illustrates just how shaky our economy has become.

It is in places such as Croydon that the Government should be looking to boost productivity. I hope the Chancellor will fully back our Labour council's bid for a Croydon growth zone by agreeing to the local retention of business rate growth and stamp duty in order to kick-start a £9 billion programme that will create more than 23,000 new jobs, build 8,000 new homes and invest in one of London's fastest growing tech hubs. Ambitious, creative investment such as that is the first step to higher productivity and a more efficient economy. But we cannot build sustainable economic growth on poverty pay, household debt, low skills and job insecurity. A failure to invest might create a short-term boost in profits, but in the long term it leads to decline.

The Government are planning legislation that will take away workers' rights. It is a huge mistake to think that the only way to be pro-business is to be anti-worker. Our economy can succeed only if we are both pro-business and pro-worker. Instead of a fresh round of anti-union laws that leave people even more insecure, the Government should give workers a more direct incentive to share in the fortunes of their employer. Workers on company boards and the right to shares in an employer's business would encourage the workforce to share in the sacrifices sometimes necessary to boost productivity. A bigger voice for workers would allow companies to benefit from the insights of their own employees.

One of the big causes of the crash was a lack of accountability in the banks, which led to cheating and uncontrolled risk. Improving the accountability of firms to their own workforce and customers could help reduce that risk in our economy. Britain has no statutory right to request employee ownership when a company is being dissolved or sold, and we lag behind the rest of the EU in legislating for workers on boards.

It is a crying shame that the Government treat Britain's workforce as a problem to be contained, rather than a resource to be harnessed. Britain cannot build sustainable economic growth on low productivity, low skills, low pay and low investment. We need the precise opposite to give our people the opportunity to make the most of globalisation and the digital economy.

6.6 pm

Kevin Hollinrake (Thirsk and Malton) (Con): I am grateful for the opportunity to speak in this important debate. It is also a pleasure to speak after the excellent maiden speeches we heard from the hon. Member for Sheffield, Brightside and Hillsborough (Harry Harpham) and my hon. Friend the Member for Hertsmere (Oliver Dowden).

It is important to look at productivity in the context of the overall economy. Productivity is not a means to an end, but an end itself. We must look at the reasons why we have difficulties with productivity. We must avoid short-term thinking, let the positive effects of the past five years take hold and take a long-term approach to making progress on the issue. The overall economy is doing well; employment is up by 2 million since 2010, and in 2014 ours was the fastest growing major economy. On 8 June the CBI said that we should expect

“solid, steady and sustainable growth”

with rising incomes. Business investment is making a strong contribution to growth. It is important that we do not damage what we have already achieved. We need to look at the facts behind the data, including the fact that oil and financial services are skewing the figures on overall economic and productivity gains.

The key determinants of productivity are competition, regulation, investment and education. In my experience, the best way to drive productivity, efficiency and innovation is by encouraging competition. When a business person is faced with stiff new competition, time and again they raise their game, work harder and motivate their staff. Some 70,000 new private sector businesses were created in the previous Parliament, creating 2.3 million jobs. The Government are doing what they do best: setting the stage and letting business get on with creating the jobs.

On regulation, there is now less red tape in this country than there was five years ago. In 2010 we had the second highest level of red tape in the G7, but we now have the lowest. Some 50% of businesses want the Government to focus on reducing regulations. Labour introduced six new regulations every day. We must have a Government who understand business. This Government want to cut the costs of red tape by £10 billion over this Parliament.

We need to encourage investment. We must invest in human capital, have better links with schools and universities and move over time towards the living wage. Tax credits are an employment subsidy, and

subsidies create complacency and inertia. We need a long and stable tax regime. Capital allowances must be consistent, because businesses need a long-term understanding.

James Cartlidge (South Suffolk) (Con): My hon. Friend makes a brilliant point about tax credits. As a small business owner, I was shocked to receive a call from one of my staff saying that they did not want the pay rise I had just emailed them about because they would lose so much in tax credits. Is this not a crazy dependency culture that is holding back productivity?

Kevin Hollinrake: Absolutely. We need to move towards a living wage over time. Rushing to a living wage too quickly might put jobs under pressure, but I believe that we should move towards a living wage over time and in consultation with business.

We need low and consistent corporation tax, which is what the Government are delivering. Governments should do less, not more, and the tax regime should be the same not only in one year's time, but in 10 years' time. Of course we need investment in infrastructure, such as roads, railways and broadband. That is particularly important for those in the hardest-to-reach areas, because rural businesses want a level playing field with those in urban areas. The VAT threshold of £82,000 is prohibitive, because businesses that want to invest but do not want to go over the threshold do not take on new employees and do not invest in new technology for fear of losing a significant amount of their profits.

In conclusion, statistics are important, but they are no substitute for judgment. Our judgment, and the judgment of the people of Britain, is that things are getting better. This is certainly the most business-friendly Government I have ever known. They have done the right things to give businesses the chance to start, grow, prosper and produce more.

6.11 pm

Bill Esterson (Sefton Central) (Lab): I think that business will take a rather different view if Conservative Members take us out of the EU, as some of them are hellbent on doing.

I congratulate the hon. Member for Hertsmere (Oliver Dowden) and my hon. Friend the Member for Sheffield, Brightside and Hillsborough (Harry Harpham) on their excellent maiden speeches, and you, Madam Deputy Speaker, on your election. This is the first time that I have served under your chairmanship.

Government Members talk about the difficulties in oil and gas as though they are the only reason for the low productivity in our economy, but they are not the only cause. Since the crash, we have seen weak investment in new equipment; a lack of bank lending, despite the attempts of the Treasury to boost it—or perhaps because of those failed attempts; problems in infrastructure; and challenges and difficulties in respect of skills. All those factors have played a part in the low productivity and weak recovery that we have seen, alongside a fall in living standards, since the crash.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): Another issue for small businesses is late payments. Businesses spend hundreds of thousands

of hours a year chasing late payments, but the Government did little about it in the last Parliament. I hope that they improve their record in this Parliament.

Bill Esterson: That is an excellent point. The uncertainty for business, which has contributed to a lack of investment and the other problems that I have touched on, is not helped by the treatment of small and medium-sized businesses by some larger businesses in the supply chain.

Andrew Bridgen: It is certainly true that business hates uncertainty. There was a drop-off in business investment in the run-up to the general election, but that was because of the uncertainty over who would be in government and the fear of business that there would be a hard-left Labour Government.

Bill Esterson: I take it from the hon. Gentleman's intervention that he will support, with every fibre of his being, the yes campaign in the EU referendum to avoid the damage that would be done if this country left the EU. I welcome his conversion to the cause.

Government Members have talked about the jobs that were created under the coalition over the past five years. Let us be clear that those jobs were created by private businesses, not by the Government. I think that the Government have shown a worrying complacency, given that we have had the weakest recovery since the war and that productivity has been so low over the past seven years, decreasing by 0.5%. It has been pointed out that that productivity has gradually started to inch up, which is welcome.

In the analysis by Government Members, I see little evidence of skills development for workers in predominantly low-paid jobs. In my constituency, a third of people in work now are paid less than a living wage. That is not a recipe for high living standards or an improvement in their day-to-day lives. We need an increase in productivity. That will help to lead to higher paid jobs, and that comes from skills and from the kind of investment I have talked about.

We heard from another colleague that the scale of the problem with productivity in this country is that output per hour is 17% below the G7 average and 31% below that of the United States. Unless that picks up, the sorts of problems I have mentioned with the very high number of low-paid jobs will continue. We will end up with an economy that relies on low-skill, low-wage employment and see a continued fall in living standards. Let us remember that since 2010, people in work are on average worse off by £2,000 a year. There is a very long way to go to make up that shortfall.

I want to talk about one particular skill that historically we have really struggled with: management. I want to talk about the role of managers and leaders in motivating and getting the best out of staff and organisations, whether in the public or private sectors, and the role that that has to play in raising productivity. Some 85% of people in a professional occupation have a higher education qualification, but only 44% of people in management roles have a higher education qualification. We just do not regard management and leadership in this country as high-quality roles. We do not treat them with the importance they deserve. There is not an automatic understanding that management and leadership

[*Bill Esterson*]

are skills in their own right, and that leads to a number of problems. We need to regard them far more highly.

Before I came to this place five years ago, I worked in training and development and went into a lot of large organisations. Typically, the problem was with middle-ranking management—or that was the analysis given by senior managers. We often discovered that in fact the real difficulty lay with the senior management and leadership as well. That is a real problem. The importance of having good management and good leadership should not be understated in any discussion of productivity. Employee performance is linked to how well people are looked after. Yes, remuneration is important, but often it is the motivation, the way they are treated and the way that management behaves that are critical. [*Interruption.*] My hon. Friend the Member for Blaydon (Mr Anderson) behind me uses the right word: respect. That is absolutely crucial. If we want to improve productivity and compete internationally, we have to look at management as a skill, along with all the other factors that hon. Members have mentioned.

Several hon. Members *rose*—

Madam Deputy Speaker (Natascha Engel): Order. Many people want to speak and there is very little time, but if we do not have interventions there is an outside chance that everybody will get in. I just wanted to remind people of that.

6.18 pm

Julian Knight (Solihull) (Con): Thank you, Madam Deputy Speaker. I am particularly delighted that I may not be taking an intervention on this, my second speech to this place. I congratulate my hon. Friend the Member for Hertsmere (Oliver Dowden) and the hon. Member for Sheffield, Brightside and Hillsborough (Harry Harpham) on their very fine maiden speeches.

Productivity is an excellent subject to debate, because raising this nation's productivity has been the economic elephant in the room for a generation or more. Why is it that we beat many of our larger continental rivals on measures of economic performance and, crucially, employment, and enjoy the benefits of a flexible and vibrant labour market, yet our productivity per worker is lower than that of both France and Germany?

It is good to hear the Opposition party mentioning business, although seemingly only in soundbite form. I think we often lose sight of the simple fact that every penny we earn as a country—every job and every sum spent by the public sector on schools and hospitals—comes from business ultimately. It seems, however, that the language used by the shadow Chancellor in particular and in the more left-leaning press has the air of productivity being the latest economic criticism cab off the rank, this week's crisis of choice. The Opposition have talked of numerous supposed crises in recent years: we were apparently cutting too far, too fast; then we had the double-dip recession that now, it seems, never took place; then the domestic energy crisis; and finally we had the cost-of-living crisis, whereas, as we know, real incomes are now moving ahead, while inflation is at a generational low. All the time, the UK economy has been beating expectations.

It is good that the Labour party has now settled on productivity, because it is a far longer-term challenge that we must meet, but it has chosen the wrong path to meet this challenge, if the policies of the past few years are anything to go by. More big state; taxing entrepreneurs and wealth creators—this is not a passport to productivity. It is quite the opposite. In addition, Government borrowing matters hugely to productivity. If we have runaway borrowing, eventually we will have higher interest rates for businesses and individuals, while the debt interest repayments will mount up for the Government and in turn damage public investment.

The Government's first job is to get their finances in order and create certainty for business to invest and individuals to strike out on their own. Where the Government can play a key role is through the education system. Young people need many different options when they leave education, and in my constituency the biggest employer, Jaguar Land Rover, is very involved in local schools, offering apprenticeships. Universities should be among a suite of options for young people, so I am delighted that the Government are moving ahead with their apprenticeship agenda.

Another area where the UK can draw a lesson from Jaguar Land Rover is in exporting to the right countries. It was a travesty that when the coalition Government came to power in 2010 we traded more with Ireland than with the BRIC nations, and I applaud the Prime Minister's efforts in this area. The truth is that we must look to trade with everyone, as this will bring in the necessary outside investment, skills and different perspectives.

We have allowed people to live in a state of dependency. For far too many, welfare has become a handout rather than a hand-up. Welfare reforms are a crucial means to get people economically active and contributing rather than receiving from the state. This raises productivity. And please, let us never again hear, "It's the wrong type of job"—a regular refrain from Opposition Members. A job is a job, and from humble starts superb careers can be built. There is a cultural snobbery factor when it comes to work, which is something this country needs to address. All sides need not only to talk the language of business, but genuinely to understand that it is a transformative bringer of social good—more so than the state.

6.22 pm

Thangam Debbonaire (Bristol West) (Lab): I congratulate you, Madam Deputy Speaker, on your recent election. I also congratulate the hon. Member for Hertsmere (Oliver Dowden) and my hon. Friend the Member for Sheffield, Brightside and Hillsborough (Harry Harpham) on their excellent maiden speeches.

Across my constituency, young people are struggling to manage in working conditions that reduce their productivity and blight their futures, as well as costing the economy and the taxpayer. Low-wage, insecure and zero-hours contracts, under which an employer binds a worker to them but without offering a guarantee of work, are a negative force working against productivity. I will tell the House what life is like for a young man I met recently in Bristol West. On Monday, he gets up to a text message telling him to turn up for work, but when he gets there, he finds there is no work. He has spent

money on the bus fare, so he walks home to save the £2 and so that he can spend something on food. By Friday, this pattern has continued, so he has only had two days' work and has had to walk home every day.

This young man is tired, he is anxious, he cannot save and he does not contribute to his local economy, beyond paying rent and buying the bare minimum of food. He dare not speak up, and he does not have a trade union to represent him, because his employer has warned him against joining one. His employer regularly pays late and less than he was expecting. He does not get training and does not develop his skills, and therefore he feels no loyalty to his employer and has no motivation to increase his output. His health, both mental and physical, suffers. He contributes little to the local economy, and he barely manages to get by. And we the taxpayers are subsidising these poor employment practices because we have to top up low wages. We the nation suffer, as economic growth remains stagnant, insecure or unstable.

In Bristol West, we have employers who understand that, and there are some who invest in training and skills and do not employ staff in such low-wage, poor and insecure conditions. If the Government wish productivity to increase, they could start by encouraging, enabling or, if necessary, requiring employers to treat their workforces with respect, to pay them properly and invest in them. They could also invest in the infrastructure that we all need to ensure that employees can arrive at work on time, healthy, educated and decently housed. If the economy is picking up, as the Government claim, no business should need to resort to zero-hours contracts.

If the Government do their part and invest in transport, health, housing and education, businesses should do theirs. They should not rely on the taxpayer to pick up the tab, or on exploited workers to accept such poor conditions. That would help businesses as well, as was pointed out earlier by my hon. Friends the Members for Newcastle upon Tyne Central (Chi Onwurah) and for Croydon North (Mr Reed), as well as other Labour Members. I urge the Government to invest in that infrastructure, and also to draw attention to the excellent businesses—in Bristol West and beyond—which treat their workers properly, and do not use zero-hours contracts. They must encourage businesses who fail to treat their workers with humanity to change their employment practices, and help them to recognise the business benefits to their own output of doing so. That will increase worker productivity, which in turn will lead to sustainable economic growth throughout the country.

Worker productivity is directly affected by conditions of employment. I urge all businesses, and the Government, to take seriously what Labour Members know is true. Many of us have spent our lives campaigning for better conditions in workplaces. I urge the Government to end the scourge of exploitative employment practices, particularly zero-hours contracts and insecure pay.

6.26 pm

Chris Philp (Croydon South) (Con): It is a pleasure to follow so many excellent maiden speeches, and such a passionate speech from the hon. Member for Bristol West (Thangam Debbonaire). It is a particular pleasure for me to speak in this debate. Over the past 15 years, I have set up and run businesses of my own, one of which I managed to float on the stock market.

It is interesting that Labour Members chose this topic. It is rather like the dog that did not bark. Let us think about all the topics that they might have chosen, but did not. They did not choose employment; that is no surprise, because it is at record levels. They did not choose unemployment; that is no surprise, because it is at its lowest levels since 1975. They did not choose the deficit; that is no surprise, because it has halved. They did not choose inflation; that is no surprise, because it is zero. They did not choose wage growth; again, that is no surprise, because it is now running at 2%. Instead, they chose to focus on this one economic indicator. What the shadow Chancellor forgot to mention when he reeled off the recent figures was the level of productivity during the last year of the Labour Government. In 2009, productivity fell by 2.6%, which was a far bigger drop than we saw in any year during the last Parliament.

It is fair to say, however, that international comparisons suggest that there are opportunities for improvement. It is also instructive to compare different sectors. As we heard earlier from my right hon. Friend the Member for Wokingham (John Redwood), both the oil and gas and the finance sectors have declined somewhat in the last few years—for reasons that he explained—and they were among the most productive sectors. Nevertheless, there are a number of industries from which we can learn, most conspicuously the automotive and aeronautical manufacturing industry, whose productivity has grown by a staggering 56% in the last six years. A British worker now manufactures, on average, 11.5 cars per year, up from just 9.3 five years ago. That is an impressive improvement.

Both the Institute for Fiscal Studies and the Bank of England have published interesting reports on this subject, which I sincerely commend to fellow Members. They cite as a general cause of declining productivity—not specific to the United Kingdom—a lack of accessibility to capital that could be invested in better plant and machinery, combined with cheap labour. Firms are tempted to be lazy and hire such labour, rather than investing in machinery or technology.

I am pleased that, in the last five years, the Government have taken action to deal with both those issues, most recently by raising the minimum wage by 3%—the largest increase since 2008—and by encouraging banks to lend more. I hope that in the next five years they will continue to increase the minimum wage and encourage banks to lend more to operating businesses, because I believe that both those measures will help to address the productivity issues that have been raised today.

The Government have taken extremely compelling action in a number of other areas, not least in reducing energy costs, in rolling out broadband in reducing regulations—£10 billion in the last Parliament and the same again this year—and in reducing corporation tax to just 20%, the lowest level in the G7. In the light of all that, it is no wonder that we are growing so strongly and that wages are now growing by 2% a year. In my view, that is a leading indicator of productivity increases. I am delighted to be supporting the Government's record and I look forward to it continuing for the next five years.

6.30 pm

Alan Mak (Havant) (Con): I congratulate the hon. Member for Sheffield, Brightside and Hillsborough (Harry Harpham) and my hon. Friend the Member for Hertsmere (Oliver Dowden) on their wonderful maiden speeches. I am grateful for this opportunity to speak in today's debate on productivity. The central issue is how we as a Government can help our people to fulfil their potential and how we can unleash Britain's core strengths as a nation through hard work, aspiration and creativity. That is what productivity means in reality. It involves a commitment to helping hard-working people to get on in life, and that is what this Government have been doing.

Opposition Members are right to say that productivity is key to living standards and our public finances, but they are wrong to suggest that all is doom and gloom. Productivity rose last year after plummeting during Labour's recession, which caused the biggest fall in living standards for a generation. That recession meant banks not lending to our businesses and it led to our biggest drop in productivity since 1974. Incidentally, that was when a previous Labour Government gave us the three-day week. This Government have been clearing up that mess. To coin a phrase, we are the Government who have been fixing the roof while the sun has been shining.

Mr David Anderson (Blaydon) (Lab): Will the hon. Gentleman give way?

Alan Mak: I want to make some progress.

Over the past five years, and now in government alone, we have taken action in three areas that all hon. Members should welcome. First, we have been rebalancing the economy geographically so that wealth, opportunity and productivity are spread more evenly across the country. In 2013, London enjoyed 29% higher productivity than the UK average. We are supporting other regions to get ahead and stay ahead, which is why the Chancellor has launched the northern powerhouse to connect up our great cities in the north. Its population of 15 million, its great industrial and manufacturing heritage and its strong reputation for science and technology provide a big foundation for the northern powerhouse to be built on.

Foreign investors also have confidence in the northern powerhouse concept. We have seen massive investments all over the north, with Hitachi, Nissan and Rolls-Royce in the north-east, Siemens in Hull and East Yorkshire, the airport city in Manchester, and the new deep-water port in Liverpool. These are the strong foundations on which the northern powerhouse is being built.

Secondly, we are rebalancing the economy by sector, supporting manufacturing, science and technology rather than just relying on financial services. We must, of course, champion our financial services sector across the entire UK—it is a world leader and a big source of tax revenue—but as we saw during the last Labour Government, we need a more broad-based economy with high-quality manufacturing, technology and science at its heart. That is why this Government have created the Catapult centres, a network of world-leading centres designed to transform the UK's innovation and productivity in seven areas, including manufacturing and cell therapy.

Thirdly, we are cutting red tape for businesses and reducing the burdens on hard-working people. In my constituency of Havant, for example, manufacturing and engineering businesses such as Colt, Eaton Aerospace and Pfizer are benefiting from the most competitive rate of corporation tax in the G7, allowing them to train apprentices, to export, to innovate and to boost productivity. Through the red tape challenge, we have removed or amended more than 3,000 regulations. We have also cut taxes for hard-working people, allowing them to keep more of the money they earn, which is the best possible way of boosting productivity.

I also commend the Government for appointing the noble Lord O'Neill of Gatley as the new Commercial Secretary to the Treasury. I heartily recommend that Members read his maiden speech, which focuses on productivity. I have engaged with his lordship on a number of initiatives in the City to bring to this country best practice from fast-growing economies such as China, and I know that he will bring a huge amount of experience to the debate. This Government are committed to our economic recovery, with a long-term economic plan that has already ensured that Britain has the fastest growing economy in the western world. I look forward to the publication of the Government's productivity plan, which will set out further steps to strengthen our economy and boost productivity in the years to come.

6.34 pm

Suella Fernandes (Fareham) (Con): Improving our country's productivity is the key to raising standards for everyone, and our future prospects depend on it. Although I welcome this debate on productivity, I must say that the context of the productivity puzzle cannot be ignored. There is no doubt that the past five years have seen record levels of employment, with 2 million more people in work. In my constituency, local employers such as Lucketts Travel and Eaton Aerospace are contributing to the local economy through more jobs, more apprentices and increases in wage rates. Pay is now rising at its fastest rate since the economic crisis. But we need to be measured in our analysis, and I echo the comments made by my right hon. Friend the Member for Wokingham (John Redwood) in his analysis of the causes of the productivity puzzle. It is no coincidence that the productivity collapse happened at about the same time as the financial crash, leading to a sudden shrinkage in the financial sector. The decline in North sea oil output in recent years is another contributory factor to the fall in productivity.

That is the context to our productivity challenge. The solution is at the heart of this Government's agenda. First, our massive investment in infrastructure will hugely contribute to productivity. On that, we may be talking about the £1.4 billion package of 18 new road schemes in south-east England, improving the A27 corridor, which runs through my constituency, and working on junction 10 of the M27. We are witnessing the boldest and most far-reaching roads programme for decades, which will unlock economic potential in the region. We may be talking about the £7 million Government investment in the Solent enterprise zone, just over the border in the neighbouring constituency of my hon. Friend the Member for Gosport (Caroline Dinéage), whom I congratulate on her efforts to get more investment from Government. The centre of excellence in engineering and manufacturing

advanced skills training—CEMAST—opened there last year, and hundreds more young people will be trained in technical and vocational skills.

We could also mention the reform to our tax regimes—to corporation tax, the jobs tax and to business rates. Hundreds of thousands of small businesses can now operate more efficiently. This investment, this package of reforms and the tax changes put enterprise, jobs and aspiration at the heart of our work in government, so that productivity will increase and brand Britain will continue to thrive.

6.37 pm

Robert Jenrick (Newark) (Con): I, too, congratulate the new Members on their excellent maiden speeches. May I also welcome my Nottinghamshire neighbour, the hon. Member for Nottingham East (Chris Leslie), to his role as shadow Chancellor? He is the third Nottingham man in recent times to hold the position, although of course only my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) ever got the top job. I am sure that if the hon. Gentleman needs any friendly advice on how to run a successful economy, my right hon. and learned Friend would be happy to give it.

That productivity continues to grow in prominence is, as has been said throughout the debate, a recognition of the remarkable achievements in employment during the past few years—almost 9,000 new jobs have been created since 2010 in my constituency—and the fact that we now have a credible, long-term plan for the public finances, respected by the markets. We need to continue to deliver on it. It is also an acceptance by all of us that the country is running up against the limits of what can be achieved by boosting employment alone. We are well on the way to becoming a country of people in work, but the task for the next five years is addressing how we can become a country of people who are well paid.

So much has been said already, but let me address one area in particular. The truth is that the UK has never quite managed to develop an entrepreneurial culture equivalent to that in the United States. Governments do not create entrepreneurs or the businessmen and women of the future, but they can and must be the flagbearers for them. Margaret Thatcher was, undoubtedly, the outstanding champion of British enterprise of the past 30 years. We need to re-awaken the spirit of those times, albeit in contemporary language, and I am certain that the Treasury Front-Bench team will do so.

A few days ago, I had the great pleasure of going to the excellent Palace theatre in Newark to watch the play “Arcadia”, and a line in it stuck with me. It was when one character turns to another and says, “This is the greatest time to be alive, because everything we thought we knew is wrong”. We should all remember that line. With the internet upending old industries; and with the shift in power from the west to the east; new opportunities are out there, if only we and our generation can seize them with a new, spirited, entrepreneurial culture.

How might we do that? We could pivot towards the growth of those emerging markets, and away from the stagnant economies, mostly in Europe. That means new free trade agreements with China; avoiding the caricature of the Transatlantic Trade and Investment Partnership; using the Foreign and Commonwealth Office and the

Commonwealth network, as we did in the previous Parliament; and not complaining, as some on the Opposition Benches do, of mercantilism in the FCO as if trade were a dirty word.

The UK should become a hub of the IT sector in Europe. It has the best universities and it has the venture capital industry; we just need the ambition to realise it. We should use our universities. The Catapult initiative that we have heard of already has been and will continue to be excellent. We should have the confidence to allow enterprise to have its rewards. Genuine wealth creators should be able to reap the benefits of their success and not be ashamed of it.

We need to be on the side of the insurgent, and not the vested interest. We need to tackle the big six and to break up BT Openreach. Generations of Treasury Ministers have had “supply side” written on their political gravestones. I am sure that the Chancellor and the Chief Secretary to the Treasury will be remembered as the entrepreneurs’ champions. There is no better epithet. We need to inspire a generation to succeed, prosper and excel, as all Conservative Governments have done in the past.

Mr Speaker: Order. As the House will know, the ballot for electing Chairs of Select Committees closed at 5pm. Counting has been under way since then. I had hoped that it might be possible to declare the results to the House at 7.15 pm this evening—in contrast to the arrangement five years ago—before the Adjournment. Sadly, I have to tell the House that that will not be possible. I therefore intend to announce the results after questions tomorrow morning at around 10.30 am. I am advised—and I am glad—that there will be no prior publication.

6.41 pm

Shabana Mahmood (Birmingham, Ladywood) (Lab): It is a pleasure to close this debate on behalf of the Opposition and to support our motion. We have had a good debate with some thoughtful speeches. I particularly want to mention the speeches of my hon. Friends the Members for Hartlepool (Mr Wright), for Newcastle upon Tyne Central (Chi Onwurah), for Croydon North (Mr Reed), for Sefton Central (Bill Esterson) and for Bristol West (Thangam Debbonaire). May I also congratulate the hon. Members who made their maiden speeches today? I am talking about the hon. Member for Hertsmere (Oliver Dowden)—or indeed for Albert Square—and my hon. Friend the Member for Sheffield, Brightside and Hillsborough (Harry Harpham), who made a moving tribute to his predecessor, David Blunkett, and to his constituency. May I welcome them both to this House, and I wish them well as they use the power of their voices to speak on behalf of their constituents and pursue the causes that matter to them?

One such cause and central issue of the day, on which I hope there is consensus in the House, is productivity and the impact of productivity on the performance of our economy. Productivity is the central economic challenge facing the Government and I believe that getting it right is vital if we are to achieve higher living standards, sustained GDP growth and effective deficit reduction.

We must seek to maximise output from the efforts of working people. If workers can produce more, their employers can pay more, tax revenues can be more

[*Shabana Mahmood*]

buoyant, and GDP growth stronger and more sustainable. In short, if we get this right, then everyone is a winner. Governments can make choices to pull the levers at their disposal when it comes to the national minimum wage or indeed the living wage, but when it comes to wider wage growth across the rest of the economy and for those on middle incomes, then higher productivity is the way forward, as the CBI and indeed the Bank of England have also emphasised.

We should all agree in this House that GDP growth that is driven just by increasing the number of people in work and how many hours they work will not make people better off. As a nation, rather than settling for the current state of things, we should aspire to have more for us all, to be better and to be stronger. We should have a broader vision and ambition for everyone in our country, especially those who are currently stuck in low-paid work.

What has been happening to productivity on this Government's watch? Seven years on from the global financial crisis—some Tories appear to have forgotten that there was a global financial crisis before Labour left power—productivity is still 1.7% below the pre-crisis peak. Between 2010 and 2014, productivity has grown by an average of just 0.4% a year. In quarter 4 of 2014, productivity growth fell by 0.2% compared with the previous quarter, and productivity growth was also negative in 2013 and 2012, at minus 0.3% and minus 1.2% respectively. UK output per hour is now 17 percentage points below the G7 average and 31 percentage points below that of the United States of America.

The Office for Budget Responsibility says that productivity growth is the

“most important and uncertain part”

of its economic forecast. The Office for National Statistics says that the stagnation of productivity is “unprecedented”. The Bank of England says that this is one of its main concerns about the nature of the recovery going forward.

One response to this productivity puzzle would be to think that this is just how things are—that this is a necessary and inevitable consequence of a changing world—but it does not have to be this way, and we should not settle for things being this way. Despite the post-election pronouncements about a soon-to-be-announced so-called productivity plan, with respect, the Tories' inaction and ineffectiveness on this issue over their previous five years in government suggests that they have been content to settle for things exactly as they are. How else can the Chancellor explain his complete failure even to mention productivity during his March Budget speech, or his failure to prioritise productivity growth over the previous five years? But he and his team can listen today and start to put things right as they look ahead to the July Budget. The Chancellor has choices to make ahead of the first fiscal event of this Parliament, and he should make choices that will boost productivity.

The Chancellor could focus on skills and innovation. We have heard today that jobs growth has been disproportionately focused on lower-skilled work since mid-2013, and we have a persistent trend of insecurity in the labour market and, inevitably, weak wage growth too. The Government are wrong to sit back and watch

that happen, because our labour market is changing and the jobs of tomorrow will look very different from the jobs of 20 years ago. Our future workforce is also changing; it is ageing, there are more women and there are increasing numbers of people with high-level qualifications. The Opposition believe that, with so much talent to harness, public spending should focus on enhancing investment, skills and innovation. The Tories have failed thus far to provide any real solutions or strategies to build the productive, high-skilled, high-wage workforce that this country needs, and this must urgently change.

On infrastructure, frankly Labour has already done the heavy lifting with the report that we commissioned from Sir John Armitt, whose proposal, accepted in full by us, for a national infrastructure commission is one that the current Government should also adopt. Indeed, we have even prepared the draft legislation. With all the work done, and given that it is in the national interest, Ministers can have that one for free and they should go ahead and do it.

The Chancellor should also listen to us and allow the OBR to publish an assessment of how the likely options for the spending review due later this year would impact on productivity. I know that we have asked him several times to allow the OBR to do a number of things, such as auditing party general election manifestos or preparing reports to inform the EU referendum debate. Unfortunately, the Chancellor has never taken the opportunity to listen to us before. However, it is important that we have a wider understanding of the big and difficult choices that will be made on public spending, and frankly, he should not run away or hide from having some light shed on the consequences of the different choices open to him, or indeed the scrutiny that will come once he has made his choices.

With no clear plan to boost productivity over the past five years, no significant drive for the skills that are needed for good high-wage jobs, no national infrastructure commission and no long-term funding framework for science, and only now plans for a plan in July, the Chancellor is coming late to this particular party. But if he is going to show up—and today's no-show does not inspire confidence—he needs to make it count. His party colleagues could help him on his way by voting for our motion.

6.49 pm

The Exchequer Secretary to the Treasury (Damian Hinds): Solving the productivity puzzle is a vital component of the journey we have been on since 2010—the journey to long-term prosperity through a comprehensive long-term economic plan. In 2010 this country urgently needed financial stability. We provided it. We needed to get public spending under control. We did so. We needed job creation, because that is the best way to help people support their families, and 2 million jobs were created—1,000 a day.

Rebuilding an economy takes time. It is a long journey, and we have always known that improving productivity is a key part of that journey. Our productivity plan, which the Chancellor announced last month, will set out how we develop that further. Forty-five years ago, when I was born, UK output per hour was 37% below that of the United States, a significantly bigger gap than

there is today. What happened 45 years ago is of limited significance and, I suspect, interest to anybody sitting here right now, but it highlights the partial picture presented by the words of the motion, that UK productivity has been an issue “for several years”. It has been an issue for several decades.

Ever since we returned to government in 2010, productivity growth has been central to our mission of sustainably rebuilding the economy. In 2010 our overarching priority had to be keeping people in jobs while we set about the task of returning to fiscal balance. I make no apology for that. At the same time as pulling us back from the financial brink, we were also bringing in key supply-side reforms to boost efficiency and productivity. We created a national infrastructure plan and, as a result, infrastructure investment was 15% higher in the previous Parliament than in the preceding one. On road, on rail and online, thousands of infrastructure projects are connecting people and communities.

Our support for science and innovation has increased our competitive advantage by focusing on the UK’s great areas of strength. Even as we had to trim departmental budgets across the board, we protected science. We helped our universities to get on a firm financial footing to maintain their world-class position as centres of excellence. To rebalance the economy we put together a radical programme for growth outside London and the south-east, combining investment and devolution.

All this has helped to deliver jobs and growth. Last year we saw productivity begin to rise. The Office for Budget Responsibility expects productivity growth of 0.9% this year, and after that it grows at 2% or above in every year of the forecast period. We are now ready for the next step. Our productivity plan, as the Chancellor announced on 20 May, will explain how we shift our economy up a gear. It will be ambitious, long term and wide-ranging. Our manifesto is a programme for long-term sustainable growth: £100 billion of infrastructure this Parliament, as well as the big infrastructure questions for the decades ahead; skills for the long term, at every stage of people’s education and career; a better balanced Britain, and not just a northern powerhouse because, as I am sure Members will agree, there should be no monopoly on powerhouses.

We will deliver the affordable homes that people need. We will cut red tape, help businesses to access finance, and maximise workforce participation, including giving parents who want to return to work the support to do so—this, and much, much more, a blueprint for a more productive Britain.

Today we have had interesting and powerful speeches from a number of right hon. and hon. Members, many drawing on their own business experience. Two speeches that we heard, which were maiden speeches, were particularly outstanding. The first was that of my hon. Friend the Member for Hertsmere (Oliver Dowden)—as expected, a highly erudite maiden speech from the former deputy chief of staff to the Prime Minister. He reminded us of the rich lineage he has in his constituency predecessors. I am sure he will make an extremely admirable addition to that line. The second was that of the hon. Member for Sheffield, Brightside and Hillsborough (Harry Harpham). He, too, knows what it is to have big shoes to step into—those of David Blunkett, who is so respected right across the House. The hon. Gentleman follows in his footsteps from local government into this

place. He put EU renegotiation in a very interesting, long historical context. As for the topic of today’s debate, he rightly put productivity in its proper context—that of raising living standards and spreading prosperity.

There were a number of other interesting speeches. My right hon. Friend the Member for Wokingham (John Redwood) reminded us of the sectoral shift that has been going on. He spoke about the maturity of the UK continental shelf and the fall of the oil price, and what that has done to the North sea oil sector, as well as the shift away from financial services. My hon. Friend the Member for Bexhill and Battle (Huw Merriman) reminded us of his own lack of productivity when he challenged Madam Deputy Speaker electorally in North East Derbyshire. He also described the contrast between this country and France, and how we should be careful who we follow.

My hon. Friend the Member for Yeovil (Marcus Fysh) talked about the importance of services as well as manufacturing in productivity growth. My hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) spoke of the importance of cutting red tape. My hon. Friend the Member for Solihull (Julian Knight) welcomed employer involvement with schools in building skills, and my hon. Friend the Member for Croydon South (Chris Philp) talked about all the things that Labour did not choose to debate today, which are just as instructive as the things that they chose. There were excellent speeches from my near neighbours, my hon. Friends the Members for Havant (Alan Mak) and for Fareham (Suella Fernandes), and from my hon. Friend the Member for Newark (Robert Jenrick).

I want to mention the contributions of two Opposition Members in particular. The hon. Member for Hartlepool (Mr Wright) talked about the success stories of the automotive and aerospace sectors, and the importance of research and development spending. He asked about the Government’s industrial strategy. Our entire programme of government is an industrial strategy. It is integrated with what we do, not something that we add on. Of course, we stay in constant contact with industry.

The hon. Member for Sefton Central (Bill Esterson) spoke of his own experience in training and development, and the key role that management quality plays in productivity. He is quite right, and I remind him that our postgraduate loans will be available to MBA students as well. More broadly in terms of skills-building, we have an ambitious programme to deliver 3 million quality apprenticeships. To date, there are 50 higher apprenticeships available up to degree and masters level. Last year, there was a 40% increase in the number of people participating in higher apprenticeships.

Steve Rotheram (Liverpool, Walton) (Lab): Will the Minister confirm how many of those 3 million quality apprenticeships will be conversions from other programmes?

Damian Hinds: We have a track record in the previous Parliament of delivering 2.2 million quality apprenticeships. We will carry on delivering that important investment in the young people of this country and in our industrial future.

The reforms of the past five years have delivered jobs, growth and security for the people of our country. We now have a chance to take things to the next level through our bold and ambitious productivity plan.

[*Damian Hinds*]

We have a track record of making the right economic decisions—a record that, I am glad to say, the British people strongly endorsed five weeks ago. There is a real ambition to achieve the step change in productivity that our country needs. Our cities want it, our businesses want it and the people of this country want it. With them, we will make it happen.

Question put.

The House divided: Ayes 260, Noes 320.

Division No. 18]

[6.58 pm

AYES

Abrahams, Debbie
 Ahmed-Sheikh, Ms
 Tasmina
 Alexander, Heidi
 Ali, Rushanara
 Allen, Mr Graham
 Anderson, Mr David
 Arkless, Richard
 Ashworth, Jonathan
 Austin, Ian
 Bailey, Mr Adrian
 Bardell, Hannah
 Barron, rh Kevin
 Beckett, rh Margaret
 Benn, rh Hilary
 Betts, Mr Clive
 Black, Ms Mhairi
 Blackford, Ian
 Blackman, Kirsty
 Blackman-Woods, Dr
 Roberta
 Blenkinsop, Tom
 Blomfield, Paul
 Boswell, Philip
 Bradshaw, rh Mr Ben
 Brennan, Kevin
 Brock, Deidre
 Brown, Alan
 Brown, Lyn
 Brown, rh Mr Nicholas
 Buck, Ms Karen
 Burden, Richard
 Burgon, Richard
 Butler, Dawn
 Byrne, rh Liam
 Cadbury, Ruth
 Cameron, Dr Lisa
 Campbell, rh Mr Alan
 Campbell, Mr Ronnie
 Champion, Sarah
 Chapman, Douglas
 Cherry, Joanna
 Clwyd, rh Ann
 Coffey, Ann
 Cooper, Julie
 Cooper, Rosie
 Cowan, Ronnie
 Cox, Jo
 Coyle, Neil
 Crausby, Mr David
 Crawley, Angela
 Creagh, Mary
 Creasy, Stella
 Cruddas, Jon
 Cryer, John
 Cummins, Judith

Cunningham, Alex
 Cunningham, Mr Jim
 Danczuk, Simon
 David, Wayne
 Davies, Geraint
 Day, Martyn
 De Piero, Gloria
 Debbonaire, Thangam
 Docherty, Martin John
 Donaldson, Stuart Blair
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Dugher, Michael
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Edwards, Jonathan
 Efford, Clive
 Elliott, Tom
 Esterson, Bill
 Evans, Chris
 Fellows, Marion
 Ferrier, Margaret
 Field, rh Frank
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flint, rh Caroline
 Flynn, Paul
 Fovargue, Yvonne
 Foxcroft, Vicky
 Gapes, Mike
 Gardiner, Barry
 Gethins, Stephen
 Gibson, Patricia
 Glass, Pat
 Glindon, Mary
 Godsiff, Mr Roger
 Goodman, Helen
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Green, Kate
 Greenwood, Lilian
 Greenwood, Margaret
 Griffith, Nia
 Gwynne, Andrew
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harman, rh Ms Harriet
 Harpham, Harry
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue

Healey, rh John
 Hendrick, Mr Mark
 Hendry, Drew
 Hepburn, Mr Stephen
 Hillier, Meg
 Hodgson, Mrs Sharon
 Hoey, Kate
 Hopkins, Kelvin
 Hosie, Stewart
 Howarth, rh Mr George
 Hunt, Tristram
 Huq, Dr Rupa
 Hussain, Imran
 Irranca-Davies, Huw
 Jarvis, Dan
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Kane, Mike
 Kaufman, rh Sir Gerald
 Keeley, Barbara
 Kerevan, George
 Kerr, Calum
 Kyle, Peter
 Lavery, Ian
 Law, Chris
 Leslie, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Clive
 Lewis, Mr Ivan
 Long Bailey, Rebecca
 Lucas, Caroline
 Lucas, Ian C.
 Lynch, Holly
 MacNeil, Mr Angus Brendan
 Mactaggart, rh Fiona
 Madders, Justin
 Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Mr Gordon
 Maskell, Rachael
 Matheson, Christian
 Mc Nally, John
 McCabe, Steve
 McCaig, Callum
 McCarthy, Kerry
 McDonald, Andy
 McDonald, Stewart
 McDonald, Stuart C.
 McDonnell, John
 McFadden, rh Mr Pat
 McGarry, Natalie
 McGinn, Conor
 McInnes, Liz
 McLaughlin, Anne
 Meacher, rh Mr Michael
 Meale, Sir Alan
 Mearns, Ian
 Miliband, rh Edward
 Monaghan, Carol
 Monaghan, Dr Paul
 Moon, Mrs Madeleine
 Morden, Jessica
 Morris, Grahame
 M.
 Mullin, Roger
 Murray, Ian
 Nicolson, John
 O'Hara, Brendan

Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Owen, Albert
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Phillips, Jess
 Phillipson, Bridget
 Pound, Stephen
 Powell, Lucy
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Jamie
 Reed, Mr Steve
 Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, Angus
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Saville Roberts, Liz
 Shah, Naz
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Shuker, Mr Gavin
 Siddiq, Tulip
 Skinner, Mr Dennis
 Slaughter, Andy
 Smeeth, Ruth
 Smith, rh Mr Andrew
 Smith, Angela
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Spellar, rh Mr John
 Starmer, Keir
 Stephens, Chris
 Stevens, Jo
 Stringer, Graham
 Stuart, Ms Gisela
 Tami, Mark
 Thewliss, Alison
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thompson, Owen
 Thomson, Michelle
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turner, Karl
 Twigg, Derek
 Twigg, Stephen
 Umunna, Mr Chuka
 Vaz, rh Keith
 Vaz, Valerie
 Watson, Mr Tom
 Weir, Mike
 West, Catherine
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan
 Whitford, Dr Philippa
 Williams, Hywel
 Wilson, Corri
 Wilson, Phil

Wilson, Sammy
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Woodcock, John

Wright, Mr Iain
Zeichner, Daniel
Tellers for the Ayes:
Nic Dakin and
Susan Elan Jones

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Campbell, Mr Gregory
Carmichael, Neil
Cartlidge, James
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, 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
Davies, Philip
Davis, rh Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donelan, Michelle
Dorries, Nadine
Double, Steve
Dowden, Oliver
Drax, Richard
Drummond, Mrs Flick
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Mr Nigel
Evennett, rh Mr David
Fabricant, Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Francois, rh Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
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
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
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Karl
McLoughlin, rh Mr Patrick
McPartland, Stephen
Menzies, Mark

Mercer, Johnny
Merriman, Huw
Metcalf, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
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
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shannon, Jim
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, Bob
 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
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 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
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:
Jackie Doyle-Price and
Guy Opperman

Question accordingly negated.

PETITION

Road Safety on Spencefield Lane (Leicester)

7.12 pm

Keith Vaz (Leicester East) (Lab): I would like to present a petition about—*[Interruption.]*

Mr Speaker: Order. Before the right hon. Gentleman speaks to his petition, let me ask Members who are unaccountably leaving the Chamber and therefore not hearing of its contents and are not staying to hear the Adjournment debate, which is at least as unaccountable, to be good enough to leave the Chamber quietly. That would be appreciated. We still have two parliamentary delights this evening, and it is good to know that at least some Members have stayed for those two delights.

Keith Vaz: Thank you, Mr Speaker. That is the first time I have been called a delight, and I am most grateful.

I wish to present a petition based on a local initiative signed by 362 local residents. It is a petition collected by local parents and residents, and I want to thank the three local councillors in the ward, Councillors Deepak Bajaj, Ratilal Govind and Sue Hunter for raising awareness of the issue. It concerns the safety of pupils as they cross Spencefield Lane opposite St Paul's Catholic school and the Krishna Avanti Hindu primary school. At the moment, the road is very dangerous, and the residents, local parents and the schoolchildren want to raise this petition.

The petition states:

The Petition of residents of Leicester East,

Declares that road safety has become a serious concern on Spencefield Lane, opposite St Paul's Catholic School and Krishna Avanti Primary School; further notes that parents, teachers and local residents fear that inadequate pedestrian crossings and road safety measures risk the safety of school children and vulnerable adults who cross the road each day; and further that a local petition on this issue was signed by 362 individuals.

The Petitioners therefore request that the House of Commons urges Leicester City Council to implement measures to improve road safety on Spencefield Lane, including a pedestrian crossing, without delay.

And the Petitioners remain, etc.

[P001529]

Alternative Transport Fuels

Motion made, and Question proposed, That this House do now adjourn.—(*Charlie Elphicke.*)

7.14 pm

Mrs Cheryl Gillan (Chesham and Amersham) (Con): I am delighted to have secured this Adjournment debate and I hope that I have not misled the House with its title, because today I want to ask about a specific fuel. I want to ask the Department for Transport about its position on the new diesel substitute fuel, aqua methanol, and its potentially vital role in reducing diesel exhaust pollution.

The previous Labour Government's diesel-friendly policies have led to a serious diesel particulate and nitrogen oxides pollution problem, and there are dreadful health consequences. Ministers will be aware of the recent Supreme Court judgment indicating the urgency of the Government's acting to alleviate this health problem. That would also mean that the UK could avoid incurring extremely large fines for failing to meet EU air quality standards.

On a day when we have had a very large environmental lobby at the House of Commons, I want to ask the Under-Secretary of State for Transport, my hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones), whom I welcome to his role and to the Front Bench, what he will do to support a fuel that will contribute to reducing emissions and improving our air quality.

In 2001, my constituent Peter Dodd and his company Zero-m drove a senior official from the Department for Transport along Oxford Street in a very special London black cab. That cab was unique because it ran on aqua methanol and emitted virtually no poisonous particulates or nitrogen oxides. In the following six years or so Zero-m, sponsored by the Department for Transport and the Treasury, converted vans and heavy goods vehicles to run on aqua methanol so that those other major sources of diesel pollution could be cleaned up.

The resulting report, delivered in 2009, confirmed without doubt that aqua methanol could have a major impact on diesel pollution, could reduce carbon dioxide, could reduce UK exposure to oil prices and, most importantly in these continuing times of austerity and unlike nearly all other alternative fuels, would require only modest Government financial support during its introductory phase even if oil prices stayed low.

Jim Shannon (Strangford) (DUP): Does the right hon. Lady agree that there are other alternatives, such as electric cars? That is a new way of reducing pollution across the whole community. Does she feel that the Government should emphasise that as well?

Mrs Gillan: The hon. Gentleman has pursued that issue, and I hope that the Minister will have taken note. It is important that the Government consider alternative fuels, particularly in the light of the detrimental effect on our environment of the fuels that are currently in use.

The report concluded that aqua methanol should be introduced as soon as possible, so the question is why there are not yet any clean aqua methanol vehicles on our city streets. The answer is that the Europe-wide fuel

tax rules are blocking their introduction. They mean that aqua methanol would cost some £1.90 a litre at the pump and, obviously, that is a commercially impossible price.

Fortunately, after thorough investigation and confirmation of the report's findings under the coalition Government, the Treasury has now agreed to make the tax changes necessary to enable the new fuel to be competitively priced against diesel in the UK by putting it on a level playing field with other gas-based fuels. It announced its intention to do so in the two most recent Budgets and autumn statements and finally included the necessary legislation in the last Finance Bill, just before the recent election. However, the change has still not been enacted, because in the wash-up process the Opposition objected to it despite the fact that the entire green fuel challenge project to demonstrate the need for aqua methanol and prove its worth in exchange for the tax change was initiated and completed during their time in government.

I am now hopeful that the Chancellor will take the measure through on 8 July, so the debate is meant to emphasise the importance to health of enacting this new fuel tax measure immediately. Equally importantly—we have yet to have an undertaking from Government on this—we must integrate the fuel into the DFT's fuel strategies and funding programmes to accelerate its introduction. The importance of doing that as soon as possible can hardly be overstated.

It is unlikely that many people will have heard of aqua ethanol until now, but those with long memories will remember the green fuel challenge, which aimed to foster the development of greener transport fuels. Of the three groups selected for support, the highest award was given to Zero-m Ltd, a company in my constituency. Its proposition was that converting commercial diesel vehicles to aqua methanol offered many advantages, including reducing particulate emissions from diesel engines and lower NO_x, which is the diesel exhaust gas responsible for forming smog and acid rain, and which is central to the formation of tropospheric ozone.

Further, the company also discovered that renewable aqua methanol could be made more easily and cost-effectively than most, possibly all, other proposed green transport fuels. In addition, as if that were not enough, it discovered that substituting aqua methanol for diesel would improve UK fuel security and reduce our exposure to politically volatile crude oil prices, because aqua methanol is derived not from crude oil but from the huge and growing global resource of natural gas. Importantly, from the climate change point of view, it can also be made from a wide range of renewable sources, including, rather amazingly, renewable electricity and the carbon dioxide in the air, turning that controversial little climate change bugbear into a jolly good friend.

By introducing methanol made from plentiful natural gas in the short term—so-called brown aqua methanol—we can immediately strengthen the fight against diesel pollution, and at the same time, relatively quickly, win CO₂, fuel security, exports and job benefits. Once brown aqua methanol is established, it can be replaced down the track by chemically identical green renewable methanol once that form becomes economically viable when compared with diesel. Brown natural gas-based methanol paves the way and acts as that solid bridge to

[Mrs Gillan]

near-zero-CO₂ green methanol, without requiring the massive Government subsidies that would be incurred in trying to go directly to the green form without using the brown bridge.

Between them, the members of the Zero-m team have the most amazing experience. Together they have more than a century of expertise in alternative fuels, so these constituents of mine really do know what they are talking about. They particularly understand how oil markets work and the importance of minimising the need for Government subsidies, because oil prices can go down as well as up. When they go down—and history shows that they can stay low for a long time—subsidies that looked fairly short-term and affordable can suddenly look very high and indefinite. In fact, they can become, as they often have in the past, completely unsustainable economically.

With long experience of seeing high-cost alternative fuel projects fail because Governments cancelled the subsidies when oil prices fell, Zero-m's approach throughout has been to find a way to introduce a fuel that will be commercially viable when oil prices are low. It is interesting to note, anecdotally, that before the second world war it was believed that there was only 12 years' worth of oil left at the then consumption rate of about 8 million to 10 million barrels a day. Today, the numbers in BP's June 2015 statistical review show that apparently we have 52 more years of reserves at the 2014 global consumption rate of 92 million barrels a day. Therefore, we are using about 10 times more oil today and it is going to last four times longer than they thought it would last in 1935.

Although it is probably true that oil could run out at some distant point in the future, the oil industry has a habit of finding new deposits and even cheaper means of extracting ever more from them, extending today's problem with pollution into the future.

Zero-m believes that aqua methanol could be the earliest commercially viable alternative, because it only needs launch support to begin replacing diesel made from oil. Of course, it has to be remembered, but rarely is, that the more that subsidised alternative fuels displace oil, the greater the over-supply of oil will become and the lower the oil price is likely to go. That is the Catch-22 of developing alternative fuels: they look good when the oil prices are high, but if they succeed they will almost inevitably cause oil prices to fall.

Biofuels are one of the key planks of the European Union strategy to reduce emissions, but a 2015 departmental report on options for energy transport policy to 2030 showed that crude oil prices in excess of \$250 a barrel are needed before most anticipated renewable biofuels can become commercially viable on a stand-alone basis. Even the Government are expecting bioethanol and biodiesel to need heavy taxpayer subsidy far into the future through the renewable transport fuels obligation.

It is surely worrying that even that Government report accepts that biofuels are not expected to be commercially viable even by 2030, and possibly far beyond. Add to that the fact that including biodiesel in diesel fuel does virtually nothing to reduce particulates and NO_x, the key city street-level pollution issue, and that, even worse, including biodiesel in normal fossil

diesel actually reduces miles per gallon. It seems to me that aqua methanol is one initiative that can definitely be foreseen to be commercially viable at today's low oil prices of around \$65 a barrel, which is massively below the over \$250 a barrel that the Government are expecting biodiesel to cost in 2030, as set out in the report I referred to earlier.

Zero-m has calculated that, in terms of particulates and NO_x reduction, converting one diesel van to aqua methanol, at an estimated cost of £5,000, is equivalent to converting five cars to electricity, which costs the Government at least £25,000 in subsidies. Converting one heavy goods vehicle, at an estimated cost of £15,000, would deliver the same diesel fume reductions as converting 30 cars to electricity, at a cost of more than £150,000. If the Government funded, say, £5,000 for each van and £15,000 for each HGV converted to aqua methanol, that investment could save them £20,000 and £135,000 respectively, versus what it would cost via the electric car route, and still achieve the same result.

When it comes to cutting street-level diesel pollution, aqua methanol has the ability to give us a significantly bigger bang for our tax pound than relying mainly on the introduction of electric vehicles—or indeed of hydrogen vehicles, which are likely to be even more expensive, with commercial viability even further into the future. However, despite all that promise, aqua methanol is still not an integral part of the Department for Transport's published alternative fuels strategies and funding plans, even though all common sense suggests that it should be strongly backed to accelerate and bolster current efforts to tackle the awful diesel pollution problem. Waiting for electric cars or hydrogen buses to fix the problem is being tried, and has been tried for some time, but still the diesel pollution worsens, with consequential health problems compounding the costs to the Government.

Tonight I am asking the Minister to add this potentially powerful new string to the Government's bow in the urgent battle to improve air quality. The proposed tax change is the culmination of over 14 years of Government-initiated and sponsored work to investigate this exciting new fuel and then enable its introduction. The new tax measure has been approved by all relevant Government Departments, including the Treasury, the relevant legislation has been drafted and all necessary consultations have been completed successfully. There is nothing further that the Treasury needs to do now beyond including the measure in the Finance Bill on 8 July, with an early implementation date.

I have worked alongside my constituents on this journey, and it has been a long and painful one. We are very grateful that the Treasury has now heard the message. Aqua methanol can and should be a major and effective part of the solution to this problem, and it would require no financial support from the Government after the introductory phase.

I am sure that the Government will now enact the promised deferred tax change. Tonight I am asking the Department for Transport to complete the picture and integrate aqua methanol fully into its published strategies and funding policies. Without the tax change, the launch of aqua methanol is economically unviable and will not occur, and all the fine opportunities and valuable benefits will be forgone. However, without the other half of the equation—the Department for Transport—supporting

aqua methanol, both financially and with publicity, our city air will continue to be full of dirty diesel particulates and NO_x for much longer than it need be. With both those steps in place, Ford, Mercedes, Iveco, Scania and DAF, to name just a few of the most popular van and HGV manufacturers in the UK, could start making and importing clean aqua methanol-capable vehicles into the UK.

I would like to applaud the Minister and the Chancellor of the Exchequer for having the foresight to see that aqua methanol deserves to be put on the same taxation footing as other natural gas-based transport fuels. Now I also urge them to redirect funds from some longer-term, higher-cost initiative, such as hydrogen, just as the Department is already doing for compressed and liquid natural gas. Given the severity of the pollution problem, continuing with the status quo is not an acceptable or justifiable option. By being an early adopter, we can improve our environmental credentials. I hope that the Minister will give a response that encourages my constituents and enables us to kick-start the introduction of aqua methanol, so that we can clean up our air as quickly as possible.

7.30 pm

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): I congratulate my right hon. Friend the Member for Chesham and Amersham (Mrs Gillan) on securing this debate about alternative transport fuels, and specifically aqua methanol. It is very topical because Governments across the world are looking to reduce their reliance on foreign energy imports, clean the air in their towns and cities, and reduce carbon emissions. We are seeing increasing urbanisation, and there is a recognition that fossil fuel is not only finite but increasingly carbon intensive.

My right hon. Friend is correct to say that the UK faces significant environmental challenges. In 2013, our domestic transport greenhouse gas emissions accounted for 21% of overall domestic greenhouse gas emissions. Road vehicles are responsible for 92% of CO₂ emissions from transport and 80% of roadside nitrogen dioxide. Every year, about 29,000 early deaths are attributable to poor air quality.

There is also an EU legislative context. The UK has a legal requirement to meet EU limits on exposure to air pollutants. As an EU member state, we are committed to reducing greenhouse gas emissions in road transport by 20% by 2020 and 40% by 2030.

In the recent general election, my right hon. Friend and I stood on a manifesto that reaffirmed our commitment to the Climate Change Act 2008, and road transport has to play its part if we are to reduce emissions by 80% by 2050. The manifesto also committed us to do even more to tackle air pollution, to back green energy that is value for money, and to continue to foster an economy that supports high-knowledge job creation. We made those commitments because the Government continue to see the environmental challenges for transport as an opportunity. Alternative transport fuels will have a role to play in helping us to deliver those commitments.

We have made much progress towards meeting the challenges we face. Air quality has improved significantly in recent decades. Harmful particulate matter emissions

from road transport have fallen by 31% since 1990. Between 1992 and 2012, total nitrogen dioxide emissions and background concentrations more than halved. Through the supply of sustainable biofuels under the renewable transport fuel obligation, we are making significant carbon savings. In 2013-14, the use of biofuels was equivalent to taking 1.35 million cars off the road.

All that is just part of a wider strategy through which we are working with other Departments, industry and local authorities to reduce harmful emissions across transport modes. Some £2 billion has been committed since 2011 to increase the uptake of ultra-low emission vehicles, fund greener transport initiatives and support local authorities to take action. What we are doing goes much wider than providing grants to support the uptake of electric vehicles, although I must mention that I will be making my debut behind the wheel of an electric vehicle tomorrow morning, as Nissan is lending the Department a Leaf. I am looking forward to driving it.

The wider action that we have taken includes making £30 million available so that bus operators and local authorities across England and Wales can bid for low emission buses and supporting infrastructure. A further £8 million has been awarded to 23 local authorities for cutting-edge, pollution-reducing technologies, which will be fitted to more than 1,200 vehicles. That included £500,000 of funding for Birmingham City Council to convert 80 taxis from diesel to liquefied petroleum gas. As was announced on 26 March, there is £6.6 million to support the establishment of an initial network of 12 hydrogen refuelling stations, heralding the imminent arrival of hydrogen fuel cell vehicles on UK roads. The Government are addressing the environmental impacts associated with road freight through the low carbon truck trial, which is providing more than £11 million to part-fund about 350 low-carbon commercial vehicles. Sustainable biofuels are also likely to have an important role to play in reducing carbon emissions in other sectors, such as freight and aviation, where there are limited alternatives for decarbonisation. We are considering options to support this.

In aviation, the UK is working hard, through the International Civil Aviation Organisation, to try to secure agreement on a global market-based measure to reduce international aviation emissions. In the meantime, the UK continues to support the use of regional measures, in particular the Aviation EU Emissions Trading System.

In rail, we are tackling greenhouse gas emissions through a major electrification programme, along with the procurement of new electric and low emission trains that will replace older diesel trains.

In shipping, we are pleased that a number of major ports in Europe have now declared their intention of establishing liquefied natural gas bunkering infrastructure in the next couple of years, given that LNG emits fewer harmful emissions than marine diesel fuel. That is essential, because ship owners are unlikely to invest in LNG-powered ships unless there are adequate refuelling facilities.

Returning to road transport, we expect to announce this summer the winners of an advanced biofuel demonstration plant competition. This will award up to £25 million of capital funding over three years to support the construction of plants in the UK.

[Andrew Jones]

I mention those initiatives to show the range of Government actions across different fuels and across different modes of transport. It is clear that our approach is about providing support in a technologically neutral way, focusing on the range of evidence available. This approach has been successful in encouraging the most sustainable fuels and low emission vehicles. I am also confident that, given the UK's strengths in innovation and research, we are well placed to succeed in the global market place in rising to the environmental challenges we face.

Further to the lower duty rate for methanol announced in last year's Budget, my right hon. Friend suggested that we should look to support innovation by further integrating aqua methanol into the Department's funding policies and published strategies. We of course recognise that, while overall air quality has improved over the past 20 years, much more needs to be done, in particular to reduce roadside concentrations of nitrogen dioxide. The fuel industry is complex, diverse and rapidly developing. Fuel production and supporting infrastructure are also at different levels of maturity. As policy makers, we must therefore give careful consideration to a range of possible solutions for tackling air quality, such as potential improvements in vehicle technology and fuels, and other sustainable travel policies and options.

I understand that the actual air quality benefits of aqua methanol are dependent on vehicle technology, for example, particulate traps in which it is used. The vehicle technology will determine the extent to which methanol replaces diesel and any potential reduction in air quality pollutants. I would like to reassure my right hon. Friend that, as we move forward with our policy development, aqua methanol will most certainly continue to be considered among all the other options on its merits, as is the case with all our funding programmes. I agree that aqua methanol is potentially a stepping stone to securing greenhouse gas emissions savings. However, if aqua methanol is to deliver greenhouse gas emissions savings, it is important that the right feedstock is used to make it. These need to be renewable and sustainable to deliver significant greenhouse gas emissions savings we are seeking.

My right hon. Friend mentioned the opportunity to produce sustainable methanol from CO₂ and renewable electricity, which I have to say is a very attractive policy option. Further to a call for evidence on advanced fuels at the end of 2013, the Department has considered the potential role of such non-biological renewable fuels and possible support mechanisms for advanced fuels, as they may deliver the significant greenhouse gas reductions we are seeking. Our examination of advanced and alternate transport fuels has continued through to the report produced in March by the Transport Energy Task Force, entitled "Options for energy transport policy to 2030".

The task force was set up by the Department and the Low Carbon Vehicle Partnership in October last year, and is made up of experts from industry and non-governmental organisations. Primarily, it considered a range of scenarios to meet our 2020 greenhouse gas emissions reduction and renewable transport fuel targets, as well as considering how low carbon fuels can help to reduce greenhouse gas emissions from UK transport in

the period to 2030 and beyond. We are considering the report carefully as part of work to transpose amendments to the fuel quality directive, which have recently been agreed, and the renewable energy directive, which we hope will be finalised very shortly.

As evidenced by the Transport Energy Task Force report, we will clearly need sustainable biofuels to meet our renewable energy and greenhouse gas reduction targets. I therefore welcome the investments made by UK biofuel suppliers to date in what has been a very difficult investment environment, and I will shortly be meeting with a number of them. The delay in agreement of measures to address indirect land use change at EU level over the past several years has caused uncertainty for biofuel suppliers, and I recognise from my own business career that nothing deters investment more than uncertainty. I am therefore keen that we now get on with the business of implementing these measures as soon as possible.

This debate is timely. The issue of air quality is rising up the agenda and is certainly a priority for me. I have already met colleagues from the Department for Environment, Food and Rural Affairs, and I expect to have further such meetings as we take our plan forward. I recognise that aqua methanol can play a role in tackling that problem.

Mrs Gillan: I thank the Minister for taking a positive approach to a fuel that could play an important part in his strategy. Will he do me the honour of meeting my constituents and the directors of Zero-m to look at this in much greater detail? I appreciate that he is new to his post, but it would give me great pleasure to bring them into the Department to talk to him about the benefits of aqua methanol.

Andrew Jones: I happily make that commitment and would be delighted to meet my right hon. Friend and her constituents. My approach to this and all issues within my area is to have an open-door policy and to work with the industry, so I would be delighted to have such a meeting. My officials will contact her to set it up.

The progress ahead, with the take-up of electric and ultra-low emission vehicles, is more in the area of cars and light vans; HGVs are harder to crack, and it is interesting to see how aqua methanol could again play a role. My right hon. Friend asks that the Department take the initiative. I will be doing just that, and aqua methanol will be included in all our considerations.

Once again, I thank my right hon. Friend for securing this debate. The Government recognise that vehicles are likely to require liquid and gaseous fuels for decades to come and that not all modes of transport are viable for electrification in the near future. It is therefore crucial that the UK develops a range of technologies to produce alternative low carbon fuels, reduce air pollutants from road transport and grow the UK's green economy.

We shall continue to work closely with experts from the industry and environmental non-governmental organisations on future support mechanisms, and we will continue to review the support provided, with a view to securing the best environmental outcomes, supporting a competitive market, minimising the cost to the industry, the taxpayer and the motorist, and making our environment a priority—particularly the

cleaner air my right hon. Friend mentioned. Aqua methanol will be a part of that review, and I again thank her for highlighting its importance to tackling the issues we face.

Question put and agreed to.

7.43 pm

House adjourned.

Westminster Hall

Wednesday 17 June 2015

[MR PETER BONE *in the Chair*]

Safety in Prisons

9.30 am

Mr Peter Bone (in the Chair): Before I call Rachael Maskell to move the motion, it might help colleagues to know that I intend to call the winding-up speeches at 10.30 am at the latest. There are three Front-Bench spokesmen.

Rachael Maskell (York Central) (Lab/Co-op): I beg to move,

That this House has considered safety in prisons.

It is a pleasure to serve under your chairmanship, Mr Bone. I am grateful to have secured this important debate on the growing risks to personal safety in our prisons.

My interest in penal matters was instilled in me in early childhood by my late uncle, Professor Terence Morris. He was a great penal reformer who played an active role in the Longford committee, which advised Prime Minister Harold Wilson on penal reform. Terence Morris's seminal work "Pentonville: a Sociological Study of an English Prison" transformed the prison service, and he was a leading member of the movement to abolish the death penalty. Beyond being an academic in criminology, to me he was my mentor, and he continued to be so until his untimely death two years ago.

I made my maiden speech on the subject of mental health, due to the rising risks in my local services. For the past five years, I have been representing people who work in our high-security psychiatric hospitals, as Unite's head of health. I have campaigned alongside members who are challenged by the increased risks they experience due to skill-mix, the rise in pension age, cuts to staff and the threat of other changes to their terms and conditions. Therefore, I am well aware of the physical and mental dangers faced by staff working in such environments.

However, today I will focus on Her Majesty's prisons and the risks that are increasing as the environment grows ever more dangerous. The changing demographics of our rising prison population—that is taking place against the backdrop of cuts—are escalating the challenges faced by prison officers and staff. I want us to examine why our prisons have become ever more understaffed and overcrowded, resulting in high risk and even violence to prison staff.

Alex Cunningham (Stockton North) (Lab): I congratulate my hon. Friend on her election to Parliament and on securing this important first Westminster Hall debate. She will bring huge experience to Parliament on these matters.

The Government say they are providing new prison places, yet today new statistics show that there has been an increase in the number of prisoners forced to share cramped accommodation. More than a quarter of all

prisoners now do so. Does my hon. Friend agree that that can lead only to greater tension in prisons and will further put safety at risk?

Rachael Maskell: I thank my hon. Friend for raising that important issue. Overcrowding is affecting safety in prisons, and I will set out how it is having an impact. The sharing of cells is one of the problems being faced in our prisons today.

Kate Green (Stretford and Urmston) (Lab): I, too, congratulate my hon. Friend on securing this important debate. Does she agree that another issue that is increasing risk in prisons is the change to the conditions relating to earned privileges and the crackdown on release on temporary licence? Such changes make prisoners feel more stressed, which affects behaviour and risk.

Rachael Maskell: My hon. Friend makes an important point about the opportunities prisons have to rehabilitate people and enable them to reform their lives. I will pick it up later in the debate.

Mr Jim Cunningham (Coventry South) (Lab): I congratulate my hon. Friend on being elected to Parliament and on securing the debate. In 2013, £45 million was spent on redundancy packages, and the staffing of the service is now dangerously low, to say the least. Will she comment on that problem?

Rachael Maskell: I thank my hon. Friend for making that important point. The reduction in prison officer numbers is having a serious impact on safety in prisons. Again, I will return to the subject, because it has greatly contributed to making prisons so unsafe today.

I want us to consider why Labour's 1997 ambition to be tough not just on crime, but on the causes of crime, is rapidly fading in the ideological drive to cut public services. Urgent investment and resolution are required to bring an end to those unnecessary trends.

Our prison infrastructure, as is the case in all public services, has shifted towards the private sector, which has resulted in a landscape through which to steer change that is fragmented and which forever draws resource from the service into the market. That has particularly failed where private companies have bid for and won loss-leading contracts, resulting in severe cuts to staffing. The Sodexo contract with Her Majesty's prison Northumberland is one such example, where a staggering 50% cut to staffing has had profound effect. Since 2010, 18 prisons have closed—many of them smaller prisons and some high-performing centres, despite the evidence that demonstrates that smaller prisons correlate to safer environments. New prisons have been built. A Titan prison is being built in Wrexham, which is to house 2,000 prisoners, despite the research on the effect of the size of prisons on safety.

Putting that evidence aside, the issue of overcrowding across the prison estate is now at crisis point and we must seek urgent redress. It is reported that 80 out of 118 prisons are now categorised as overcrowded. For example, Wandsworth prison was running at 177% capacity in 2014—nearly double what it was designed for. Other full prisons are being ordered to make emergency space available for prisoners. Therefore, as my hon. Friend the Member for Stockton North (Alex Cunningham) said,

[*Rachael Maskell*]

prisoners are doubling up in cells designed for one person. In some cases, three prisoners are sharing one cell.

There are 20,672 prisoners—more than a quarter of the prison population—living in overcrowded accommodation, and the number is increasing. That is clearly putting a serious strain on our prison infrastructure and facilities. Only half of prisons inspected are achieving “reasonably good” or “good” standards.

Steve Rotheram (Liverpool, Walton) (Lab): I also congratulate my hon. Friend on securing this important debate. As she knows, I have two prisons—a privately-run prison and what we still call a Government-run prison—in my constituency. She may be aware of the death of a prisoner in custody at Altcourse prison. Does she agree that serious incidents involving staff or inmates should be reported to the local MP, so he or she can assure their constituents on the safety of the prisons and address any issues surrounding serious incidents in prisons in their area?

Rachael Maskell: I thank my hon. Friend for raising that tragic situation. Of course reports should come to Members of Parliament, because it is important that we scrutinise the environment we are responsible for overseeing in our communities. We are able to raise such important matters and drill down to find out why such incidents are occurring in our prisons and get some real answers. He therefore makes an important point.

With the overcrowding of our prisons, violent tendencies are being exacerbated. Overcrowding is now cited as one of the major risk factors for prison staff and prisoners. The toxic mix of overcrowding and financial and staff cuts is causing the penal system to fail those who are incarcerated, and it also has a longer-term impact on the public and wider society.

Over the past two decades, the prison population has nearly doubled to 84,485. The number of women in prison has also doubled. Since 2010, staffing has been cut by 28%—a staggering loss of 12,530 personnel—and over the past three years resources have been cut by £263 million. The impact of the cuts has been observed not only by Her Majesty’s Opposition, but by the chief inspector of prisons, Nick Hardwick, who considered it extremely serious and concerning. He said that the system is not coping, and warned that, because of staff shortages, men are locked up together for 23 hours a day, causing huge tensions.

Nick Hardwick also highlighted that extra resources were needed or the prison population would have to be reduced. He said that

“this is a political and policy failure. This isn’t the fault of... staff... the demands on the system have... completely outstripped the resources available to... them.”

The annual report of the chief inspector of prisons at the end of last year highlighted the significant decline in safety and the enduring impact of time spent in custody. The average sentence has risen to 15.5 months or, for those on mandatory life sentences, up to 17 years. Punitive incarceration, which is all that can be achieved through long periods of detention without opportunity for rehabilitation, restoration and the development of skills, worth and value, does not break the crime cycle.

That is evidenced by the extremely high, although now fairly static, reoffending rates, which put the public at further risk.

The previous Government had to take a U-turn on banning guitars in prison, and on banning other basic functions, such as being able to take a shower or make phone calls. Banning those provisions dehumanises prisoners, which has consequences. Minimal time out of a cell does not provide a prisoner with sufficient release but instead contributes to the escalation of risk, whether violent or otherwise. Physical, sexual and verbal assault rates remain unacceptably high and the number of violent incidents in prisons has increased. The number of serious assaults last year rose by a third.

The national tactical response group, which deals with serious incidents and riots in prisons, has seen an 89% increase in demand since 2010, with 223 calls in 2014 compared with 129 two years earlier. Only this week, we witnessed a riot involving 60 prisoners at Her Majesty’s prison Stocken. An officer was stabbed and hospitalised. The Prison Officers Association states that prisons throughout the land are on the brink of such incidents due to the dangerous staffing levels and the challenges caused by overcrowding. Substance abuse, the sharp rise in the availability of legal highs and alcohol abuse are challenging safety in prisons, and are now at serious levels in a third of prisons, with a marked prevalence found particularly among women prisoners, leading to negative behaviours and creating risks.

To dwell a little more on staffing numbers, they have fallen dramatically despite the number of those held in custody rising. That has not only put a tremendous strain on remaining staff, but led to an unsafe skills mix. Staff without sufficient competencies are now being required to take on responsibilities beyond their scope. That is not only a failure of the duty of care that prison management have to their staff, but it impacts on safety standards and increases the risk to staff.

The lack of staffing and changes in skills mix has a direct correlation with the number of violent incidents in our prisons. From 2013 to 2014, assaults between prisoners rose by some 14% and have reached the highest level ever recorded. Serious assaults on inmates have risen dramatically by 38%. In 2013, there were 11,397 assaults on prisoners; in 2014, there were 16,196. Serious assaults rose from 1,588 in 2013 to 2,145 in 2014—an increase of a third.

Four homicides took place in prison in 2013. Some 41% of prisoners now feel unsafe in their environment. Incidents against staff rose by a third—including the highest ever level of serious assault—and staff now have an unacceptable level of sickness, averaging 10.8 days compared with the national average of 4.4 days. These are not statistics, but lives being put in danger. Prisoners are being put at risk, as are staff who are going to work and carrying out their duties day by day. We must never forget that.

The number of prisoners at risk of suicide and self-harm is at an alarming high. Over the past year, the suicide rate has risen by 69%. Eight of those suicides were carried out by prisoners placed in segregation, four of whom were known to be at risk. The rate has risen significantly for the first time in five years. The proportion of prisoners at risk of suicide—21% of men and 46% of women—is substantially higher than the rest of the

population, in which 6% are at risk. A staggering 23,478 prisoners self-harmed last year. The time officers can invest in building relationships has depleted; there is no time to sit down to have a conversation and a cup of tea, and to talk through the stresses and strains on prisoners. Instead, prisoners are turning on themselves in desperation.

Our youth justice system also faces challenge. Because of the shortage of appropriate placements, young offenders are often placed in those dangerous environments.

Steve Rotheram: Before my hon. Friend moves off the point, and as there is a Minister here, the Government know the statistics that she is quoting. The Government have to provide a safe working environment for staff. Does she believe that they are failing in their duty of care?

Rachael Maskell: Clearly, staff working in prisons—officers and other staff—are being failed. It is not acceptable that people are put at risk day by day when they turn up in their duty to serve. Therefore, I call for urgent attention to the issue and for a resolution. It is not acceptable just to read and listen to statistics. We have to take action.

With the right facilities, staffing levels, support and approach, much of the problems can be avoided. The impact of cuts to our public services has led to this perfect storm, failing people who then end up in a life of crime. We have no less than a moral duty to properly resource our services now to ensure that the prison populations fall in the future. Societal and Government failure has led to too many challenged individuals ending up in a life of crime.

Let us look at who the people behind the bars are—we have to look at what is happening in wider society to understand why people are ending up in prisons. Some 39% of the prison population experienced neglect or abuse as a child. Three quarters had an absent father; a third had an absent mother. A third of looked-after boys and nearly two thirds of looked-after girls end up in crime, which I hope is addressed in the Education and Adoption Bill.

Half of women prisoners have experienced domestic violence and a third have experienced sexual abuse. Some 66% of female prisoners and 38% of male prisoners committed offences to buy drugs. Half of all violent crimes are committed under the influence of alcohol. Some 49% of prisoners have anxiety and depression, and 25% of women prisoners suffer from psychosis. Some 20% to 30% of prisoners have learning difficulties and 47% have no qualifications, which emphasises society's failure—Government's failure—in providing steps and measures early on, and making interventions that can turn around the life course of those individuals. Those people should not be in our prisons and we have serious questions to ask.

It is a shameful story that the state has not intervened and given those people the hope and the opportunity that many of us have had. The fate of ending up in prison must be addressed. Not providing the right support at the right time is a crime of the state, which is why today's debate is crucial. If we do not change the course of those people's lives across the country, the prison population can only rise.

Will the Government stop and appraise the next wave of £30 billion of cuts and address the root causes of why our prisons have become overcrowded and unsafe? I challenge the Minister to resolve the reoffending rates. Such a punitive penal system as we have now, ever stripped of rehabilitation and resettlement opportunities, results in increased uncertainty and diminished hope for prisoners, and in a reoffending rate as high as 45.2% within a year and, for children, 68.2%.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Lady on securing the debate. She has touched for the second time on reoffending rates. Does she agree that addressing high reoffending rates—the reason that many of the profound problems that she has outlined continue to prevail in our prisons—is a fundamental part of what the Government need to do?

Rachael Maskell: I thank the hon. Gentleman for making an important point. There is a revolving door, with people leaving prison without support and rehabilitation and ending up back in the criminal justice system. That is a failure of our finances and of our investment in the lives of those individuals, who are then marked, with a life of crime ahead of them.

Picking up on that point, too many people are leaving prison without having the support they need, whether incarcerated or on leaving prison. Some 50,000 prisoners who were released last year did not get any support and post-release supervision. I heard from a woman in my constituency who left prison with no discharge support and ended up on the streets, exposed to exactly the same risks that she was exposed to before being placed in jail. She was fortunate to be picked up by the voluntary sector, which was able to address some of those issues. However, the voluntary sector is seriously under-resourced and it could make only a little step towards making her life a little different.

Alex Cunningham: The previous Justice Secretary talked about a rehabilitation revolution, but does my hon. Friend agree that some basic things need to happen for that to take place? If people are to be prepared for a better life outside prison, they need education, including basic literacy and numeracy, and, of course, supported training.

Rachael Maskell: We are not seeing any revolution in rehabilitation. Prisoners are locked up in their cells for 23 hours a day, unable to have chances in life and without the investment they need. The reduction in prison officer numbers is such that prisoners have no alternative opportunities until they reach the prison door and then, of course, people return to the life they knew before, without the turnaround that they desperately need, or the support, that would change the course of their life. We need to address not just that revolving door, but overcrowding, because the reality is that, as people return to the penal system, we are building on the overcrowding crisis.

We must also look at our probation service, which has also experienced severe cuts as it has been taken on its own journey around privatisation and out into the market, meaning that it is not able to integrate fully with the rest of the criminal justice system. We have to ask serious questions about that.

Jenny Chapman (Darlington) (Lab): I congratulate my hon. Friend on securing this important debate. The probation service is not just fractured from the rest of the criminal justice system; it is fractured within itself due to an unnecessary, pointless, destructive and quite dangerous separation.

Rachael Maskell: I was talking yesterday to Napo, the trade union representing probation officers, about further cuts that are going to be made to the service at a time when, including in this debate, we are hearing that we need investment rather than cuts, without which we will not be able to break the cycle. This reorganisation of the probation service is yet another that has no purpose or point in respect of feeding into the bigger picture.

David Simpson (Upper Bann) (DUP): Although we understand that there is overcrowding in our prisons, does the hon. Lady not agree that a lot of the responsibility for running prisons has to be at the top, from the governor and management down? She mentioned some investment in a number of prisons. In Northern Ireland it is perhaps slightly different; it is political. For example, some £10 million has been spent on Maghaberry prison in the past four years, because prisoners have damaged it and some infrastructure work has been done. Surely it starts with the management of the prison as well.

Rachael Maskell: This is about not just management, but providing leadership throughout the Prison Service. The Government have an important role to play, as do leaders in prisons, whether directors or governors. There is such churn in the number of governors that they are in post for only about three and a half years before moving on, so they do not build relationships with the organisations they have responsibility for, which has serious impact on providing leadership for the organisation to follow.

Another big question is why so many people end up in our prisons in the first place. We know that the number of community orders has fallen, despite their effectiveness, and that many people are held in prison while awaiting trial, with 27% not returning to prison afterwards, having been given other sentences.

I challenge our incarceration of so many people who are experiencing mental health challenges or addiction and substance abuse. I question whether it is right for people struggling with health issues to be locked up for 23 hours a day and whether, if that is not the right environment for them, we cannot find alternatives that will really help to address their health issues and issues around reoffending.

There is a clear correlation between safe staffing levels and safety in prisons. That is most evident in the 28% cut in the number of prison staff. The ratio of prisoners to prison officers is 1:4.8, whereas in 2000 it was 1:2.9. Prison officers are carrying so much more responsibility. Therefore, the effectiveness of their interventions is diluted.

Staff are enduring an unacceptable number of assaults, although I must say that all assaults are unacceptable. In 2014, prison staff experienced 3,637 assaults, 477 of which were serious—an increase of a third—and 10,000 working days were lost due to absence, mainly for physical reasons, but also increasingly because of

work-related stress. Is it not the worst environment imaginable to fear for your life every day at work? Those 10,000 days lost could be dealt with by increasing the number of prison officers, making the workplace safer, but we also need to think of the real cost of that situation.

Of course, staff have been challenged by the higher levels of violence in their workplace and prison officers have to face risks that few in our population can even begin to understand. The prison population is becoming more violent and dangerous. Violent incidents have risen from 32 to 42 a day, eight of which are to members of staff. In 2012, there were 213 hospital attendances by officers, compared with 170 in just the first two quarters of 2013. These officers are experiencing injuries so serious that they have to be taken into the care of our emergency services.

David Simpson: The hon. Lady mentions the commitment and sacrifice of prison officers. I would like to put on record the assassination of Prison Officer David Black, in my constituency, on the road to Maghaberry prison, by republicans. Some 31 prison officers have been murdered over the past number of years. They have made the supreme sacrifice.

Rachael Maskell: I thank the hon. Gentleman for drawing attention to that tragic situation, where the lives of prison officers are being put at such high risk that many do not return to their families at the end of their working day. That is unacceptable. Early intervention to ensure that people have safe passage to and from work, as well as at work, is crucial for our public servants.

We know that the reward is not great for our prison staff. They are stretched regarding cover and there is work intensification, and they are challenged when dealing with the emotional demands of the work, because they are not able to fulfil their ambitions for those they serve, such as the pressures put on them.

We also hear from the Prison Officers Association that there is a lack of support from management. There are high levels of bullying in an already tense and violent environment. We have seen cuts to pay in real-terms, cuts to pensions and a real fall in morale. The report into health and safety shows that 30% of officers have been physically assaulted in the past four years. Many more experience psychological distress or emotional exhaustion. We know that there are real challenges with recruitment and the retention levels of prison staff. Given the environment I have described, we can see how that can come about. Prison governors are not in one place for long enough. They are moved on before they can provide the stability that staff need and build the relationships of trust necessary to provide that prison with a vision, a sense of purpose and direction.

The Labour party is calling for some clear measures to be taken. Starting with leadership, we need governors to be established in prisons for longer to bring stability and the leadership necessary to ensure that reforms can take place to make prisons safer. We believe that that should be accompanied by better governance by prison boards, rooting jails in their local communities with representatives from councils, charities, the probation service, the police and other organisations. That would

provide the opportunity to build the bridge back into community living, which is so important for the future lives of prisoners.

We need to refresh Her Majesty's inspectorate of prisons, so that inspectors are truly independent of political interference and so that they publish their action plans and demands for the resourcing necessary. We need to see those plans supported so that actions follow. That way, we will not just have action plans, but results coming to fruition from them, and we will be able to scrutinise the process behind that. Above all, by breaking the cycle of crime we can ensure that prisons stop fuelling crime. That will be achieved only by properly resourcing early intervention measures to prevent people from falling into crime in the first place. For those who do fall through the net, we need evidence-based rehabilitation programmes that focus on developing education, training and skills, on improving health, wellbeing and self-worth and on re-orienting prisoners to life after prison, where they will not be exposed to the same risks they faced before their convictions. That will only be achieved by giving prisons the best facilities and adequate staffing levels to facilitate such transformation. Such a programme will secure staff and prisoner safety and will cut spending on the prison service in the longer term.

To conclude, we come into politics not just to talk about issues or ideas, but to exercise every moment to bring transformative change to the lives of the people we are sent here to represent. Our prisons are in a very dangerous situation. Is the Minister willing to challenge the system and ensure that the service is made safe and effective? I thank you, Mr Bone, for allowing me this time today.

Several hon. Members *rose*—

Mr Peter Bone (in the Chair): Order. It might be helpful for Members to know that five Members are seeking to catch my eye from the Back Benches and we have just over 25 minutes until we reach the winding-up speeches. I should have reminded the Minister that the Member who introduced the debate will get two minutes at the end.

10.3 am

Jim Shannon (Strangford) (DUP): It is a pleasure to speak on this matter. I congratulate the hon. Member for York Central (Rachael Maskell) on outlining the issues so well and in such detail. Issues of staffing, safety and security are not limited to England and Wales, and I would like to give a Northern Ireland perspective to the matter and refer to the Select Committee on Justice's report in the short time I have available.

The issues in Northern Ireland are no different from those on the mainland. Prison guards feel that they have no ability to restrain or confront dangerous inmates who damage televisions and wantonly break and vandalise equipment that they know will have to be replaced. My hon. Friend the Member for Upper Bann (David Simpson) referred to the £10 million that has been spent on repairs and infrastructure. With some inmates, there is a sense of, "They cannot do anything to me. There are no consequences to my actions." Issues in England and Wales are pertinent to Northern Ireland, and I spoke to the Minister before the debate to make him aware of the issues to which I wanted to refer.

I am not sure whether the availability of drugs in prisons will be touched on, but something is seriously wrong. People who are not addicted when they go to prison become addicted while they are there. How can that be? I have read some correspondence between the Minister and the Department of Justice in Northern Ireland. Scanners are being introduced to prisons, but they sit gathering dust in offices. I understand that they are not used because prison staff do not want to offend the people who are smuggling drugs into prison. There has to be a method of change, and that has to start at the top with the governors.

Last week, I intervened in the debate on lenient sentences to say that there is a problem when stronger sentences are not handed down for crimes. Let us be clear: people are in prison for a reason: they have done something wrong. The law of the land has laid that down. We need to ensure that funding is available to staff prisons adequately. It is a vicious circle: we need more officers to staff the inmates and to keep things under control, but we also need a legal system that adequately reflects the seriousness of the issue. I am not in any way asking for a call-back to the days when prisoners were kept in their cells day and night; we should be rehabilitating prisoners, and giving them the skills to turn their lives around in the outside world, but we cannot do that by fostering a gang mentality.

Some constituents told me last week about the situation at Maghaberry prison. The dissident republicans can go outside and have their physical exercise and enjoy the sun, which we not get very often in Northern Ireland, but the Protestants and loyalists in the other section are on 23-hour lockdown. I know that that issue is not the Minister's responsibility, but I want to have it on the record, because it has been brought to my attention and I am concerned.

There has to be honesty when it comes to the prison system. I have known some people who had a time in prison due to the troubles and came out changed men. They own their own businesses, take care of their families and have become upstanding members of the community. As the hon. Member for York Central said, prison can change people, if things inside are done correctly. It is important that we rehabilitate and skill people to give them a different focus and direction when they get out.

I want to comment on family visits. Accessibility to prisons is so important for families who are unable to travel as much as they would like. It is only right and proper that the Justice Committee's report expressed grave concern over the increases in assaults, and the hon. Lady referred to that, but we cannot ignore self-harm and suicide among inmates. I will quote from the background notes. One lady referred to her son, who was a suicide victim. She said:

"The Prison Service has our loved ones and they don't know how to cope with them, they are not trained properly to deal with mental health and they haven't got the staff to cope."

Another lady said:

"I didn't expect them to love him, but I did think they would look after him until he came home to get proper treatment."

We have to look at those issues. They cannot be ignored, because suicide and self-harm does happen.

We have to address assaults. The report said that evidence gathered from Her Majesty's inspectorate of prisons, the Government's performance data and other sources "all indicate a deterioration in standards of safety and performance across the prison estate over the last two years".

[Jim Shannon]

Those issues have to be addressed not only here on the mainland in England and Wales, but in Northern Ireland. I will send the Minister responsible in Northern Ireland the *Hansard* transcript of this debate and outline the things that we have recognised. The issues are similar in Northern Ireland, and we need to do something.

We also need to recruit more prison officers. We cannot ignore the experienced officers who have left. I am conscious that other people wish to speak, so I will leave this concluding remark: experienced officers have the knowledge and qualities that enable them to deal with things. New officers come in and have to learn how that works. Perhaps more should be done to keep our experienced officers and to ensure that they can mentor and bring on the new officers coming in. I again congratulate the hon. Lady for giving us all a chance to speak on this massive issue, which is important to me, the prison officers I represent, and those who are in prison because of their deeds, but who we hope will come out better people.

10.9 am

John McDonnell (Hayes and Harlington) (Lab): I will be extremely brief. I have to leave soon because I am chairing another meeting, so I apologise to the Minister.

Six months ago, we had a debate in the main Chamber on a report by a number of specialist psychologists from the University of Bedfordshire on stress at work for prison officers. The levels of stress and, to be frank, mental health issues were appalling. The Minister offered to meet us at the time, but we have never been able to take up his offer. Can we bring in the experts and have that meeting, so that we can be properly briefed on the issues raised by that report?

My hon. Friend the Member for York Central (Rachael Maskell) gave an excellent exposition of where we are at. I was a member of the Justice Committee that prepared the report that has been mentioned, and we documented the chaotic nature of the management of the Prison Service over the past five years. At one point, the Government laid off 800 prison officers, then realised that there were critical problems with officer safety and a rise in assaults, suicides and self-harm, and there were all the problems with security as well. The inspector said of one privatised prison that it was easier to get drugs there than a bar of soap. The chaos was displayed, and the Government realised some of their mistakes and started to recruit again. Interestingly, some of the officers who had been sacked the year before were recruited into a reserve force.

The chaos of the past five years is also reflected in what is happening in the National Probation Service, with Sodexo laying off 600 probation officers. Who will supervise people coming out of prison now? The split in the service, mentioned by my hon. Friend the Member for York Central, between higher-risk prisoners who need supervision and medium to low-risk prisoners is counter-intuitive. There is regularly a shift between medium and high risk, and between low and medium risk. People are not safe inside and rehabilitation is not taking place because of overcrowding and a lack of

staff. When prisoners come out, they are supervised in an almost chaotic manner because of a lack of staff and the breakdown of some of the central service provision that was backing up those staff, including, yet again, the failure of computers. In addition, the private companies are trying to maximise their profits by cutting back on professional standards.

We are in crisis again. That is not a party political point—whatever was in government, I would be making the same statement in the light of this evidence, which is coming from front-line staff. They are saying, “We’re not coping with the level of staffing and the pressures on us.” The Minister takes real care in his job. He responded as effectively as he possibly could within the financial constraints under the previous Government; he must now get a grip on the issue and say to the Treasury, “We need the resources to staff these prisons, protect the probation service and enhance the service delivery we are getting from the companies that have taken over.” Otherwise, I fear that there are real risks both inside prisons and when people come out. That risk is not just to prison officers and prisoners, but to the general public as well.

10.12 am

Carolyn Harris (Swansea East) (Lab): I congratulate my hon. Friend the Member for York Central (Rachael Maskell) on securing this important debate, and I thank you, Mr Bone, for your excellent stewardship, and for calling me to contribute.

In April 2013, a young man from my constituency, whom I will refer to as John for the purpose of this debate, was sentenced to several years’ imprisonment at Long Lartin prison. By June that year, he was in excruciating and debilitating back pain. He was unable to move and could not independently use the bathroom or feed himself. As a result, he stopped eating. The pain was reported to medical staff, but despite instructions from a doctor that blood and urine tests should be taken, neither was.

By July, the pain was unbearable, but despite repeated requests for pain relief, pain scoring and examination, none were forthcoming. I am led to believe that not even basic pain relief, such as Panadol or ibuprofen, was made available to him. His repeated requests for hospitalisation were met with scepticism about the validity of his illness. It was suggested that his symptoms were only a malingering tactic and, indeed, a ploy to give him the opportunity to escape.

In August that year, John passed away. A post-mortem discovered a lesion that, had it been tested, would have been shown to be cancerous. At an inquest in January this year, it was determined that John was let down by the prison system: he was denied life-saving treatment and as a result died a very painful and uncomfortable death. The ombudsman stated that it was the worst case of medical negligence he had encountered.

So where are we now? No action was taken against the prison authorities. No one has been held to account for this gross negligence. The family are left in disbelief that this preventable death has occurred. They believe that this is not an isolated case and that similar cases are happening in other prisons—that may well be because of the severe cuts.

John's safety was jeopardised in the most fatal way, and the consequence is that a 34-year-old young man has died. How can the family of my constituent rest, knowing that his death was probably preventable? He did not receive due respect and protection while in Her Majesty's custody. Furthermore, he was denied the medical care that was his basic right. I ask colleagues to consider the evidence and join me in pressing the Minister to investigate John's case in order to bring closure to his deeply saddened and angry family.

10.15 am

Ian Lavery (Wansbeck) (Lab): I congratulate my hon. Friend the Member for York Central (Rachael Maskell) on her excellent contribution on this extremely important issue. The Prison Service and the probation service, which has been mentioned by different speakers, are in total and utter chaos. We should not be surprised. I will give a number of examples from HMP Northumberland, which is not in my constituency but is in the lovely county in which I live.

It should not be a surprise that we have this crisis in prisons when we look at how we have sold off the Prison Service to private companies such as Sodexo, which is, after all, a French catering company running prisons in places such as Northumberland. The fact that that type of organisation is running prisons does not inspire any confidence among the public. When Sodexo took over HMP Northumberland, it immediately made one third of the staff redundant. What happened? The prison was in chaos. As my hon. Friend the Member for Hayes and Harlington (John McDonnell) said, the prison then had to get a bank of people it had just made redundant to make themselves available, and that is still the case. There have been horrific situations at HMP Northumberland. Whose safety are we looking at? Not just that of the staff. I want to put on the record what a fantastic job prison officers do under tremendous pressure. The level of stress-related illness among prison officers is beyond all imagination, as my hon. Friend the Member for York Central described.

Look at what has happened because of staff reductions. Throughout the country, a third of the staff has been made redundant. In some prisons, the staff has been reduced by 50%. Are we surprised that there are problems in prisons? Are we surprised that there has been an increase in assaults on prisoners of around 10%? Are we surprised that there has been an increase in assaults on staff of 11%? Are we surprised that serious assaults on prisoners are up 35% and serious assaults on staff are up 33%? Of course we should not be surprised when there is no one managing prisons as they should be managed. I mentioned that there are a lot of people on bank working, if and when they are needed; we have lost a lot of experience in the Prison Service as well.

On 27 January, Her Majesty's chief inspector of prisons, Nick Hardwick, gave a damning report on HMP Northumberland, saying that

"not all prisoners received a thorough initial risk assessment or induction... prisoners said they felt less safe at Northumberland than at comparable prisons... recorded assaults were high and work to confront bullying and violence lacked rigour... there had been three self-inflicted deaths since 2012"—

the list goes on and on. I understand from the way that you are looking at me, Mr Bone, that others want to speak, but that list shows clearly what is going wrong and why there is a crisis in Her Majesty's prisons.

My hon. Friend the Member for Hayes and Harlington mentioned Sodexo, the French catering company that runs HMP Northumberland. Members of the Prison Officers Association have come to see me to explain what is happening in the prison. If anyone here likes "Porridge"—it is one of my favourites—let me tell them that I have been told that the prison is run on the basis of that fantastic comedy, and that is frightening. Sex offenders who have been put in open wings and had their lives threatened have come to see me, as have prisoners across the board and lecturers and civil servants working there who are afraid. That situation is absolutely unacceptable.

My good colleagues have mentioned lots of figures and I would love to mention lots more. How can those in prison have mobile phones? How can they readily get alcohol? How can they get drugs, when they want them, more easily than they can purchase soap and toothpaste? That is totally unacceptable; that should not be the case.

On reoffending, there has been privatisation of the probation service, which is in utter chaos, to say the very least. In Northumberland, Sodexo runs the probation service and the prison, so for Sodexo it does not really matter if people are rehabilitated in prison, or if it fails to rehabilitate them under the probation service, because there is a merry-go-round of finance, and that company can make a fortune from doing absolutely nothing. It can make a fortune from failure, which must be a conflict of interests. Will the Minister look at that? With increases in the prison population, in overcrowding and in violence and reoffending, it is of major importance that we get this right.

10.22 am

Chris Evans (Islwyn) (Lab/Co-op): It is a pleasure to follow my hon. Friend the Member for Wansbeck (Ian Lavery), who brought passion to the debate, as he does to every issue we discuss in this House. I congratulate my hon. Friend the Member for York Central (Rachael Maskell) on her distinct and analytical speech. It is important that we bring safety in prisons to the fore.

The No. 1 issue for me, as it was when I served on the Select Committee on Justice, is mental health in prisons, which is not being treated properly. I will say something controversial: I do not believe that there is such a thing as an alcoholic or a drug addict—I say that as the son of an alcoholic—but there is an underlying mental health issue that is not being treated.

The figures speak for themselves. In 2013-14 an average of 19,383 prisoners were held in overcrowded accommodation, which accounted for 23% of the total prison population. What happens to prisoners with mental health problems? In 2013, 25% of women and 15% of men in prison reported symptoms indicative of psychosis, in stark contrast to the 4% figure for the general public, and 26% of women and 16% of men said that they had received treatment for a mental health problem in the year before they went into custody. With that knowledge, prisons should do more to ensure that prisoners with mental health problems receive appropriate support.

Personality disorders are particularly prevalent among people in prison, with 62% of male and 57% of female sentenced prisoners having such a disorder. Can we imagine how that must affect someone serving a sentence

[Chris Evans]

and in life afterwards? Sadly, in my constituency last November, the failure to address mental health issues both in prison and on release came home to me and the small, tight-knit community of Argoed. Cerys Yemm was a young girl on a night out when she met Matthew Williams. As we know, she was brutally murdered at The Sirhowy Arms and he was to die after being tasered by the police.

Mr Williams was said to have had all the symptoms of a paranoid schizophrenic. He had been sent to The Sirhowy Arms by Caerphilly Council having just been released from prison. Following his release he was not properly monitored, even though he had been diagnosed with paranoid schizophrenia from an early age and he was an habitual criminal. His mother told the press at the time that he was unable to access medication on his release. She said:

“He should have been in hospital. Every time he came out of prison we’d go through the same process. He would be placed in a hostel somewhere with very little supervision and no psychiatric help”.

Even though a serious case review is ongoing, I asked the then Justice Secretary, the right hon. Member for Epsom and Ewell (Chris Grayling) to launch an urgent review into mental health in prisons. I will speak to his successor and seek a meeting at which we can talk about mental health and the rehousing of prisoners.

Last night the BBC Wales programme “Week In Week Out” revealed that two men went on to kill and several sex offenders were sent to a bed and breakfast on their release without the landlady’s knowledge. That is banned in England, as is sending 15 and 16-year-olds to B and Bs, yet that is still prevalent in Wales. Even though that is not a devolved issue, I call on the Welsh Government to ensure that that practice is stamped out by its councils.

I see what the time is, so I will try to wind up, Mr Bone. In 2009, Lord Bradley, a former Home Office Minister, called for adequate community alternatives to prisons for vulnerable offenders where appropriate. His report recommended that the Department of Health introduced a new 14-day maximum wait to transfer prisoners with acute, severe mental illness to an appropriate health setting. There has been progress in access to healthcare for prisoners who require special treatment, but the 14-day target has not been implemented. It continues to be vital that we get reform for communities such as Argoed—if the Minister ever wants to visit a community where everyone knows everyone else, he should go there.

The family of Miss Yemm have called for the Sirhowy Arms to be demolished so that it does not become a monument to ghouls like 10 Rillington Place or 25 Cromwell Street in Gloucester. I support the family in that, but I hope that the Government will listen to the prison and probation ombudsman for England and Wales, Nigel Newcomen, who said that lessons need to be learned.

Staff working in prisons should actively identify known risk factors such as suicide and self-harm. Violent offences against family members are known risk factors for suicide, and being subject to a restraining order can be a sign of increased vulnerability. All new arrivals should promptly receive an induction, giving them information to help them meet their basic needs in prison. Mental

health referrals need to be made and acted on promptly, and there should be continuity of care from the community. Prisoners are most at risk in their first month, but even if someone has served a sentence, they should still be monitored if they are found to have a mental health issue. I urge the Minister, on behalf of the community of Argoed, to take action, and I ask for a meeting at the earliest opportunity to discuss this issue.

10.27 am

Joanna Cherry (Edinburgh South West) (SNP): It is a pleasure to serve under your chairmanship, Mr Bone, and to have the opportunity to speak in this important debate on behalf of the Scottish National party. I congratulate the hon. Member for York Central (Rachael Maskell) on securing the debate and I thank her for her thoughtful and erudite contribution. She clearly brings significant relevant experience to the debate and we should all be appreciative of that.

The hon. Lady asked why prisons in England and Wales are so understaffed and overcrowded, and said that that is part of the ideological drive to cut public services and shift to private sector provision. I associate myself with that conclusion. She identified various problems in the prison service, such as: how overcrowding exacerbates the risk of violence to staff and other prisoners; the increase in prisoner numbers and the doubling of women prisoners; and the fall in staffing levels, which self-evidently brings about problems. She also mentioned the risk of suicide and self-harm, and noted that that was at an alarming level among female offenders. She concluded that we have a moral duty to resource properly to address those issues. I associate myself with that view, as well as with her call on the Minister to stop and think before the next round of cuts.

Prison matters are devolved in Scotland, and I will say a little about how we have addressed some of them. The hon. Member for Strangford (Jim Shannon) discussed problems in the Northern Ireland prison sector, which are clearly particular because of the history of the Province, and the availability of drugs in prison, which other Members have touched on. Drugs are a problem throughout the prison service in the United Kingdom.

The hon. Member for Hayes and Harlington (John McDonnell) described a situation of chaos in the prison system of England and Wales, which is deeply concerning. The hon. Member for Swansea East (Carolyn Harris) told us of a tragic story involving a constituent of hers whose physical health was not, it seems, addressed at all, leading to his premature death. The hon. Member for Islwyn (Chris Evans) spoke about an unpleasant and tragic case that we have all read about, which highlights the need to address the mental health of prisoners and of those we are trying to rehabilitate in the community. The hon. Member for Wansbeck (Ian Lavery) expressed concerns about privatisation.

The safety of prison staff and inmates is a grave concern. We owe a duty of care to people in our prisons, and in particular to those who are vulnerable—I would especially identify vulnerability through mental health and of female offenders. I have a particular interest because, in my previous career at the Bar in Scotland, I worked for many years as a High Court prosecutor, so I was putting people behind bars. I regret to say that the first woman whom I put behind bars went on to commit

suicide in a Scottish prison. Clearly, that is not my fault, but it has always weighed heavily on my conscience, because I felt that the young woman was in need of assistance, which perhaps she did not get in the prison service. However, we are taking steps to address that in Scotland. I have also worked as independent counsel for the families of people who have taken their own life in prison.

I will say something about how we in Scotland have tried to address suicide in prisons and female offending, not because we necessarily do things any better and I want to score points, but because I want to give an example of how we are taking things forward. Perhaps other prison systems in the United Kingdom can draw upon it. On suicide and self-harm, the Scottish prison service has something called the “ACT 2 Care” model, which I believe is replicated in the English prison service. The model tries to achieve collaboration between all involved—prison officers, the healthcare staff and the families and friends of prisoners—to identify those at risk and to deal with the risk of suicide and self-harm without putting people in solitary confinement, except as an absolute last resort.

I am pleased to report that the rate of self-inflicted deaths in Scottish prisons has reduced in recent years. In the 12 months to the end of March 2014, it was 0.8 deaths per 1,000 prisoners, which is down from 0.9 per 1,000 in the previous year, although that is still not good enough and we have a long way to go. The figures in Scotland compare favourably with the rate in England and Wales which, in the year to the end of March 2014, was 1 death per 1,000, but I do not want to score points on that. I recognise that we have a smaller population in Scotland generally, so it might be rather easier for us to address issues such as overcrowding in prisons.

No account of matters in Scotland would be complete without acknowledging what I touched on in my personal experience. We had a serious problem with suicide and self-harm among female prisoners. The Scottish Government are keen to keep vulnerable groups such as female offenders away from standard prison environments, although the most serious offenders must still be in prison for significant periods. However, the Scottish Government believe that diverting less serious offenders away from prison can lead to more positive outcomes for offenders’ health and wellbeing. The Scottish Cabinet Secretary for Justice recently announced a significant increase in funding of an additional £640,000 for female justice projects, as part of what he described as a “radical and ambitious” approach to female offending.

The Scottish Government intend to consult on a plan to provide smaller, regional and community-based facilities for female offenders throughout the country, rather than a national women’s prison. Interestingly, for the record, the Scottish Government were thinking about building a new women’s prison, but agreed to reconsider under pressure, among other reasons, from the feminist movement in Scotland, which has been reinvigorated by the independence referendum and by members of the Scottish Labour party who have raised the issue. Hon. Members may be aware that Kezia Dugdale, the deputy Scottish Labour leader, and I have often shared a platform on feminist issues, and I look forward to doing so again. I wish her well in her bid for the Scottish Labour party leadership.

We have to accept that certain people must always go to prison, but one contribution to be made to the debate is the suggestion that female offenders and other vulnerable groups should be kept out of prison and in their communities, rehabilitating them there, and so addressing the problems that have led them to offend in the first place. In that way, I hope we can make progress.

I again thank the hon. Member for York Central for raising this important issue. I thank all Members for their contributions to the debate. I look forward with interest to hear what the Minister has to say in due course.

10.35 am

Jenny Chapman (Darlington) (Lab): It is a great pleasure to serve under your chairmanship, Mr Bone.

I approach the debate with a heavy heart. The Minister is the fourth prisons Minister whom I have had the pleasure of shadowing since my appointment. Issues such as the one we are discussing have been part of our debates throughout that time. It has never been easy and I have never been able to arrive in such a debate and say, “I am glad that things are improving.” I have never felt so concerned about the situation in the prison system. I would like debates to be more focused on rehabilitation, dignity for victims and work in our prisons, because those are the things that we should be discussing. Instead, we are continually forced by the reality on the ground to concern ourselves with understaffing, overcrowding and, increasingly, violence. The Minister cares deeply about that—he often looks at me, plaintively, as if saying, “I care about this too.” I know that he cares, and I am pleased that he does. Surely the number of Members—including, pleasingly, new Members—who have felt the need to come to this Chamber for the debate shows the level of deep concern in the House. I hope he will be generous in allowing interventions.

I congratulate my new colleague, my hon. Friend the Member for York Central (Rachael Maskell), on her election and on securing the debate. It was a pleasure to listen to her thoughtful opening speech. I look forward to working with her on such issues in the months ahead. Her constituents will be proud of her speech today, as will her predecessor.

The speeches we have heard from hon. Members capture the concern that is felt about the state of our prison system. Violent, overcrowded and understaffed prisons do nothing to challenge offender behaviour or to protect victims of crime. We have heard examples of exactly what was achieved by the prisons policy of the previous Government. My hon. Friend the Member for Stretford and Urmston (Kate Green), who is no longer in the Chamber, spoke about release on temporary licence and overcrowding. She is completely right. She has great experience of serving as a magistrate in Manchester, and has frequently seen the problems upon release and the difficulties in securing the important staged release. Sadly, that has been sadly mismanaged too often and is now unavailable to too many inmates.

My hon. Friend the Member for Liverpool, Walton (Steve Rotheram) spoke about death in custody, which he cares deeply about. Sadly, he is getting more and more experience of dealing with the relatives who have suffered such a tragedy.

[Jenny Chapman]

The hon. Member for Upper Bann (David Simpson) spoke about governorship. Clearly, there is a problem with resources in the prison system, but the problems faced by the Minister will not be dealt with simply by increased resources, even if were he able to secure them. Governorship is very important. There is too high and too frequent a turnover of senior staff in our prisons. The average tenure is far too short, especially when compared with, say, the length of tenure of a leader in an education establishment. On average, the tenure of leaders in educational establishments is nine years, whereas the tenure in prisons is about three years. That has to change, and it would not require additional money. The Minister could instigate that kind of change very quickly.

We would like boards to be established to provide an opportunity for stakeholders across the community to get their expertise in the running of prison establishments. We have seen that boards can be very effective for colleges, schools and hospitals. It would change completely the way in which an establishment is managed. Prisons should be managed with continuity and expertise and should be inspected rigorously. The Government could make that change quickly and at no cost, and it would be an effective way of changing the culture within our jails. We know that prison culture is important in preventing violent incidents.

My hon. Friend the Member for Hayes and Harlington (John McDonnell) made a good observation about stress at work and the dangerous and monotonous work that prison officers often undertake. We would not tolerate nurses, health professionals or teachers being subjected to violent incidents, but often, precisely because it is a prison officer affected and the incident takes place in a closed environment, the press do not get so agitated, the issue is rarely debated properly in the prison and the Government do not feel moved to do much about it. We need a change in attitude from the Ministry of Justice. It is not tolerable that people should be asked to go to work in such circumstances, and it has gone on too long. The Minister is nodding, but this is not new—we have not suddenly noticed it happening. It is a trend that has been getting worse and worse for a long time.

My hon. Friend the Member for Wansbeck (Ian Lavery) always speaks with great passion. He quite rightly identified the problem with probation. The chaos and the looming crisis are not restricted to the closed prison estate. We are not resolving issues inside prisons, and so those issues are being left to the probation service, which is under increasing strain and has endured a completely needless and distracting reorganisation in the past two years. It is less and less able to deal with the more difficult problems with which it is confronted.

Rehabilitation is not a light bulb moment—it is not a case of holding one course and then someone is somehow mended. That is not what happens. It is day after day of challenges and problems, of slipping back, then making progress, then slipping back again. When we say, “There will be more courses, we will have work in our prisons and that will somehow solve deeply rooted psychological problems,” it shows that we do not properly appreciate that. We need to get real.

The way to help put people back together is having good behaviour modelled day after day by prison officers, yet more and more they are being shut out of the rehabilitation process. Prison officers are there on the wings when someone’s visit does not take place, or when someone has clearly been taking drugs, or is doing things they should not, or losing their temper. Yes, we need professionals—psychologists, social workers, educational experts—in there as well, but prison officers are there all the time, and should be showing people how to keep their temper, how to treat people with respect or how to deal with difficult conflicts without resorting to violence. However, they are not able to that, because there just are not enough of them, and the ones we have are too often less experienced about prison life than the prisoners they are supposed to be holding. We have learned that from governors and from Nick Hardwick, the excellent inspector of prisons. I urge the Minister to look at that with a great deal more urgency than he or his predecessors have shown to date.

Last week, a report from the prison and probation ombudsman showed a rise in deaths of inmates in segregation units. That was deeply shocking for people who work in the system. I encourage the Minister to think carefully about the impact that working on a wing on which someone has committed suicide will have on that unit’s staff, and to look at the support those staff receive from their employer.

I welcome the Government’s important plans to ban legal highs and prohibit their production. They are a significant and growing problem in our prisons, leading to bullying, intimidation and violence. The inspectorate has found that they are increasingly a great risk in our prisons—it estimates they have posed that risk in around a third of prisons in the past year. Legal highs do not show up in mandatory drug testing and are not being caught in the way they should because of staff shortages. Will the Minister tell us what, beyond all the usual stuff that we have all heard before, the Government are going to do about legal highs inside the prison estate? This is an issue of prison culture. There must be a zero tolerance approach, and we have to mean that—I have been in too many debates in which a Minister has reassured me on just about everything and then nothing seems to change.

On staffing, will the Minister tell us how many prisons are currently reliant on detached duty? Officers on detached duty go into prisons where they are not familiar with the establishment, with the other staff or with the inmates. It is a big, expensive problem that he needs to turn his mind to very quickly.

Most importantly, will the Minister tell us what he is going to do to tackle the rising level of violent assaults on prison officers? It is unacceptable to send public servants into a dangerous workplace, day in, day out, in fear of their safety. No wonder so many are either leaving the service, taking sick leave or becoming ill at work because of stress.

Once again, I thank my hon. Friend the Member for York Central for securing this debate, which has given us the chance to put serious concerns to the Minister. I am pleased to see so many Members here. We have given the Minister enough time, so he needs to respond to the questions we have raised. I also hope he will take some interventions.

10.47 am

The Parliamentary Under-Secretary of State for Justice (Andrew Selous): As always, it is a pleasure to serve under your chairmanship, Mr Bone. I warmly congratulate the hon. Member for York Central (Rachael Maskell) on a very polished opening speech. She raised a number of important issues, which I will do my best to address in the time I have.

The hon. Lady talked about the importance of probation supervision. The transforming rehabilitation reforms mean that people with sentences of under 12 months now get probation supervision—they did not in the past. She also talked about mental health issues, so I am sure she will warmly welcome the liaison and diversion services that are spreading across the country; they were introduced by the previous Government and we are continuing them. We would all agree with her that prevention is better than cure, and we all want to see fewer people committing crime and going to prison.

The hon. Lady talked about prisoners being locked up for 23 hours a day. That relates only to a very small proportion of prisoners in operational emergencies. Even in planned restricted regimes, prisoners get considerably more than one hour out of their cells.

Jenny Chapman: Will the Minister give way?

Andrew Selous: In a second. I want first to ask the hon. Lady and the hon. Member for York Central to use the term “lethal highs” when they talk about new psychoactive substances. That term is more helpful. We are all determined to try to get those dreadful things out of our prisons, and the language matters, so perhaps we can all agree to call the substances “lethal highs”.

Jenny Chapman: The Minister is quite correct to encourage us to use that term. On the issue of work, he is fond of saying that there is more work in prisons, but, again and again, inspection reports indicate that there is not and that prisons overestimate time out of cells and underestimate time in them. He needs to challenge his officials more on those data. The prisons inspector seems to be encouraging us to question them, so I want to ensure that the Minister does as well.

Andrew Selous: The hon. Lady is pushing at an open door on work in prisons. The number of such hours has gone up. Do I think it satisfactory? Absolutely not. Of course I want to increase it much more. If prisoners are gainfully employed during, roughly, the hours the rest of the population have to work, that will aid rehabilitation and make them more likely to get employment on release. I want more of that, and I will say more about it if the hon. Lady bears with me.

Reoffending was mentioned. Since 2002, the proven reoffending rate has remained stable, and it stands at 26.2%. For adults released from custody, the rate is 45.2%, and it has remained relatively stable since 2004, although it was slightly higher in 2002 and 2003.

Let me turn to the other excellent speeches we have heard. I commend my hon. Friend, as I often call him, the Member for Strangford (Jim Shannon) on raising the issue of drugs. I share his horror of drugs in prison. Drugs destroy lives in the community and in prison. I will say more about that.

The hon. Member for Hayes and Harlington (John McDonnell) talked about the stress on staff, and I know he cares deeply about that, as I do. The hon. Member for Swansea East (Carolyn Harris) raised a harrowing case. I did not have warning of it, but I can tell her that the prisons and probation ombudsman’s recommendations are being addressed, mostly by the healthcare provider involved. There is also an ongoing investigation of what happened by the Nursing & Midwifery Council. The hon. Lady might be aware that healthcare in prisons is provided by the NHS, not the Prison Service. If she would like to write to me, I should be more than happy to receive a letter from her.

The hon. Member for Wansbeck (Ian Lavery) talked about his concerns over Sodexo. He is right that its parent is a French catering company. I would just say that another Sodexo prison won the Elton prison industries award, which has been mentioned. The prison I recently visited in Salford had pretty low levels of sickness absence among its staff.

The hon. Member for Islwyn (Chris Evans) mentioned mental health. He was absolutely right to do so, not least because of the horrific incident in his constituency. He talked, quite properly, about the need for suitable accommodation for prisoners on release. If he wants to correspond further on that, I would be more than happy to do so.

The hon. and learned Member for Edinburgh South West (Joanna Cherry) told us about the Scottish prison system. I will ensure that National Offender Management Service officials have close contact with the prison service in Scotland. NOMS does things very well, but I absolutely believe we can learn lessons from other parts of the world. I will make sure that that contact happens.

The hon. Member for Darlington (Jenny Chapman) spoke about the importance of the governor’s role, and I agree. As has been said, this is a leadership issue. She rightly referred to the daily interactions of prison officers, and I will say more about that. She also asked about longer tenures for governors, which is a fair point, and the idea might have merit. I will look into it, within the constraints of normal career planning. We need governors with the right experience, particularly in some of our larger establishments.

One hon. Member—you will have to excuse me, Mr Bone, but I forget who—asked how many prisons still have detached duty. The answer is 15. That is not something we want longer term, because it disrupts prison officers’ lives and costs us more money. I will talk about the success we have had in recruiting more prison officers. We continue to recruit them very actively.

Steve Rotheram: Will the Minister give way?

Andrew Selous: Will the hon. Gentleman let me make a little progress? I am conscious of the fact that I have only six minutes left.

I pay tribute to the many people who work tirelessly in our prisons. Prison officers, probation staff and staff from the health, education, vocational skills and voluntary sectors work day in, day out to improve the lives of people in custody. Each time we successfully prevent an offender from reoffending, we also reduce the number of victims and make our communities safer. That is

[Andrew Selous]

difficult work that goes largely unseen, and too often it is unrecognised in our public discourse, but it is vital and is making a difference.

The challenges of maintaining safety in prisons are, and always have been, significant. We are working with a challenging and complex population in excess of 85,000 prisoners, and there is a high prevalence of mental health problems. Many prisoners have had negative life events that increase the likelihood of their harming themselves or taking their own lives.

We are also holding—this is important—a more violent prisoner population. The number of people sentenced to prison for violent offences has increased by 40% in the last 10 years. In addition, the illicit use of new psychoactive substances—lethal highs such as Spice and Black Mamba—has been a significant factor in fuelling violence in prisons. Last year alone, staff responded to nearly 26,000 self-harm incidents, and they frequently prevent deaths through timely intervention.

On any given day, staff support more than 2,000 prisoners assessed as being at risk, looking after them under the assessment, care in custody and teamwork process. It is to their credit that, through their dedication and commitment, they continue to improve outcomes for offenders and to prevent many self-inflicted deaths and incidents of self-harm.

Staff and prisoners should no more face violence than should any other person in society. Violence in prisons is wholly unacceptable. We treat any assault extremely seriously. Any prisoner who commits an act of violence can expect to have action taken against them, which may include the loss of privileges, sanctions under the prison disciplinary procedures and, where appropriate, criminal charges and prosecution.

To that end—this venture was introduced by the previous Government—a joint national protocol between NOMS, the Crown Prosecution Service and the National Police Chiefs Council was published in February to ensure that the referral and prosecution of crimes in prison is dealt with consistently. The protocol sets out the requirement for prisons to submit a prison community impact assessment with each case referred to the police. The assessment will explain the impact an offence has on an establishment and ensure that that is properly understood and taken into account in the cases concerned.

In 2014, due to an unexpected increase in staff turnover and in the prison population, there were delays in bringing staff numbers up to the level required. However, we have exceeded our target of recruiting 1,700 new-entry

prison officers by March 2015, and we are continuing to recruit officers and operational support grades across the country. We will focus our efforts particularly on London and the south-east, where there is further need.

Violence is an issue I take extremely seriously, and there have been increases, which have been referred to. NOMS has established a violence reduction project. There is a pilot involving body-worn video cameras across 24 establishments, and I am taking a keen interest in its development.

Two new offences have been introduced through the Serious Crime Act 2015: being in possession of a knife or other offensive weapon in a prison, and throwing items—anything dangerous, such as Spice, or mobile phones—over a prison wall. Both those offences will attract prison sentences. Action is also being taken on new psychoactive substances. In particular, we need a test for them, and we are working hard to bring one about.

I reassure Members that safety is fundamental to rehabilitative work, which is one reason I care so much about it. Without safety, we cannot do the education and the other work.

Ian Lavery: Will the Minister give way?

Andrew Selous: I need to give the floor to the hon. Member for York Central, who introduced the debate.

10.58 am

Rachael Maskell: I thank all hon. Members for their contributions. They have raised many of the challenges facing our penal system.

As we have heard, there are unacceptable levels of reoffending, but we have not had real answers on how we are going to turn the figures around—they have been static, but they are not coming down. We have heard many shocking statistics about the violence and abuse in our prisons, but I have not heard how we are going to address that.

We have heard evidence of how overcrowding, mixed with understaffing, is the real issue facing our prisons. I am sure no prison officers will take comfort from the Minister's response, because they will still be at risk when they turn up for work today, tomorrow and the next day. That is the subject of the debate, and I am saddened that we have not progressed the issue.

It is vital that we get the response we need, which is about stable staffing and ensuring staff are safe. It is also about making sure our communities are safe—

Motion lapsed (Standing Order No. 10(6)).

New Nuclear Power

11 am

Paul Flynn (Newport West) (Lab): I beg to move,

That this House has considered new nuclear power.

Nuclear power was promised as an energy source that would be too cheap to meter. It is now too expensive to generate. If we were planning a nuclear policy from scratch, would we choose to do a deal with two French companies, one of which is bankrupt, while the other, *Électricité de France*, has a debt of €33 billion? Would we also collaborate with a country with a dreadful human rights record—China, whose national investment department is coming into the arrangement—and with Saudi Arabia, with its atrocious record on human rights, where people are executed on the street? We are left with the dregs of investment from throughout the world—fragile and tainted. The sensible money deserted Hinkley Point years ago. Centrica had an investment of £200 million, and it abandoned it and ran away, because it saw the project as a basket case.

Still, nuclear power has wide support in this House, from almost all parties except the Scottish National party. I hope that this morning the new Minister, whom I welcome to her new work, can apply her distinguished forensic skills to taking a fresh look at the situation. Many people are gravely disturbed by the prospect of new nuclear power. That is particularly so among Treasury civil servants. We are in an extraordinary situation, where there is still public support in spite of Fukushima. One of the main reasons for that is that the British public were “protected” by a skilled public relations operation from knowing the terrible cost of Fukushima—between \$100 billion and \$250 billion. Radiation is still leaking four years after the event, and tens of thousands of people cannot return to their homes. Other populations were not protected from knowing about Fukushima by an obedient press. However, former lobbyists for nuclear power appeared as independent witnesses, such as Malcolm Grimston, who was on television every day during the Fukushima events, praising the explosions of hydrogen as something of benefit. There is ludicrous PR spin, to the extent that this week two different people from a public relations agency that works for nuclear power rang me up and offered to write my speech for me. They inquired who the Chair would be, as if that might be important. Those are lobbyists and spinners, presenting a favourable case for nuclear power.

Hinkley Point B is a European pressurised reactor. There are some under construction in Finland, France and China. Not one of them has produced enough electricity to light a bicycle lamp. They are all in serious trouble, so why do we continue with our belief in Hinkley Point C? The EPR in Finland was due to generate electricity in 2009. There has been a series of delays, problems and cost overruns, which have themselves now overrun, and the bill is €4 billion greater than anticipated. The possible opening date has been moved year after year and is now set at 2016, at a cost of €8.3 billion. However, other problems have come up. There is another station under construction at Flamanville. It was due to be completed at a cost of €3.3 billion and now has an overrun of nearly €5 billion. There is a serious problem at Flamanville which will affect all the reactors—the carbon level in the steel for the pressure

vessel is too high. That means that the steel is brittle and could crack open, with catastrophic results. That affects the planned reactors in China, Finland, France and of course at Hinkley Point. It is a catastrophic problem and will mean a major delay. There is no way of reconstituting that steel.

The way the deal was done is almost unbelievable. We agreed under pressure, because there were Government promises and political pressure, to do a deal at almost any price to justify Hinkley Point C. We struck a deal for £92.50 per MWh. That is twice the going rate for electricity now, and we said that we would guarantee that deal for 35 years. That was two years ago. Since then, the price of energy throughout the world has gone down a great deal, because of shale gas and the drop in the price of oil. The price we agreed was ludicrous at the time—far too generous. The head of INEOS, the company in Grangemouth, has struck a deal since then with the same company—*Électricité de France*—for less than half that price. The country was ripped off, and we cannot seem to get out of it. We must do something about the strike price that we agreed.

In the world as a whole, nuclear powered energy generation peaked in 2006. Since then it has been in decline. It has gone down by 10% in Europe. Most energy consultants say that the total cost of the project is indefensible. We omit something from our calculations of historical costs and pretend that nuclear is cheap, when we forget about the cost of waste. In fact we do not know what the cost of the waste from Sellafield is. We are still adding up the bill. The latest estimate for clearing up Sellafield—just one site—is £53 billion. It is thought that the figure will exceed £100 billion eventually. When those costs are added to the historical costs of nuclear power it will not be found to be competitive any more.

Also, we now have alternatives. We are not in a situation where nothing else is available. The world has moved towards renewables, including the clean renewables, to a far greater extent. The Government are to be congratulated on having put forward a package and the money for tidal lagoons in the Severn estuary. An enormous tide of water sweeps up that estuary twice a day. That is vast untapped energy—British, free, eternal and entirely predictable. The technology involved is simple and has been working successfully in France for 50 years, producing the cheapest electricity in the world.

It is a curious thing, but the Secretary of State for Energy and Climate Change in the previous Parliament had an impeccable record on energy some years ago, when he launched the Liberal Democrat energy policy under the heading “Say No to Nuclear”, saying that

“a new generation of nuclear power stations will cost taxpayers and consumers tens of billions of pounds”.

That is absolutely right. He went on:

“In addition to posing safety and environmental risks, nuclear power will only be possible with vast taxpayer subsidies or a rigged market”.

That was the man who, when the red boxes and chauffeur-driven car arrived, changed his mind altogether and did a terrible financial deal to get Hinkley Point on the road. We will be paying for that for many years. The cost of Hinkley Point has been estimated as an additional £200 a year for every consumer in Britain. That is billions of pounds in subsidy over 35 years. The Government have guaranteed £16 billion in subsidy for a technology

[Paul Flynn]

that has not been proved to work and is not working anywhere. Almost any alternative is better than pressing on with Hinkley Point. There are older nuclear designs that we could use, but we are heading into a technological jam where there will be difficulties. We are proposing to invest tens of billions in a system that has not been proved to be effective, and has certainly never proved to be economic.

There have been many problems at Flamanville, near Cherbourg, which are not limited to the pressure vessel. There have also been problems with the valves and the whole cooling system, following a warning in April from the French nuclear safety regulator about an excessive amount of carbon in the reactor vessel. That is not a journalist causing trouble but the head of the French nuclear industry talking about a potential disaster in the making.

What is likely to happen in future? There is a nuclear disaster almost every 10 to 15 years, due to various causes. The result of Three Mile Island, Chernobyl and Fukushima has been great fear among the population. That is what happened in Germany, which felt the full force of the truth about Fukushima and sensibly cancelled its whole nuclear programme. Germany is now going into solar power and many other alternatives that are available to us. Tidal power is not available to Germany, but we have that great opportunity ahead.

There will almost certainly be problems in future. Some hazards today were unknown in the past. I recall going to an exhibition called "Atoms for Peace" as a young boy in 1948, when we believed that nuclear would be the answer, but experience has taught us otherwise. The possible accidents range from simple mechanical errors, such as not having enough carbon in the steel, to the simple human errors that happened at Three Mile Island and Chernobyl. Technical faults also occur, but the greatest risk we now face is terrorism. Older nuclear power stations were not built to withstand terrorist attacks by drones and all the means by which people could attack them. Anyone living anywhere near a nuclear power station must be in a state of anxiety about that possibility, because of the accidents and disasters we have seen.

Fukushima was built to withstand a tsunami, but it could not withstand the tsunami and earthquake that came together. Any of these natural disasters are possible. We have not had a tsunami for some time along the Severn estuary, but we had one in 1607 when part of the area that I represent and the area where Hinkley Point now stands was flooded by a tsunami that came up the Bristol channel. It is believed to have come from underwater activity out in the deep ocean, so a tsunami is unlikely but possible there. We cannot guard against it. Why on earth risk a catastrophic accident when alternatives are available?

I am encouraged to see reports that many civil servants in the Treasury are deeply unhappy about the financial situation of nuclear power. There was a story that if Labour had been elected, it would have turned its back on nuclear power. I believe that to be true. There have been reports in *The Times* and elsewhere—authoritative reports from serious journalists—that groups in the Treasury are saying that it will be a terrible mistake and a financial catastrophe if we go ahead. May I say to

those civil servants that it is their job to speak publicly? We know now what happened in Scotland during the referendum debate, when Sir Nicholas Macpherson decided to leak—to publish—a report of his advice to the Chancellor. His reason for doing so was that he thought the likely effects of Scottish independence would be catastrophic for the country and for Scotland. He justified that leak, which was almost unprecedented among senior civil servants, on the basis that it was in the national interest. He was supported by the head of the civil service, Sir Jeremy Heywood, and condemned by a Committee of this House.

Look at the past; look, for example, the commercial advantages of the steam-generating heavy water reactor, which produced nothing and was useless, but cost £200 million. That was many years ago. There was also the decision to treat Concorde as a commercial venture that would succeed. There were civil servants who quite rightly opposed those, but the ethos of the civil service is the unimportance of being right. The careers of civil servants who go along with the ministerial folly of the day prosper, while the careers of those who are right in the long term wither. It is different now. There is some heroism in civil servants speaking truth to power and saying to their masters, "This should not go on. There are alternatives. The time has gone for nuclear power." Civil servants who know the new ethos in the civil service should regard it as their patriotic duty to speak truth, not only to power but to the nation, by saying that the time for nuclear power is over.

11.16 am

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): It is a great pleasure to serve under your chairmanship, Mr Bone. I congratulate the hon. Member for Newport West (Paul Flynn) on securing the debate. New nuclear is an important topic, and Members' challenges and questions are very much welcomed. I would particularly like to assure the hon. Gentleman that my fellow Ministers and I listen carefully to civil servants' views. There is no sense in which they are not allowed to give their opinions, and they very much do so. I hope that reassures him. I note his interest, as demonstrated by his recent parliamentary questions on Hinkley Point C, the geological disposal facility, and safety and security at licensed sites. I hope to reassure him further on those topics, but I will first set the scene for the benefits of a new nuclear programme.

Nuclear energy plays a critical role in the Government's security of supply and decarbonisation goals. The UK's nine existing nuclear power plants generate around 20% of our electricity. However, all but one of them are currently expected to retire by 2030. Nuclear power is one of the cheaper forms of low-carbon electricity, reducing pressures on consumer electricity bills, relative to an energy mix without nuclear. Nuclear power provides reliable base-load electricity with lifecycle carbon dioxide emissions similar to those from wind power and much less than those from fossil fuels. New nuclear power is a vital part of the investment needed in our electricity sector that will boost the economy, create thousands of jobs and help to keep the lights on.

As set out in the Conservative party's manifesto, we are committed to a significant expansion in new nuclear in the UK. The Government have prepared the ground for new nuclear power stations through a package of

reforms and regulatory measures that will remove barriers to investment and give developers the confidence to take forward projects that will help to deliver secure, low-carbon and affordable energy. We have also ensured that operators of new nuclear power stations put in place robust plans for the finance and management of their waste and decommissioning from the outset.

We are seeing significant progress. The first new nuclear power station in a generation moved a step closer last year, as the European Commission announced on 8 October 2014 that it has approved the Hinkley Point C state aid case. The Government and EDF are currently in discussions to finalise the contract for Hinkley, which is expected to start generating electricity from 2023. In total, industry has set out plans for five new nuclear projects in the UK for a total of up to 16 GW of new nuclear capacity, providing around 35% of electricity generation.

Paul Flynn: I would have been grateful if the hon. Lady had left behind her civil service brief, which is the conventional one we know, with much repeated claims. Is it true that the Chinese company is threatening to withdraw its investment unless it has a stake in building Sizewell, Bradwell and Wylfa Newydd? That would mean that the new jobs in nuclear were jobs in China and France, not here, because what it is offering to provide is almost a ready-made nuclear power station, made by Chinese people with Chinese money. We are using investment to create jobs not in this country, but elsewhere.

Andrea Leadsom: I can assure the hon. Gentleman that each project is taken on its merits. Britain is open for business. We are very keen to see investment from overseas in our new nuclear, but it is very clear that the UK supply chain will provide an enormous amount of the jobs and growth that we are looking for in this country.

Paul Flynn: Will the hon. Lady give way?

Andrea Leadsom: I will not give way. I want to go on to answer the hon. Gentleman's other questions and I will not get the chance to do that if this becomes a debate between the two of us—a conversation between the two of us.

In total, industry has set out plans for five new nuclear projects. The Government are clear that the UK is open for business. We want to see high-quality investment from overseas. The nuclear programme represents a tremendous opportunity to establish the UK as a key nuclear country, with the potential to export capabilities to other countries. That includes capabilities in decommissioning, in which we are already a world leader. This offers us an opportunity to develop our domestic supply chain and to realise economies of scale. It is also an opportunity to make the UK an even more attractive partner for international research and development collaboration.

Paul Flynn: This is utter nonsense. The person decommissioning at Sellafield is an American company. We do not have any expertise. Will the Minister give us some idea, looking at the historical cost, of what the cost of cleaning up Sellafield will be? It is already admitted to be £53 billion; it is uninsurable, so the

taxpayer has to take the risk; and it will probably cost more than £100 billion, which wrecks her argument that nuclear power has ever been good value.

Andrea Leadsom: The hon. Gentleman is exactly right to point out that there is an enormous nuclear legacy, which this Government have been committed to sorting out, unlike previous Governments, such as the one that he was part of. The nuclear provision currently stands at £70 billion discounted and £110 billion undiscounted. That is the Nuclear Decommissioning Authority's best estimate of the total lifetime costs of the decommissioning mission across the whole estate. Nobody welcomes that cost. Nevertheless, this Government have been determined to get to grips with it and to ensure that the material can be safely, carefully, thoroughly and properly disposed of.

To deliver the ambitious new build programme on time and on budget, a skilled workforce in the UK is essential. The scale of the industry's new build aspirations, the length of time since the last new build project and the high average age of the existing nuclear workforce mean that it is essential to take action now to prevent skills gaps from developing in the course of the new nuclear programme. The Government recognise that this is a big challenge, particularly with the ongoing need to maintain and decommission existing nuclear power stations, so we have introduced the National College for Nuclear, which will work collaboratively with the wider industry, skills bodies and training providers, and will utilise international best practice to develop an industry-wide curriculum.

Moving on to the vital issues of safety and security, we are confident that the UK has one of the most robust regulatory regimes in the world. As the global expansion in nuclear continues, the UK will ensure that any technology used in this country meets the rigorous safety, security and environmental standards. The importance that we attach to safety is shown through the UK's independent nuclear regulators—the Office for Nuclear Regulation and the Environment Agency—which ensure, through regular reviews and inspections, that operators are fulfilling their duties and that robust safety and security measures are in place right across the industry.

With plans for 16 GW of new nuclear capacity in the UK, the Government are firmly committed to delivering geological disposal as the safest and most secure means of managing our higher-activity waste in the long term. We need a permanent solution following more than 60 years of producing radioactive waste from various sources, including electricity generation from nuclear power.

Paul Flynn: The hon. Lady has been very generous to me. I think that she is probably too young to remember the Flowers report in 1968, which said that the nuclear industry in Britain was being irresponsible, because it did not have an answer on waste disposal, and it should not continue. That was 1968. The solution then was to dig a hole and put the nuclear waste in it. In 2015, the British answer is to dig a hole and put the waste in it. There has been no progress on disposal of waste, except at enormous cost.

Andrea Leadsom: Let me very gently say to the hon. Gentleman that ever since I was a very small child, nuclear has been an enormous personal priority for me.

[*Andrea Leadsom*]

In fact, it was the reason why I went into politics—I did so because of the threat of a nuclear world war—so I am slightly offended by his presumption that I do not know what I am talking about. I can assure him that a geological disposal facility is not as simple as digging a hole in the ground and stuffing a load of radioactive waste in it.

Paul Flynn: What is it, then?

Andrea Leadsom: As the hon. Gentleman will know, a geological disposal facility is internationally recognised as the safest and most secure means of permanently managing our higher-activity waste, and countries such as Sweden, Finland, Canada and the USA are also pursuing that route.

I would like to get on to answering the hon. Gentleman's specific questions. He talked about delays at other sites where there are EPR reactors. I can tell him that officials have visited Olkiluoto to get first-hand experience of the build programme there, as well as the other EPR builds at Flamanville in France and Taishan in China. Experience gained through the EPR family—it is a new technology, as he points out—is now being systematically shared between the three current build sites, and Hinkley Point will become part of that arrangement. Experience in Finland and France, particularly in relation to the order in which key parts of the nuclear island are built and how they are fabricated, has benefited the project in Taishan, such that that project is now running to time and to budget.

The hon. Gentleman also asked about the strike price potentially being too high in relation to the EDF plant. I can assure him that our estimate of the future price of wholesale electricity is that it will rise into the 2020s. That has been a careful assessment. Nuclear electricity is a key part of our energy mix. He will know that other technologies also involve a very high cost to the consumer right now. The mix is vital, so we believe that this is not too generous. EDF aims to have the plant up and running in 2023. We expect that, with a significant proportion of our power stations due to close over the coming decades, we will need that level of investment to replace that capacity.

The hon. Gentleman also asked about tidal power. Personally, I am as excited as he is about the prospects for marine and tidal power, but again he will accept, I am sure, that this is another new technology, as yet

unproven. We have taken the first steps. We expect it to be a big contributor to our energy mix, but not the only one.

I emphasise that, as Energy and Climate Change Minister, I have two priorities: security of supply and keeping the lights on. In securing those priorities, I want to keep bills as low as possible. With new nuclear in the energy mix, I believe we can achieve all those things. Nuclear power is a low-carbon, proven technology that will increase the resilience of the UK's energy system and, rather than costing more money, the full nuclear programme will, on current projections, save households about £78 on their bills in 2030.

I congratulate the hon. Member for Newport West on his attention to this very important subject, but I want to be clear that the Government believe that developing energy from new nuclear is the right thing to do in the UK.

Paul Flynn *rose*—

Mr Peter Bone (in the Chair): The Question is that this House has—

Paul Flynn: Mr Bone, there is some time left. It is normal to allow the proposer to use that time—

Mr Peter Bone (in the Chair): Order. Will the hon. Gentleman sit down? He may not know the new procedure, but the Question is put. If we reach 11.30, the Question cannot be put. If he wants to have what I would call a Division on this, we have to do it before 11.30, and the Minister quite correctly sat down in time to do that.

Paul Flynn: There is time left. This is the normal practice. I just want to say that it was a very disappointing response from the Minister, who stuck to a civil service script that had been carefully manicured and presented by her, with a series of platitudes that we all know about. She is not facing up to the crisis that exists in nuclear power at the moment—

Mr Peter Bone (in the Chair): Order. Before hon. Members go, I point out that the new procedure asks for the Question to be put. The Minister kindly sat down at the right time, but the hon. Gentleman in charge has talked himself out of that.

Motion lapsed (Standing Order No. 10(6)).

11.30 am

Sitting suspended.

Bangladesh

[SIR ALAN MEALE *in the Chair*]

2.30 pm

Mrs Anne Main (St Albans) (Con): I beg to move,
That this House has considered Bangladesh and its future.

This debate about the future and direction of travel of Bangladesh is important, and I am delighted that it is well attended by people from the all-party group on Bangladesh.

It is worth briefly revisiting how and why Bangladesh was born, and why it emerged from the cauldron that was East Pakistan—against a background and prospect of the loss of the official language, Bangla, and against the prospect of greater Islamisation—to become the modern developing country that it is today.

Bangladesh is a young country and it has had to make a long journey in a relatively short time. No one is saying that the journey to independence and democracy has been easy, and it is easy to be too judgmental and see that journey through the prism of our own long-established democratic processes. The Prime Minister of Bangladesh has told me that Bangladesh models itself on our democracy.

It is important to remind ourselves of the dreams and ideals for Bangladesh when Sheikh Mujibur Rahman led his people to victory in the battle for independence. It is important that, as friends of Bangladesh, we ask, what is the direction of travel for Bangladesh 44 years later, and what more can be done by the UK to help the people of Bangladesh on their path to fulfilling their potential and delivering a future that upholds the ideals of peaceful secularism, prosperity and political engagement?

It is vital that we, as the biggest bilateral donors to Bangladesh, act as a critical friend and offer help and support where we can. With the most recent figures showing a UK contribution of more than £250 million, it is important that taxpayers' money is protected from corruption and is spent wisely, transparently and effectively in helping Bangladesh on its journey.

A recent Independent Commission for Aid Impact report on Bangladesh observed:

“Poverty levels have fallen to under 45% as a result of steady growth, industrialisation and greater access to finance, which has led to improvements in a range of social indicators, such as adult literacy, child malnutrition and infant mortality. The agricultural sector accounts for only... 18% of GDP... A number of factors, nevertheless, point to continuing vulnerability. Many Bangladeshis still live under the poverty line—an estimated 77% of the population live on under US\$2 a day—and there is marked income and social inequality. Resilience to... shocks cannot be guaranteed.”

It is vital that we help Bangladesh to achieve its millennium goals of eradicating extreme poverty and hunger; achieving universal primary education; promoting gender equality and empowerment of women; reducing child mortality; improving maternal healthcare; and combating HIV/AIDS, malaria and other diseases. I know that good progress has been made on those goals, and, given the criticisms from some quarters about the largesse of our aid budget, I urge the Minister to consider giving an update to the House some time soon on the progress that has been made in those areas.

However, corruption is rife in Bangladesh, and 34% of aid projects in the countries that we support, and that are scrutinised under the ICAI, are showing amber or red, giving cause for concern. Does the Minister have any updates on how many of our aid schemes in Bangladesh are running on green, and how are the schemes being audited to ensure that we know we are getting value for money for the taxpayer and delivering real benefit in the country that we want to help?

It has been observed on many occasions that Bangladesh was born of blood and suffering, and that no election since has not resulted in blood and suffering or been delivered peacefully. That is a great shame, and I will touch on it later. Over the past few days, many Members will have had the opportunity to meet the visiting Prime Minister of Bangladesh, Sheikh Hasina. Her father, Sheikh Mujibur Rahman, led the call to arms to fight for independence in his country in his Road to Ramna speech on 7 March 1971. It is worth looking at, because this was the goal that people set themselves:

“I am requesting you, you are my brothers. Do not make this country a hell and destroy it. We will not see each other's face in the future. If we can solve things in a peaceful manner, we can at least live as brothers. That is why I am requesting you; do not try and run military rule in my country... Hindus, Muslims, Bangalis and non-Bangalis, all those who live in this Bangla are our brothers. The responsibility of protecting them is upon you. Ensure that our reputation is not smeared in any way... If one more shot is fired and if my people are killed again then my request to you is; build a fortress in each and every home. Face the enemy with whatever you have”.

Even then, in the call to arms, he was stating how relevant it would be in an independent country to be secular and inclusive. He went on:

“The struggle this time is the struggle for our emancipation. The struggle this time is... for independence”.

It was also the vital struggle for secularism and the wish to live in peace with their fellows.

In December 1971, Bangladesh was born. I know there are disputes and concerns over war crimes from that time and disputes over the persecution of perpetrators of those crimes, but I do not wish to explore those issues. I particularly wish to stress today that whoever is governing Bangladesh, now and in its future, it is imperative that all aspects of human rights are protected and observed, and that freedom of speech is championed. All efforts must be made to ensure forthright and fair political engagement.

I have been concerned about allegations of political harassment and about concerns over malicious destabilisation of the country through acts of violence by groups that do not hold the high ideals that Mujibur Rahman expressed in 1971. No avenues must be left unexplored in supporting Bangladesh's avowed commitment to secularism, its avowed commitment to ensuring a fair and transparent electoral process, and, most importantly, its role in protecting the rights of religious minorities. Anything the Government could do to help Bangladesh to navigate that tricky path would be most helpful.

It is worth noting that, in October 2010, the High Court in Bangladesh declared:

“Bangladesh is now a secular state... everybody has religious freedom, and therefore no man, woman or child can be forced to wear religious attires like burqa.”

[Mrs Anne Main]

That was a welcome public statement and a well-timed reiteration of Bangladesh's origins, which were born out of a desire to resist the pull of fundamentalist Islam. In today's uncertain world, with fundamentalism on the rise, we should applaud and nurture that stance. Too many young people in our own country are heeding the siren call of religious fundamentalism and travelling abroad to support terrorists and join jihad. We need Bangladesh to hold the line in an uncertain world and stand up for secularism and freedom of speech.

Only recently, there have been some widely reported attacks on individuals in Bangladesh, and they are a worry. Four bloggers have been brutally murdered since February 2014. In February of that year, Ahmed Rajib Haider was killed outside his home amid tensions over a tribunal judging war crimes. In February 2015, a Bangladesh-born American blogger, Avijit Roy, was similarly killed with machetes and knives as he walked back from a book fair in Dhaka. In March 2015, Washiqur Rahman, 27, was hacked to death by two men with knives and meat cleavers just outside his house as he headed to work in Dhaka. In May, Ananta Bijoy Das, 32, was killed as he left his home on his way to work at a bank. Four masked men hacked him to death with cleavers. Such atrocities have been linked to freedom of speech and perceived religious insults. The Government have made arrests, but that is a worrying direction of travel. Does the Minister have any views or updates on this?

On the bigger picture, we are all aware that rumbling along in the background of individual incidents is the unhappiness of the opposition parties, particularly the Bangladeshi National Party, or BNP, over the abolition of the caretaker system, as well as their lack of engagement in the current electoral process. It must be said, however, that there has been a history of unhappiness with the caretaker Governments on both sides, depending on who has been in charge, since 1991.

It will not have escaped the Minister's notice that it has been reported in today's edition of the *Daily Star*, widely read by many of our constituents, that protesters from the BNP were demonstrating outside our own Parliament yesterday against the visit by Sheikh Hasina. The newspaper observed quite fairly that the wings and influences of the BNP and of the Awami League have spread to many countries, and that those parties campaign and protest against each other outside Bangladesh. It is regrettable that such political enmity and unhappiness is travelling so far, and indeed sweeping up supporters in our own country. We need a way forward and we need to help to break this impasse.

Whatever the outcome of any future election in Bangladesh, it is vital that all sides feel they are not excluded from it or cannot take part in it.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I agree with the hon. Lady. Does she agree that the priority for Bangladesh, and for the UK's relationship with Bangladesh, is to facilitate, in some way and at some point, a peaceful transition of power from one side to the other? Like her, I have talked to many colleagues and supporters on both sides of the political divide in Bangladesh, and the sense of grievance on both sides is legitimate and real. Until there is a peaceful transition of power, the problems will simply go on and on.

Mrs Main: I agree with the hon. Gentleman. I wrote a letter to Baroness Warsi in January 2014 raising that issue. She replied:

"I called on both sides to put a stop to disruption and violence and to focus on political dialogue. They both have a responsibility to ensure a secure and stable Bangladesh. We have always made clear that how this process is managed is a matter for Bangladesh"—she was referring to the caretaker Government system, or not. She continued:

"I issued a statement on 6 January noting that the UK, like others in the international community, believes that the true mark of a mature, functioning democracy is peaceful elections that express the genuine will of the voters."

She concluded:

"As an urgent priority, all Bangladesh's political parties must share a clear and unequivocal responsibility to work together to strengthen democratic accountability and to build the willingness and capacity to hold future participatory elections without the fear of intimidation or reprisals. The UK is encouraging Bangladesh's political parties to support political dialogue... We will continue to work with international partners including through the European Union to help achieve this."

I hope the Minister has an update and that there has been progress, because that letter to me was written on 24 January 2014, nearly 18 months ago.

When evaluating Bangladesh in May 2014, the ICAI said:

"Long-running political rivalries have paralysed government decision-making in recent years. Bangladesh is in need of infrastructure upgrades and advances in its public service delivery systems."

The squabbling and disputes are hampering that, which cannot be good for the country.

The Minister sent me a response in February 2015:

"I share your deep concern about the escalating political unrest and the absence of political dialogue among Bangladesh's political parties... I raised my concerns about the continuing violence and political harassment when I met Bangladesh's Minister for Law, Justice and Parliamentary Affairs on 20 January."

He concluded:

"Together with our international partners, we continue to urge all political parties to work together to resolve their differences through constructive and peaceful dialogue."

As the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) said, this has been going on for a long time, and it must be brought to some sort of conclusion. We must not interfere, but we must somehow help the process.

The Minister said in his letter:

"Our High Commissioner, along with other EU Ambassadors, met Bangladesh's Foreign Minister Mr Mahmood Ali on 14 January to express our collective concern at the ongoing violence"—

this is the phrase that struck me most—

"and the shrinking of democratic space."

Will the Minister update us on whether there has been any progress in expanding that political space, or has it been contracting even further?

Only on Monday, Sheikh Hasina addressed Members at an event in the Commonwealth Parliamentary Association room, and she was warmly welcomed. She made a point of reaffirming her Government's commitment to upholding secularism and tackling terrorism. She has been praised by Prime Minister Modi of India for her efforts to tackle terrorism, even if he somewhat spoiled the effect with his comment that she was not doing badly for a woman—she was probably damned with faint praise. What more can be done to help her to make further progress against the destabilising effects of terrorism

and religious persecution in Bangladesh? What more can be done to encourage and facilitate full participation by all groups in the electoral process? As we know from our own democracy, strong participative opposition parties that scrutinise and hold Governments to account make for robust legislation and fairer government for all.

I have visited Bangladesh five times, so the Minister knows that I take a keen interest in the country. My most recent visit was in 2013 as chair of the all-party parliamentary group on Bangladesh. I am pleased to see Members in the Chamber who went on that cross-party visit to investigate and report on the Rana Plaza tragedy. That catastrophe led to the deaths of 1,100 people, with many more left crippled through catastrophic injuries. The ready-made garment industry is crucial to the prosperity of Bangladesh. The recent Independent Commission for Aid Impact case study stated:

“Economic growth has mainly come from an abundant source of largely unskilled and cheap labour. The RMG sector has taken advantage of this situation and... now employs around 4 million workers (mainly female) and accounts for 80% of manufactured exports. The recent international attention on Bangladesh’s RMG sector in the wake of safety disasters, such as... Rana Plaza... is proving... a challenge to the Government rather than an opportunity to reform the RMG sector.”

I would welcome a comment from the Minister on that, because our report was keen to see what progress could be made after Rana Plaza and our Government’s big efforts to try to support the country in developing infrastructure resilience and fairer work practices, and to ensure that Bangladesh can be proud of the garment industry, its biggest export, and that the industry has a secure future. The Prime Minister of Bangladesh assured us that much has been done, but have there been any inspections or updates on the aid and expertise we have sent?

I will conclude there, because I know many other Members will raise other issues. I wish Bangladesh well, and I think it has so much to offer. We are friends of Bangladesh, but we are critical friends. We need to ensure that aid money is being well used and well targeted, and, where it is not, that it is redirected. We need to ensure that we follow up on progress. It would help to satisfy many critics of our aid budget if they knew that the money is helping to form, mould and support a country that is independent, secular and a bulwark against the fundamentalist Islamism that is affecting so many young people in our own country today. Bangladesh may need our help, a bit more coaxing and a bit more effort, and I would like the Minister to update us on where we are in the bigger picture.

Several hon. Members *rose*—

Sir Alan Meale (in the Chair): Order. Before we proceed with the debate, I would like to make one or two announcements. First, I told Jim Fitzpatrick before the debate that I thought it was getting a little warm and that it would be fine by me if Members or the Minister wanted to take off their jackets—I apologise for not making that announcement a little earlier.

We have a full list of speakers, and I hope that everyone can participate in some way. That means we are fairly restricted on time. I intend to call the three Front Benchers—from the official Opposition, the Government and the Scottish National party—from 3.30 pm, and before that we will have the debate among Back Benchers, which means about eight or 10 minutes per speaker.

2.47 pm

Christian Matheson (City of Chester) (Lab): I congratulate the hon. Member for St Albans (Mrs Main) on her measured and considered opening speech, which raised many of the necessary issues. I also congratulate her on her leadership of the all-party parliamentary group on Bangladesh. I have not been here very long, but she is clearly very well thought of in that role.

I, too, had the privilege of meeting Sheikh Hasina when she came to this place earlier this week. I strongly support her efforts as Prime Minister, in difficult circumstances, to introduce a civil society based on secularism. The hon. Member for St Albans talked about the UK being a critical friend, but we have that role not only with the Bangladeshi Government. Many British and western European corporations are working in Bangladesh and taking advantage of very cheap labour conditions to produce goods at very cheap rates. Those corporations, frankly, have a responsibility to the Bangladeshis and to the Government of Sheikh Hasina to treat their workers decently.

Christina Rees (Neath) (Lab): In 2013 more than 1,100 garment workers were killed when the Rana Plaza complex in Bangladesh collapsed. Many of the clothes made there were destined for the British high street. Does my hon. Friend agree that we need to improve the rights, the pay and, indeed, the safety of workers in Bangladesh? Does he further agree that the Government should reverse their decision to cut support for the International Labour Organisation?

Christian Matheson: Absolutely, and I will develop that argument over the next couple of minutes. ILO standards are basic minimums, and there should not be a problem with our addressing them. Western corporations—in this place, we look at British corporations in particular—are responsible for ensuring that their employees in Bangladesh are treated decently and fairly. As the hon. Member for St Albans said so eloquently, there are siren calls from fundamentalist Islam in Bangladesh that will sound more attractive and fall on much more fertile ground if the ordinary working people continue to see exploitation in the garment industry and other sectors. I support the work of Prime Minister Sheikh Hasina, and I know the Bangladeshi community in Britain does, too.

I was pleased to attend recently a reception at the Chester Tandoori restaurant with my good friend, Mr Abdun Noor. The small Bangladeshi community in Chester was paying tribute to a visiting police superintendent from Sylhet district, whom they had met when they were out there. They were impressed by his work as an up-and-coming police leader—in particular, his work on eradicating corruption. They simply want to be able to work fairly out there, and they want the system to work fairly. At last, the new regime is attempting to eradicate corruption, and he is in the lead on that issue. He introduced a concept and strategy that, for them, seemed novel: policing by consent. He was trying to win support for the police from across society and to develop a structure of civil society. Therefore, there is support for the kind of measures for developing civil society that the hon. Member for St Albans talked about.

Our role in Parliament is to put pressure on British and other western companies to ensure they do not exploit their employees in Bangladesh for short-term

[*Christian Matheson*]

profit. The long-term strategic error of allowing fertile ground for extremism will be extremely damaging to those companies and to the UK's long-term interests. We have a responsibility to the UK to ensure that the companies that benefit from such labour fulfil their responsibilities.

We also have responsibilities. I like a bargain as much as the next hon. Member. When I go to one of the large supermarkets, I feel happy if I can pay a low price for a garment made in Bangladesh, but if the price of treating poor workers in Bangladesh fairly is that we have to pay a bit extra for a shirt or a pair of trousers, it is worth paying if it ensures long-term stability.

Mrs Main: As the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) will confirm from our visit to Bangladesh, the Rana Plaza collapse was caused by poor building conditions. It would not have mattered how much those workers were being paid. Corruption around the infrastructure that had gone on previously caused those buildings to be unsafe and unstable. We need to work on those two things.

Christian Matheson: I absolutely accept that, but what the workers are paid is under the control of western corporations, and therefore under our control, because we can put pressure on them.

In the time remaining, I want to talk about my work with the shipbreakers on the beaches south of Chittagong, who are some of the worst-employed workers in the world. They have no health and safety protection and work in some of the most dangerous conditions. If they are lucky, they might have a pair of sunglasses for eye protection when using metal cutters. They are sent on to ships—big bulk carriers and oil ships—and told to cut through pieces of metal, although they do not know what they are cutting. Sometimes they cut into fuel tanks where gasses have built up.

It is common for workers to be killed on the ships. When I was there about four years ago, I was told that there was an average of three or four deaths per week in each shipbreaking yard. Indeed, the week before I arrived, it was reported that five workers had died. In fact, a sixth had been reported dead, but I was told that his body had simply been thrown overboard, so the shipbreaking owner would not have to pay compensation to his family. I hope that since I was last there the shipbreaking owners have become more responsible. Those workers' conditions were absolutely appalling. When we are being a critical friend of Bangladesh, in the words of the hon. Member for St Albans, we must put pressure on the Government of Bangladesh to ensure that they put pressure on the shipbreaking owners.

Child labour is also a problem. I was told by workers in the shipbreaking yards that there is no child labour problem, but I could not understand that as I could see that the young boys in front of me were child labourers. It turned out that in Bangladesh the age of adulthood is 15. My hon. Friend the Member for Neath (Christina Rees) talked about ILO standards. Young boys of 15 are considered child labourers by international standards. Child labour should be discouraged, and we should support its eradication in those shipbreaking yards, not least because of the huge dangers those workers face.

My hon. Friend also mentioned Rana Plaza. One of the problems is that the garment workers are fractured. There are many unions that cannot see eye to eye, and there is a lot of disagreement. In those circumstances, it is easy for unscrupulous employers to take advantage of the workers. I hope we can help to develop trade unions in Bangladesh, because the best way to improve conditions is for the workers to improve them themselves by joining together and giving themselves that collective strength.

I again congratulate the hon. Member for St Albans on securing the debate, and I echo the request for assurances from the Minister, whose response I await with interest.

2.56 pm

Mark Field (Cities of London and Westminster) (Con): For the past six years, I have had the great privilege of serving as vice-chairman of the all-party group on Bangladesh under the chairmanship of my hon. Friend the Member for St Albans (Mrs Main). There are a lot of ethnic and national groups in my central London constituency, including a significant Bengali population. Some are in the City of London, but a significant number are in south Westminster and Pimlico. I am therefore very much aware of the issues raised in the debate.

I have twice visited Bangladesh—specifically, I have visited Dhaka, the capital, and the Sylhet region in the north-east of the country, from where many British Bengalis come originally. We were promoting grassroots football, and in 2010 we met Sheikh Hasina and the Opposition leader, Khaleda Zia.

Half of Britain's estimated 500,000 Bangladeshis live in London. That may account for the growing success of that community's young people, who benefit from the education and job opportunities on their doorstep. Some 61% of Bangladeshis got five good GCSEs in 2014, compared with 51% of the Pakistani population and 56% of the indigenous white British population. I am incredibly struck by the fact that the great majority of Bengalis whom I represent in Parliament live in social housing. Many came here speaking little English and with few conventional skills, but they have a passion for education, and we should be proud of that. That applies to many immigrant populations in this country. It is unique to Britain; the experience in places such as France and Germany is very different. Many of our immigrant populations recognise that the way out of the economic difficulties that they face, and will probably face for the rest of their lives, is educating their children to give them a better life. That is something we should all work hard to encourage.

Bordering my constituency is Tower Hamlets, the heart of the Bangladeshi community in Great Britain. We are all familiar with the sometimes negative press coverage of elements of that borough in recent years, but that is only a very small part of the story of Tower Hamlets—I say that as I look into the eyes of my constituency neighbour, the hon. Member for Poplar and Limehouse (Jim Fitzpatrick). He knows as well as I do that it is an incredibly vibrant borough, which produces aspirational, motivated young people who go into the tech and banking jobs in Canary Wharf, which is in his constituency and, to the west, crosses the border with the City of London. It is also great to see the hon. Member for Bethnal Green and Bow (Rushanara Ali) leading the charge on parliamentary representation from

that community. We should be proud that there are now three female Bangladeshis in the Commons representing London seats.

However, major tensions and political problems remain in Bangladesh. As my hon. Friend the Member for St Albans rightly pointed out, they sadly spill over, to an extent, into this country. We see close at hand some of the factionalism within the main political parties and a group of smaller parties. We particularly have to watch for the creeping influence of Jamaat-e-Islami, which is thought to have founded the Islamic Forum of Europe, which has been promoted in London mosques, in particular the East London mosque down the Whitechapel Road.

Hon. Members will be aware that I have recently been vocal in the House about the persecution of religious minorities in the middle east, particularly the ancient Christian communities such as the 8.5 million Copts in Egypt, and the 2 million Christians who until recently resided in Syria. Many go back to communities that were proselytised by St Paul in the immediate aftermath of the birth of Christianity.

Precious little is said about the situation of religious minorities in Bangladesh. I am afraid that has deteriorated in tandem with the rapid rise of militant Islam and its influence on Bangladeshi politics. I take this opportunity to raise the plight of the 20 million Hindus, Buddhists, Christians and indigenous minorities living in Bangladesh. Since the verdict by the International Crimes Tribunal in February 2013, which handed a life sentence to the leading Jamaat-e-Islami figure for war crimes in 1971, members of Jamaat have responded by destroying many places of worship, and murdering and attacking innocent people for their religious views, as has been pointed out.

That is incredibly depressing, particularly because, with a young and vibrant population getting a much stronger education both in Bangladesh and in our diaspora here, it is a country that should be looking to the future, not constantly harping on the past. Terrible and dreadful things did happen 44 years ago on all sides of the divide. It ill behoves any Government to utilise their position in power and manoeuvres with the judiciary to give a one-sided approach, as has happened. Clearly, justice has to be done, and I accept that an element of reconciliation has to take place. The worry is that this episode will continue in a downward spiral in years to come, with different sets of politicians taking the opportunity to make narrow, partisan points, without looking to the future of the country.

As my hon. Friend rightly points out, the current ruling Awami League is nominally secular and has promised to bring the ageing leaders of Jamaat to justice for their role in the 1971 genocide. However, in the face of violence and the broader band of Islamists, that is no easy task. Attacks on those minority communities in Bangladesh are, I fear, frequent and continuous and may well continue.

I reiterate the message of my hon. Friend about the importance of maintaining that secular society. We are lucky that our relationship with Bangladesh has, to a large extent, kept terrorism at bay, but we cannot be complacent about that, particularly with large numbers of Bengalis in this country potentially being influenced by events in their homeland.

Mrs Main: I have been told, although I have no proof, that Jamaat is actively funded by Islamists in Pakistan, to help fund their destruction of Bangladesh. These things are interlinked.

Mark Field: They are. One difficulty, of course, is that we are fighting the battles pre-1971. Because of the upsurge in religious cases, it becomes a downward spiral with an eye on the past, rather than the future.

As everyone knows, Bangladesh is the eighth most populous country in the world. It is estimated that by 2025 that substantial population will have reached 190 million, of which 43% will be under 30. There is little doubt that many of Bangladesh's problems relate to poverty and a lack of education for some of its young people, although there are significant improvements. The question of how Bangladesh retains educated professionals and builds a future for them in Bangladesh will be one of the biggest challenges going forward. I hope that this country can play our part, given the passion clearly shown by the large Bengali diaspora here. No doubt we will have many more of these debates, with a sense of friendship. As my hon. Friend rightly says, we must be critical friends at times. Equally, there is so much good to be said about that country, and we want to play our part in ensuring that the world gets to see that.

3.5 pm

Jim Fitzpatrick (Poplar and Limehouse) (Lab): It is a pleasure to see you, Sir Alan, presiding over business this afternoon. I look forward to hearing the Minister, my hon. Friend the Member for Bristol East (Kerry McCarthy) and the hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) respond to the debate. I pay tribute to the hon. Member for St Albans (Mrs Main), the chair of the all-party parliamentary group on Bangladesh, for leading the group with distinction and enthusiasm. She knew that I was thinking of challenging her for the chair but I thought that would be churlish, given how well she has led us for five years. I probably could not have beaten her, anyway, so that was entirely fatuous on my part. I am delighted she secured this debate and pleased that the title refers to the future of Bangladesh. That is very much what we all want to see, although she also covered the history, as have other speakers.

It is a pleasure to follow the right hon. Member for Cities of London and Westminster (Mark Field). He is my neighbour and friend. In this debate we are all friends because we are all friends of Bangladesh. We may be in different parties but we all want the best for that country. I know we all agree, as other speakers have touched on, that it is not our role to play sides in Bangladesh. We are not supporters of the Awami League or of the Bangladesh Nationalist party. Whichever party—BNP or Awami League—has won the support of the Bangladeshi people, I and colleagues have supported the Government of Bangladesh.

The right hon. Gentleman made some pertinent points about some political organisations in Bangladesh, in particular Jamaat-e-Islami. That is the sister organisation of the Islamic Forum of Europe, which has such a bad influence on our young people in the UK. Jamaat has been an ally of the Awami League in previous elections, though in more recent years has been associated with the Bangladesh Nationalist Party. That is disturbing because, as has been referred to, Bangladesh has a proud secular history.

Another matter already raised is that of the violence against minority communities. I know the Bangladesh Government want to do more to protect minority

[*Jim Fitzpatrick*]

communities. We want to see them redouble those efforts because those attacks are deeply disturbing for a country that was founded as a secular democracy. I criticised the Awami League for boycotting the last BNP election victory and I criticised the BNP when it boycotted elections two years ago. Many of us thought the BNP could have won that election and I thought the boycott was completely wrong.

My hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) referred to confidence in the electoral process. The UK, the European Union, the United States and international organisations have a huge role to play in rebuilding the confidence within Bangladesh about transitional arrangements and the confidence in elections. The UK Government played a huge role in validating the electoral roll in Bangladesh, where 80 million voters were registered in 18 months. That demonstrated that we should have confidence in the electoral structures and arrangements within Bangladesh for future elections. There is a lot of pressure to accelerate the elections, and they have got to be timed to have the confidence of the international community as well as of the Bangladeshi people, so that the outcome will be respected internally and externally.

We all know, and reference has been made to the fact, that Bangladesh is one of the poorest countries in the world, and it is one of the most vulnerable to climate change. Although its people are among the poorest in the world, it has had 6% growth for the past five to 10 years—a growth rate we would all bite their hands off for. That is not a criticism of the UK Government's economic plan, although we all know it is not working that well, notwithstanding what the Conservatives say, but we would all love a 6% growth rate.

One side product of that growth, of course, was the disaster at the Rana Plaza. The acceleration in growth has meant that the regulation and protection of workers, wages and conditions have fallen behind. It was therefore reassuring to read an email this week from GreenGrade, an organisation the hon. Member for St Albans invited to make a presentation to the all-party group last year. GreenGrade, which helps garment workers and garment factory owners to improve the industry's standing, says that

“Rana Plaza workers will get full compensation”

and that the donor trust fund, which was set up by the ILO,

“has reached its US \$30 million target”

this year. Victims and families will therefore get compensation.

Colleagues will know that I am patron of the Sreepur village orphanage, which has been running in Bangladesh for 25 years. I am proud that it has helped a whole number of children who were made orphans by the Rana Plaza disaster. They have been housed, and they are being looked after. Clearly, a lot of good is coming out of a very tragic story.

Mrs Main: The hon. Gentleman is being a little too modest: the Sreepur office is run by his wife, who is absolutely fabulous—she came to make a presentation to the all-party group. I pay tribute to the efforts of the

hon. Gentleman and his wife in rescuing children from the exploitation they may have been drawn into as a result of Rana Plaza.

Jim Fitzpatrick: It is very generous of the hon. Lady to mention my wife, who is a trustee of the orphanage. It was set up by Pat Kerr, who was born in Scotland and who was a cabin crew member with British Airways. The orphanage now looks after 500 children and 150 destitute mums. It has looked after women and children for the past 25 years, and it is a huge success story. It goes from strength to strength, and it has a lot of support in the House, including from the hon. Lady.

I want to refer quickly to elections. As I said, we need to build confidence in the electoral process. Accusations have been made about corruption and fraud. The right hon. Member for Cities of London and Westminster touched lightly on the fact that we in Tower Hamlets are not unused to corruption and fraud—our mayor was recently taken out by the election court. However, it was great to see Sheikh Hasina here this week giving commitments on the drive to rebuild confidence in the electoral process and institutions. Incidentally, it was also great to see her niece, my hon. Friend the Member for Hampstead and Kilburn (Tulip Siddiq), make her impressive maiden speech yesterday. She will be a real asset to not only the Labour party, but the whole House in due course. The Prime Minister of Bangladesh is rightly proud of her.

Paul Scully (Sutton and Cheam) (Con): When Sheikh Hasina came over, it was also fantastic to hear the older brother of the hon. Member for Hampstead and Kilburn (Tulip Siddiq) speaking about the wonderful work he has been doing in Bangladesh to extend broadband. However, as we are talking about the future of Bangladesh, will the hon. Gentleman reiterate the point that corruption, fraud and demonstrations such as those that happened here in London at a community event with Sheikh Hasina may hinder progress in Bangladesh unless we get things right over the next few years?

Jim Fitzpatrick: The hon. Gentleman makes an important point. The all-party group, which the hon. Member for St Albans leads so well, has a really important role in helping to bring the two sides together. Lord Avebury has been working on that for many years. There needs to be dialogue. The good news is that, for the past few months, the situation has been quieter than it has been for the best part of two years. If the country is to get back to having a normal political future, that needs to continue.

As parliamentarians, we have great respect in Bangladesh. This debate will, I know, be covered in Dhaka's *Daily Star*. It will also feature on Bangladesh TV here in the UK and back in Dhaka and Sylhet. The message we collectively want to send to the Bangladesh Government is: “We are your friends. We are here to help. We want to do everything we can to see continued progress in your country, which has made fantastic progress in the last 40-odd years. We are a resource and an asset.”

When the Minister and the shadow Minister respond—I am sure the hon. Member for Ochil and South Perthshire will reinforce this point—I am sure they will say we are all in the same endgame: helping Bangladesh to move forward. I am grateful to have had the opportunity to contribute to the debate.

3.15 pm

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I, too, pay tribute to the hon. Member for St Albans (Mrs Main) for securing the debate and for giving us all a chance to put on record our views on the future of Bangladesh. I also thank her for work as the chair of the all-party group. On our last visit, she and I spent a great deal of time on the roads of Dhaka and travelling around Bangladesh. There is no doubt that her commitment is absolutely genuine, and I am pleased to see her continue in her role.

I want to add a few comments to the distinguished speeches we have heard. Bangladesh has a tremendous future and a really important relationship with the UK. The challenges it faces can be overcome, but they need to be addressed, because they are important.

I pay tribute to the British Bangladeshi population in my constituency—we have a substantial community in Hyde. To be honest, I did not grow up with a great deal of diversity; I grew up in a very white working-class part of north-east England, so I was not familiar until my adult life with any sort of diversity. In fact, I acutely remember being at university in Manchester and experiencing Eid for the first time. I lived just at the edge of Rusholme, and everyone came down the road, beeping their horns and waving flags. I honestly thought that there must have been an explosion and that everyone was fleeing to safety. People sometimes take the time to tell us about their faith, background, history or culture and they invite us into their homes to share that experience with us. That is a wonderful part of being an MP, and I treasure it a great deal, although we do not always talk about it enough.

My community has not been without its challenges. Like many communities, we have had situations such as that in 2012, when we had an invasion—that is the word I would use—by the English Defence League. Its members came to Hyde and harassed people, trying to exploit community tensions and to get a foothold in the community. When members of our communities—people of different backgrounds, political views and ethnicities—stand together and say, “We don’t welcome you. In fact we oppose this invasion of our town,” that, too, is a special thing. We are not tough enough on organisations such as the EDL, which come in and tell people who are second or third-generation British citizens that they should not be here. They should not have the right to do that. Of course, they have the right to express their view, but, equally, we must protect our citizens as they go peacefully about their lives.

When we talk in future about the relationship between the UK and Bangladesh, I hope that Bangladesh’s impressive economic performance will have further strengthened that relationship. Despite all the political problems with forming Governments and having peaceful transitions into power, the growth rate in Bangladesh is, as my hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick) said, something we in the UK very much aspire to. Given the language and discourse in the UK around India, China and the MINT countries—Mexico, Indonesia, Nigeria and Turkey—the Next 11 countries, of which Bangladesh is one, could become the vogue, fashionable countries that this country wants a relationship with. The links the UK has with Bangladesh could be a tremendous asset, not just to the UK as a whole, but to towns such as mine.

Mrs Main: The hon. Gentleman was brave enough to travel the roads of Dhaka. The important thing we saw over there was the power lines draped outside buildings and the roads, which made us feel like putting our hands over our eyes while we travelled on them. If business is to keep investing and trusting in Bangladesh, we need to see infrastructure growth, and I would like to hear comments from the Minister about that. Does the hon. Gentleman share my concern that infrastructure growth and resilience are important if we are to support growth?

Jonathan Reynolds: I absolutely agree, and I want briefly to mention three issues we came across when we went to Bangladesh, because they are important for the future.

The first is the context of our visit: the Rana Plaza disaster, which was one of the worst industrial accidents the world has seen—some 1,100 people died. That came just after the Tazreen Fashions fire, which killed 112 people. Clearly, they should be addressed in the context of the development of Bangladesh’s economy. To be honest, when I went there, I perhaps had a predetermined view that the question was primarily one of exploitation, with western companies using the cheap labour rates of Bangladesh to make profits. I still believe that western companies have a duty not just morally but in terms of their reputation and brand to make supply chains transparent and to do what they can.

However, the situation is complex. The standards adhered to by western factories that export to this country are clearly higher than those of the domestic garment industry in Bangladesh. Many of the problems that we encountered were to do not just with the behaviour of western companies, and labour standards, but the whole system of governance in Bangladesh—the need for good governance, and for corruption to be rooted out. Those are central challenges that have been mentioned in the debate, and they lead to my second point, which is on the political culture and political violence in Bangladesh, and the need for change.

I am sure that all of us with an interest in Bangladesh—particularly in Tower Hamlets, I should imagine—have had experience of people wanting to take our photo and get a comment from us endorsing one side or another in regional or national elections, or perhaps in Bangladesh’s historical disputes. I completely understand that there are legitimate grievances on either side of Bangladesh’s political history, but my message to those people is always that there is much to be gained from trying to find a way through to a peaceful transition of power in Bangladesh.

For all the differences between parties in the House, we can honestly say that when one side wins an election—usually the Conservative party—we are willing to give up the keys to Downing Street. I was surprised by the amount of interest there was in that way of doing things when I was in Bangladesh. People were taken aback by the fact that we were an all-party delegation, and could not relate to that. If either side can reach the point of having faith in the central idea of adhering to the rules of the political system, and to the rule of law, perhaps through the mediation and support of countries such as ours, Bangladesh has a huge future, and proceeding in that way is extremely important.

[Jonathan Reynolds]

Political violence in Bangladesh clearly continues to be a concern. I asked for figures from the Library. I believe that 120 people have been killed this year in political violence—half of those are believed to have been burned to death. It would be terrible if people took that as indicating the nature of Bangladesh as a whole. It is much more than such statistics. Many people, and not only those with an ethnic or historical link to the country, want to visit it, to have a relationship with it and to do business with it. UK investment in Bangladesh is of huge importance to our economy, just as it is to that of Bangladesh, so it is important to get past the issues I have outlined.

I want finally to make brief mention of climate change. Most people in this country who consider the challenges are aware that Bangladesh is particularly vulnerable. Today, there is a lobby of Parliament on climate change on the theme “Speak up for the love of”. Bangladesh produces 0.3% of global emissions, but it is one of the countries most at risk from rising sea levels. The Ganges delta has 230 rivers, and there are 160 million people living in an almost completely flat area one fifth the size of France. A sense of justice and equity, regardless of what side of the political divide we are on, will tell us that there is a need to do the right thing this year in this Parliament to tackle the situation.

People often ask about the consequences of climate change, and they need to realise that it will affect not only countries such as Bangladesh, but the UK. It will create refugees and problems of food supply and food security. There will be huge knock-on effects for this country as people go to places where they have relatives, or that they have relationships with. That brings us back to the fundamental point that it is in our interest for UK parliamentarians to take the right steps for the UK’s national interest and for the world. I hope that we will do that throughout this Parliament.

I warmly welcome the debate, and the relationship between the UK and Bangladesh, which I agree is extremely important to parliamentarians. We are all friends of Bangladesh and I hope that the relationship will become even more important in future.

3.24 pm

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): It is a pleasure to serve under your chairmanship, Sir Alan. I pay tribute to the hon. Member for St Albans (Mrs Main) for her excellent presentation, and look forward to working with her in future. I am of mixed heritage and have background from Pakistan, which shares issues with Bangladesh. I want to focus on child marriage, climate change, which was mentioned by the hon. Member for Stalybridge and Hyde (Jonathan Reynolds), and climate justice.

Last Tuesday, Human Rights Watch issued a report called “Marry Before Your House is Swept Away”, ranking Bangladesh fourth in the world for child marriage, and describing the practice as an epidemic. Sixty-five per cent. of young women in Bangladesh are married before 18, and 29% before 15, according to UNICEF figures. Child marriage leads to dangerously early pregnancies, lack of education, and greater chances of domestic violence and poverty—issues that are, of course, of great concern to all.

Meanwhile, however, the UN has praised Bangladesh for meeting other development goals, including on the reduction of poverty, gender parity in school enrolment, and reduction of maternal mortality. If some of the development goals have been met, the question must be raised of what is going wrong on child marriage. Gender discrimination has been mentioned as one possibility in the Human Rights Watch report, along with desperate poverty that means parents cannot afford to feed or educate their daughters, and natural disasters caused by climate change, which force families to adopt survival strategies.

Jim Fitzpatrick: The hon. Lady makes a powerful point about marriage. The Human Rights Watch report made great play of the fact that because of poverty the option for many families is either to find a husband for the daughter, or for someone in the family to starve. It is a difficult choice—whether to keep a girl in the family and keep the family together, or marry her off so she can survive. We in this country could not countenance that situation.

Ms Ahmed-Sheikh: As the hon. Gentleman says, we cannot possibly imagine facing such choices, but people living in Bangladesh make such stark choices daily. The Human Rights Watch report is specific in its comments about child marriage rates in Bangladesh:

“Natural disasters in Bangladesh, and the lack of an adequate government safety net for families affected by them, compound the poverty that drives child marriage. Bangladesh’s geophysical location makes it prone to frequent and sometimes extreme natural disasters, including cyclones, floods, river bank erosion, and earthquakes, which cause widespread loss of life and property damage.”

The report continued:

“Some families interviewed by Human Rights Watch said they had made decisions about marriage for reasons directly related to natural disasters—some for example rushed to marry off a daughter in anticipation of losing their home to river erosion.”

Bangladesh is the most vulnerable nation in the world to the impact of climate change, according to the risk analysis firm Maplecroft; 57 rivers enter the country at one side and drain out at the other. The country has no control over the water flow and is particularly vulnerable to rises in global sea level. It is densely populated, with widespread poverty, little capacity to adapt and ineffective governance. The people are powerless in the face of natural disaster.

That leads me on to the matter of climate justice. The poor and vulnerable—often women and children in particular—are always the first to be affected by climate change, and they suffer the most, when in many cases it is the richer countries and populations that have caused the problem. Acknowledging that imbalance is central to climate justice. Climate change threatens basic human rights: to water, food, a home, an education, economic development and life itself. It reverses hard-won progress on human rights and development, and we can see that clearly happening in Bangladesh. Climate justice puts people, and a human rights-based approach, at the heart of decisions on global sustainable development. It means benefiting the environment, alleviating poverty and improving equality.

The Scottish Government are leading the way in the realm of climate justice, with a dedicated climate justice fund, which is possibly the only fund of its type in the

world. The £6 million fund currently supports 11 projects in Malawi, Tanzania, Rwanda and Zambia, empowering the poorest and most vulnerable communities to access their rights and to become more resilient with respect to climate change. The fund's emphasis is on access to clean water, enabling communities to assert their water rights, and sharing best practice in natural resource management. The results have been inspiring. Communities are brought together to work towards a better future, sickness is banished, crops are healthy, and children can return to school.

The Scottish Government have stimulated conversations about climate justice nationally and internationally among businesses and communities, and in academia and the public sector. Glasgow Caledonian University this year launched the world's first masters programme in climate justice. The Joseph Rowntree Foundation recognises Scotland's pioneering role, stating last December:

"Within the UK, the Scottish Government continues to take a lead in putting climate justice on the international and domestic agendas, with a renewed commitment to the cause of human rights and an announcement of new projects supported through its Climate Justice Fund."

As Humza Yousaf, Scottish Minister for Europe and International Development, has said:

"We aim to be a world leader and a progressive voice on the global stage—we hope our commitment to helping the world's poorest will inspire many people, both home and abroad."

The Scottish National party manifesto for 2015 promised that

"we will call on the UK government to match the approach of the Scottish Government with a dedicated Climate Justice Fund."

This debate highlights perfectly the need for such a fund, to help countries including Bangladesh, which suffers an endless stream of disaster caused by climate change—a problem not of its own making that leaves millions in deprivation and forces families to give up on their own daughters' futures, as was shown in the Human Rights Watch report.

Bangladesh, like many other developing countries, is doing its best to make social and economic progress in the face of ongoing environmental catastrophe. We can call on its Government to restore full democracy and call for strong action on child marriage, but as first-world contributors to the global climate crisis, which affects countries such as Bangladesh disproportionately, we have a strong moral obligation to help. Will the Minister promise to take a close look at the Scottish Government's climate justice policy, with a view to creating a similar fund at UK level?

3.32 pm

Kerry McCarthy (Bristol East) (Lab): It is a pleasure, as ever, to serve under your chairmanship, Sir Alan. I congratulate the hon. Member for St Albans (Mrs Main) on securing this debate. It is not the first time that we have debated Bangladesh in this Chamber. She has done an excellent job chairing the all-party group and obviously continues to show passion for the country.

We also heard from my hon. Friends the Members for Poplar and Limehouse (Jim Fitzpatrick) and for Salybridge and Hyde (Jonathan Reynolds) about the importance of free and fair elections, which must have the confidence of the international community and the people of Bangladesh—I will mention that—and peaceful transition from one Government to another.

The hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) mentioned the important issues of child marriage and tackling climate change. Many of us will today have been lobbied by constituents on the Climate Coalition's summer rally. It is important that we highlight the impact of climate change on countries such as Bangladesh when urging the Government to make progress in the talks that will happen later this year.

My hon. Friend the Member for City of Chester (Christian Matheson) made an interesting speech, with a new take on this topic from the trade union point of view: he spoke about labour standards in the shipbuilding yards and among garment workers. Most importantly, he name-checked his local restaurant, which is always a good move for an MP; there will be free poppadums for him next time he is there, I am sure.

Jim Fitzpatrick: My hon. Friend makes an important point about name-checking, but given that Tower Hamlets is the curry capital of Britain, there are just far too many good restaurants for me to mention.

Kerry McCarthy: Perhaps the next time my hon. Friend speaks he will give a long list, and then he will get free poppadums in all of them.

The right hon. Member for Cities of London and Westminster (Mark Field) talked about the plight of Hindus, which I will mention, and about the diaspora community in his constituency and its passion for education. I think that all of us with ethnically diverse constituencies realise that levels of aspiration in some of these communities are extremely high.

The Bangladesh diaspora is an important part of our communities that maintains our strong historical links to Bangladesh, which the hon. Member for St Albans mentioned. The connection between our two countries was reaffirmed this week with the visit of Prime Minister Sheikh Hasina, whom many of us had the opportunity to meet. She was in the public gallery for the maiden speech of her niece, my hon. Friend the Member for Hampstead and Kilburn (Tulip Siddiq), who has become, as has already been mentioned, one of three MPs of Bangladeshi heritage in the House, along with my hon. Friends the Members for Bethnal Green and Bow (Rushanara Ali) and for Ealing Central and Acton (Dr Huq).

We have heard that Bangladesh has made progress on poverty reduction and prosperity is rising. Its economy has grown by around 6% a year despite political instability, structural constraints and the global financial crisis. Many of the millennium development goals have been reached, such as the goal on getting girls as well as boys into primary and secondary education, although there is always an issue about children dropping out as they get into secondary education—particularly girls, when marriage is on the cards.

The country is heavily reliant on agriculture and the garment industry; the latter accounts for more than 80% of exports. We have heard about Rana Plaza, to which I will return in a moment. There is potential for growth in some sectors, such as the information and communication technology sector, which generates some \$300 million in revenue. At a very local level, microfinance has made a real difference. I was fortunate, when I visited Bangladesh with Results UK, to meet Muhammad

[Kerry McCarthy]

Yunus, the Nobel peace prize winner, whose microcredit system has reached out to some 7 million of the world's poorest, many of them in Bangladesh, and helped when the conventional banking system would not. It is notable that he said that 95% of its loans were given to women. Women are very much the driving force of economic regeneration locally.

Remittances from the diaspora community accounted for 8% of GDP in 2014, which is some \$14 billion. My hon. Friend the Member for Bethnal Green and Bow has done excellent work on this front, trying to ensure that the flow of remittances continues to countries such as Bangladesh, but there is still a need to look at whether remittances can be better channelled into growth, so that it is not just about subsistence and supporting families to keep their heads above—let us leave that metaphor. It should not just be about supporting families to get by on a daily basis.

Bangladesh remains a poor country. Political violence is a major concern. Last year's elections were boycotted by the main Opposition party and more than half of the 300 seats were uncontested. There was violence on election day, including arson attacks on polling stations; 21 people died, adding to the death toll after 120 people lost their lives in pre-election violence. This year, with the anniversary of the election, there were more deaths and fires, and thousands of people were arrested. Amnesty International has reported in the past on the use of excessive force, torture and extrajudicial killings by the police in Bangladesh. Questions have to be asked about the police response to the violence. I was interested in what my hon. Friend the Member for City of Chester said about conversations in his local restaurant regarding developing policing, and about the contribution that we can perhaps make on that front.

The Opposition leader, Khaleda Zia, reportedly encouraged protests in January. The Minister will be aware that she has been charged with corruption—allegations that must be dealt with independently and in accordance with the rule of law. I hope that, during her visit, the Foreign Office discussed the matter with the Prime Minister in more detail.

The Rana Plaza disaster in 2013 was one of the world's most serious industrial accidents, as hon. Members mentioned, in which more than 1,100 people lost their lives and 2,500 people were injured. It exposed the hidden costs of the clothes we buy on our high streets. The TUC and organisations such as the Bristol-based Labour Behind the Label have done great work to campaign for justice and reforms. I understand that the compensation target was finally reached in the last few weeks. The tragedy demonstrates the importance of the International Labour Organisation, yet the coalition Government withdrew funding for it. Of course, we have seen plans to erode workers' rights at home, too.

It would help if the Minister outlined how the FCO was working with Bangladesh to improve rights and safety conditions for workers, and how it was demonstrating to the international community, as well as to businesses operating in the UK, that this is a concern for the Government; and it would help if he said that the Government recognised the importance of raising labour standards, not just internationally in Bangladesh, but to protect those in this country.

As the hon. Member for Ochil and South Perthshire said, Bangladesh is one of the countries most vulnerable to climate change. It produces just 0.3% of global emissions, but is especially susceptible to cyclones and rising sea levels, which threaten the lives, homes, food and livelihoods of its 160 million people. My hon. Friend the Member for Stalybridge and Hyde and I were at a meeting with climate scientists this morning, and some of the facts and statistics they put in front of us were absolutely frightening. If the world does not act, rising sea levels and global warming will impact on not just such countries as Bangladesh, but every country. That is why we need a strong global deal on the table at the Paris talks later this year. It is also why we need action on climate change when the conference on the sustainable development goals meets in the autumn.

Bangladesh warned last year that it would need £3 billion over five years to adapt to current climate challenges, including help to build 700 km of coastal defences. If that is not done by 2050, rising sea levels could cover 17% of Bangladesh, displacing millions and potentially forcing 50 million people to flee. If any more incentive were needed—again, the hon. Member for Ochil and South Perthshire touched on this—we need only look at the wider impact of climate change. According to Human Rights Watch, 29% of girls in Bangladesh marry before the age of 15, despite that being illegal. That percentage is higher than in any other country. By the age of 18, 65% of girls are married, in part because of poverty and lack of access to education. Climate change is another driver of that, with parents marrying off their young daughters after losing their home or crops to floods or soil erosion.

Mrs Main: The APG visited an institute for the paralysed. While we were there, we saw many children who looked like they had cerebral palsy, but it was the result of young women giving birth and those births going wrong. It is important that young women are protected from entering into having children at a young age.

Kerry McCarthy: The hon. Lady makes a good point. Parents may see marriage as a way of securing a better life for their daughters, but too often they suffer abuse in marriages. Even where that is not the case, the physical risks of giving birth at such a young age can be bad indeed. Child marriage is illegal in Bangladesh and the Prime Minister made some encouraging commitments at the girl summit in London last year. Reports indicate, however, that there has been little progress on her pledges. There has even been some discussion about the legal age for marriage being reduced in Bangladesh. The UK Government were rightly lauded for hosting the summit, so I hope the Minister can update us on how they have been trying to maintain that momentum and get Bangladesh to deliver on the commitments made there.

As the right hon. Member for Cities of London and Westminster mentioned, there is serious concern about the persecution of Hindu communities and the decline of the Hindu population in Bangladesh. Freedom of religion and expression are a grave concern. Earlier this year, three secular bloggers were hacked to death on Bangladesh's streets. Those responsible for such horrendous acts must be brought to justice, and the Government must protect the rights of religious minorities and atheists in Bangladesh, as well as the majority Muslim population.

We have seen bloggers, Facebook users and human rights organisation officials arrested because of what they have put online. The FCO listed freedom of expression on the internet as one of its six human rights priorities, so perhaps the Minister can advise us on whether the new Government continue to have those six priorities. How have they been working with Bangladesh to support reform in this area? Abolition of the death penalty was another of the FCO's priorities, and the UK must continue to push for a moratorium in Bangladesh, as we do elsewhere.

Finally, one area where Bangladesh has been less proactive is the boat crisis with Burmese and Bangladesh migrants. We have previously discussed our concerns that Bangladesh has returned Rohingya fleeing persecution in Burma and blocked aid agencies from accessing Rakhine state. The international community is horrified by the discovery of mass graves and scenes of migrants from Burma and Bangladesh packed on board ships and risking their lives in search of a new home in Malaysia, Thailand or Indonesia. I know that the Minister responded to an Adjournment debate in the Chamber only last week or the week before on the situation in Burma, but Prime Minister Sheikh Hasina has dismissed the Rohingya as economic migrants who are "mentally sick", and said they should be punished, as they were "tainting the image of the country".

Will the Minister comment on the situation from the Bangladesh perspective?

I hope the Minister will agree that the international community needs to address not only the immediate crisis in the Andaman sea, but the underlying issues forcing people to flee their homes in Burma and Bangladesh. Bangladesh is of course part of the discussions about Rohingya citizenship and whether they can eventually be given rights of citizenship in Burma.

I regret that my remarks may appear rather negative; I started by saying that there was much in Bangladesh's future to be positive about, but it is important, as other Members have said, to highlight some of the issues, in a spirit of friendship, so that we can, with our common shared history and our role in the Commonwealth, work with Bangladesh to address them.

Sir Alan Meale (in the Chair): Before I call the Minister to speak, I remind him that there are approximately 15 minutes to go. It would be helpful if at the end he could find a little time for Mrs Main to respond to the debate and thank Members for their participation.

3.45 pm

The Minister of State, Foreign and Commonwealth Office (Mr Hugo Swire): I shall certainly try to do as you suggest, Sir Alan. On that subject, I congratulate my hon. Friend the Member for St Albans (Mrs Main) on securing the debate and on the almost universal acclaim from all parts of the House for her work as chair of the all-party group on Bangladesh. I commend the commitment that she and all the group's members, some of whom are with us this afternoon, have shown over the years to strengthening and deepening our relations with Bangladesh, as well as to encouraging progress in many areas, from human rights and economic and social development to educational and trade links.

In January 2014—more than 16 months ago—the House had a debate on Bangladesh immediately after its 10th parliamentary elections. Those taking part in that debate expressed concerns about: the high levels of violence and disruption; the removal from Bangladesh's constitution of the provision for a caretaker Government, following the annulment of that provision by the Supreme Court; and the consequent lack of participation by some of Bangladesh's political parties in the elections. Indeed, as we know, before a single vote was cast, just more than half of all seats were declared, meaning that 46 million out of 92 million voters were deprived of choice at the ballot box. While that was deeply disappointing, the UK recognised that elections had been held, in accordance with Bangladesh's constitution, which was amended by its Parliament in 2011. While it is not for the UK to prescribe the constitutional provisions of other countries, I add that the caretaker Government system was not without its flaws and was open to criticisms of manipulation and abuse. It is certainly not the panacea or path to participatory democracy that some have claimed.

Since then, alongside our international partners, we have encouraged Bangladesh's political parties to take bold steps towards building much-needed confidence, mutual understanding and co-operation as the only way for the country to remain on a strong democratic path with full political participation, so that its people continue to have political choices. That is a message I have conveyed personally in my engagements with Bangladeshi Ministers.

It was therefore deeply concerning when the situation deteriorated in Bangladesh earlier this year. There have been: restrictions on public gatherings around the first anniversary of the 2014 elections; nationwide transport blockades and enforced labour strikes declared by the Bangladesh Nationalist party; outbreaks of violence and disruption; more than 100 deaths, horrific arson attacks and many more injuries; and opposition and activist arrests, which a tough law and order response that saw a number of fatalities. On 5 March, I issued a statement calling for a peaceful way forward. Preparations for city corporation elections in Chittagong and Dhaka in April presented a real opportunity for Bangladesh to focus on democratic processes once more, but that opportunity was lost after the BNP withdrew part way through, citing widespread irregularities. The Election Working Group—an umbrella non-governmental organisation that the UK, among others, supports—found election day to be marred by significant levels of electoral fraud and violence, and judged the elections not to have been credible.

We and many other international partners called for all allegations of irregularity to be investigated swiftly and impartially. Sadly, that does not yet seem to have happened. The UK cares deeply about Bangladesh, so we continue to urge the political parties to do the right thing by Bangladesh's future. Like any modern, vibrant democracy, Bangladesh must protect and promote civil society and human rights, and not least freedom of expression, whether through allowing peaceful protests on the streets, media commentary or digital expression. No one should fear reprisals if they express a view. I associate myself closely with the comments of my right hon. Friend the Member for Cities of London and Westminster (Mark Field) about the importance of a secular society.

[Mr Hugo Swire]

The recent horrifying and brutal murders of three bloggers in Bangladesh caused consternation around the world. The perpetrators must be brought to justice and the Bangladeshi Government must be unequivocal in protecting those who speak up. We are also deeply concerned about allegations of extrajudicial killings and enforced disappearances. Again, where allegations are credible, we call on the Bangladeshi Government to hold the perpetrators to account through impartial, transparent investigations.

I should note the final verdict yesterday in the Supreme Court of Bangladesh's appellate division, confirming the death sentence against Jamaat secretary-general Ali Ahsan Mohammad Mujahid, for crimes committed during the 1971 liberation war. Although I fully understand the strong desire finally to bring those who committed terrible atrocities to account, the UK remains strongly opposed to use of the death penalty in any circumstances.

Bangladesh has a strong network of non-governmental organisations, all contributing to Bangladesh's future in a range of sectors, from supporting women's and children's issues, to food security and poverty alleviation. We regularly engage with the Bangladeshi Government to ensure that they support the vital work of these organisations and address legitimate concerns, including revisions to new legislation governing NGOs.

The hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) commented on the Human Rights Watch report, "Marry Before Your House is Swept Away", and the hon. Member for Poplar and Limehouse (Jim Fitzpatrick) referred to passages in that report about girls being married off so that others can eat or be educated. We welcome Prime Minister Sheikh Hasina's commitment at the girl summit last year to ending marriage for under-15s by 2021, and for under-18s by 2041. With two thirds of women in Bangladesh currently married before they are 18, it is hugely important that the new Child Marriage Restraint Act sets the minimum age for marriage at 18, with no exceptions. We continue to discuss with the Bangladeshi Government our concerns about the proposed legislation to lower the legal age for marriage.

We invest heavily in Bangladesh's development. UK aid currently stands at £191 million a year. That support aims to lift 1.5 million Bangladeshi citizens out of extreme poverty, provide access to safe water for 1.3 million people, and ensure that 500,000 boys and girls complete primary school education. My hon. Friend the Member for St Albans asked how the UK aid schemes are audited; the situation is complicated. I will ask my colleagues at the Department for International Development to write to her. Nevertheless, I can assure her that none of our aid is paid as direct budget support to the Bangladeshi Government.

Climate change is of course hugely important to Bangladesh. I remind the House that the Government set up the international climate fund to provide £3.87 billion between April 2011 and March 2016 to help the world's poorest to adapt to climate change and promote cleaner and greener growth.

Hon. Members rightly mentioned the devastating collapse of Rana Plaza two years ago, which resulted in the loss of more than 1,000 innocent lives, many of them women's. We welcomed the all-party group's report

and recommendations. The garment industry in Bangladesh has played a pivotal role in Bangladesh's development by helping to reduce poverty and empower women. Significant steps have been taken to improve building safety and working conditions, but there is still more to be done. All the parties involved in the supply chain, including Government agencies, building owners, factory owners, and the international brands, need to share responsibility for ensuring that change happens.

The UK is providing £7.4 million to fund factory inspections, train new inspectors, strengthen factory health and safety, help garment workers to understand their rights and help survivors of Rana Plaza to find new jobs or start their own businesses. We are pleased that the \$30 million Rana Plaza fund has now been met in full. Primark's contribution of an additional \$13 million, on top of its \$1 million donation to the fund, is particularly noteworthy and will help to ensure that victims and their families are properly supported.

The shadow Minister, the hon. Member for Bristol East (Kerry McCarthy), mentioned the migrant crisis in the bay of Bengal and Andaman sea. I recently discussed the matter with the permanent under-secretary from the Bangladeshi Ministry of Foreign Affairs, and urged Bangladesh to take steps to improve border security and address the root causes of the crisis. He invited me to go with him to Cox's Bazar and Chittagong to see for myself what is going on there. I very much hope to take him up on that offer. In parallel, UK aid is providing £4.79 million for food security, livelihoods and relief co-ordination for the Rohingya and host communities in Bangladesh, in addition to the significant existing UK aid programmes in Rakhine.

Before I draw my remarks to a close, it is worth reflecting on Indian Prime Minister Modi's recent visit to Bangladesh. It is important that countries in the region collaborate to ensure the region's long-term stability and prosperity. We therefore welcome the Indian Parliament's long overdue ratification of the 1974 India-Bangladesh land boundary agreement and the 2011 protocol. That will make a significant difference to the lives of tens of thousands of citizens living in enclaves on either side of the border. We hope that this historic agreement, along with other Bangladesh-India bilateral agreements made during Mr Modi's visit, paves the way for even more—for example, on Teesta water sharing. Incidentally, the boundary realignments have already unleashed a whole tranche of long-overdue Indian investment in infrastructure—I think my hon. Friend the Member for St Albans alluded to that earlier.

It is important that all countries in south Asia continue to play a role in tackling the threats of terrorism, extremism and radicalisation. I therefore welcome Prime Minister Sheikh Hasina's commitment to eradicating terrorism, although it is important that, when countering risks, law enforcement agencies do so transparently, fairly and within the bounds of the law.

To conclude, the United Kingdom values its relationship with Bangladesh deeply. The 440,000-plus people of Bangladeshi origin in the UK make an enormous contribution to British society. That is why the Government will continue to work closely with Bangladesh on its democratic path and as it grows to be a strong and more prosperous nation that benefits all its people. On behalf of the whole House, I thank my hon. Friend the Member for St Albans for her work and for the opportunity to

debate these important issues, and I thank other Members for their continuing interest in furthering the relationship between the UK and Bangladesh.

Sir Alan Meale (in the Chair): Before I call Mrs Main, may I point out that a vote is due at 4 pm? Please make your summing up short.

3.58 pm

Mrs Main: Thank you for that guidance, Sir Alan. I shall do so.

I thank all Members who have participated for their contributions. This has been a model debate in terms of the friendliness expressed by Members from all parties. I thank the Minister for his response. He gave us his thoughts about the election irregularities that he has asked be investigated. I really hope that they are, because such helpful pressure, which we are putting on all political parties in Bangladesh, will move things forward.

The all-party group expressed a desire at its inaugural meeting to look at flooding—the hon. Member for Hornsey and Wood Green (Catherine West) really wants to look into that. Infrastructure resilience is hugely important in Bangladesh. If the country is to grow, it is critical that it moves itself forward with the infrastructure upgrades that it so desperately needs.

I again thank the Minister. I am sure we will be asking for further updates.

Sir Alan Meale (in the Chair): That concludes the debate. I must point out that, although a Division has not yet been called, one is expected in a few seconds' time at 4 pm. If that is the case, the next debate will not start until 4.15 pm.

Motion lapsed (Standing Order No. 10(6)).

4 pm

Sitting suspended for a Division in the House.

Deprivation of Liberty Safeguards Assessments

[PHILIP DAVIES *in the Chair*]

4.14 pm

Ann Coffey (Stockport) (Lab): I beg to move,

That this House has considered deprivation of liberty safeguards assessments.

It is a great privilege, Mr Davies, to serve under your chairmanship.

I am highlighting an expensive bureaucratic nightmare that is engulfing councils up and down the country. Local authorities are struggling to cope with the tenfold increase in applications for deprivation of liberty safeguards, known as DOLS, which is not only costing millions of pounds and tying up countless police and other resources, but causing untold distress to relatives of dementia sufferers who are treated when they die as if they had died in state detention.

We need first to look at how we arrived at such an unsustainable position. DOLS were introduced by the Department of Health in 2009 under the Mental Capacity Act 2005. They were intended to comply with articles 5.1 and 5.4 of the European convention on human rights to ensure that appropriate safeguards were in place to protect adults deprived of their liberty. DOLS provide a procedure for authorising any deprivation of liberty in care homes, hospitals and supported living arrangements. I am particularly interested in the increase in applications for DOLS assessments from care homes.

If DOLS were working effectively, the system would prevent potentially abusive restraint and sedation. It would also help to ensure that day-to-day practice in a care home did not restrict a person's liberty—for example, people with dementia should be able to move around as they wish, as long as it was safe, and should not be required to stay in one place simply because that was easier for the staff.

In March 2014, the UK Supreme Court handed down two judgments, commonly known as *Cheshire West*, which outline the test that must be used in determining whether arrangements made for the care of an individual lacking capacity amount to a deprivation of liberty. The key test is whether the person concerned is “under continuous supervision” and “not free to leave”. The judgments in effect lowered the threshold and resulted in the colossal increase in the number of DOLS applications to local councils.

The situation was first brought to my attention by GPs in my constituency, council officers and distressed relatives of dementia sufferers living in local care homes. To get an overview of the national picture, I tabled a parliamentary question in March asking, with reference to the Supreme Court judgment, how many requests for DOLS assessments there had been in each local authority area. The answer revealed massive increases. In 2012-13, there were only 11,887 applications for the year, but the latest figure, for only the three months January to March this year, was 36,000, and of those, two thirds—68%—had not been processed. The numbers are rising every month and the Local Government Association estimates that an additional £136 million is needed this year to cope with the additional applications.

[Ann Coffey]

Between 1 April 2014 and the end of January 2015, Stockport received 612 applications. It now has about 230 cases that have not yet been processed. All cases agreed will be reassessed automatically in 12 months' time. Stockport council is now spending almost £1.2 million a year on DOLS assessments and employing six new social workers, a special DOLS co-ordinator and a part-time solicitor. The council has also had to draft in a private agency, because each average assessment takes about nine to 12 hours. That is a lot of time and money when social care budgets are being squeezed.

One of the main aspects worrying me on behalf of my constituents is the consequences of guidance issued by the Chief Coroner to local coroners in December 2014, subsequent to the Supreme Court judgments. The guidance stated that all deaths of people subject to a DOLS order must be investigated by the coroner, whether the death was from natural causes or not, and that such people were deemed to be "in state detention".

As a result, when a dementia sufferer subject to a DOLS dies in a care home, GPs have to notify police, who must come and sit with the body until it is collected by the coroner's mortician to be taken to the hospital mortuary, where it has to be formally identified before a formal inquest process starts. That system is causing untold distress to relatives and leading to an increased workload throughout the public sector. I understand that Peter Fahy, the chief constable of Greater Manchester police, has written to adult social care teams looking for information amid concern about how the changes will impact on police time and resources.

One lady contacted me about her 86-year-old husband, who has Alzheimer's and lives in a care home. She was very distressed about what would happen when he died and to learn that he was classed as being in state detention:

"He's not a prisoner just because he has a lockable door. He is not in prison—he has done nothing wrong."

The couple have been married for 60 years and she visits him every day.

Another lady, whose father lives in a care home, told me:

"I am absolutely appalled at the ruling that residents in a care home with dementia and their families, need to be put through so much after death. Not only will it be a drain on public services that are already stretched to the limit but it will also prolong the agony of the grieving families at a really stressful and upsetting time."

She added:

"I would like the guidance to be looked at again with more compassion towards grieving families."

Nationally, there have been reports of relatives of dementia sufferers who pass away in care homes being forced to wait months to bury loved ones because of the rules.

In addition to individual constituents, I have been approached by the local GP practice in Brinnington, Stockport, an area in which there are 234 elderly care beds and five care homes, most of whose residents have some form of dementia. The GPs have said that they are worried that the Chief Coroner's advice will have an enormous and far-reaching impact across a great many services,

"not least affecting patients and grieving relatives."

Their main concern is that those subject to DOLS must have their death reported to a coroner. They pointed out that, technically, that could involve every single care home resident in Stockport: all care homes have lockable doors to help to protect resident welfare, so every resident could be liable to a DOLS assessment.

Nationally, doctors are unhappy. The British Medical Association is calling for an urgent review of DOLS to simplify the system, which it says is a time-consuming and cumbersome process that will divert resources from front-line services.

I wrote to the Chief Coroner, Judge Peter Thornton QC, to express my concerns. He confirmed in a reply in March that, in his view of the law,

"and as I set out in the Guidance, persons who die in a hospital or care home subject to an authorised DoLS die 'in state detention'. Their death must therefore be referred to and investigated by the Coroner."

He said that that interpretation of the law was shared by the Ministry of Justice and the Department of Health, and was also the view of the Labour Government during the passage of the Coroners and Justice Act 2009. However, he accepted that

"the consequences of the law... may not have been appreciated at the time of enactment. They involve consideration by Coroners of all DoLS cases even where the death was from natural causes. That is unfortunate and may cause extra distress to the bereaved families, which should be avoided if at all possible."

He went on:

"Within the framework of the law at present, I am therefore considering ways of easing the burden of such cases on families and easing the extra burden of work for coroners (an additional expense for local authorities). But this in itself may require a change in the law which will be a matter for Parliament."

I understand that the Law Commission is reviewing DOLS following a critical report by a House of Lords Select Committee in March 2014—ironically, a few days before the Supreme Court ruling that said DOLS were "not fit for purpose". However, the Law Commission's recommendations are not due until 2017 and there might be no change in practice until 2020.

The setting up of the post of Chief Coroner was quite controversial. There were concerns that trying to introduce uniformity to the system would take away discretion from experienced local coroners, and it would appear that that is exactly what has happened in this regard. Local coroners, who make decisions every day about whether to have inquests, now feel obliged to have an inquest on someone because they were subject to a DOLS even though their death was entirely expected. The need for an inquest is being determined not by the nature of the death, but by a person's status of being in state detention when they died.

I have been told about a case of a lady who died of natural causes in a care home and was cremated, only for it to be discovered afterwards that she was subject to a DOLS. The coroner then had to get permission to carry out an inquest in the absence of a body. The family were very upset because they had to revisit the death. Another elderly gentleman subject to a DOLS died of a type of cancer of the lung often linked to exposure to asbestos, and there now has to be an inquest with a jury because that is an unnatural cause of death for someone subject to a DOLS. That all takes time and money.

The Chief Coroner's guidance, however, is essentially his opinion. Paragraph 46 of the guidance states:

"The Chief Coroner, who sits in the High Court on coroner cases, is not providing a judgment or ruling. This guidance is no more than the expression of an opinion, subject to the ruling of the High Court. Coroners, who are of course entitled to make their own independent judicial decisions, will do as they see fit in any particular case. But they are invited to take this guidance into account."

The Chief Coroner may argue that it is therefore up to local coroners to make decisions, but the last sentence of the paragraph has been interpreted by local coroners as an order rather than guidance. The Chief Coroner, of course, has the authority of a judge. If that last sentence was removed, local coroners might feel they had more discretion over when to hold an inquest.

In reference to state detention, the Chief Coroner says in his guidance that there are two alternative views. The first is that the death of a person in hospital or a care home who was subject to a DOLS would not automatically require a coroner's investigation. Indeed, in most cases there would be no need for an investigation, although the coroner would have to decide case by case whether one was necessary. However, the Chief Coroner has taken the second view, which is that a person subject to a DOLS

"falls squarely within the 2009 Act's definition of 'in state detention'."

Given the distress caused to relatives, the diversion of resources from front-line care and the Chief Coroner's stated objective of easing relatives' suffering, it is time for him to reconsider his position on state detention.

Without a shadow of a doubt, that phrase, "state detention", is causing great upset to relatives who, on top of their grief, have to cope with all the additional formality of process accompanying a state detention, such as, for example, the attendance of the police and an inquest. Further, if all the applications for 2014-15 had been processed, we would have had an additional 142,902 people in state detention. That could give rise to a misunderstanding among the international community, which might think that we were approaching the levels of detention in North Korea.

Although DOLS were introduced with good intentions, the situation is now out of control. The police, GPs and coroners are overloaded, local authorities are spending millions of pounds from reserves, grieving relatives are in terrible distress and two thirds of all applications are not being processed, meaning that some people are not being protected by a DOLS and could be having their liberty curtailed unnecessarily. Frankly, this is a tsunami and it is fast sweeping over us. We cannot wait until 2017 for the Law Commission review. We need a solution urgently.

There is also concern that some applications are unnecessary. Care home residents have differing capacities and the fact that a care home has some locked doors does not mean that every resident, as a matter of course, should be referred for a DOLS. The Care Quality Commission has an important role to play as an inspectorate to ensure that there is proper understanding of the Mental Capacity Act and DOLS among care providers, as well as an understanding that they need to provide environments that are flexible to residents' needs, so as to ensure the greatest liberty consistent with their capacity. I welcome the CQC inspection regime of adult care that began in April 2014.

Care England represents independent care providers. Its main concern is the time it takes to process assessments, which has led to many providers being placed in a position in which their services are being inspected by the CQC yet they do not have DOLS authorisations in place for all the residents who should have them. Care England also stresses that the delay in burials caused by waiting for inquests is upsetting cultural norms. For example, there are care homes solely for members of the Jewish faith, whose beliefs require a quick burial after death. If the coroner has to carry out a full investigation, that will preclude the family from being able to carry out a quick burial.

I suggest the following way forward to the Minister. The Law Commission review should be speeded up and conducted urgently, before 2017. In the meantime, opportunities should be taken to change the law to make it clear that not all deaths need an inquest. The Chief Coroner should be invited to look again at his guidance and review it in relation to state detention and automatic inquests. The Minister could consider mounting a legal challenge to the Chief Coroner's guidance on behalf of all those adversely affected by the administration of DOLS, including those residents in care homes whose applications have not yet been processed. Perhaps the Government might consider whether state detention should now be statutorily defined and finally conduct an urgent review of the DOLS regulations to simplify this bureaucratic and time-consuming system—for example, the fact that DOLS have to be reassessed automatically every 12 months.

The system takes a sledgehammer approach, which is not remotely sensitive, and the issue has aroused widespread concern. My concern, on behalf of my constituents, is that when their loved ones die in a care home they should not have their grief exacerbated. They have often spent months deliberating about admitting their relatives to a home and feel guilty that they cannot care for them themselves. The process now surrounding the death of a person subject to DOLS adds immeasurably to their distress. When someone asks, "How did your mother die?", who wants to reply, "In state detention.?" The situation must be resolved.

4.30 pm

The Minister for Community and Social Care (Alistair Burt): It is a pleasure to serve under your chairmanship once again, Mr Davies. I thank the hon. Member for Stockport (Ann Coffey) not only for raising an issue that she is closely involved in and has a great deal of knowledge about, but for kindly sending my office a copy of her speech to enable us to give the best possible response. I appreciate both that and the detailed but measured way in which she presented what has become a very difficult situation. She quoted the Chief Coroner as saying that

"the consequences of the law, however, may not have been appreciated at the time of enactment."

If we all had £1 for every time that phrase was uttered, we would all be fairly rich. In answer to his quote, I would say, "You bet they weren't," but let me develop my argument further.

I welcome the opportunity to provide clarity and more information about what my Department is doing to support professionals in relation to DOLS. DOLS derive

[*Alistair Burt*]

from the simple premise that a person who may lack capacity through a mental health disorder and is receiving care and support from the state has as much right to freedom of movement and choice as someone with full capacity. The background to DOLS is not always appreciated, but it is important, and I doubt that there is any difference between the hon. Lady and I on that point.

The phrase “deprivation of liberty” is, like “state detention”, an emotive one and derives from the legal framework. It may seem counterintuitive, but in some circumstances, a deprivation of liberty can be entirely appropriate in providing care and treatment for an individual who may lack capacity. Furthermore, it is worth emphasising that DOLS are firmly based within the Mental Capacity Act and, as such, reflect the Act’s core principles: namely, that a person’s wishes and feelings must be central to the decision-making process, and that the least restrictive form of care and treatment should be pursued wherever possible.

I stress that DOLS are a positive tool in that the assessments undertaken ensure that when a person is—in the legal sense—deprived of their liberty, it must be in their best interests. I entirely agree with the hon. Lady that where DOLS are working effectively, they can prevent unnecessary restrictive measures and prevent people with dementia being required to stay in one place simply because it is easier for staff.

As the hon. Lady said, until March 2014 the number of DOLS assessments a year was approximately 13,000. The Care Quality Commission noted in its annual reports that that figure seemed low. Then, in March 2014, in the case of Cheshire West, the Supreme Court clarified the law on what constitutes a deprivation of liberty by setting out a so-called acid test. I will not repeat that test now because the hon. Lady and the House know it well, but it is clear that the effect of the Supreme Court judgment has been to lower the threshold for what constitutes a deprivation of liberty when compared with previous standard professional practice. Official statistics from the Health & Social Care Information Centre have borne that out, showing that there have been 113,000 applications in 2014-15—roughly a tenfold increase on the previous year.

I will turn to the wider issues related to that in a moment, but let me concentrate first on the implications for coroners, which the hon. Lady spent the majority of time dealing with in her speech. The Supreme Court’s judgment had a number of unforeseen implications. One, which I know to be of particular concern to her, is the rise in coroner’s investigations.

The Chief Coroner for England and Wales has provided guidance to coroners in which he states his view that, under the Coroners and Justice Act 2009, the death of a person who is subject to a DOLS authorisation is regarded as a “death in state detention” and, as such, should be subject to a coroner’s investigation. Helpfully however, the Chief Coroner states that coroners are able to make their own judgment on that matter. He also states that, where appropriate, any inquest could be paper-based and certainly that neither a jury inquest nor a post mortem is required. None the less, I have

heard distressing reports of coroner’s investigations leading to unforeseen delays in funeral arrangements and causing great anguish for relatives.

The Department has issued guidance urging local authorities to work closely with their coroner to develop a proportionate response. I am aware that many have done so and, for the time being, that may be the way through the difficulties. I can tell the hon. Lady today that my Department will issue further guidance on this specific matter in the next few weeks. Furthermore, I commit to writing to the Chief Coroner to ensure that we are doing all we can to encourage an approach that minimises the potential distress to relatives.

Ann Coffey: As I think I said in my speech, part of the problem is that the Chief Coroner is a judge and his guidance is seen as a question of law. If he could perhaps make it clearer that he is giving discretion to coroners, that might also help move things forward. Might the Minister take that up with the Chief Coroner?

Alistair Burt: The hon. Lady, in her concluding remarks, suggested that there might be a legal challenge to the Chief Coroner, but at this stage, I am not persuaded that that would be the best way forward. Perhaps we might leave it at this: depending on the Chief Coroner’s response to my letter, I might seek a meeting with him, so that I might have the opportunity to talk to him in a slightly different manner about some problems that the hon. Lady has raised and get an opportunity to take things further. I ought to get the Chief Coroner’s written response in the first place, but I appreciate her point of view.

We want to encourage an approach that minimises relatives’ potential distress, which, as the hon. Lady set out, can be severe. The key to best practice is good communication and information exchange between partners in the system. Leicester City Council is indicative of a local authority that has worked closely with its local coroner. Together they have designed a shared protocol that includes the clear steer that, unless there are suspicious circumstances, notification of a death can wait until office hours, negating the need for distressing out-of-hours visits from uniformed police officers. In the vast majority of those cases, police involvement will not be necessary. Certainly, 999 calls are not appropriate.

I am grateful to the hon. Lady for stressing the importance of this issue. The Law Commission, which I will refer to in a second, is also looking at the issue of coroners’ investigations, and I want to see the results of that.

Let me say more about the Law Commission, having dealt with coroners to an extent. The Government’s policy is twofold in dealing with the significant challenge that has been given to local authorities and health and care providers now charged with implementing DOLS. First, we seek to understand whether legislative change can provide a system that is sustainable in the long term and that better balances the protection of individuals against the need for minimum bureaucracy to ensure that existing limited resource is maximised. Secondly, we are seeking to provide practical support and guidance to manage the challenges in the interim.

The case for a thorough review of the legislation in this area is unambiguous. The legislation underpinning DOLS was introduced by the then Government in 2007.

It was criticised by Select Committees of both Houses, even before the implications of the Supreme Court judgment became clear. Following the judgment, the Government are funding the independent Law Commission to review the legislation underpinning DOLS. It will launch a four-month public consultation on a proposed new scheme on 7 July 2015.

Following the hon. Lady's intervention, it has occurred to me that she and other parliamentary colleagues may appreciate a dedicated consultation event with the Law Commission on the parliamentary estate. If she agrees, I shall endeavour to make arrangements for that. I will contact the Law Commission to suggest such an event and I hope that it might want a session here so that it can listen to the expertise of colleagues. I am sure the commission would benefit from such expertise, and I will write to her and let her know what it makes of that suggestion.

Given the criticism of the current DOLS legislation, and bearing in mind the likelihood of unintended consequences, I strongly believe that it is important for the Law Commission to be given the time to consider the entire legislation in the round and, if appropriate, propose a comprehensive solution. It would be unwise to rush into specific legislative changes, the repercussions of which might not be clear, so I am not tempted at the moment to make any changes to the regulations.

However, I agree with the hon. Lady on greater urgency. The Law Commission's review was scheduled to be completed, in the form of detailed policy proposals and a draft Bill, in the summer of 2017. I think, having taken up my duties, that that needs to happen quicker. Accordingly, I have proposed, and the Law Commission has agreed, an acceleration of the review to ensure that it will now be completed, in the form of detailed policy proposals and a draft Bill, by the end of 2016. I know that that is still some time away, but bearing in mind the complexity of the issue, I do not think we can afford to get the next bite at this wrong, so I hope that the hon. Lady welcomes that news.

In the interim, my Department has been working with various partners to support the system's response to the Supreme Court judgment. I reiterate now that the response to that judgment must be rooted in the principles and values of the Mental Capacity Act. Our efforts have to be focused primarily on realising real benefits for individuals. DOLS are about people, not paperwork. My Department has issued clear guidance that has emphasised the importance of a proportionate Mental Capacity Act-centred approach, and emphasised that so-called bulk applications for all the residents of a care home are not acceptable. DOLS apply only to those who lack the specific capacity to consent to their accommodation. Many in care homes and hospitals will have that capacity and so not be eligible for DOLS. That must be made clear.

We recognise that the scale of the challenge set by the Supreme Court means that some local authorities will be unable to process DOLS applications within the 21-day legal timeframe. The Care Quality Commission has been clear that providers will not be unfairly punished for such technical breaches. However, the CQC has been equally clear, quite rightly, that a do-nothing approach is unacceptable, so providers and local authorities must have a plan in place for ensuring that those who stand to benefit most from a DOLS assessment receive one in a timely manner.

The Department has funded a reduction in the non-statutory bureaucracy accompanying the DOLS process, reducing the number of application forms from 32 to 13. The Association of Directors of Adult Social Services, which delivered that project, deserves particular praise for the support it has provided to its member organisations since the Supreme Court judgment.

The Department has funded the Law Society to produce excellent comprehensive guidance, in collaboration with practitioners, to assist in identifying a true deprivation of liberty, and in March this year, the Government announced that they would provide local authorities with an extra £25 million to support their efforts on DOLS in 2015-16.

I reassure the hon. Lady that I understand the concerns that some local authorities have about the cost of DOLS, and I praise the hard work of local DOLS teams. However, I am aware that there is considerable variation among local authorities as regards the number of applications that they have been able to process. Clearly, it is important that we identify and learn from current best practice, so my officials are in close contact with providers and local authorities, and I have instructed them to make further visits across England this summer to continue to understand the local response.

Although some may baulk at the idea of 100,000 DOLS applications a year, we should remember that every one of those applications represents a person having their care independently scrutinised. DOLS can help to shine a light on care that is unnecessarily restrictive and does not put the person's views first and foremost. Therefore, we should strongly back the principles of DOLS. Our shared challenge now is, through the Law Commission review, to understand how those principles can be better applied in the day-to-day reality of the health and care system and after the unintended consequences of the judgment.

I thank the hon. Lady for raising these important issues. My Department and I would be grateful for any further insight she may have, conscious as we are of her expertise in the social care field. I hope that we have touched this afternoon—

Philip Davies (in the Chair): Order.

Motion lapsed (Standing Order No. 10(6)).

Personal Independence Payment Applications

4.44 pm

Graham Stuart (Beverley and Holderness) (Con): I beg to move,

That this House has considered processing of personal independence payment applications.

It is a novel and pleasant experience to serve under your chairmanship, Mr Davies. I welcome to his place the new Under-Secretary of State for Work and Pensions, my hon. Friend the Member for North Swindon (Justin Tomlinson). As my colleagues know, and as people across the House will find, he will be excellent in this role. He has great ability and compassion, and I am sure that we all wish him well in delivering for disabled people throughout the country.

Over the past several months, I have been contacted by a number of desperate constituents who feel like they have nowhere to turn. They are often severely disabled people who already have to suffer significant physical pain and distress daily. On top of their conditions, they have had to endure months of delays in applying for the personal independence payment. A system designed to help them is instead increasing their hardship and anxiety. I called for this debate to give those vulnerable people a voice.

I begin by saying that I support the underlying principle of the personal independence payment. Under the old system of disability living allowance, half of all claimants never had to undergo an assessment, and 71% of people who received the benefit never had their award reviewed. That meant that people whose conditions worsened were underpaid and those whose conditions improved received more than was necessary. That system was neither effective nor compassionate in supporting disabled people. Clearly, the money was not being well targeted at those who genuinely needed it.

By contrast, the personal independence payment is a more dynamic benefit, capable, at least in theory, of adapting to disabled people's complex and often changing conditions, and providing them with the appropriate level of support. However, I have dealt with many cases locally of people waiting far longer than the target of 16 weeks to have their PIP claim processed. I have serious concerns that the administration of the new benefit has not functioned as well as it should have done in order properly to support some of the most vulnerable people in our society.

When PIP was introduced in the last Parliament, average delays were as long as 30 weeks. My right hon. Friend the Secretary of State for Work and Pensions rightly acknowledged that those delays were "unacceptable". Since then, the number of healthcare professionals has doubled, the number of assessment centres has increased and their opening hours have been extended. I understand that that has helped to bring down average waiting times substantially, which is welcome. I commend the Minister, who has been in office for a limited time, and his predecessors on their work in getting to grips with the issue. However, the many letters and emails that I continue to receive from my constituents, including one only yesterday and another as I waited for this debate to start, suggest that there are still unacceptable delays.

To highlight my concerns, I shall describe in detail two cases. After having an accident at work, Mrs Lynn Dodds from Beverley suffers from two chronic pain conditions: chronic regional pain syndrome and fibromyalgia. She has to use crutches to get around her house and needs a wheelchair whenever she goes out. She has a carer for 37 hours a week. She suffers daily seizures, brought on by stress and anxiety.

Mrs Dodds first applied for the personal independence payment in November 2013 and she had to wait eight months before being assessed. In that time, her condition deteriorated. She was then, unbelievably, told by Department for Work and Pensions staff that she had to start the whole application process again. Devastated by that news, she none the less reapplied for PIP in August 2014. She had to wait a further seven months to receive her reassessment. The healthcare professional told her that the decision could have been made on paper, without a face-to-face assessment. That is what she was told after all that time.

Mrs Dodds was then told that she would receive a decision within four weeks. It has been nine weeks and she is still waiting, although I think that something may have happened in the last few days, coincidentally or otherwise. When I raised the case with the DWP, I was told that the delays in her application were due to a heavy workload. When Mrs Dodds inquired herself, she was informed that the reason was that Atos had not yet sent her assessment forms to the DWP. She is frustrated that whenever she phones up to try to register a complaint, she is told that she must wait five working days for a call-back—call-backs that of course do not come within the five days, or at any time. After her initial attempt to lodge a complaint four weeks ago, she is still waiting for the DWP to call back. So much for five days.

Mrs Dodds says that following her experiences over the past two years, she suffers from depression and anxiety. We can easily understand why. She has gone from being a wife and mother looking after her family full time to being completely dependent on the care of others. I understand there are inherent difficulties in introducing a whole new benefit. I also understand that PIP's more rigorous and improved assessment process will lead to an increase in work for DWP staff, but the length of time it has taken to process Mrs Dodds' claim is unacceptable and completely wrong.

The second constituent's case that I want to highlight is that of Mr Terry Read, also from Beverley. He lives with his 16-year-old daughter and is unable to work because of his disability. Following a deterioration in his condition, he applied for a reassessment of his personal independence payment to reflect his change of circumstances in October 2014. It was not until April 2015 that he was given a medical assessment. Every day his condition was deteriorating. Every day he called the DWP to ask why the decision was taking so long. When he contacted me, he said he was at his wits' end. When DWP eventually awarded him the benefit last week, it did not backdate it to when the decision was made, so even after months of delays, he was given less money than he was entitled to in order to support the costs of his deteriorating condition.

Although I have named only two examples, many others have contacted me in the last few months about delays in receiving the personal independence payment. Mr Davies, you may be aware of a recent verdict in the

High Court: the judge ruled that the delays experienced by two PIP claimants were unlawful. In that case, the claimants had to wait more than seven months for their benefit applications to be processed. The benefit should assist with the additional costs of disabilities, but the delays make disabled people reliant on family, friends and carers, when they want to be able to support themselves. In many cases, the delays cause added stress and anxiety, which aggravates claimants' conditions.

From October this year, those still claiming disability living allowance will be invited to make a claim for the personal independence payment. That is why it is so vital that problems in the system are resolved now, and that average delays continue to decrease. What steps has the Minister taken to reduce delays in processing applications? What lessons can be learned from the roll-out so far, as October will be the beginning of a large and doubtless challenging process? What is his analysis of what has gone wrong?

I am aware that there are particular difficulties in setting up and running assessment centres in sparsely populated rural areas. I chair the Rural Fair Share campaign and the all-party group on rural services. It is easy to design policies in this place that do not work very well for vulnerable disabled people in rural areas, where there might be few, if any, public transport services and there is a real challenge in getting to cities to be assessed. I have spoken on numerous occasions in this place about the need for the Government to ensure that their policies are rural-proofed. A disabled person who happens to live in a rural area should not have to wait longer for an assessment for the financial support on which they rely for their independence.

Is the Minister investigating the feasibility of pop-up assessment centres that have shorter opening hours, but that enable people living in rural areas, such as my constituents, to have their assessments carried out locally? If further work could be done, or if there were guidelines on what such a pop-up centre might require, perhaps communities including those in my area could look at them and identify premises where such provision could be made available.

Geoffrey Clifton-Brown (The Cotswolds) (Con): I congratulate my hon. Friend on securing this important debate. He seems to be implying that rural constituencies such as his and mine suffer more delays than urban constituencies. Has he been able to conduct any research into this, because one would assume that it is more difficult to employ assessors in urban areas than in rural areas?

Graham Stuart: I cannot claim to have done such research, but perhaps the Minister can cast some light on the matter. Perhaps we could jointly request further work to see what can be done to try to make sure that we have a balanced system that serves everybody as equitably as possible.

I do not know whether it is wise to pick up something from Facebook at the last minute, but in response to a notice about this debate, a constituent posted this a few minutes ago:

"8 weeks to decide if you are eligible. Another 8 weeks to receive the form. You have 2 weeks to complete it. It then takes then another 8 weeks to arrange someone to visit you and a further 8 weeks for them to decide. That was what I got told this

morning when I rang up! That's 34 weeks!!!! How on earth can they justify that????? We will back date it to the date I applied. It will be no good by then.....!! Idiots and that's being polite".

I hope the Minister will be able throw light on that and make sure people are not given such messages, because that is not my understanding of what the situation should look like.

I conclude by stressing again that I support in full the principle behind the Government's reform of disability benefit. It is right that we target financial assistance at those who need it most, in a way that takes into account the changing nature of many people's disabilities. I commend the Government's success in bringing down the overall average processing time in recent months, albeit from unacceptable heights. However, my constituents' cases show that significant further progress is still required in implementing this reform effectively and ensuring that the system is capable of handling the 1.5 million claimants who still need to migrate from DLA to PIP later this year. I look forward to working constructively with the Government to address the remaining delays that compound the despair and anguish felt by many of my disabled constituents.

Philip Davies (in the Chair): I intend to go to the Front Benchers no later than 5.25 pm. Five people are seeking to catch my eye. You can do the maths yourselves, but if everyone is to get a fair crack of the whip, there will be about five minutes each. I am not imposing a time limit, but I hope people will be mindful of that, so that everyone gets a fair chance.

4.57 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. I congratulate the hon. Member for Beverley and Holderness (Graham Stuart) on securing this important debate, and on the measured way in which he introduced it. I reiterate his point about the High Court ruling on 5 June, paragraph 93 of which stated that the way two claimants' applications for PIP were processed was "not only unacceptable" but "unlawful". They had been waiting for 13 and 10 months respectively. I wanted to set the record straight on that point.

PIP has been beset with problems since it was introduced. In October 2012, I remember the former Chairman of the Work and Pensions Committee, Dame Anne Begg, debating this issue. She raised concerns about the migration from incapacity benefit to employment and support allowance. At that point, 40,000 assessments a month were being undertaken; the further 70,000 assessments estimated for DLA/PIP that would be breaking point for the assessment providers. She did not feel the capacity was there, and she has been proven right on this issue, as on others.

Opposition Members welcome welfare reforms where we can see there will be genuine benefit. I mentioned the other assessment process; we feel that the accumulation of assessments has not necessarily been wise. They underpin what is behind the Government's welfare reform agenda. An estimated 607,000 people in receipt of DLA will not be eligible for PIP. In total, it has been assessed that the Government will have cut nearly £24 billion from 3.7 million disabled people by 2018. Concerns have been raised about the reliability of the assessment process, as well as the limited involvement of the Royal

[Debbie Abrahams]

Colleges on specific conditions, and of disabled people themselves in determining the metrics. The toll of the PIP process cannot be overestimated.

Neil Gray (Airdrie and Shotts) (SNP): I congratulate the hon. Member for Beverley and Holderness (Graham Stuart) on securing this debate. Does the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) agree that, for people with mental health issues or particularly traumatic disabilities who finally get to an assessment centre, the process can be traumatic? Perhaps the process needs to be reconsidered for such people.

Debbie Abrahams: As I was about to say, I had a meeting with Mind yesterday. One of the people in attendance said that he is due to have his PIP assessment tomorrow, and he is absolutely terrified. About a third of respondents to a survey of more than 4,000 Parkinson's sufferers became financially worse off after they were diagnosed; for a quarter of them, money concerns are having a negative impact on their Parkinson's. Those impacts are compounded by the process and their experience of PIP.

Dame Anne got it right two and a half years ago, and it is a shame that the Government did not listen at the time to her and my other former colleagues on the Select Committee on Work and Pensions, Sheila Gilmore and Glenda Jackson. It was not until the February 2014 National Audit Office report described "poor early operational performance" and "long uncertain delays" for new PIP claimants, and until the Public Accounts Committee and the Work and Pensions Committee pointed to the unacceptable delays, that the Government finally took action. At that time, the average wait was 107 days, and in some cases many months more, whereas there was a 74-day target for completion. For terminally ill claimants, claims were taking 28 days on average when they should have taken only 10 days.

Last year's report by the Work and Pensions Committee made a number of recommendations; in particular, it suggested that penalty clauses in the contracts for assessment providers be used to recoup money when the providers fail to deliver value for taxpayers' money. What moneys have been recouped? I am pleased that we are now seeing progress, for the sake of claimants and the taxpayer, but we are still not getting it right, as the hon. Member for Beverley and Holderness has shown. Some 42,000 people are waiting more than 42 weeks, and four out of 10 people are still waiting for their PIP claim to be processed.

I heard from a woman whose partner has cancer and is waiting for radiotherapy. They have been living on £113 a week since they applied at the beginning of April, and there is also an effect on passported benefits such as carer's allowance, disability premiums and concessionary travel. I have also heard about the case of someone who received a full PIP award last July but has been told by the Department for Work and Pensions that she has to go through the process again. That beggars belief.

I recognise that the median waiting time has been coming down, and I am pleased about that, but I am concerned about the measures that have been used to bring it down. We have heard about people having to

travel considerable distances to remote assessment centres. One person with Parkinson's was required to get to a 9 am appointment in Deptford from Crawley, which exacerbated their condition. What steps is the Minister taking to ensure that paper assessments can be undertaken instead of face-to-face assessments? On the training and skill of assessors, what steps has he taken to ensure the use of skilled assessors who are able to interpret clinical evidence for a range of clinical, physical and mental health conditions? Given the recent capacity issues, will the Department be revising the roll-out of PIP to a further 1.7 million DLA claimants in October?

My final couple of points are about the independent review of PIP that was published last year, which recommended that there be a full evaluation. I have already mentioned the concerns about the effectiveness of the assessment process, and it was recommended that the Government put in place a rigorous quantitative and qualitative evaluation strategy. When might we expect to see that strategy? Finally—this is definitely my final point—we know that the Chancellor will be announcing further cuts to social security in next month's Budget. What cuts are being considered to disability and associated benefits, including through taxation? Will the administration of those benefits also be affected? Given that the introduction of PIP did not have an impact assessment, which was a big failing, will the Minister guarantee that any changes to disability benefits will have the necessary impact assessment?

Philip Davies (in the Chair): I will try to make myself a bit clearer. I will call the Front Benchers from 5.25 pm, and if we carry on with speeches of that length at least one person will not get in. I urge people to be mindful of others who wish to speak.

5.6 pm

Geoffrey Clifton-Brown (The Cotswolds) (Con): I am grateful to serve under your chairmanship, Mr Davies, and will try very hard to conform to your stricture; in fact, my speech will last less than five minutes. I congratulate my hon. Friend the Member for Beverley and Holderness (Graham Stuart) on securing this important debate, and I am grateful to follow the hon. Member for Oldham East and Saddleworth (Debbie Abrahams).

I congratulate the Minister on his maiden appearance in this Chamber. I had a very bad constituency case. The media contacted me about it, and his Department tracked my interview on Radio Gloucestershire. He invited me in to talk about it and, having talked about it, I am now much more reassured about the PIP process, so I am particularly grateful to him.

Like other Members who have spoken, I support the replacement of DLA with PIP, which is a much more targeted allowance. My particular constituent, Mr Stephen Smart, had to wait more than a year for his PIP payment, and we would all admit that in the past the system was far too slow. Waiting for more than a year is completely unacceptable. The hon. Member for Oldham East and Saddleworth referred to the court case, and no doubt the Minister and his Department will have to react to that. The only thing I would say about my constituent's case is that, had the Cirencester citizens advice bureau brought it to my attention much sooner, I believe that, as a Member of Parliament, I could have helped to

resolve it. Indeed, I was able to resolve a number of other cases last year, so I urge my CAB to refer cases to me much quicker.

I am delighted that, in March, claim times were down to 15 weeks from 41 weeks last year. That is a terrific step in the right direction. For people with terminal illnesses, 99% of decisions lead to an award, with an average clearance time of six working days. I agree with the hon. Lady that claims involving terminal illnesses are particularly sensitive, and it is right that the time has come down.

The new scheme will need to find new resources to manage the claims process, so I am glad that the Government have doubled the number of staff working on PIP, but I suspect that the system is still patchy across the country. There are particular problems with recruiting staff in London, and I wonder whether there is the same problem in the constituency of my hon. Friend the Member for Beverley and Holderness, and maybe in my own constituency. Perhaps the Minister will say something about that, although we discussed it in the meeting and I think our constituents are assessed in the Minister's Swindon constituency. I think we are one of the better performers, so hopefully there has been considerable improvement since my experience. It is regrettable that I was not contacted much earlier in my constituent's claim, which would have given me time to act on his behalf.

As others have said, the trials of the scheme will go nationwide in October, and hopefully the transition will be complete for those 1.5 million people early in this Parliament. It will be a great milestone when we get everybody on to the new system. We must ensure that it is properly targeted so that they get the benefits they should have and are able to apply and get help in their own home in the most severe cases. We must be sensitive to the fact that, for some people, filling in the form is difficult. I would welcome the Minister's assurance on that.

We should consider the issue of the appeals process to the tribunal. In particular, I urge the Minister to address the issue of further appeals to the upper tribunal. I have known cases of appeals to the upper tribunal—not just for PIP payments—to take an interminably long time. He needs to look at that to ensure that, for every Government process, everybody has access to a reasonable appeals mechanism. Things do not always go right. When things go wrong, people need to feel that there is a reasonable mechanism for putting things right if they have a justifiable case.

I absolutely take the point about people with mental health problems, which are often difficult to diagnose. The assessors need to be particularly sensitive to that.

5.10 pm

Nick Thomas-Symonds (Torfaen) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies, and I thank the hon. Member for Beverley and Holderness (Graham Stuart) for securing this important debate.

I want to bring to the Minister's attention some issues that have been brought to me by some of my constituents who suffer from Parkinson's disease. As he is aware, Parkinson's is a progressive, incurable disease. It presents some visible symptoms, such as tremors, and some

non-visible symptoms, such as dementia, depression and, often, pain. Against that background, I make the following points.

First, my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) raised the issue of delays. Parkinson's disease can be exacerbated by the stress and anxiety caused by delays. Awards have been backdated where there has been a delay, but will the Minister consider apologising to the people who have suffered due to the delays?

Secondly, on the nature of the assessment process, the Department for Work and Pensions guidance states that, where there is sufficient medical evidence, the assessment should take place on paper. Unfortunately, that does not seem to be widely known throughout the system. I have been told by some of my constituents that the norm is still that a face-to-face assessment is expected. What steps can the Minister take to ensure that the guidance, which is of some antiquity now, is known to staff throughout the system? It would not only help claimants, but relieve the assessment burden, if fewer people had to go to the assessment centres.

Thirdly, there is the issue of consistency. There are, as the Minister is aware, what are known as informal observations—in other words, people are observed as they approach the assessment centre. What they are carrying is often taken into account. Will there be a robust system in place to ensure that there is a set of objective criteria? Even when informal observations are taken into account in an assessment, they should be evidence-based.

I am wary of your strictures on time, Mr Davies, so I will finish on this point. How confident is the Minister in the robustness of the system? As the hon. Member for Beverley and Holderness said, more and more people will be migrating from long-term disability living allowance to the personal independence payment, but will the system cope? We must not have delays of the scale we have had in the past. Is the system sensitive to the particular conditions—particularly progressive and incurable conditions—that people are suffering from? What steps can the Minister take to ensure that assessors such as Atos and Capita gather the information that will enable them to be sensitive to those conditions?

5.14 pm

Sue Hayman (Workington) (Lab): I, too, thank the hon. Member for Beverley and Holderness (Graham Stuart) for securing this important debate. Like him, I have had many constituents contact me because they are worried and distressed about the transfer from DLA to PIP and the delays that have been taking place.

My constituency is in the north-west of England, which has been particularly hard-hit by the delays. They have caused an unacceptable number of my constituents to be living in financial hardship. I echo the points made about problems in rural areas, as my constituency has poor public transport.

I am pleased that improvements have been made to the system. I am aware that the Minister has confirmed this week that the average claimant wait is seven weeks for PIP assessments, down from the 16-week target set by the Secretary of State. Although I welcome those long-awaited improvements, will the Minister clarify whether the 16-week target covers the whole process from the applicant's request to the final decision?

[Sue Hayman]

In January, the Minister confirmed that DWP would implement the full PIP roll-out in a way that is commensurate with capacity. He said:

“Claimants will be randomly selected...on a post code basis where we are confident that capacity exists.”

It would be helpful to know exactly how that is being assessed and how capacity across all parts of the system will be maintained.

As has already been mentioned, October is the beginning of the most challenging phase of reassessing people currently in receipt of DLA. In addition to dealing with new claims and the fixed-award DLA claims that are ending, the Department will have to manage the PIP awards that are ending and the roll-out of indefinite awards. I seek assurance that the Government have taken that into account when assessing the capacity, so we do not go backwards and return to the delays and unacceptable waits for assessments and decisions.

It is important to recognise that PIP is a gateway to other areas of support, such as tax credits and carer's allowance. People cannot access those other benefits until they have had a decision about PIP. The problem is that, particularly with the delays that have been happening, although PIP is backdated to the date the claim was made, the other benefits are not. That is grossly unfair. Why does that have to be the case, and will the Minister consider reviewing it?

What really concerns me, and what I genuinely fail to understand, is how, when the Secretary of State for Work and Pensions told us that PIP was created to ensure that the most vulnerable people in our society would get proper support for the extra costs that have to be borne through long-term illness and disability, my constituents feel they are being punished and victimised because they are unwell or disabled. I have seen people in tears on the doorstep because they are genuinely frightened for their future. We need to look at how the Department manages people.

Finally, I want to mention some of the language that is used when discussing PIP and disability allowances. The Prime Minister, in reply to a question from my right hon. Friend the Member for East Ham (Stephen Timms) on 3 June about cutting disability benefits, said:

“What we have actually done is to increase the benefits paid to disabled people by bringing in the personal independence payment, which is more generous to those who are most disabled.”—[*Official Report*, 3 June 2015; Vol. 596, c. 589.]

Whether that is actually true is open to challenge, but I want to talk about the phrase “most disabled”. Redefining people as “most disabled” is incredibly unpleasant, because so much hinges on some form of recovery, which is something that medical practitioners have commented on. How do we judge whether someone is “most disabled”? Is it in the same way that we assess whether someone with a learning disability is more mobility impaired than a person who can walk 25 metres? I would like to know how the Government calculate that the people with the most severe disabilities have had an increase, either in overall terms or in benefit levels.

Disabled and ill people want to be part of society; they are part of society. They want to work, and they do not deserve to be treated in the way they have been. I would like the Minister to assure people on such benefits

that he understands their needs and that they will be treated with the respect and compassion they deserve—the hon. Member for Beverley and Holderness spoke about that—as he continues to roll out PIP.

5.19 pm

Mrs Madeleine Moon (Bridgend) (Lab): I will be as quick as I can, Mr Davies.

I declare an interest as the past chair of the all-party parliamentary group on motor neurone disease and vice-chair of the all-party parliamentary group on Parkinson's in the previous Parliament. I also declare an interest because my late husband, who died recently of motor neurone disease—a condition called Pick's disease—was in receipt of personal independence payment.

I do not think we can stress enough how PIP provides a financial lifeline for people with conditions such as Parkinson's and motor neurone disease, which both bring increased costs to daily living, whether relating to the need for constant heating; additional laundry costs; the equipment that people need to buy; the aids and adaptation to make their home liveable in; the food wasted as they try to find food they can eat and swallow; the transport costs related to keeping a normal life, getting people out of the home and accessing daily living; and the change in clothing as weight changes. Those are just a few of the huge costs that people face—never mind the stress and anxiety that hon. Members mentioned—that make it essential to get the processing of the change to PIP right. Those changes create anxiety every day, not just for the sufferer, but for their carers, who carry on caring while being denied access to carer's allowance because the PIP process has not been completed.

If a visual assessment is being made, the outward signs can vary, depending on the progress of the condition: in the early stages, it can include simply slowness and stiffness when moving; breathing and walking difficulties; incontinence; and loss or slurring of speech. The less physical signs are pain, depression, anxiety and memory loss, all of which are exacerbated when the process goes slowly. I remind hon. Members that those diagnosed with some conditions of motor neurone disease can be dead within one year, so people can die before accessing the benefit if there is a delay in the process.

I stress the importance of paper-based assessments for people with such long-term conditions for which there is no relief, from which there is no going back and which mean a death sentence. It is nonsense that people are still being called in for face-to-face assessments. It is also nonsense that people are being assessed in places across the other side of a town, or a country area, that are difficult to access when people get to them, with, for example, long distances to walk or steps to climb. When they get to the assessment in such a place, having suffered the pain, anxiety and difficulty of getting there, they are told, “Well, you're obviously well enough, because you've managed to get here.” It is nonsense. Will the Minister commission a detailed review of delays and problems with PIP, ahead of the independent review that is due in 2016?

Lord Freud said in the other place that the Government have speeded up the PIP process by giving paper assessments for those with incurable and progressive conditions. We all welcome that, but the evidence shows it is not

happening. Will the Minister please make an assessment, with providers, and ensure that they adhere to the policy and report back to the House on progress?

Geoffrey Clifton-Brown: I am sure that the hon. Lady was at the Motor Neurone Disease Association gathering yesterday. Les Halpin, a constituent of mine, had motor neurone disease. He told me that he had got a death sentence of between six and two years. It is just that simple. It is a dreadful disease: all the body's organs close down one by one, except the brain. I have been listening to the hon. Lady. Will the Minister consider giving more guidance to the assessor, so that once a disease such as that is diagnosed, they have detailed notes on their IT systems on how it is likely to progress?

Mrs Moon: It ought, automatically, to mean that such a diagnosis leads to a rapid paper assessment, because people are facing a death sentence and their carers need to be given the financial support to help them cope with the horrible life that is ahead of them—and I promise hon. Members that it is a horrible life.

Finally, will the Minister meet Parkinson's UK and the MNDA to hear first hand about the difficulties that people with those conditions are facing and that the PIP assessment is adding to their daily lives?

5.24 pm

Kate Green (Stretford and Urmston) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. I congratulate the hon. Member for Beverley and Holderness (Graham Stuart) on securing this important debate. I am pleased to congratulate the Minister, too, and welcome him to his new position.

As we have heard, this debate is important for many of our constituents who have applied for PIP and experienced long delays, anxiety and hardship. We heard about the recent case of Ms C and Mr W, where it was found that the delays were unlawful. It is regrettable that we have not yet had any expression of apology from the Government for those delays. I hope that the Minister will take this opportunity to offer that apology.

Many MPs know of cases in our constituencies where assessments and decisions have taken a long time. In my constituency, in at least one case the waiting time, end to end, was more than a year and the Department had to pay compensation. This afternoon we have all welcomed the improvements in the time taken for assessment and processing since the benefit was first introduced, including welcome improvements to speed up assessment for special terminal illness cases including cancer. We have also welcomed today's figures from the Department that show further improvements; it is now 15 weeks, end to end, for new claims, and 11 weeks for reassessments. However, we must recognise that these have been achieved because of a significant increase in the number of healthcare professionals and fewer face-to-face assessments than had been envisaged. In fact, this represents a significant policy change by the Department. An early criticism of DLA by the coalition Government was that it lacked face-to-face assessments; those were to be one of the marks of a new approach under PIP.

We are pleased to see the improvements. However, as hon. Members have noted, Ministers now face a significant new challenge in embarking on the mass migration of the 1.5 million DLA cases to PIP, which is due to commence in October. The independent reviewer, Paul Gray,

has said that this is the most challenging phase of the roll-out of the benefit. It is not just challenging for the Department and the assessment companies; it is causing uncertainty and anxiety among many DLA recipients. It is also causing uncertainty in respect of the public purse. The Office for Budget Responsibility, which has already revised spending forecasts upwards by £1 billion per annum between 2014 and 2015, said in the welfare trends report last week that structural changes to welfare benefits, such as migration from DLA to the new benefit, PIP, mean that any spending forecasts made are “subject to even greater uncertainty”.

It is important, as we have heard, that this mass migration is not botched or rushed. That is the lesson from the earlier phases of the roll-out of this benefit, and from the roll-out of other benefits with intrinsic assessment processes, particularly the work capability assessment.

The Minister said on 15 June, in a written answer to my question 1541, that roll-out will be “commensurate with capacity” and “on a post code basis”.

That still causes a great deal of anxiety to claimants: they are not sure where they fit in that postcode lottery. It is not clear what it means for the overall profile of public spending on the benefit, and it is unclear when the end date of the migration will be. Will the Minister assure us that there will be sufficient capacity, both in the Department and among the independent assessors, and say what extra cost is being incurred to ensure that that capacity is sufficient? During the migration, how many face-to-face assessments does the Minister expect there to be, or what proportion of assessments would be done face to face? How many home visits will there be? What use is the Department making of the opportunity to share information with other assessment processes, as Paul Gray suggested?

The hon. Member for The Cotswolds (Geoffrey Clifton-Brown) rightly highlighted appeals. It has been assumed that 40%—a very high level—will go to appeal. I hope the Minister assures us that not just the Department, but the Courts and Tribunals Service, can handle the appeals that are expected. Can he say how many people are expected to lose benefit or receive a lower payment than under the disability living allowance? We know from Motability that 40% have already lost the higher-rate mobility award and therefore their Motability vehicles. It would be interesting to hear what further forecast the Minister makes.

Most worrying, as my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) said, is the backdrop of £12 billion of welfare cuts—“Newsnight” suggested yesterday that it could be as much as £15 billion—and what they might mean for the roll-out of the personal independence payment. In the House of Lords on 10 June, Baroness Campbell of Surbiton pointed out that the Prime Minister said during the general election campaign that PIP would be enhanced and protected. In response, Lord Freud only confirmed that disabled people would be “supported”, which is not quite the same thing. As has been pointed out, in response to a question from my right hon. Friend the Member for East Ham (Stephen Timms) on 3 June in the House of Commons, the Prime Minister failed to rule out cuts to disability benefits. Indeed, he claimed

[Kate Green]

that the Government had increased the benefits paid to disabled people by introducing PIP, which he said was more generous to the most disabled. That is a startling statement, given that there has been no change in the top rate of payments as regards PIP and DLA, that 40% have already lost the higher-rate mobility award and that the Government introduced the benefit with the intention of making a 20% budget cut.

Simon Hoare (North Dorset) (Con): A little patience might be useful, might it not? We have heard in this debate about the very vulnerable people who rely on this payment. Rather than shroud-waving and trying to second-guess the Chancellor and what might be announced on 8 July, might it not be better not to further worry people who might already be worried?

Kate Green: What would give disabled people the most reassurance is if the Minister categorically said this afternoon that PIP will not be subject to the proposed £12 billion of cuts. Perhaps he will take that opportunity.

Finally, will the Minister say what progress has been made with the independent reviewer's recommendations? Paul Gray highlighted a disjointed claimant journey, a lack of trust in the process and a lack of transparency. He also highlighted the nonsense of so-called interventions, which mean starting a new assessment process pretty much as soon as the last one has been decided. He proposed a series of actions to address some of those concerns. We have also heard about ongoing operational problems with venues, inaccessibility, long journeys and difficulties in rural areas; Sheffield citizens advice bureau in particular has highlighted problems in that regard. Inappropriate expertise or behaviour from assessors was mentioned in a recent report from Inclusion Scotland. As one Member said this afternoon, there have been delays when circumstances have changed in the middle of a claim. I am grateful for the chance to ask the Minister questions. This issue is the major challenge facing the Department when it comes to disability benefits, and the history is not entirely encouraging. We need to know that lessons are being learned, and we look forward to his response.

5.33 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Justin Tomlinson): It is an absolute pleasure to serve under your chairmanship, Mr Davies, especially as you were the first to invite me to come on an official visit to a constituency. I am very much looking forward to it, but we will wait to see whether I will be invited a second time. The tone and the constructive and proactive nature of the debate are a real credit to Members. It is such an important subject, and Members gave a lot of first-hand experiences that will help shape how I take things forward, and I am grateful for that.

In the limited time I have, I will try to respond to as many of the points that were made as I can. If I have missed something, I will follow up on it after the debate. The debate is a credit to my hon. Friend the Member for Beverley and Holderness (Graham Stuart), who is widely respected for standing up for his constituents. He faces the challenges of representing a rural community, and he has done it a good service today. I am delighted

that the particular cases that were highlighted at the beginning of his contribution have, we believe, been resolved. It was absolutely right, however, to highlight the principle.

This is my first debate as the Minister for disabled people. As a Conservative, I am very proud that, when William Hague was the Minister, we introduced the Disability Discrimination Act 1995. We have made a clear commitment to halving the disability employment gap, which we would all welcome and support. It is a role where I know I can make a tangible difference. I have already spent a huge amount of time engaging and working with stakeholders, and I have made numerous visits.

During my five years as a constituency MP, I have done a huge amount with local organisations, charities and businesses acting in that area, and the one big thing that I get when I talk to people is that they are enthused about opportunity, and in particular about the opportunity to work. Only this morning, I met with Liz Sayce of Disability Rights UK. She said that disabled people are too often seen as recipients when all they want is to be net contributors. That was brought home to me when I went to the fantastic charity Whizz-Kidz. I met the Kidz Board ambassadors, George Fielding, who is the chair, and Kayleigh Miller. George is a politics student, and he knows more about politics than all of us. He will come to take our jobs before too long. They made it clear that they want a focus that gives them the same opportunities that their friends enjoy in going to work. They both have fantastic career prospects. As a former employer who has employed people with disabilities, I would snap them up without hesitation.

It is important to reflect why we are doing what we are doing. There was a real need for reform. DLA was too often a crude, blunt instrument in providing support. Only 6% of claimants had a face-to-face assessment. Some 50% were assessed without any medical evidence and 71% of people were given an indefinite award, yet one in three will have their circumstances change within 12 months. It could be that their circumstances got worse and they were not getting appropriate support. The system needed to be changed. PIP considers how impairment affects a person's life, rather than labelling individuals on the basis of their impairment. It rightly recognises that every disability is unique.

Through the face-to-face assessment, there is an opportunity to articulate individual challenges that cannot be done purely on a paper-based form, and in my visits, it has been repeated to me how important that is. Trained healthcare professionals can tease out exactly what support is needed. I have sat through an assessment in my constituency of Swindon. Those professionals do it in a fantastic manner and try to be supportive. I understand that people are nervous, and I am keen to see a lot more videos put online so that people can see in advance what to expect. That is an important message that has come forward today, and I want to see more work on that. Crucially, the system will pick up on such things as mental health conditions and learning disabilities, which it was felt that the paper-based system simply did not pick up on, and there is broad stakeholder support for that. For the most vulnerable people who need the most support, 22% of people who go through the system will expect to get the highest rate of support. Under DLA, that was only 16%.

Members have rightly highlighted that there have been delays, and in some cases that is clearly unacceptable. However, a huge amount of work has been done by the Department, the providers, my predecessor and me. I am having two or three meetings a day on PIP, and am beginning to dream about it. The headline is that we have quadrupled the number of healthcare professionals. I went to Cardiff to sit through a claimant's entire journey, and I will continue to look closely to try to find ways to improve that process. We have over 200 more assessment rooms. We have doubled the number of DWP staff. In the initial stages, productivity levels for decision makers was at about four cases a day; it is now up to about eight a day, which is making a big difference. The IT systems have been improved and are a lot more reliable, which was greatly welcomed by the staff in Cardiff at a question and answer session I attended. There are also more prompts in the system, so if the same things are being written repeatedly, that will be picked up. Again, that improves productivity.

On communications, letters are being improved to remind people of the types of evidence they need to bring in so that the system flows more smoothly for them. We are being proactive: when people are sent forms to fill in we would expect them to be returned within 28 days. If after 20 days we have not heard anything, the system automatically triggers two telephone call reminders, as well as a letter, and we are now looking at text messaging. We are trying to be proactive, and that is making a big difference. We are clearing the backlog. Since August 2014, every month, month on month, we have seen cases being cleared. Between January and April this year, we cleared about 71,000 claims a month, against an average of 52,000 new claims a month coming into the system. That is four times the rate in January 2014.

Neil Gray: I welcome the Minister to his post. I appreciate the statistics he is rolling out, but they do not reflect the comments that I hear from my constituents. There are concerns that the delays will continue. In that vein, will he consider supporting the devolution of all welfare powers to the Scottish Parliament through the Scotland Bill? That would be supported by Enable Scotland and Inclusion Scotland. Will he also consider delaying the roll-out of PIP until that process is complete?

Justin Tomlinson: My job is to continue with the roll-out. Greater minds than mine are continuing the discussions, and it may well be that welfare powers will be devolved, but we will leave it to the greater minds that represent us both to decide that.

Average claimant waiting time has been reduced by around three quarters since June 2014, so we are now looking at a new claimant waiting just five weeks for an assessment, with reassessments down to four weeks. Crucially, the median time for the whole journey, end to end, is now 11 weeks, which is a considerable improvement. Having cleared significant amounts of the backlog, we expect to be operating as "business as usual". That is very welcome. The end-to-end time for terminally ill people, which was highlighted, is now down to six days, with 99% of claimants awarded.

I am conscious of time, so will try to rattle through—

Peter Heaton-Jones (North Devon) (Con): Will the Minister give way?

Justin Tomlinson: I am afraid I will not because I have only a very short amount of time.

We have made sure that legacy cases are a priority, but they are unique and complex. Often, the cases brought to me are not black and white. We have to recognise that everyone's application is unique and the medical evidence is complicated. Sometimes, people choose to reschedule their appointments themselves. Sometimes, people chose to fail to attend; are in hospital, which makes face-to-face assessments difficult; or are in prison. Nevertheless, we are making it a priority to clear any legacy cases.

My hon. Friend the Member for Beverley and Holderness is a strong voice for his constituents and he rightly highlighted the need to tackle delays. We have demonstrated that we are making good progress, but I will continue to keep a close eye on that. We are looking at rural coverage and have increased the number of assessments. Currently, the rule is that people should be within 60 minutes' travel in a car, which most people are, or within 90 minutes by public transport. I know that there are challenges in rural constituencies, particularly in Hull. I think my hon. Friend the Member for North Devon (Peter Heaton-Jones) would have raised that point, and an excellent one it would have been too. People can get face-to-face assessments, they can ask for a taxi, and all travel costs are refunded, so there should be no reason not to come out.

I am conscious of the time, but I want to pick up on some of the points that Members made. I will correspond on any that I miss. My hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown) has a very proactive approach. I have visited the centre in Swindon that we share, and I am encouraged. The hon. Member for Workington (Sue Hayman) made a good point about language, and I would be happy to discuss further any areas we can improve, but it is important to remember that carer's allowance is backdated.

In answer to the hon. Member for Oldham East and Saddleworth (Debbie Abrahams), yes, we have strictly applied service credits, and rightly so. Appointments can be rescheduled, and, if 9 o'clock in the morning is not appropriate, some centres are looking into changing their opening hours if that is what claimants want. We have done some of what was recommended in the full PIP review, and will continue to look at that. I will update Members further in due course.

In response to the hon. Member for Torfaen (Nick Thomas-Symonds), assessments are evidence-based and sensitive to conditions. We will continue to learn because quality is vital. The personal experience of the hon. Member for Bridgend (Mrs Moon) is also vital. I attended the Motor Neurone Disease Association event yesterday, and I would be delighted to meet both it and Parkinson's UK. I extend that invitation to the hon. Lady.

There are many points that I do not have time to address, but I will quickly say that the roll-out will match capacity and will be done in a calm and cautious manner. I welcome all feedback. The debate has been very proactive, and PIP is a real priority for me so I will keep a close eye on it.

Philip Davies (in the Chair): Mr Stuart, you have 40 seconds or so in which to sum up.

5.42 pm

Graham Stuart: I thank Members from all parties for their contributions, and the Minister for his extremely constructive response. My final message to those listening or viewing this debate is that they should contact their Member of Parliament with any problems because we will take them straight to the Minister and ensure that his aspirations are real and delivered on the ground. We must all work together to ensure that that happens so that disabled people everywhere are treated fairly.

Question put and agreed to.

Resolved,

That this House has considered processing of personal independence payment applications.

5.43 pm

Sitting adjourned.

Written Statements

Wednesday 17 June 2015

ENERGY AND CLIMATE CHANGE

Oil and Gas Authority

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): I wish to inform the House that on 1 April 2015, while Parliament was prorogued, the Department of Energy and Climate Change (DECC) established the United Kingdom's new arm's-length oil and gas regulator, the Oil and Gas Authority (OGA). Founding the OGA as an Executive agency of DECC represents a critical step in implementing the recommendations contained in Sir Ian Wood's 2014 report (Wood review) into maximising economic recovery from the United Kingdom's continental shelf (UKCS).

Subject to the passage of legislation in this session of Parliament, I expect the OGA to transition from an Executive agency of DECC to a Government-owned company.

[HCWS38]

WORK AND PENSIONS

EPSCO

The Minister for Employment (Priti Patel): The Employment, Social Policy, Health and Consumer Affairs Council will take place on 18 June 2015 in Luxembourg. The UK will be represented by the Minister for Welfare Reform, Lord Freud.

There will be a policy debate on the European semester 2015. As part of the discussion, the Council will seek approval of draft Council recommendations on the national reform programmes 2015 of each member state; seek endorsement of the opinions of the Employment Committee (EMCO) and the Social Protection Committee (SPC) for the assessment of the 2015 country-specific recommendations (CSRs) and implementation of the 2014 CSRs and endorsement of the EMCO report on employment performance monitor and benchmarks.

The Council will seek a general approach on the proposals for a Council decision on guidelines for the employment policies of the member states.

The Council will also seek to adopt draft Council conclusions on European Court of Auditors special report No 3/2015 "EU Youth Guarantee: first steps taken, but implementation risk ahead"; and draft Council conclusions on equal income opportunities for women and men: Closing the gender gap on pensions.

The Council will receive progress reports on the proposal for a directive of the European Parliament and of the Council on improving the gender balance among non-executive directors of companies listed on stock exchanges and related measures; and the proposal for a Council directive on implementing the principle of equal treatment between persons irrespective of religion or belief, disability, age or sexual orientation.

Under any other business, the Latvian presidency will inform on current legislative proposals, and outcomes of the conferences organised by the Latvian presidency. The Commission will provide information on the national Roma integration strategy—annual implementation report; and the report on the functioning of the transitional arrangements on free movement of workers from Croatia and accompanying Commission staff working document. The Luxembourg delegation will provide information on the work programme of the incoming presidency.

[HCWS39]

ORAL ANSWERS

Wednesday 17 June 2015

	<i>Col. No.</i>		<i>Col. No.</i>
PRIME MINISTER	309	WALES—continued	
Engagements	309	Economy	300
WALES	299	Engineering Careers	307
Air Police: Dyfed Powys	305	EU Referendum	299
Borderlands Line Rail Franchise	304	Great Western Cities Devolution	308
Cross-border Road Links	308	Health Policy	306
		Welsh Government Funding	302

WRITTEN STATEMENTS

Wednesday 17 June 2015

	<i>Col. No.</i>		<i>Col. No.</i>
ENERGY AND CLIMATE CHANGE	7WS	WORK AND PENSIONS	7WS
Oil and Gas Authority	7WS	EPSCO	7WS

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CONTENTS

Wednesday 17 June 2015

Oral Answers to Questions [Col. 299] [see index inside back page]

*Secretary of State for Wales
Prime Minister*

Opposition Day [2nd allotted day]

Skills and Growth [Col. 321]

Motion—(Tristram Hunt)—on a Division, negatived

Productivity [Col. 381]

Motion—(Chris Leslie)—on a Division, negatived

Petition [Col. 434]

Alternative Transport Fuels [Col. 435]

Debate on motion for Adjournment

Westminster Hall

Safety in Prisons [Col. 81WH]

New Nuclear Power [Col. 105WH]

Bangladesh [Col. 113WH]

Deprivation of Liberty Safeguards Assessments [Col. 138WH]

Personal Independence Payment Applications [Col. 147WH]

General debates

Written Statements [Col. 7WS]

Written Answers to Questions [The written answers can now be found at <http://www.parliament.uk/writtenanswers>]
