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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Tuesday 27 October 2015

House of Commons

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The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

TREASURY

The Chancellor of the Exchequer was asked—

Tax Credits

1. **Mrs Emma Lewell-Buck** (South Shields) (Lab): What assessment he has made of the potential effect of proposed changes to tax credits on child poverty. [901797]

2. **Kirsten Oswald** (East Renfrewshire) (SNP): What estimate he has made of the administrative cost of proposed reforms to tax credits announced in the summer Budget 2015. [901798]

3. **Wes Streeting** (Ilford North) (Lab): Whether he plans to make changes to the Government's proposals to reform tax credits. [901799]

4. **Naz Shah** (Bradford West) (Lab): If he will bring forward transitional provisions for the proposed changes to the tax credits system. [901800]

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): Last night, unelected Labour and Liberal peers voted down the financial measure on tax credits approved by this elected House of Commons. That raises clear constitutional issues that we will deal with. We will continue to reform tax credits and save the money needed so that Britain lives within its means, while at the same time lessening the impact on families during the transition. I will set out these plans in the autumn statement. We remain as determined as ever to build the low tax, low welfare, high wage economy that Britain needs and the British people want to see.

Mrs Lewell-Buck: Six thousand, eight hundred children in South Shields are growing up in families who rely on tax credits. One of my constituents told me, "Tax credits at the moment only just make it possible for families to feed and clothe their children as it is. If this Government keep making cuts on those of us who are lowest paid we may just give up hope." The public, the experts, some of the Chancellor's own MPs and the other place all agree that his plans will victimise working parents and their children, so will he please give my constituents some hope and shelve these ridiculous tax credit cuts?

Mr Osborne: We will give the hon. Lady's constituents, and indeed the constituents we all represent in this House, support by continuing to deliver economic security in this country—economic security that has seen unemployment fall in her constituency by 44% since 2010. One of the ways we deliver economic security is by controlling our welfare bill and making sure this country lives within its means. That is what we will continue to do.

Kirsten Oswald: The Chancellor has singularly failed to listen to the SNP and to this House when we have said that he needs to think again about tax credits. He sounds like he is keener on dealing with peers than on listening to them, so how about he listens to the people and just drops these tax credit plans once and for all?

Mr Osborne: This House of Commons voted three times for the changes that were rejected by the House of Lords. I am sure that we look forward to the support of the Scottish National party on that constitutional question. I would make this point to the hon. Lady's constituents: we need to have a welfare system that works. We need to move to a lower welfare, higher wage economy. We do that by introducing the national living wage and having a welfare bill that the country can afford. That is the best thing we can do for the security of the people she represents.

Wes Streeting: If the Chancellor had listened to the evidence from the outset, he would not be in this mess. If his Back Benchers had voted with their consciences, there would be an alignment of opinion between this House and the other place. Instead of manufacturing a phoney constitutional crisis, why will he not put his toys back in the pram and appreciate that he needs to go back to the drawing board with his failed policy that hits working people the hardest?

Mr Osborne: We will deliver the welfare savings that we were elected to deliver in this Parliament. We will help people in the transition to that lower welfare, higher wage economy. I remember a time when the Labour party used to support moving from welfare to work; it has entirely abandoned that approach. We will be the party that stands up for working people, and working people need controlled welfare and a country that lives within its means.

Mr Speaker: I call Naz Shah. She is not here.

Mr Andrew Tyrie (Chichester) (Con): Does the Chancellor agree that whatever our views may be in this House on the tax credit dispute, in overturning the settled will of the elected Chamber, the unelected Lords has exercised the powers of a Chamber of Parliament in the tax area, whereas for at least 100 years it has been well established that it has, and should have, only the legitimacy of a consultative assembly?

Mr Osborne: The Chair of the Treasury Committee makes an important point. Of course, on only five occasions in recent decades has the House of Lords blocked or rejected a statutory instrument, but never on a financial matter. We heard a whole range of opinions yesterday—from Lord Butler, the former Cabinet Secretary, to constitutional experts such as Vernon Bogdanor—telling

us that this was unprecedented. We are going to have to address it—the Prime Minister has made that very clear. That is what we have to do to make sure that the elected House of Commons is responsible for the tax-and-spend decisions that affect the people of this country.

Sir Edward Leigh (Gainsborough) (Con): I have written to the Chancellor about a lady in my constituency, Stacey, to whom I have talked at length. She earns only £11,000 a year and says that £31 a week is being cut from her budget. I know that the Chancellor will meet me to discuss that. Surely the point is that we should have the conversations here, and he will listen, and that ultimately we will be held responsible and chucked out. What is not right is that unelected people, who never have to stand again, should decide how the people are taxed and how we spend our money.

Mr Osborne: I agree with my hon. Friend on the constitutional point, which is a matter that the whole House of Commons will want to address. I take very seriously the point he raises about his constituent. I have made it clear that we will listen with regard to how we make the transition to a lower welfare, higher wage economy. When we introduced controversial welfare changes in the last Parliament, such as the removal of child benefit from higher earners and the introduction of the welfare cap, we made changes, having listened to Parliament, to smooth the transition to both those important reforms. Of course we will listen to the House of Commons in this respect, but the end goal is clear: this country cannot have an unlimited welfare budget that squeezes out other areas of public expenditure. We cannot have a situation whereby we have 1% of the world's population and 4% of the world's economy, but 7% of the world's welfare budget.

Philip Davies (Shipley) (Con): May I urge the Chancellor to stick to his guns on tax credits? Gordon Brown spent billions of pounds he did not have on tax credits, to try to buy votes at the 2010 election. Does the Chancellor agree that there is no painless way out of huge debt and that people would do well to remember that before they ever elect a free-spending Labour Government again?

Mr Osborne: I completely agree with my hon. Friend. Spending on tax credits went up three times during the last Labour Government, yet working poverty increased during that period. In other words, it had completely the opposite effect from that intended. The people who suffer when the country loses control of its public finances are, indeed, the low paid. They are the people who get turned out of work. It is not the richest in the country or the trade union barons who lose their jobs when that happens; it is the poorest in the country. What we can deliver for them is economic security. So, yes, we will listen on the transition, but we are determined to deliver controlled welfare and economic security for the working people of this country.

Sarah Champion (Rotherham) (Lab): The Children's Society estimates that 10,000 children living in 5,100 families in Rotherham will be punished by the tax credit changes. What transitional provisions will the Chancellor put in place to support them?

Mr Osborne: I will set out at the autumn statement how we make sure that we smooth the transition to the lower welfare, higher wage economy that the people of Rotherham and the rest of the country want. We have to make choices in this country. Are we prepared to see our country decline, our budget go out of control and jobs lost, or do we want to continue delivering the economic security that sees a record number of people in work and that has seen employment increase in Rotherham?

Dr Liam Fox (North Somerset) (Con): The average taxpayer in this country now pays £2,000 a year in extra tax just because of the Government's debt interest payments. Is not it time that we saw that debt tax on this country's payslips, so that those who believe they can spend with impunity, including the unelected Chamber, recognise the cost it will provide to future generations?

Mr Osborne: My right hon. Friend is quite right to call it a debt tax. Indeed, one of the largest items of Government spending is paying the creditors we owe, who fund our national debt. That crowds out the spending that we could be putting into our education and transport systems. We have, of course, taken forward an innovation proposed by a Government Back Bencher in the last Parliament, and we now send a tax statement to every taxpayer so that they can see how much we spend on debt interest and how urgent it is that we remove this deficit and reject those who want to borrow forever.

Chris Leslie (Nottingham East) (Lab/Co-op): On the constitutional point, will the Chancellor read out the specific sentence in the Conservative party manifesto where he promised he would cut tax credits?

Mr Osborne: I am very glad that the hon. Gentleman has a copy of the Conservative manifesto. It is an excellent document, which says we are going to deliver better schools for people, we are going to put more money into the national health service for people, we are going to invest in transport for people and we are going to make £12 billion of welfare savings.

Richard Fuller (Bedford) (Con): It is good to see the Chancellor in listening mode. There is another group that can assist practically but which we are not talking about—companies. Are our companies in listening mode about the measures that they can take in moving their employees to the national living wage much more rapidly? What can the Chancellor say about what they are doing to help on this issue?

Mr Osborne: My hon. Friend makes a very important point. The savings we make in welfare are part of a package that includes a national living wage. Although the national living wage starts to come in next year, over 200 major companies—such as Sainsbury's, Morrisons, Costa Coffee and many others—have already, since the Budget, introduced wage increases that match what we are proposing to do by statute, so we are already seeing the benefits of the national living wage coming into effect before it is even introduced.

Stewart Hosie (Dundee East) (SNP): We know that there are 500,000 more children in poverty since 2010—[HON. MEMBERS: "No."] There are 500,000 more children

in poverty since 2010, and there will potentially be 4 million children in poverty by the end of this Parliament. If the Chancellor is in listening mode, knowing that he does not need to make these cuts to balance the budget, why does he not listen to those who say, “Stop now with the policy of tax credit cuts”?

Mr Osborne: I am afraid that the hon. Gentleman is just not correct on the numbers. Child poverty is down by 300,000 since 2010, and the number of children in workless households is now 500,000 fewer than it was when the Government came to office. The truth is it is difficult to take any lectures from Scottish National party Members about balancing the books. They made forecasts for their oil revenues that would have left Scotland with a £30 billion black hole if they had ever got their way. We will go on delivering economic security for the people of Scotland, and indeed the rest of the United Kingdom, by taking the difficult decisions that his party ducks.

Stewart Hosie: The Chancellor is in denial—absolute denial. Did not yesterday, 26 October, demonstrate two things—the Chancellor has lost his political touch, and his chance of being Prime Minister has just gone up in a puff of ermine-clad smoke?

Mr Osborne: As ever, when pressed, all that SNP Members want to talk about is party political gains, rather than sorting out the mess that this country was in six or seven years ago. As a result of the changes we have made, there are hundreds of thousands more people in Scotland with jobs, businesses are investing in Scotland, as they are across the United Kingdom, and we will go on making those changes. The hon. Gentleman can go on praying in aid a House of Lords that he has spent his whole life campaigning to abolish. I will go on delivering the reforms to our economy that are needed to help Scotland to continue to grow.

Victoria Atkins (Louth and Horncastle) (Con): At the end of the previous Labour Government, nine out of 10 families with children were eligible for tax credits, some of whom earned up to £60,000. In other words, they were paying their taxes and then getting some back. Is it not better to reduce taxes in the first place so that people keep more of their hard-earned income?

Mr Osborne: My hon. Friend speaks for her Lincolnshire constituents and for the whole United Kingdom in saying that we want to move to a lower tax, lower welfare, higher wage society. We took such a step in the Budget by increasing the personal allowance to £11,000. We also cut taxes for business, reducing corporation tax and expanding the employment allowance so that smaller businesses could take on more people. It is all about continuing to deliver the record levels of employment we see in our country, and indeed the growing economy that today’s GDP figures confirm.

John McDonnell (Hayes and Harlington) (Lab): May I remind the House that for 3 million people out there who have done everything asked of them and have been bringing up their children and going to work, this is not a constitutional matter? Those people will lose £1,300 a year. Given what happened in the other place last night, may I reassure the Chancellor that if he brings forward

proposals to reverse the cuts to tax credits, fairly and in full, he will not be attacked by Opposition Members; indeed, he will be applauded? Can he assure us that whatever proposals he brings forward, he will not support any that an independent assessment demonstrates will cause any child to be forced to live below the poverty line?

Mr Osborne: I am, of course, happy to accept any proposals that the hon. Gentleman puts forward—*[Interruption.]* I am happy to listen to those proposals, but there is a difference between those who say, “We want to make no savings to welfare at all; we want to abolish things like the benefit cap; we are not prepared to make any savings at all to the tax credit system”, and those who say, “Yes, we want to move to a lower welfare society, but we want help in the transition.” If the hon. Member for Hayes and Harlington (John McDonnell) has proposals to help with the transition, of course I will listen to them, but if he is again promoting uncapped welfare and unlimited borrowing, I do not think that the British people will listen to him.

John McDonnell: The Chancellor has a choice before him: he can push on with tax giveaways to multinational corporations, and press on with cuts to inheritance tax for the wealthiest few that he announced in the summer Budget, or he can reverse those tax breaks for the few, and instead go for a less excessive surplus target in 2019-20. He can avoid penalising 3 million working families with cuts to tax credits, and stick to his self-imposed charter. Is he prepared to listen to reason on this matter? Is he, or any Government Member, prepared to step up and show some leadership on this issue?

Mr Osborne: Let us remember that we inherited a tax system where City bankers were paying lower tax rates than the people who cleaned for them, and multinationals were paying no tax at all. We have introduced a new tax to ensure that multinationals do not divert their profits, and we increased capital gains tax precisely to avoid that abuse of tax rates. We will not take lectures from the Labour party about a fair tax system.

In a way, the hon. Gentleman reveals what he believes, which of course I completely respect. He says that we should abandon our surplus rule and run a deficit forever, but I profoundly disagree with that central judgment. If we borrow forever and are not prepared to make difficult decisions on welfare, we will condemn this country to decline. As a result, people will become unemployed and living standards will fall. That is not the Britain I want to see. We will go on taking difficult decisions to deliver that lower welfare, lower tax, higher wage economy, and this elected House of Commons will continue promoting the economic plan that delivers that.

Scotland: Fiscal Framework

5. **John Nicolson (East Dunbartonshire) (SNP):** What recent discussions he has had with Ministers in the Scottish Government on a future fiscal framework for Scotland. [901801]

The Chief Secretary to the Treasury (Greg Hands): I am currently in discussions with the Scottish Government on the design of their new fiscal framework. We met on

four occasions, and after each meeting a joint statement was released providing details of the items covered. Talks have been constructive, and we are hopeful of coming to a final agreement in due course.

John Nicolson: Does the Chief Secretary to the Treasury remain committed to a funding formula based on Barnett, as promised in the vow and referred to by the Smith commission?

Greg Hands: The Government remain committed to the Barnett formula and to delivering all aspects of the Smith agreement during the fiscal framework, and in the Scotland Bill that is currently before this House.

Mr Peter Bone (Wellingborough) (Con): Will the excellent Minister think again on that answer, because my constituents have £2,000 less per person on public expenditure than constituents in Scotland and we pay the same taxes? How can that be fair?

Greg Hands: It is worth noting that the Barnett formula will continue, but diminish in importance. For the first time, more than half the Scottish Government's budget will come from Scottish taxpayers rather than a grant from the UK Government. That will add extra accountability to the Scottish Government.

Employment Trends

6. **John Howell (Henley) (Con):** What assessment he has made of recent trends in the level of employment. [901802]

7. **James Morris (Halesowen and Rowley Regis) (Con):** What assessment he has made of recent trends in the level of employment. [901803]

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): We have a record number of people in work. Today's GDP data show that Britain continues to outperform other western economies, but there are clear global risks and there is still much more to be done to fix our economy. In the autumn statement, we will take more steps to ensure the recovery is felt right across the country, make long-term investments for the future, and, crucially, continue to make the tough decisions required so that Britain lives within her means.

John Howell: The total number of unemployed in my constituency is 219, with youth unemployment at only 36. Will my right hon. Friend join me in praising institutions such as the Henley college, which is providing excellent apprenticeship training?

Mr Osborne: It is very good to hear about the success the people in my hon. Friend's constituency have had in finding work over recent years and the clear business confidence that exists in Oxfordshire. The Henley college is doing an excellent job in making sure that young people have the skills they need to take the opportunities now out there in the jobs market. We will, of course, go on helping such institutions by increasing the number of apprentices we fund in this country, so that we deliver the 3 million apprenticeships mentioned in our election manifesto.

James Morris: Unemployment in my constituency has fallen by 50% since 2010, but, given the recent news about the difficulties in Caparo in the west midlands, we must not be complacent. Does the Chancellor agree that we need to do more to invest in training and skills, such as the new advanced science, engineering and technology centre at Halesowen college, so we can equip local people with the skills they need to take future opportunities?

Mr Osborne: I visited with my hon. Friend a number of the very successful businesses in his constituency; they are exactly the kind of small and medium-sized businesses that are the backbone of the British economy. They need help with their training, and Halesowen college can help to provide that training to the young people in the area, so they can get the jobs that are being created in his area.

Caroline Flint (Don Valley) (Lab): The Chancellor claims he is on the side of working people but, as far as I can see, he has been afraid to publish an impact assessment of changes to working tax credits on people taking up or remaining in work. Will he guarantee, given last night's decision and the delay, to look at that and that, in any proposals, he will include an impact assessment on people taking up work, increasing their hours or staying in work and how that affects employment levels?

Mr Osborne: We have published an impact assessment, an equalities assessment and a distributional analysis of the measures we produced in the Budget. None of those were ever produced by any Labour Chancellor, so we continue to provide the information that people seek. What matters above all is getting the central judgment right about fixing our economy, making sure we deal with our deficit, and going on delivering economic security for the people the right hon. Lady represents.

Mark Durkan (Foyle) (SDLP): The Chancellor is fond of telling us about 2 million more people in employment, and then he usually does a little facial lap of honour of the Chamber. Has he estimated how many of those 2 million people would be hit by his proposed changes to tax credits? How many would he be comfortable with still hitting in any revised changes?

Mr Osborne: The measures to save welfare—as I say, we will help with the transition—come alongside the increase in the national living wage, the increase in the personal allowance and the action we have taken to cut social rents. They are all part of a package that is delivering economic security to the people in Northern Ireland and across the United Kingdom. The hon. Gentleman remembers what the situation was like five or six years ago in Northern Ireland: high unemployment, a lack of business investment and people looking for work. Now we are in a situation where jobs are being created and people are finding work. Do I say that everything has been done that needs to be done? Absolutely not. We have more to do to bring jobs and investment to Northern Ireland. Let us work together to make that happen.

David Morris (Morecambe and Lunesdale) (Con): My local council keeps bleating on about cuts, saying how they are going to affect everybody living there. But,

on the front page of a newspaper, a management consultancy company that the council brought in said that in my constituency and the region, 10,000 jobs are going to be created over the next five years. *[Interruption.]* Yes, very lucky. Does the Chancellor agree that his economic policies have put that on track and that my area of the world is going forward, making it better for the people who live there?

Mr Osborne: My hon. Friend is absolutely right. As a result of the combination of him being a very effective local MP and the fact that we have a Conservative Prime Minister and a Conservative Government, we are delivering more jobs into my hon. Friend's part of Lancashire. Indeed, I remember on visits with him seeing the work being done on the link road to the port, which for decades—including when there were Labour MPs representing the constituency—was campaigned for, but never delivered. Now it is actually being built and delivered as a result of my hon. Friend's local efforts.

Rob Marris (Wolverhampton South West) (Lab): Contrary to what the Chancellor believes, my party does want to deal with the deficit; we just think he is going about it the wrong way. We are worried about certain employment trends. The Solar Trade Association, for example, has warned that up to 27,000 jobs could be at risk due the Government's announcement of the withdrawal of support for solar energy schemes. What steps do the Government propose to take to avoid large-scale redundancies and this employment trend in the solar industry and what support will the Government offer to the industry?

Mr Osborne: Of course we are in a constant dialogue with the solar industry, and solar energy use has dramatically increased over the last five years, but so have the costs of that technology. Quite reasonably, then, we have reduced the subsidy going to solar. There has to be consistency in what Labour Members argue for. On the one hand, they say, quite reasonably, "Please deal with the energy prices that are affecting the steel industry", but then their spokesman gets up and says, "Please add more cost on to energy bills in order to subsidise renewables." The trouble is we cannot have both.

Large-scale Redundancies

8. **Nigel Adams** (Selby and Ainsty) (Con): What support his Department provides to people affected by large-scale redundancies. [901804]

The Chief Secretary to the Treasury (Greg Hands): I recognise that all job losses are deeply concerning for those affected. In the case of large-scale redundancies, the Jobcentre Plus rapid response service can provide support for affected workers. The rapid response service stands ready to provide support, and is already working at Kellingley colliery in my hon. Friend's constituency. We may consider further intervention in exceptional cases where the impact is particularly significant.

Nigel Adams: I, too, welcome the support and retraining packages for steelworkers. As my right hon. Friend rightly says, several hundred workers at Kellingley colliery are facing redundancy later this year, and a further 240

power station workers at Eggborough are going through a consultation and are very worried about their future and their jobs at the station. Will the Chief Secretary urgently meet me to discuss a similar support and retraining package for those workers in my constituency?

Greg Hands: I totally recognise the difficulties faced by many people in my hon. Friend's constituency. One thing I will say is that my hon. Friend is a real champion for jobs in his constituency. Only last week, he ran his fifth annual jobs fair for his constituents, and that is part of the reason why unemployment there went down by more than 1,000 in the last Parliament. I will, of course, be happy to meet my hon. Friend to discuss further what training and support is available for the constituents affected.

Helen Goodman (Bishop Auckland) (Lab): Seventeen hundred people in Redcar have lost their jobs, and throughout the north-east it is expected that total job losses will be 9,000. Will the Minister tell those people how long it will take for his measures to take effect and for them to have jobs again?

Greg Hands: We are taking a number of measures in relation to steel. We are tackling unfair trade practices, and voting and speaking on that basis at EU summits. We are doing something to deal with high energy bills and we are making sure that more public contracts go to UK steel producers. At the end of the day, the one thing the UK Government cannot do is deal with the world steel price at the moment. We are offering comprehensive packages, particularly in Redcar, and we are making sure that the situation is as good as it can be at the moment.

Research and Development

9. **Callum McCaig** (Aberdeen South) (SNP): If he will take further fiscal steps to support research and development. [901805]

The Chief Secretary to the Treasury (Greg Hands): The Government have made a long-term science capital commitment, investing £6.9 billion in the United Kingdom's research infrastructure up to 2021. In the last Parliament we maintained the ring-fenced science budget, in cash terms, at £4.6 billion per annum, and in 2013 we provided £1.75 billion of support in research and development tax credits. Further decisions on support for research will be made as part of the forthcoming spending review.

Callum McCaig: The Government's record on R and D does not match their rhetoric. Only yesterday, some of the leading companies in the United Kingdom expressed the fear that the Government's reported plan to replace R and D tax credits with interest-paying loans could hit R and D investment and send it abroad. Will the Minister reassure Parliament and business that R and D grants will continue to be made available to help our businesses to innovate and remain competitive?

Greg Hands: Future plans for R and D tax credits are, of course, a matter for the spending review, but I disagree with what the hon. Gentleman has said in the light of what we have done in the last five years.

According to a recent evaluation by Her Majesty's Revenue and Customs, each £1 of tax forgone on R and D tax credits stimulates between £1.53 and £2.35 of additional R and D investment. During the last Parliament, the Government increased the generosity of the R and D tax credit scheme for small and medium-sized enterprises from 175% to 270%.

Mark Pawsey (Rugby) (Con): Both the Chancellor and the Prime Minister recently visited the Manufacturing Technology Centre, which is in my constituency. Does the Minister agree that such collaborations between the academic world and manufacturing industry show the way forward?

Greg Hands: I absolutely agree with my hon. Friend, particularly when it comes to innovation. The Global Innovation Index ranked the United Kingdom second in the world in 2013. We have been ranked first for the reach, impact and well-roundedness of our research and first for our research productivity, which is 3.87 times the world average.

Northern Powerhouse

10. **Chi Onwurah (Newcastle upon Tyne Central) (Lab):** What plans he has to provide local authorities within the northern powerhouse with additional funding and powers to raise funds to support those authorities in carrying out newly devolved responsibilities. [901806]

The Chief Secretary to the Treasury (Greg Hands): By the end of this Parliament, local authorities will be able to retain 100% of local taxes to spend on local services, and areas with city-wide elected mayors will be given even greater flexibilities in relation to business rates. Each devolution deal will be bespoke, but the deal agreed last Friday with the North East combined authority includes a new £30 million-a-year funding allocation which will bring together funds to deliver a 15-year programme of transformational investment in the region.

Chi Onwurah: The north-east is keen, indeed determined, to slip Whitehall's leash, but some fear that hard-pressed civil servants will seek to devolve cuts while retaining control of spending. To avoid that, will the Chancellor commit himself to complete transparency in respect of the budgets of the devolved functions, and to publishing the full funding figures for the years before and after the spending review?

Greg Hands: Of course we will publish information, but I remind the hon. Lady that the deal that was signed last Friday commits us to £30 million a year of additional funding. If she does not think that that is a good deal, perhaps she should listen to Simon Henig, the chairman of the new North East combined authority. He is a member of her own party, but it seems that she does not want to listen to what has been said by a member of her own party. He said:

"The agreement being signed today will bring significant economic benefits and opportunities for businesses and residents."

The hon. Lady should be welcoming that.

25 [901821]. **David Rutley (Macclesfield) (Con):** What progress he has made in establishing the Northern Powerhouse. Last week's announcement of £130 million for the new "China cluster" at Airport City Manchester, and the announcement of a new flight from Manchester

to China, further underpin the northern powerhouse. Is it not clear that, for all the Opposition's droning on about regional policy over recent decades, it is this Government and this Chancellor who are delivering a clear vision for the north?

Greg Hands: Last week's state visit by the President of China was exceptionally successful, including the Manchester leg of his journey. Various announcements have been made in Manchester concerning the northern powerhouse, but particularly important was the announcement of the first direct flight connecting Manchester and the northern powerhouse region to China. I am sure that that will prove vital to the connectivity of the northern powerhouse, and will ensure that inward investment is brought into the region.

Richard Burgon (Leeds East) (Lab): Last week, credit rating agency Moody's concluded that the Chancellor's decision to fully devolve business rates to local authorities will lead to an increase in council debt levels and fragmentation of the creditworthiness of local government, and will leave many local councils, including Lancashire County Council, with their credit rating downgraded. In the light of that analysis, what safeguards can the Chancellor promise will be put in place to ensure that poorer areas of the country, including in the Government's so-called "northern powerhouse", do not lose out on vital revenue as a result of this Government's reforms?

Greg Hands: The hon. Gentleman needs to know that over many years a large number of local authorities have been calling for precisely this kind of devolution of the tax base so that they have control over their own decisions and the funding given towards them. Many of the local authorities calling for these additional powers have been the Labour authorities in inner-city areas, particularly in the north and the northern powerhouse. We intend to deliver on that to make sure that there is devolution in this area.

Bank Stability

11. **David Mowat (Warrington South) (Con):** What progress his Department has made on implementing ring-fencing proposals to enhance the stability of major banks. [901807]

The Economic Secretary to the Treasury (Harriett Baldwin): The Government are fully committed to implementing a robust and effective ring-fencing regime, and we remain firmly on track for the separation of banks by January 2019. We passed the last legislation implementing the Independent Commission on Banking ring-fencing recommendations this year, and the Prudential Regulation Authority is currently consulting on the second tranche of implementation rules before publishing the final rules this year.

David Mowat: I thank the Minister for that answer. In 2012, the then Governor of the Bank of England said that unless these regulations were tightly specified there was a risk of their being watered down before implementation in 2019. We now see Barclays joining RBS and Lloyds in requesting significant waivers. Will the City Minister reconfirm the Government's commitment to Vickers and the design principles within the legislation?

Harriett Baldwin: Of course, the Government remain as committed as ever to implementing a robust ring-fencing regime, as recommended by the Independent Commission on Banking. Obviously, I am not going to comment on speculation about how individual banks would like to implement their ring-fencing rules, because that is a commercial decision for banks, as long as they remain compliant with the considerable restrictions imposed by the legislation. Their deadline is the start of 2019.

John Pugh (Southport) (LD): There is a lot of crying wolf and worried bleating from the banks on this subject of ring-fencing. Is the Minister aware of any banks that have decamped to foreign parts because of it?

Harriett Baldwin: The Government are delighted that the UK recently, once again, topped the poll as the No. 1 location for a global financial centre. We believe that our legal system, language, geographical location and brilliant skilled workforce, and many other factors, contribute to this being an excellent place to locate a global financial services firm.

Productivity

12. **Neil Carmichael (Stroud) (Con):** What steps he is taking to tackle the productivity gap. [901808]

The Exchequer Secretary to the Treasury (Damian Hinds): My hon. Friend is absolutely right to highlight the importance of increased productivity, which, along with growing employment, will drive growth, raise living standards and ensure a better quality of life for our citizens. Our productivity plan set out a range of reforms designed to make sure that the UK remains a dynamic, open and enterprising economy, supported by long-term public and private investment in infrastructure, skills and science.

Neil Carmichael: Does the Minister agree that the recent report by the Governor of the Bank of England highlighting Britain's membership of the European Union in positive and authoritative terms suggests that if we make sure that we do get productivity right and do protect our financial services, the prospects for our economy will be very good, both dynamically and in terms of growth?

Damian Hinds: As my right hon. Friend the Chancellor has noted, the best outcome for the UK economy is that we achieve major economic reform of the EU. We want the UK to play a leading role in creating a dynamic, competitive and outward-focused Europe, delivering prosperity and security for every country in the EU, particularly by accelerating the integration of the single market.

Derek Twigg (Halton) (Lab): One important factor in increasing productivity is ensuring that companies are able to invest in new plant and machinery. Is the Minister convinced that banks are doing all they can to lend to companies to ensure that they can make such investment to improve productivity?

Damian Hinds: The hon. Gentleman is right to identify the importance of private investment. It is one reason why we have brought in the highest ever permanent level of the annual investment allowance, and of course banks play a crucial role in identifying those opportunities.

Suella Fernandes (Fareham) (Con): Does the Minister agree that raising productivity is the route to raising living standards for everybody, and that this Government's commitment to cutting corporation tax, our historically high investment in infrastructure and the planning reforms will all contribute to achieving that aim?

Damian Hinds: I agree with all that. It is rising productivity that underpins rising real wages and therefore improving living standards.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): Mr Speaker,

"We don't export enough; we don't train enough; we don't save enough; we don't invest enough; we don't manufacture enough; we certainly don't build enough, and far too much of the economic activity in our nation is concentrated here in the centre of London." The Chancellor may recognise his own words from his Mansion House speech in July. Why was he so damning of his own record?

Damian Hinds: My right hon. Friend the Chancellor has been absolutely consistent in identifying the need to rebalance the economy and export more. I am afraid that this country's productivity gap has existed for a very long time—I am not even going to try to pin the blame entirely on the previous Labour Government; it has existed for longer than that. We need to fill that gap and address the shortcomings that our economy has had over a long period. The productivity plan that this Government are bringing in is doing just that.

Seema Malhotra: I thank the Minister for his answer. The Chartered Institute of Personnel and Development has said that his productivity plan is "fatally undermined" by insufficient measures to improve the skills of the workforce. Could that be just one reason why the UK's productivity gap compared with other G7 countries has widened to the largest on record since 1991?

Damian Hinds: The hon. Lady is right to identify the importance of skills, and that is why human development is absolutely at the heart of the productivity plan. The apprenticeship levy is a really important structural reform to help the delivery of 3 million apprenticeships. Then there is the network of institutes of technology and all the excellent work being done in the Department for Education, working on basic skills, including English and maths, which we know are vital and of such high value in the marketplace to both employers and employees.

Personal Allowance

13. **Caroline Ansell (Eastbourne) (Con):** What plans he has to raise the personal allowance during this Parliament. [901809]

The Financial Secretary to the Treasury (Mr David Gauke): The Government are committed to raising the income tax personal allowance from £10,600 to £12,500 by the end of this Parliament. That is alongside our commitment to raising the higher-rate threshold to £50,000. More than 30 million individuals will benefit from those changes. This year's summer Budget confirmed that the personal allowance will increase to £11,000 next year and to £11,200 in 2017-18.

Caroline Ansell: I thank the Minister for that answer. Raising the personal allowance is one of the most powerfully progressive things that we are doing in moving towards a lower tax, higher pay society. Income tax cuts will mean that nearly 5,000 people in my constituency will be lifted entirely out of paying income tax. Does that not show that Conservatives are on the side of working people?

Mr Gauke: My hon. Friend is absolutely right. Those working 30 hours a week on the national minimum wage will be taken out of income tax altogether and kept out of income tax. That contrasts with the position in 2010 when people earning just £6,500 were paying income tax. Those people have recently seen an increase in their marginal rate from 10% to 20%.

Joan Ryan (Enfield North) (Lab): Raising the personal allowance is not a panacea; it will do nothing to address the deep levels of poverty among the working poor. Is the Minister concerned at all at recent Office for National Statistics figures showing that 6 million jobs pay less than the living wage?

Mr Gauke: The best way to address poverty is to ensure that we have a strong economy—jobs growing, increasing productivity, making sure that we have the business investment that we need. This Government are delivering a pro-business approach that is good for job creation, which is why there are more people in work than we have seen ever before.

Topical Questions

T1. [901787] **Karl Turner (Kingston upon Hull East) (Lab):** If he will make a statement on his departmental responsibilities.

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): The core purpose of the Treasury is to ensure the stability and prosperity of the economy.

Karl Turner: But for the Government's defeat in the other place, 4,000 struggling families in east Hull would have lost, on average, £1,300 a year. Now that the Chancellor is in listening mode, would he please commit to dropping this vicious assault on hard-working families?

Mr Osborne: In Kingston upon Hull, which the hon. Gentleman represents in this House, unemployment has fallen by 32% since the Government came to office in 2010. That is because we have delivered economic security and committed to the fact that Britain should live within her means. Yes, of course we will listen, as I have said, during the transition we make to that lower welfare, higher wage economy, but we have to go on making savings in our welfare budget or else it will crowd out spending on our national health service and education system. That will mean that Hull does not have the resources it needs to thrive and prosper.

T6. [901792] **Lucy Allan (Telford) (Con):** Wage increases reduce the burden of tax credits on the taxpayer. What assessment does the Chancellor make of wage increases in my constituency, in the west midlands and in the UK?

Mr Osborne: We have very strong wage growth at the moment in the west midlands and across the country. That is, of course, very welcome. The introduction of the national living wage will benefit, I think, around 300,000 people in the west midlands, including my hon. Friend's constituents. That is part of a package to support the working people whom she represents and to give economic security to that west midlands engine that we all want to see.

T2. [901788] **Rushanara Ali (Bethnal Green and Bow) (Lab):** Following last night's votes, the Chancellor said that he would listen. Will he confirm that he will not be writing to the 3 million families before Christmas delivering the devastating news that their tax credits will be slashed? Surely the Chancellor—an aspiring future Prime Minister—does not want to go down in history as Scrooge delivering devastating news to millions of people. Or does he?

Mr Osborne: Obviously, we will inform families once the changes that we have made become law.

T7. [901793] **Damian Collins (Folkestone and Hythe) (Con):** The channel tunnel and port of Dover are very important pieces of national infrastructure. When there are disruptions to services, as we saw in chaotic scenes this summer, they cause misery for people in Kent. Will my right hon. Friend agree to meet me and other Members from Kent to discuss what funding can be made available to find a long-term solution to managing road freight in Kent and ending the misery of Operation Stack?

Mr Osborne: Of course I would be very happy to meet my hon. Friend and other Kent MPs affected by the traffic jams that build up when there is disruption at the channel tunnel. We have made available Manston airport as a temporary measure to help alleviate the congestion caused by Operation Stack. There is a proposal from Kent about a much bigger investment in a longer-term solution and I will be happy to talk to my hon. Friend and his colleagues about that.

T3. [901789] **Carolyn Harris (Swansea East) (Lab):** Given the growing evidence that fixed-odds betting terminals are being used as a prime vehicle through which to launder money, will the Chancellor assure the House that there will be a prominent focus on the machines in his upcoming anti-laundering action plan?

The Economic Secretary to the Treasury (Harriett Baldwin): The hon. Lady will be aware that we are in the process of considering how we implement the fourth anti-money-laundering directive. We will be looking closely at the evidence, and I encourage her to get in touch with me.

T8. [901794] **James Morris (Halesowen and Rowley Regis) (Con):** The Black Country local enterprise partnership has done an excellent job in bringing jobs and investment to the black country, but does the Chancellor agree that the time has come for local enterprise partnerships to work together with the west midlands combined authority to deliver further growth, jobs and investment for the west midlands region? [*Interruption.*]

Mr Osborne: I hear the hon. Member for Wolverhampton South West (Rob Marris) saying, “Well said!” Let me make this point. In the west midlands we have the real prospect of a further big devolution to the combined authorities with an elected mayor. We are working with the local authorities, the three excellent local enterprise partnerships and the local MPs. We are close to an agreement, but let us try to get it over the line. That would give the people of the west midlands the control over local decision making that we have now given to the people of south Yorkshire, Manchester, the north-east and Teesside.

T4. [901790] **Vicky Foxcroft** (Lewisham, Deptford) (Lab): In my constituency, there are 9,000 families with children claiming tax credits. Some 5,500 of those are working families. The Chancellor said that he is listening but has dismissed every proposal so far. Millions of families need him to change course and make work pay. Will he listen now and introduce transitional relief so that those working families will not be out of pocket by £1,300?

Mr Osborne: We are listening, and we are listening in particular to what we can do to help with the transition to the lower welfare, higher wage economy that we want to see in the hon. Lady’s constituency and across the country. We will also take steps, as we always do, to ensure that work pays by increasing the personal allowance—we are committed to increasing it to £12,500 in this Parliament—by introducing the national living wage, which will help many thousands of people in her constituency, and by supporting the businesses in her constituency, without which we would not have the jobs that are now employing local people.

Chris Green (Bolton West) (Con): Since 2010, more than 37,000 of my constituents have had their taxes cut, enabling them to keep more of what they earn. Some of them have begun to accumulate savings for the first time. Can the Chancellor assure my constituents that the Government will continue to cut their taxes and support them with their future saving?

Mr Osborne: I can absolutely give that assurance to my hon. Friend, who represents his constituents in Bolton so well. We will go on delivering lower taxes to help the working people in his constituency. We will also ensure that we go on supporting savings in his constituency. We are introducing a new savings allowance and a help-to-buy ISA to help the people he represents to get on the housing ladder.

T5. [901791] **Bridget Phillipson** (Houghton and Sunderland South) (Lab): The Chancellor seems to have taken issue with being told to think again by the other place last night. Will he now reflect on how thousands of my constituents—people who work hard and do the right thing—must feel at the prospect of losing thousands of pounds every year as a result of his actions?

Mr Osborne: As I have said, the people who suffer the most when the economy fails and when the country fails to control its public finances are precisely the people the hon. Lady is talking about: the low paid. They are the people who lose their jobs. They are the victims of economic insecurity. We are determined to deliver economic security and a controlled welfare bill—which, after all,

the people she represents have to pay for through their taxes—and we will set out how we will ease the transition to that lower welfare, higher wage economy.

Richard Graham (Gloucester) (Con): The coalition Government freed pensioners from mandatory annuities and encouraged saving through ISAs and auto-enrolment. However, tax relief on contributions to pensions is expensive and favours higher-rate taxpayers much more than others. Does my right hon. Friend agree that that is an area in which sensible reform could be considered, in order to help to balance the budget without disincentivising saving?

Mr Osborne: My hon. Friend is right to say that we have taken significant steps to encourage saving, not least by giving pensioners control over their pension pots in retirement and by trusting those who have saved all their lives with the money that they have earned and put aside. He is an expert in these matters, and he will know that we are open to consultation on the pensions taxation system at the moment. It is a completely open consultation and a genuine Green Paper, and we are receiving a lot of interesting suggestions on potential reform. We will respond to that consultation fully in the Budget.

T9. [901795] **Kirsten Oswald** (East Renfrewshire) (SNP): Will the Chancellor confirm that there is nothing in the passing of the charter for budget responsibility that will restrict the Scottish Government’s ability to borrow, which is already enshrined in statute under the Scotland Act 2012?

Mr Osborne: I am happy to confirm that the deal we struck with the Scottish Government on capital borrowing remains intact. Indeed, we want to strike a new agreement with them involving a new fiscal framework, and we are having a good discussion around capital borrowing powers, resource borrowing powers and the mechanism to ensure that Scotland genuinely sees the benefits and bears the costs of any decisions taken by the Scottish Government. That represents the true nature of devolution, which I am sure the Scottish National party wants to see, so let us make sure we get that agreement.

Johnny Mercer (Plymouth, Moor View) (Con): I welcome my right hon. Friend’s comments last night on transitional arrangements, but does he agree that we simply must reform this crazy tax credit system, which enforces low pay, and that we will take no lessons from the Opposition, who have failed cities such as mine when it comes to helping the working poor? This tactic of bribing our lowest earners and most vulnerable people, not to improve social mobility or to help them but simply to win votes, is deplorable and must end in this country for good.

Mr Osborne: My hon. Friend makes a powerful point: we have created a welfare system that subsidises low pay, and surely it is better to increase that pay. That is why we are introducing the national living wage and I know that will help many of the people my hon. Friend represents in Plymouth.

T10. [901796] **Mary Glendon** (North Tyneside) (Lab): Under the devolution deal, the Chancellor has committed £30 million a year to create a new investment fund for

the north-east. Will this be wholly new money or will existing grants be cut? Where is the guarantee that he will not be robbing Peter to pay Paul?

Mr Osborne: It is additional new money and it is a long-term commitment to the north-east of England. Of course, we could not have reached this agreement without the support of the local Labour council leaders who have come together through the combined authority to strike what I think is an historic deal. There has been lots of conversation over many years about devolving power to the north-east; now we are going to have the elected mayor with powers that are currently exercised in London being exercised in the north-east. That is proper devolution.

James Heappey (Wells) (Con): Last week Mudgley cider producer Roger Wilkins told the local press that cider is

“an agricultural lubricant, an agricultural wine for the working man”.

Will the Chancellor continue to support hard-working people and lubricate the Somerset economy by cutting tax on cider?

Mr Osborne: I very much remember my visit, I think with the Prime Minister, to a cider producer in my hon. Friend’s constituency before the election. It turned out to be an extremely productive visit of which he is the living representative. He will know that in 2010 we reversed the cider tax that was being proposed by the previous Labour Government and we have been able to help cider producers. I think the industry is incredibly important and I will take what steps I can to support it in the future.

Marie Rimmer (St Helens South and Whiston) (Lab): The Resolution Foundation has found that all tax and benefit measures announced, including the national living wage, will push an additional 200 children into poverty by 2016. Two thirds of those children will be in working families. By 2020 up to 600 further children will be pushed into poverty. Chancellor, you said you would listen to the Lords, and indeed the bishops, last night; will you now share with the House what constructive action you will take to protect the poorest families and children?

Mr Osborne: The hon. Lady raises her question in a perfectly fair way. I will listen to the concerns that have been raised in this, the elected Chamber, about the transition of the welfare reforms we have put forward precisely so that we continue to help working families. Those families are best helped when we have economic security, a controlled welfare budget and a system where

we do not subsidise low pay but we increase wages through the national living wage. We will make sure in the autumn statement that we help working families.

Several hon. Members rose—

Mr Speaker: I did not want to interrupt the question because I understood the hon. Member for St Helens South and Whiston (Marie Rimmer) was getting to her point. I understand why Members like to put their inquiries directly to the Minister, but may I please appeal to Members not to use the word “you” in their questions? We go through the Chair in debates for good reasons. I have no proposals on these matters. The Chancellor might have; we shall see.

Christopher Pincher (Tamworth) (Con): Over the last three years unemployment in Tamworth has fallen faster than anywhere else in the country. As my right hon. Friend is in listening mode, will he tell the House whether he has heard any sensible representations from the shadow Chancellor or others about how to decrease business taxation and regulation to create more jobs in the west midlands?

Mr Osborne: I am sorry to say I have not, because the only proposals that have so far been put by the Opposition are for an increase in business taxation—that was in their election manifesto—and a wealth tax, which at the weekend, the shadow Chancellor was talking about potentially introducing in this country. So his proposals—and to be fair to him he has been entirely consistent on this for 30 years—are essentially for a high tax, big state economy where, frankly, private businesses do not have such a big role to play. I think that is the wrong direction for our country.

Patrick Grady (Glasgow North) (SNP): How much would the Chancellor save for the public purse by abolishing the House of Lords?

Mr Osborne: That is a very decent proposal for the autumn statement, to which we will give proper consideration. People who have been in Parliament with me for the last 14 years know that my view is pretty clear—we should have an elected House of Lords—but of course that view has not prevailed in this Chamber in the years I have been both on the Opposition and Government Benches. However, I do think that while we have an unelected House of Lords, it should respect a constitutional convention that has existed for 100 years, and we need to look at that now.

Several hon. Members rose—

Mr Speaker: Order. I am sorry, but demand always exceeds supply.

Tax Credits

Application for emergency debate (Standing Order No. 24)

12.35 pm

Dr Eilidh Whiteford (Banff and Buchan) (SNP): I seek leave to propose that the House should debate a specific and important matter that should have urgent consideration—namely, the uncertainty caused to millions of UK families following the vote on tax credits in the House of Lords yesterday. Accordingly, therefore, I would like to apply for an emergency debate under Standing Order No. 24.

Across the UK there are 7 million working-age families with children eligible for tax credits, and the impact of this Government's proposed tax and benefits changes will be to reduce their incomes by an average of almost £1,300 a year. In Scotland, over 200,000 working families with around 350,000 children are set to lose out. That is an enormous and disproportionate impact on parents who are working hard in low-paid jobs to support their families.

But yesterday's vote in the House of Lords, when peers passed amendments for put the cuts to be put on hold, subject to independent analysis, and for transitional protections to be put in place for three years for those affected by them, throws the Government's plans into chaos and leaves low-income families in the dark. Members of this House need to know how the Government intend to respond, and need to know as a matter of urgency.

Yesterday in the House of Lords the wheels came off the wagon quite spectacularly for the Government's austerity reforms, in spite of a valiant whipping effort that saw 93% of Tory peers turn up to support the Government. The degree of Cross-Bench concern about the injustice of these measures is almost unprecedented. I know I am not the only person on this side of the House—or, indeed, the other side of the House—who berates the House of Lords as an affront to a modern democracy. But when even our unelected, unaccountable and, in my view, rather bloated second Chamber unites to tell the Government they have got it very wrong, it is incumbent on the Government to listen. When even the leader of the Tory party in Scotland tells her own Government that these cuts to tax credits are “not acceptable” and that they need to think again, it is incumbent on the Government to listen.

The Government have tried to present these austerity cuts as part of a package of measures, but we know that their paltry increases to the minimum wage fall very far short of a real living wage. This Government have made a choice to put parents with low-paid jobs on the frontline of their failed austerity agenda and we need answers from them urgently. What transitional arrangements are now being put in place for the millions of working families who are set to lose out? Will they give us a cast iron assurance that they will not now flood the other place with more Tory appointees who turn up like phantoms to do their dirty work?

Mr Speaker: I have listened carefully to what the hon. Lady has said and I have to give my decision on this matter without stating any reasons. That is the requirement upon the Chair. I am afraid that I do not consider that

the matter which the hon. Lady has raised is appropriate for discussion under Standing Order No. 24, and I cannot therefore submit the application to the House.

I said that I am not required to give any reasons and, indeed, there is a sense in which I am required to give no reasons. I do, however, think it is important for people beyond this House to find our procedures entirely intelligible, and I think it worthwhile to note that these important matters have just been debated, they will be debated further today, and there is a scheduled debate on them on Thursday.

Members have other means by which to pursue these matters and I feel sure they will, but the hon. Lady has very properly asked me whether I think this should be debated as an emergency debate under Standing Order No. 24, and, having reflected upon what she said, my answer on this occasion is no.

Dr Liam Fox (North Somerset) (Con): On a point of order, Mr Speaker. Across the House there is a great deal of genuine concern about the implications of the events in the unelected Chamber last night, and many of us would welcome your initial view on the constitutional implications of that. Many of us believe that those with no accountability for taxation have a moral duty not to vote on such issues, and many of us would go further and believe that it is a bit rich to question, for example, the democratic deficit in the European Union when we have an unelected and appointed Chamber as part of our own legislature.

David T. C. Davies (Monmouth) (Con) *rose*—

Mr Speaker: Just before I respond to the right hon. Gentleman, I will hear the hon. Member for Monmouth (David T. C. Davies).

David T. C. Davies: Further to that point of order, Mr Speaker. I looked through the Standing Orders last night and discovered that what the hon. Member for Banff and Buchan (Dr Whiteford) called an “unelected, unaccountable and somewhat bloated” second Chamber actually has no power at all to reject European Union treaties, such as that on the Transatlantic Trade and Investment Partnership, but it seems that it does have the power to reject the will of this elected House. As a doughty defender of elected Members of Parliament, will you issue guidance as to how we may ensure that the will of this elected House prevails?

Christian Matheson (City of Chester) (Lab) *rose*—

Mr Jacob Rees-Mogg (North East Somerset) (Con) *rose*—

Mr Speaker: I think I will do a wrap-up at the end. Let us hear from the hon. Member for City of Chester (Christian Matheson), and then we must hear from Mr Rees-Mogg—the day would not be complete without him.

Christian Matheson: Further to that point of order, Mr Speaker. I am pleased to hear the late conversion of Conservative Members to democracy and the rejection of an unelected Chamber, but can you give me some guidance? Is there not a constitutional role for the other

[*Christian Matheson*]

place in giving pause to this House when it has made a decision that is out of sync with feelings in the country, so that the House can look at that decision again?

Mr Rees-Mogg *rose*—

Clive Efford (Eltham) (Lab) *rose*—

Mr Speaker: Order. I say to the hon. Member for Eltham (Clive Efford), who is a very distinguished taxi driver by profession, that he will be aware of the cab rank principle, and also of the principle of waiting in a queue for one's turn. We will come to him. Don't worry, he will not go cold. We will look after his interests, I am sure.

Mr Rees-Mogg: Further to that point of order, Mr Speaker. I wonder what you will do to remind their lordships of our declaration of privilege from 1678, declaring that all financial matters pertain to this House, a privilege that the House of Lords has now ignored only three times since 1860. As our mouthpiece, will you bring that to the attention of their lordships in no uncertain terms?

Alex Salmond (Gordon) (SNP) *rose*—

Mr Speaker: I will take Mr Salmond's point of order before I respond.

Alex Salmond: Further to that point of order, Mr Speaker. I am becoming increasingly concerned about the outbreak of revolutionary fervour among Conservative Members. Has there ever been a precedent for a Chancellor of the Exchequer being outflanked as a defender of the working classes by the House of Lords?

Clive Efford *rose*—

Mr Speaker: I think Mr Efford is about to burst, so we had better take his point of order.

Clive Efford: I wait at your pleasure, Mr Speaker.

Further to that point of order, may I point out that we have had a general election this year, and that during the campaign the Government were consistently asked whether they had any intention of cutting tax credits? They consistently said that that was not their intention. It is parliamentary convention that the House of Lords does not overturn manifesto commitments, but that measure was not in the Conservative manifesto and there is clear concern in the country about it. It is right that the House of Lords should ask the Government to think again.

Martin John Docherty (West Dunbartonshire) (SNP) *rose*—

Mr Speaker: One does not have to put one's hand up, Mr Docherty, but it will be a pleasure to hear your point of order before I respond.

Martin John Docherty: Further to that point of order, Mr Speaker. It seems that the House of Lords—the unelected, unaccountable, bloated Chamber through the other side of the doors—is causing some angst today. Will you forgive my ignorance as a new Member,

Mr Speaker, and highlight to me and many of my Scottish National party colleagues why, while we cannot vote on some issues in this House, the unelected and unaccountable barons and baronesses of the Scottish peerage will be able to vote on them in the other?

Mr Speaker: The short answer to the last question, which I think had something of the character of a rhetorical inquiry, is no.

Let me say, with all courtesy to the House, that I was keen to hear all the points of order before responding. I intend no discourtesy to the House when I simply say this: the responsibility of the Chair is for order. Nothing disorderly has occurred. There has been no procedural impropriety; that would not have been allowed. Whether people like what happened last night, because of the substance of the issue or their views on constitutionality, is a matter for each and every one of them. In terms of where matters rest, as I said last night from the Chair in response to a point of order from the shadow Chancellor, this is now a matter for the Government to take forward as they think fit.

With reference to the point of order from the Chair of the Welsh Affairs Committee, the hon. Member for Monmouth (David T. C. Davies), the hon. Gentleman flatters me. He does not need guidance from me on how to go about his duties, and neither does any other right hon. or hon. Member. It is not for the Chair to put a gloss on what transpired last night. I think, in truth, that Members are actually not all that interested in my gloss or my response to their points of order; they simply wanted to get their views on the record, and that they have done.

Mr Rees-Mogg *rose*—

Mr Speaker: I will indulge you with one further point of order, Mr Rees-Mogg.

Mr Rees-Mogg: I am grateful to you, Mr Speaker. I want to refer back to this House's claim of privilege, which we have made for many centuries. I would have thought that you were the defender of this House's privileges and that this is beyond the immediate political debate.

Mr Speaker: The matters that are currently in dispute are inevitably of what I will call a high-octane character. In such circumstances, if I may very politely and respectfully say so to the hon. Gentleman, I do not think it helps matters if the Chair adds in substantive terms, without exceptionally good reason, to the total number of evaluative comments that have already been made. I think it would be better not to do so. I do jealously guard the rights of this House, but I have to rest with what I have said—that nothing procedurally improper has taken place. Let us wait to see how matters are taken forward. As I said to the hon. Member for Gainsborough (Sir Edward Leigh) last week, in the final analysis each House knows what its powers are and are not.

Mr David Winnick (Walsall North) (Lab): Further to the point of order, Mr Speaker, I wonder whether it would be in order for a motion to be debated on the Floor of the House congratulating the House of Lords on what it decided yesterday.

Mr Speaker: The short answer to the hon. Gentleman is that it would be entirely orderly if he, for example, secured a Backbench Business Committee debate. It is not for me to encourage such a debate, nor to discourage it, but the answer to his question is as I have stated.

Benefit Sanctions Regime (Entitlement to Automatic Hardship Payments)

12.48 pm

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): I beg to move,

That leave be given to bring in a Bill to amend the system of benefits sanctions; establish automatic hardship payments where sanctions have been imposed; and for connected purposes.

There are people in my constituency who have no food to eat today. Until recently, they had been claiming employment and support allowance or jobseeker's allowance. Their social security payments have been stopped; they have been sanctioned. As things currently stand, they have no immediate right of appeal. Some of these people may have made a mistake in their paperwork or have been late for an appointment. They may lack the necessary IT skills to use Universal Jobmatch or have been asked to do something by jobcentre staff that they did not do. Whatever their actions, the consequences carry too heavy a burden. These people are now left with absolutely no means to sustain themselves. On every level, this is an unacceptable state of affairs. This is the central issue that my proposed Bill addresses. It will ensure that all those who are sanctioned automatically and immediately receive a hardship payment, and that those payments will not require to be repaid.

The current system has punished military veterans for selling poppies. It has removed the sole source of income from those who failed to complete their medical examination because they were having a heart attack at the time, and it has withheld money from people who failed to complete their job search evidence form on Christmas day. Indeed, one of my constituents was recently sanctioned on the strength of hearsay evidence that she had been incarcerated, despite that being wholly untrue. It cannot be right that sanctions are applied on that basis.

The system that administrates those punishments is deeply and fundamentally flawed. Many of those affected are not even aware of their rights. I have met constituents who were not told by staff at their local jobcentre about hardship payments or even how to appeal. That is why my proposal gives those facing sanctions an automatic right to those payments. That will ensure uniformity in their application.

In my view, anyone who lacks the means to buy food or heat their home is a vulnerable person. There is currently a formal appeals process. When invoked, 50% of those appeals against sanctions—half of them—are upheld. This is a system that is, at best, 50% correct. If another process in this land resulted in half of the judgments being overturned, there would be a national outcry.

The human impact of sanctions is such that Department for Work and Pensions staff have been required to receive guidance on how to deal with victims suffering from mental health issues who are pushed towards self-harm or suicide. It is right that staff have measures in place to help them support vulnerable people who have been driven to their limit, but it is tragic that that is a central part of our welfare system.

The DWP has not been able to use its experience to provide any credible evidence whatsoever that the system of financial penalties works to get people back into

[*Ms Tasmina Ahmed-Sheikh*]

stable employment. I am particularly disappointed that the Government failed to act adequately in their response last week to the Work and Pensions Committee report. This Chamber has heard time and again that this is an ideological crusade against the poor, not an evidence-based mechanism to help people find work. It is driving people in this country to food banks.

Organisations such as the Trussell Trust and local food banks such as The Gate in Alloa exist because they identified a need that needs to be met. They should not be a necessary extension of the UK's failing benefits system, but they are. The social security system as it exists today is not doing what it says on the tin, and the vulnerable cannot wait any longer for this Government to get it right.

Research carried out by the Child Poverty Action Group has found that 20% to 30% of food bank users said that their household's benefits had recently been stopped or reduced because of a sanction. The same research showed that deciding to accept help from a food bank was often difficult, and it was described by participants as "unnatural", "embarrassing" and "shameful".

What does it say about us if fellow citizens have to rely on charity to sustain themselves? The protection of the vulnerable should be a central tenet of any Government's work. It is not a peripheral responsibility and it should certainly not be devolved to the kindness of others.

Other research from Oxfam, presented as evidence to the Work and Pensions Committee earlier this year, shows that when women are sanctioned it tends to disproportionately affect others, because caring responsibilities often fall to women. Furthermore, charities such as the Single Parent Action Network and Gingerbread have seen a reduction in the number of DWP advisers who are aware that they are able to use flexibility when dealing with lone parents who would otherwise face financial sanction. That leads to a significant number of lone parents being sanctioned erroneously, only to have the decision overturned. According to Gingerbread, the figure is 42% for lone parents, compared with 31% of all claimants. The current regime impacts greatly on women, and that is why I am particularly proud that my Bill has the cross-party support of nine female MPs.

Six months ago the Work and Pensions Committee called for a broader, independent review of benefit conditionality and sanctions, because of its concerns about the effectiveness and operation of the current process. After considering the balanced, cross-party report for half a year, last week the Government rejected its central proposal. Instead of a fundamental review of the whole system, the Government propose what they call a yellow card system. A yellow card is something players get during a football or rugby match. This is no game. Such terminology is unhelpful and wholly inappropriate.

A complete rethink of the process is required. The tired old argument that it helps people to find work has not been proven, while the evidence of the despair and poverty inflicted on its victims is growing larger by the day. It must be reformed in this place, because the limited powers over welfare offered by this Conservative Government to the Scottish Parliament specifically preclude measures to mitigate the system I have described today.

The Scottish Parliament should be given the powers required to build a humane system of social security, not piecemeal powers that can only mitigate the negative impact of Tory policies. From the sanctions regime to the tax credits fiasco, this Government continue to punish the poor. This relentless assault must come to an end.

The Bill will not address all the serious problems of this punitive system. I wish it could. I continue to support a full moratorium on all benefits sanctions until an independent and fundamental review of the whole process takes place. Under the particular parliamentary process in question, however, I believe I have proposed a simple and pragmatic measure that would address the fundamental issue of people being knowingly left in destitution.

This Bill will ensure that those who are sanctioned will automatically and immediately receive a hardship payment, and that those payments will not need to be repaid. No one should be left without by our social security system. This Government should not abandon those people who need their help the most. Ministers must reconsider their position on that fundamental issue. It is the right thing to do. My proposal would be a positive first step in protecting the vulnerable in my constituency and beyond.

The sanctions system is why an increasing number of people and their families, in every part of our country, do not have the means to eat today. It is one of the key reasons that food bank use in Scotland and across the whole of the UK is at an all-time high. The system supporting it is flawed and needs urgent reform. That is why this Bill is necessary, so I urge this House to support me today.

12.57 pm

Philip Davies (Shipley) (Con): I rise to oppose the Bill, but congratulate the hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) on promoting it. She used to be a member of the Conservative party, but she has certainly regressed since those heady days. It seems a long time since she espoused any Conservative principles—she certainly did not do so today.

I would not want people who are listening to this debate to run away with the idea that people across the country and across this House are opposed to benefits sanctions in the way set out by the hon. Lady. In fact, many of us are very supportive of the sanctions regime. To start with, we should point out that sanctions have always played a part in this country's benefits system—it is not this Government who introduced them. They have always been an essential part of the benefits regime, to make sure that people do what they are requested to do in return for those benefits.

Many of my constituents contact me to say that they think that the requirements on people who claim benefits, which taxpayers pay for through their taxes, should be even more onerous, not less so, as the hon. Lady seems to suggest. I refute her starting point, which is that sanctions are a bad thing. In my opinion sanctions are a good thing, and the least the taxpayer should expect is that people abide by the requirements that are understandably made of them in return for claiming benefits.

On the hardship fund, which the Bill directly refers to, the hon. Lady seemed to peddle some information that may not turn out to be quite as it seems. It should be pointed out that jobseekers who are sanctioned can apply for a hardship payment that is equivalent to 60% of their normal benefit claim, and those on jobseeker's allowance who are seriously ill or pregnant can receive 80% of their normal benefit payment. If the hon. Lady wants it to go any higher than that, and if people are just going to have their sanction replaced in full by a hardship payment, there would be no point in having any sanctions in the first place, so I refute her point.

The hon. Lady should have pointed out in her remarks—this makes her Bill rather redundant—that those with children, all ESA recipients and anyone categorised as vulnerable can claim hardship payments from day one of their sanction. She omitted to say that in her speech. She was trying to give the impression that that is not the case, but it is the case. Although other jobseekers cannot claim for the first 14 days of a sanction, the most vulnerable people are already protected. Contrary to the point she made, claimants are regularly told about the availability of hardship payments throughout their claimant journey, and improvements have been made to the payment process to ensure that payments are made within three days. The vast majority who apply do receive hardship payments.

The hon. Lady mentioned the independent review of sanctions and the Select Committee report. She should bear it in mind that Matthew Oakley, who led the independent review of JSA sanctions, said that sanctions are

“a key element of the mutual obligation that underpins both the effectiveness and fairness of the social security system”.

She did not manage to point that out in her remarks. She spoke about the Select Committee report, but the Chairman has said that he was

“pleased that the Government has accepted many of the Committee's criticisms of its approach and... the recommendations for change.”

Hardship payments are already available to the most vulnerable people from day one of a sanction, and most people in the country support the principle of sanctions when claimants do not fulfil their obligations. I must say, Mr Speaker, that there is a book as thick as you like of the reasons people may avoid being sanctioned. The idea that people can just miss a five-minute appointment once and are automatically sanctioned is for the birds. That may well be the tale they go and tell the hon. Lady in her surgery, perhaps because they want her sympathy when they go and tell her their tale. I suspect that the truth about why they have been sanctioned is often very different from the tale they tell her. I am sorry that she just seems to accept what they say hook, line and sinker, without any criticism whatever. I know that SNP Members do not like to hear any criticism. They are not used to it in Scotland, but they had better get used to it in this House. *[Interruption.]* SNP Members would do well to listen to other people's opinions from time to time. They may learn something. *[Interruption.]*

Mr Speaker: Order. Mr Angus Brendan MacNeil, you have yet to reach the apogee of statesmanship, which is my long-term ambition for you. Calm, like the colleagues to your left and right, is the right course—calm!

Philip Davies: To try to get the hon. Gentleman to become a statesman may be beyond even you and your skills, Mr Speaker.

Given that the most vulnerable already have access to hardship payments from day one and that the sanctions regime in itself is a good thing, given that what the hon. Lady proposes goes way beyond the recommendations of the Oakley review and even way beyond the recommendations of the Select Committee, and given that people are already informed about the hardship payments throughout their claimant journey, her Bill is not only bad—if anyone adopted her strategy—but completely unnecessary.

I do not intend to deprive the hon. Lady of her day in the limelight by pressing the Bill to a Division, but I thought it worth while pointing out that many Members of the House and, more importantly, many people in the country, do not accept her criticisms of the sanctions regime for benefits.

Question put (Standing Order No. 23) and agreed to. Ordered,

That Ms Tasmina Ahmed-Sheikh, Hannah Bardell, Mrs Sharon Hodgson, Caroline Lucas, Ms Margaret Ritchie, Liz Saville Roberts, Naz Shah, Dr Eilidh Whiteford and Corri Wilson present the Bill.

Ms Tasmina Ahmed-Sheikh accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 4 December, and to be printed (Bill 85).

WELFARE REFORM AND WORK BILL (PROGRAMME NO. 3)

Ordered,

That the Order of 20 July 2015 (Welfare Reform and Work Bill (Programme)) be varied as follows:

- (1) Paragraphs (4) and (5) of the Order shall be omitted.
- (2) Proceedings on Consideration shall be taken in the order shown in the first column of the following Table.
- (3) The proceedings shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

<i>Table</i>	
Proceedings	Time for conclusion of proceedings
New Clause 1; new Clause 8; amendments to Clauses 9 to 12	Two hours after the commencement of proceedings on the motion for this order
Remaining new Clauses and new Schedules, amendments to the remaining Clauses of the Bill, amendments to the Schedules to the Bill and remaining proceedings on Consideration	One hour before the moment of interruption on the day on which those proceedings are commenced

- (4) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.—*(Guy Opperman.)*

Owen Smith (Pontypridd) (Lab) *rose*—

Mr Speaker: Did the hon. Gentleman wish to contribute on this matter?

Owen Smith: On new clause 1, Mr Speaker.

Mr Speaker: No. This is the programme motion. It is a good job the hon. Gentleman did not want to contribute, because he cannot—because it has been carried and we are moving on—but he will get his opportunity.

Owen Smith: I am ever eager.

Mr Speaker: Indeed.

Welfare Reform and Work Bill

Consideration of Bill, as amended in the Public Bill Committee

New Clause 1

REPEAL OF TAX CREDITS REGULATIONS 2015

“(1) The Tax Credits (Income Thresholds and Determination of Rates) (Amendment) Regulations 2015 are repealed.”—
(*Owen Smith.*)

Brought up, and read the First time.

1.6 pm

Owen Smith (Pontypridd) (Lab): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following:

New clause 8—*Tax credit reforms*—

“The measures in this Bill and (Income Thresholds and Determination of Rates) (Amendment) Regulations 2015 relating to the award of tax credits and the relevant entitlement within Universal Credit shall not take effect until the Secretary of State has implemented a scheme for full transitional protection for a minimum of three years for all families and individuals currently receiving tax credits before 5 April 2016, such transitional protection to be renewable after three years with parliamentary approval.”

Amendment 49, in clause 9, page 12, line 2, leave out from “relevant sums” to end of subsection and insert “is to increase in line with the consumer price index.”

Amendment 50, page 12, line 6, leave out from “child benefit” to end of subsection and insert “are to increase in line with the consumer price index.”

Amendment 51, page 12, line 8, leave out subsections (3) and (4).

Amendment 52, in clause 10, page 12, line 36, leave out from “relevant amounts” to end of subsection and insert “is to increase in line with the consumer price index.”

Amendment 53, page 13, line 1, leave out clause 11.

Amendment 54, in clause 11, page 13, line 8, leave out “2017” and insert “2022”.

Amendment 55, page 13, line 31, leave out clause 12.

Owen Smith: I rise for a second time to speak to new clause 1 in my name and those of my hon. Friends the shadow Chancellor, the shadow Chief Secretary to the Treasury and my shadow Work and Pensions team. The new clause is very straightforward. It would repeal the Tax Credits (Income Thresholds and Determination of Rates) (Amendment) Regulations 2015.

It is a shame that the Secretary of State for Work and Pensions is not in the Chamber to debate this important measure. I do not know what else he is doing, but he has been noticeable by his absence from the debate on tax credits in recent days. I have been to 25 studios and other arenas to debate the issue. I have looked high and low for any Minister of any stripe with whom to discuss it, and they have been noticeable by their absence. I am therefore delighted that there are

three Ministers of the Crown on the Front Bench to contest the issue. That is a first in recent weeks, and I am very pleased to have this opportunity.

It is a shame that the Secretary of State for Work and Pensions is not in the Chamber. If he was here, I would have started by reminding him of something he has said in the House—indeed, he has said it on several occasions over the years—which is that he is a great believer in second chances. He has said that he believes that Britain should be

“a nation of the second chance”.

Opposition Members entirely agree with the Secretary of State. Indeed, that is one of the very few things on which I do agree with him. We should believe in second chances. I therefore say to Ministers and to the House that we have a second chance today. We have a second chance following yesterday’s vote in the House of Lords, which has called on this House to think again. In doing so, I think that the other place spoke not just for itself but for the entire country. It has asked us to think again and to give a second chance to repeal tax credits regulations that will hit so many people across this country.

In touring the studios in recent days, I have quite often heard the suggestion that the vote in the other place yesterday presaged a constitutional crisis in this country. In truth, what it did was to stop a financial crisis for the 3 million families who will be hit by the tax credits regulations when the changes are implemented next year. The message to us from the other place is quite simply to pause: for Ministers to pause before they lick the envelopes of the 3 million letters that they intend to post out at Christmas to tell such families across the country to anticipate a 10% reduction in their incomes, which is an average reduction of £1,300 for each of those 3 million working families. If the Government proposed to cut the salaries of Members of the House by 10%, there would be uproar on the Government Benches—indeed, on all Benches. Working families in this country, and people who are doing difficult low and middle-income jobs—there are 3 million of them, or more—are being told that next year they will face a 10% cut to their incomes at a stroke of a pen. It is not adequate.

Mark Spencer (Sherwood) (Con): In 2010 the tax credit system supported people on wages in excess of £60,000. Will the hon. Gentleman say what level of income should mean that people can no longer get support through the tax credit system? How much would someone need to earn before they do not need that support?

Owen Smith: I will start with a different figure, because 5,000 of the hon. Gentleman’s constituents who will be hit by this change should ask him what he thinks is fair or just about asking them—hard-working families in his patch—to take a 10% cut to their income. That to me is the substantive issue, and the smoke and mirrors produced by the hon. Gentleman and other hon. Members about the constitutional crisis or the offsetting mitigating prospects for other changes elsewhere in the Government’s finances do not answer the central question: is it right or fair to ask hard-working families to take such a cut to their incomes?

Tax credits have changed enormously. It is untrue to say that they were simply the creation of the previous Labour Government because successive Governments

have helped family or income support to evolve over many years—arguably, such measures were first introduced in this country in the 1920s and they have gone through different iterations. Different Governments have used different ways to try to do what we all believe in, which is to make work pay and keep people in work. Thresholds are flexed and levels have changed, and the amount of money we spend on tax credits has changed over time. However, it is a net positive for us as a society and for our economy to keep people in work, and this cut will diminish work incentives for the people that the hon. Gentleman and I hope to support.

Mark Spencer: The hon. Gentleman is being generous in giving way. He must recognise that the system creates circumstances in which some employees turn down promotions and overtime because that would dramatically affect their tax credits. Surely it is better to have a system where people who want to work extra hours or take a promotion would be better off if they did so.

Owen Smith: I have heard that argument a lot recently, and there is no evidence to support such a contention. It is nice to believe that were we to reduce the amount of money people have—withdraw the subsidy, as the hon. Gentleman would say—some employers would increase their payments to people and wages would go up, but I do not suggest that that is true or that any evidence supports it. Tax credits have been a necessary subsidy for low wages, and I welcome and applaud the decision by the Government to increase the national minimum wage. That is the right thing to do, which is why Labour called for it before the election—the Government could get on with it a little faster and stop spinning it as a national living wage when we know it is not, but it is a welcome step. There is no evidence to suggest that if we withdraw the subsidy at a stroke, employers will think, “I’d better put up wages for my workforce because they will struggle to survive on what they earn.”

Hywel Williams (Arfon) (PC): Surely the answer to the first question from the hon. Member for Sherwood (Mark Spencer) is that tax credits must ensure a decent, reasonable standard of living. Such standards have been defined over many years by large numbers of people in research institutions—I will not trouble the House with those matters now, but they are well understood.

Owen Smith: Let me be clear: tax credits are a success. They have kept people in work in this country, and we have seen a shift in the volume of single parents in work.

Oliver Dowden (Hertsmere) (Con): Will the hon. Gentleman give way?

Owen Smith: I will in a moment.

In 1997 about 43% of single parents were in work in this country, and today it is 65%. The reason for that is tax credits. Tax credits have made it possible for thousands of constituents in my patch—and in the constituencies of all Members—to stay in work despite the decline in wages.

1.15 pm

Barbara Keeley (Worsley and Eccles South) (Lab): My hon. Friend is rightly making a good speech about working families, but Ministers have made little mention

of the impact that cuts to tax credits will have on working family carers. A carer in receipt of carers allowance who works 16 hours a week on the minimum wage and claims working tax credits will be badly hit by these cuts. Conservative Members talk about people working more hours, but those carers are already working for a minimum of 51 hours a week and they cannot work more. Does my hon. Friend believe that working carers must be protected from Government cuts, because Ministers do not even seem to recognise that issue?

Owen Smith: Yes, and if the Government are to provide us with any sort of detailed, worthwhile impact assessment, they should undertake precisely that sort of calculation. They should look at what net benefit to our economy and society is made by working mothers, carers, and those whose efforts are not being calibrated by the Government, because those people will lose out as a result of the changes to tax credits.

Helen Hayes (Dulwich and West Norwood) (Lab): Does my hon. Friend agree that of the 7,700 families in my constituency who will lose £1,300 a year if the Government go ahead with this cut—three quarters of whom are working—those living in the private rented sector will find the cuts hardest to bear? The Government refuse to regulate that sector, and in my constituency people’s rent has risen by an average of 11.6% in the past year. The Government should consider further the punitive effects of this cut on those families.

Owen Smith: My hon. Friend is completely correct, but this cut does not affect only those who are renting and suffering from sky-high, exorbitant increases in private rent; it also affects owner-occupiers. The Government purport to speak for owner-occupiers, but those people will be proportionately harder hit by this measure than many others. Reduced eligibility for tax credits will mean that some people will receive more in housing benefit—there is an offsetting increase in housing benefit costs as a result of the decrease in eligibility for working tax credits, but owner-occupiers will not get that increase.

Earlier someone mentioned the impact of these cuts on our economy, and the self-employed will also be hard hit by these changes. Around 60% of small businesses, some 5.2 million across the country, are sole traders, and according to the Royal Society of Arts, 90% of the increase in jobs—the “jobs miracle” that the Government like to talk about—have been in self-employment in recent years.

The Exchequer Secretary to the Treasury (Damian Hinds): From 2010 to 2015?

Owen Smith: Well that may or may not be true, but it is a very large proportion. Without doubt there has been a welcome increase in employment and self-employment, but my point is that 60% of self-employed sole traders are currently eligible for tax credits.

Maria Caulfield (Lewes) (Con): Will the hon. Gentleman give way?

Owen Smith: I will in a moment.

[Owen Smith]

That is why the Bow Group, the Adam Smith Institute, Lord Lawson and many other respected Conservative economists think that this change is a false economy. Not only will it damage the incomes of working people; it will damage our economy. The Bow Group—which you will remember well, Mr Speaker—said that these cuts will be “devastating” for our economy.

Melanie Onn (Great Grimsby) (Lab): An employer contacted me this week in despair because employees have been reaching out to him and asking for more hours to mitigate the loss in income from the changes to tax credits. At the same time, he has to consider reducing staff numbers to meet the requirements of the new increased minimum wage. Does my hon. Friend agree that the changes will result in reductions to household incomes, as well as job losses?

Owen Smith: I fear that may be correct, and Government’s lack of forethought, analysis and scrutiny on these measures, and the way they have tried to bowl them through both Houses in double quick time, is a measure of their fear that such analysis will reveal the fundamentally misconceived economics behind these cuts, which are unfortunately designed to make an ideological political point.

Oliver Dowden: The hon. Gentleman talks endlessly about the success of tax credits. Will he explain why spending on tax credits under the previous Labour Government rose from £6 billion to £30 billion, while at the same time in-work poverty rose by 20%? Why does he think that happened, if tax credits have been such a great success?

Owen Smith: The hon. Gentleman should start by explaining to the 3,700 constituents in his constituency who will lose out as a result of the measures for which he will no doubt vote and speak today—[*Interruption.*] I will answer the specific question he asks. The truth is that under the previous Labour Government, when this iteration of tax credits was introduced, the steady state amount of money we spent on tax credits was £23 billion per annum. In 2009-10, after the crisis, that went up to £30 billion. The bankers’ recession saw a spike in the necessary spending on tax credits, and it has stayed at £30 billion under his Government—another measure of this Government’s rotten economic record.

Maria Caulfield: Many of my constituents have contacted me to say that they are just above the tax credit limit and that their hard-earned taxes are subsidising low pay. What does the hon. Gentleman say to them?

Owen Smith: I would first of all say to the 3,000-odd people in the hon. Lady’s constituency of Lewes who are going to be hit by the changes that they should be ringing her up and asking her why on earth she is voting for a 10% reduction in their income. I think they would be interested to hear her justification.

Steve Rotheram (Liverpool, Walton) (Lab): Does my hon. Friend agree that the changes are obviously a problem for some Government Members, and that they are in absolute denial about them? Does he agree that

the Government’s inertia over intervention to save steel jobs and last night’s defeat in the Lords firmly put to bed the falsehood that the Tories are the party of the workers?

Owen Smith: Completely. It is one of the more risible statements I have heard from the Government. It is, once more, a measure of the contempt with which they hold certain sections of the British public that they think they can pull the wool over the eyes of people. They describe themselves, laughably, as the party of labour and the party of the workers, while they are cutting the wages of working people: 3.3 million families will be hit to the tune of £1,300; 200,000 children will be put into poverty next year, and 600,000 children over the period; and 70% of the cuts will fall on working mothers. The tax credit cuts will destroy the “economic miracle” the Tories like to talk about. Some 90% of the cuts will be devastating for the people involved. The statistics speak for themselves. After I have given way to my hon. Friend, I will describe the human impact of the cuts.

Conor McGinn (St Helens North) (Lab): Does my hon. Friend agree that there is an inherent contradiction in the Government’s policy? The parents of a young family who came to see me in my constituency last week told me that they work hard, pay their way and are trying to do the right thing to set an example for their children. Should the Government not be supporting them, rather than punishing them?

Owen Smith: Indeed they should. I cannot understand how on earth even this Chancellor, who is pretty slipshod on occasion when it comes to analysing the impact of his measures, can have allowed this one to slip through the net. A pasty tax and a caravan tax maybe, but a £4.4 billion hit on the very workers he purports to support is truly extraordinary.

Let us look beyond the statistics for a moment. On Friday, I was out in my constituency in the village of Beddau, a former pit village at the heart of Pontypridd. Entirely by chance, I met a young woman called Kirsten who was bringing her daughter Maisie home from school. Kirsten is a nursery manager in a small private-run nursery just outside the village. She works 21 hours a week. They are all the hours available, as the nursery is open only in the morning and she works all five mornings. She then brings her daughter home from school and looks after her. She earns £611 a month. That is what she earns from her 21 hours of work at £8 an hour. That is well above the minimum wage and well above the new minimum wage we will see next year. She is set to lose £1,300 of her £7,000 earnings as a result of the cuts. That is an enormous drop for her to contemplate. She said to me that she simply did not know how she would manage. She did not understand how, without the £128 she receives in tax credits each month, she will be able to make ends meet.

I sat down with Kirsten and talked through what she needs to pay out for each month: the housing association three-bedroom house she lives in, council tax, insurance, and running her car to get back and forth to the nursery and to pick up her child. There is nothing left over. The £128 she spends from the tax credits she rightly receives pays for food, new clothes and her child’s books for

school. It is just beyond the ken of ordinary people that the Government could be asking them to pay the price for the bankers' recession, which has led to the crisis in our economy and a Tory Government cutting the incomes of working people.

Ian Lavery (Wansbeck) (Lab): Does my hon. Friend agree, when the issue of family tax credits is all boiled down and the arguments have been fine-tuned, that this is simply an ideological attack by the Government on the lowest paid in our communities? Does he agree with the Institute for Fiscal Studies, which says that low-paid people are being specifically targeted?

Owen Smith: I completely agree. It is extraordinary for the Government to describe tax credits as "a bribe". That is how successive Ministers, including the missing Secretary of State for Work and Pensions, have gone out of their way to describe tax credits for working people. They do not talk about protecting pensioners' benefits as a bribe by the Conservative party to pensioners—and I would never say that; it is entirely just to protect pensioners' benefits. By describing tax credits as a bribe, they are even seeking to demonise working people on low and middle incomes who are doing the right thing. That is entirely wrong.

Helen Whately (Faversham and Mid Kent) (Con): I am listening carefully and I hear a great deal of criticism. What I have not heard from Labour Members are proposals on how welfare should be put on a more sustainable footing, on how they would like to see work pay, and on how they would reduce the deficit and the debt. Are they instead proposing cuts to public services?

Owen Smith: No, obviously I am not suggesting that for a minute. That is a nonsense thing to say. Let me walk through what the Government are proposing.

Neil Coyle (Bermondsey and Old Southwark) (Lab): Does my hon. Friend share my concern that under the coalition Government the projected savings that were meant to come from changes to housing benefit and employment and support allowance never materialised? Savings of £10 billion were not made by the previous Government. Perhaps Government Members should be challenging their Secretary of State and calling for his resignation.

Owen Smith: Of course they should. If they had any guts they would do precisely that. There has been an abject failure on housing benefit. The bill has gone up and up and up. If the Bill is passed—I sincerely hope it does not pass after yesterday evening's decision—housing benefit spending will go up some more. We know the Government have failed on that and they will continue to fail in the future.

Let us look, for a moment—

Oliver Dowden: Will the hon. Gentleman give way?

Owen Smith: I have given way once. I will move on and give way again in a moment.

Mr David Anderson (Blaydon) (Lab): My hon. Friend the Member for Wansbeck (Ian Lavery) mentioned the word "bribe". Is not the real bribe in the Bill the bribe

that will be given to the children of dead millionaires through the changes to inheritance tax, to the detriment of the people who will be hit by tax credit cuts?

Owen Smith: I am glad I gave way, because my hon. Friend makes the excellent point that politics is always a choice. Politics is about priorities. Politics is about who we stand up for, who we speak for and whose side we are on. It is very, very clear that, in the Bill and in this House, the Conservative party is on the side of millionaires and the wealthy, and are standing up against the ordinary working people of Britain, who will not forgive them for doing so.

Paul Scully (Sutton and Cheam) (Con): The hon. Gentleman talks about choices, and spoke earlier about a £4.4 billion hit. Is he proposing, instead, a £4.4 billion subsidy for the large companies that Labour Members continue to criticise on a daily basis to cover the shortfall in wages that they should be paying?

1.30 pm

Owen Smith: No, I am talking about £4.4 billion-worth of support that is offered to working people in this country, including 3,800 in the hon. Gentleman's constituency. He has a choice to make on their behalf today. Is he going to stand up for them? Is he going to speak for those almost 4,000 families in his constituency, or is he going to roll over and vote with the Government to cut their wages by 10%? That is the choice he faces, and it is a very real political choice for him. As he is a new Member, he should think very carefully about that.

Let us deal with what the Government are proposing by way of mitigation. We heard a lot from the Chancellor yesterday evening. He looked a little ratty as he told the cameras that he was going to think again—he was obviously not very keen on having to do it—but there was at least some hint that there would be transitional measures. We have had hints over recent days as to what they might be. Let me run through a few of them and put the Government on notice that we will scrutinise extremely carefully, as we have done today, the net impact of any such measures.

First, there is the minimum wage. It is welcome that the Government propose to increase it from £6.50 to £7.20 next year and thereafter to get it up to £9.20 by 2020—it is a good measure. Unfortunately, however, even if the Government were to take it to £9.20 on 1 April—the day on which tax credit cuts are introduced—it would not offset the losses for average families, not by a long chalk. Most families on 40 hours a week with one parent earning would, if they were earning around £15,000, still lose £600 a year. The minimum wage increase is clearly not going to offset the losses.

The second element that has been talked about is childcare allowance. Even if the Government were to move straight away to the proposed 30 hours a week for England—again, a welcome measure, although it looks rather under-resourced to me, given that we were told it would cost us over £1 billion if we were to implement it and the Government are planning to invest around £300,000; we will see what happens with that—that same family, banking the £9 minimum wage, would still be around £500 worse off.

Let us build in the third element, which is of course the increase in the personal allowance. The Government have made other welcome measures in increasing the

[Owen Smith]

personal income tax allowance from £6,500 to £11,000 and they are talking about taking it up to £12,500 at the end of this Parliament. Again, that is a welcome measure, but it misses the target. Those people who earn between £3,500 and £12,500 will all be worse off if the Government start taking away their tax credit entitlement. They are two different tribes. It is completely fallacious to suggest that if we give extra money by increasing the personal allowance or the national minimum wage, we will offset the losses. Only 25% of the losses will be offset by the national minimum wage and only for 25% of the population. It is very straightforwardly a con. As we heard in the excellent evidence session before Thursday's debate, the Resolution Foundation said very clearly that if we need to deal with the question of tax credits, the answer is, unfortunately, tax credits.

Steve Rotheram: Does my hon. Friend agree that the 6,700 families that will lose out from the tax credit cuts to their incomes will not be compensated, and that it is arithmetically impossible that the Government's proposed changes would do that?

Owen Smith: There is no need to take just my word for that; it is precisely what Paul Johnson of the Institute for Fiscal Studies said—that it is arithmetically impossible for the Government's offsets, which I have just listed, to compensate for the losses that these hard-working families in all our constituencies are going to face. The Government know that that is true, which is why they have been so absent from the television studios in recent days. They do not need to hear the truth from me: they know it.

Tom Brake (Carshalton and Wallington) (LD): On the issue of offsetting losses, the hon. Gentleman will be aware that in my constituency, for example, 4,000 families will be affected, losing £1,000 each, which amounts to £4 million being taken out of the local economy. Has he considered the impacts of that?

Owen Smith: I have considered the impacts. I think that reducing aggregate demand by taking money out of the pockets of working families—the people with the highest propensity to spend money locally in the economy—is a foolish thing to do. It is a false economy. We know that to be true economically, so why on earth would the Government want to do it?

Barbara Keeley: I want to add a little detail. Conservative Members seem to be raising the cases of people who do not benefit from working tax credit and are questioning it on that basis. Perhaps the example I quoted earlier will help. The carer on carer's allowance will get £62 and is able to earn a maximum of £110, which is a disregard. That is what carers are on, and they will be hit very hard by the loss of working tax credit. These people are earning a maximum of only £172. The important point is that there are 689,000 such people—those wonderful carers committed to looking after family members. Only one Conservative Member seems to have recognised that issue, which is a massive one. It is not quite as massive as the 3 million families affected, but it is still important. Ministers need to reflect on and explain why they are doing this to 689,000 carers up and down the country.

Owen Smith: Why on earth have the Government not conducted any sort of analysis to illustrate the benefits to our society and economy that those 700,000 carers are contributing? We all know in our hearts that they are making an enormous contribution, and we all know in our heads that they are precisely the people who are going to lose out. It is working mothers, carers and people who cannot expand their hours who are going to lose money, but they are doing the right thing; they are in work, striving hard. They might well be better off if they were not, and the crazy thing about the Bill is that in future they will be better off not working so hard. The work penalty and the disincentive to engage in extra hours and work harder, even once people have a higher than minimum wage, is screaming out at the heart of the Bill. It is a fundamental economic error, and it is being done for ideological purposes. The Tories are seeking to present those people—working people—as scroungers, and they are trying to present tax credits as benefits and a bribe.

Dr Andrew Murrison (South West Wiltshire) (Con): Will the hon. Gentleman give way?

Owen Smith: I will not—I have already given way a lot—but I will quote to Conservative Members some of their own people, who have recognised how mistaken this policy is. Let us take Lord Lawson, for example—hardly a bleeding-heart liberal, and someone I remember standing next to Mrs Thatcher during those dog days for my part of the world when the pits closed in south Wales. Lord Lawson referred in the other place yesterday to “the great harm, or a great deal of the harm”, being done “at the lowest end”. He continued:

“That is what needs to be looked at again; that is what concerns me.”

He said that the Chancellor would, of course,

“listen to this debate, but it is not just listening that is required. Change is required.”—[*Official Report, House of Lords, 26 October 2015; Vol. 765, c. 1005.*]

Let me also cite the hon. Member for South Cambridgeshire (Heidi Allen), who I thought spoke brilliantly, eloquently and forcefully last week. I shall quote just one part of her speech. She said:

“To pull ourselves out of debt, we should not be forcing those working families into it.”—[*Official Report, 20 October 2015; Vol. 600, c. 876.*]

We should not be forcing working families into debt to deal with the debt that the country has been left by the bankers' recession and the failure of the Tory Government to fix it.

Oliver Dowden: The hon. Gentleman has still not answered a very simple question. If this measure saves more than £4 billion, how will the Labour party find that money? Will it cut spending on other measures such as health and education, will it increase taxes, or will it increase borrowing? There are only three options. Which one will the hon. Gentleman choose?

Owen Smith: I repeat that the hon. Gentleman should really answer the question asked by the 3,700 people in his constituency who will lose out if he votes with the Government today.

Neil Coyle: The National Audit Office has suggested that as a result of the incompetence of the coalition Government and the Secretary of State for Work and Pensions, £140 million was wasted on the early stages of universal credit. Is my hon. Friend aware that that could have helped 108,000 people who are now being punished for that failure and face the withdrawal of tax credits, or 21,500 people over the course of the current Parliament? Should the money not have been better spent?

Owen Smith: That is a brilliant point, and extremely well made. There are myriad examples of waste and incompetence in the handling of our DWP budget under this Government, not least the enormous increase in housing benefit.

Ms Karen Buck (Westminster North) (Lab): Does the Conservative party not fail to understand what tax credits are all about? The tax credit policy was successful in that it moved people into work, and, in particular, underpinned the major progress that was made when single parents were allowed to move into work. When we talk about saving money, should we not see that in the context of the tax credit policy's success in moving people from worklessness into sustainable employment?

Owen Smith: My hon. Friend speaks with enormous experience and expertise, and she is completely right. As I said earlier, tax credits are a policy success. In 1997, 43% of single parents in Britain went out to work; today, the figure is 65%. There has been a 50% increase in the number of single parents who are in work, and that is a measure of the success of tax credits.

Craig Williams (Cardiff North) (Con) *rose—*

Owen Smith: I will give way in a moment to the hon. Gentleman, who represents a great city—a working-class city—but before I do so, I ask him to reflect on the views of one of his colleagues, the hon. Member for Plymouth, Moor View (Johnny Mercer), who said last week that

“it would be remiss of me not to recount the extraordinary levels of feeling in Plymouth last weekend. This bright, vibrant, exciting and...blue collar city, where in the last general election we saw lots of new and first-time Conservative voters, has serious objections to the tax credit reforms.” —[*Official Report*, 20 October 2015; Vol. 600, c.882.]

The hon. Gentleman knows, and I know, that that stands for his constituency in Cardiff too, and I hope he will reflect on it when he addresses the House.

Craig Williams: The hon. Gentleman has talked about policy success. Cardiff truly is a working people's city. Will he comment—so far, he has not done so—on the Government's leadership on the national living wage? What would he say to the staff of Morrisons, Costa Coffee, Sainsbury's, Lidl, British Gas and IKEA, who are already benefiting from those companies' attempts to follow the lead taken by this Conservative Government and match the living wage?

Owen Smith: I know that the hon. Gentleman is relatively new to the House, but he really ought to be present for the beginning of debates. I said at the start of my speech, and indeed on two other occasions, that I

welcomed the Government's moves. I applauded them for what they are doing in increasing the national minimum wage, although I repeat that it is utterly bogus to describe it as a national living wage. It is not a national living wage, which is why the Living Wage Foundation will not describe it as such. I wish that the Government would give us a true national living wage, in London and elsewhere.

The hon. Gentleman has, in his wealthy, leafy part of Cardiff, more than 3,000 constituents who benefit from tax credits. I ask him to look into his heart and reflect on whether it is right, for whatever purpose—ideological or economic—to ask those hard-working families to pay this bill. It is not fair, it is not just, and I do not think that it should go ahead.

Dr Murrison: I am listening carefully to what the hon. Gentleman has to say. I would be extremely sympathetic to a credible case based on proper transitional arrangements and mitigation, but, as I am sure Lord Lawson would admit, it has to be paid for. I wonder whether the hon. Gentleman can shed any light on how we can close the gap in relation to the £4 billion that has been cited. All that I have heard from him so far is polemic; I have not heard any credible proposal that would enable us to square the finances.

1.45 pm

Owen Smith: The hon. Gentleman could, of course, start by deciding not to do what the Government did this week when they offered an inheritance tax cut for properties worth more than £1 million. That would provide about £1 billion. He could decide to reverse the 50p tax rate cut for millionaires; that would provide another £3 billion. He could choose to do what the Chancellor has already chosen to do in the past, and delay the point at which the Government get the budget into surplus. He has moved the goalposts once; why does he not do it again? He is very good at it. He has practised. He has already had one crack at it.

Ian Lavery: My hon. Friend has been asked numerous times what the Labour party would do about the £4.2 billion. Will he now explain, categorically and in the simplest terms, that we would not do what the Government are doing, which is taking £4.2 billion from the lowest paid in society? People are losing £1,300 a year, and 200,000 kids are being pushed into poverty. That is not what we are going to do.

Owen Smith: I am delighted to say that I agree 100% with my hon. Friend. Let me be really clear: our view today is that the Government should repeal these measures. Our view is that it is wrong to seek to balance the books, in this or any country, on the back of the working poor—those with low and middle incomes who are doing the right thing. This is the wrong thing to do, and we will not do it.

Let me end by reflecting a little on what this whole unedifying spectacle means for the public, and to the public. I think we can agree that politics has been held in pretty low esteem in this country in recent years. People feel that we, as a political class, are not straight with them. They feel that we do not keep our word, or say what we mean.

Jeremy Quin (Horsham) (Con): Will the hon. Gentleman give way?

Owen Smith: I will not give way again.

The problem with this change is that it will simply compound that fundamental mistrust. Before the last election, the Prime Minister said, on live national television, that he was not going to cut child tax credits, but he is going to do so. That was a fundamental misleading of the British public. Other Ministers also made categorical statements. When asked whether the Conservative party would cut tax credits, one of them said:

“No; we are going to freeze them for two years; we are not going to cut them.”

That was a fundamental untruth, and the country knows it.

Unfortunately, when that is added to the Government's smoke and mirrors and what they say about how they intend to offset the impact of these cuts, it is clear that we as a group—and the Conservatives as a political party—are deepening what is already a profound mistrust in our politics. For the Conservatives to describe themselves as the workers' party is laughable. Theirs is the party that is cutting the incomes of the workers of Britain, and they should be ashamed of that. They should stand up today and vote with us for new clause 1, and repeal the tax credit cuts.

John Redwood (Wokingham) (Con): Prosperity, not austerity: that is what we want. My consistent advice to Ministers dealing with economic matters and benefits is that they should always have at the forefront of their minds the need for everything they do to promote less austerity and more prosperity for the many, because we wish to have a more prosperous people. The outlines of how we do that are clear, and I fully support the Government's vision and objectives.

The first thing to do is promote work. We need to make sure that people come out of unemployment and into work; that people who are working part-time but want to work full-time have the opportunity to go on to work full-time; and that people in full-time work that is not well paid have the chance to be promoted into a better-paid job, and to get better skills and training and work with their employer so that they can have a more productive and better-paid job. In that area, this Government and the predecessor coalition have been so much more successful than the Labour Government of 2005 to 2010. We know how austerity for the many is created: by following the Labour Government's policies of 2005 to 2010, when they increased borrowing and spending, and combined that with over-lax regulation of bank capital and cash, which I warned them about prior to the crunch. When they put those three things in a heady mix, they brought the economy down, a large number of people lost their job altogether, a large number had to take a pay cut to keep their job and most people lost their bonuses or their opportunities to work overtime because the great recession that was unleashed on this country did so much damage. The first thing, therefore, that the British people want is to be secure in the knowledge that the economic policies being used are prudent and sensible, so that there is more chance of more people working and of people having better-paid jobs.

Ms Buck: The right hon. Gentleman makes a good point about the importance of allowing people to keep more of their money when they work longer hours. How does he square that commitment with the fact that the changes coming in next April will increase the tapers on higher earnings so that people will be subject to 80p in the pound withdrawal rates when they do work extra hours?

John Redwood: The problem with welfare reform, as all who have wrestled with it well know, is that we either have a large number of people facing a moderate rate of withdrawal or we have a more limited number of people facing a high rate of withdrawal. All the time that we have means-tested benefits—our system is still riddled with them—means that we will have to make that difficult choice about whether there is a fast move off benefit when people's income goes up or a slower move. That will mean we either have fewer or more people affected by the taper. Labour never solved the problem of the taper. The Labour Government had lots of difficult tapers and high marginal rates of tax and benefit withdrawal.

That brings me to the second fundamental pillar of the Government's strategy, which I support, after the promotion of work and better-paid work: taxing people less, particularly those on lower incomes. Both the coalition and this Government have worked away at that, by trying to get more people out of paying income tax. As my right hon. Friend the Chancellor thinks about his pre-Budget judgment and his autumn statement judgment later this year—he is rightly in listening mode—I trust he will think about the tax element in his policy mix, because the more he can do to take people out of tax or to lower the tax rate upon them, the more he will succeed in promoting prosperity and the more he will offset the impact of benefit changes.

Hywel Williams: The right hon. Gentleman talks about prosperity, but he will know as well as I do that small businesses are one of the chief drivers of it. How does he square that with the cuts to small businesses and single earners' income from their self-employment?

John Redwood: The Government are trying to encourage people to earn more in self-employment—that is the whole point of the policy. The idea is to create better incentives so that it is worth while people working more and longer hours if they have not had sufficient hours of work and not a sufficient income, and they keep more of the money they make by being in self-employment. That is true for them as well as for people in employment.

Barbara Keeley (Worsley and Eccles South) (Lab)
rose—

Hywel Williams *rose—*

John Redwood: The hon. Gentleman has had one go and I am sorry he messed up his question.

Barbara Keeley: I have raised in this Chamber a number of times the issue of the almost 700,000 carers who are working but can work only 16 hours at the minimum wage. Many Conservative Members in this debate and in earlier debates have talked about people increasing their hours, but some sets of people cannot

increase their hours—my Front-Bench colleague the hon. Friend the Member for Pontypridd (Owen Smith) has mentioned them and I mention them. What does the right hon. Gentleman say to almost 700,000 working carers who cannot give themselves more hours, are not allowed to earn more than £110 a week and will be hit badly by this cut to working tax credits?

John Redwood: Yes, some people cannot increase their hours or, for good reason, do not want to increase them because they are already working long hours. I have already described the actions they or their employers can take, and that the Government can encourage. We want these people to have better opportunity and more skill, and to work with their employers to raise productivity to justify pay rises. The Government, with the full support of the Opposition, are using the force of the law to increase minimum wages, as part of the policy of driving wages upwards. But the only way we can succeed in getting wages in this country up to levels we would all find acceptable is through a productivity revolution. It has to come by working smarter and better, not necessarily by working longer hours or by working harder, with the right investment and the right back-up from employers, so that people can earn more and justify higher earnings.

Owen Smith: Does the right hon. Gentleman accept that we are talking about two tribes here? It is not necessarily people who are on working tax credits who are on the minimum wage—indeed, the overlap is only about 25%, so an increase in the minimum wage will miss 75% of those tax credit recipients.

John Redwood: I do not think it is very nice to say that people belong to “tribes”; we are in one country and we are trying to promote the greater prosperity of the many. I am surprised by that lapse of language, but the hon. Gentleman is right to say that some people who will face a reduction in tax credits are not going to benefit from the minimum wage because they are already earning more than that. That is clearly true.

Owen Smith: It is 75%—

John Redwood: If the hon. Gentleman would listen carefully, he would know that that is why I say I support a strategy for prosperity that first promotes more people into better pay. I am not just talking about those who are currently on a low wage; I want someone on a better wage also to have the opportunity for more pay. Some of my constituents do; they will be promoted, they will work for smart employers in smarter ways, and they will get pay rises, although not all will. The more the Government can do to help, encourage and support, so that many more people can get those opportunities of better pay, the more we will like it. I hope the Opposition parties will agree that that is the best way to greater prosperity. It is also the best way to better jobs. If someone goes to work every day thinking that next year they might have a better job, a pay rise or a bonus they can benefit from, they will go with more of a spring in their step than if they are going to a low-paid job with a bad employer who is not giving them any options and not giving them a break in life. *[Interruption.]* I see that some Opposition Members think that that is a funny idea, but I hope they would join me in recommending this approach to employers in their constituency as well

as in mine, as that is how we create a more prosperous society. I am just trying to stress that we also need to get taxes down.

That deals with the second pillar of this excellent strategy. We need better work and more better-paid work, and less tax on that work so that people are more prosperous. We then come to the difficult bit, which is the point of the row today, all of last week and probably all of next week, by the looks of how Parliament is going at the moment. The issue is: at what rate do you withdraw the benefits support as people become more prosperous because they are in work, not out of work, because they are in better-paid work and because they are paying less tax? There are difficult judgments to be made, and I am very pleased that my right hon. Friend the Chancellor is in listening mode. I look forward to his autumn statement—unlike the Labour party, I will be looking at all three elements of the package. I will be looking at pay and tax, as well as benefit withdrawal.

Perhaps unlike Labour, I want to end up in a world where far fewer people are on benefits, because their pay and the tax cuts are sufficient to give them a better lifestyle. We will then have a more affordable welfare system that enables us to run an economic policy more likely to deliver better prospects, more jobs and more success for business. As some of my Conservative colleagues have sought to point out, the problem the Opposition face is that no answer is coming from them. We know that they were able to overspend, over-borrow and crash the economy. We are now waiting to hear from them about how they would get the money under control, were they to be trusted again with government. We know that they do not want to cut non-benefit expenditure, so surely they have to accept the case I am making: that we need to get more people out of benefits altogether, and that requires a combination of the good things—promoting work, promoting better pay and lower taxes—and the not-so-good things, such as actually having to make some difficult choices on benefits.

Naz Shah (Bradford West) (Lab): What answer do I give my constituents? They have a spring in their step because they are getting all these promotions and things the right hon. Gentleman talks about, yet 34,000 children in my constituency who are on tax credits will be thrown into poverty. Can he explain that?

John Redwood: We have just been talking about how we can avoid that. We have been talking about how we can get those people out of poverty and into prosperity and how we can promote, in the hon. Lady's constituency and elsewhere, more jobs, better businesses and lower taxes, which must be the medium to long-term answer.

2 pm

We are now talking about the pace of change and the detail of the tapers, the timing and so on, and there is clearly an important row going on about these difficult and sensitive matters. I am sure that my right hon. Friend the Chancellor will be looking at all these matters, because we do not want people to be badly damaged by a premature reduction in their benefit payment before the other things are working for them, which could result in their having too little money and then having recourse to the hardship fund and all the other things that will be in place. It is therefore in our mutual interest

that the transition is done smoothly, but it cannot be done by ignoring the problems and pretending that the welfare bill is fine and that there are no disincentives in the system.

I am sure that the hon. Member for Bradford West (Naz Shah), like me, does not wish to see hard-working people taxed more to subsidise employers who have the capacity to pay better wages. I am sure that she does not want to see perverse incentives in the system, with tax credits sending a message to some people that they should not work more or, if they are self-employed, do more because that would adversely affect their tax credit rewards. We need to get that balance right. It clearly has not been right, because the tax credits bill has gone up too much and, until recently, there was far too much unemployment in the economy. It is certainly clear that tax credits built up very rapidly during a period of big redundancies and a big squeeze on pay. We now see those patterns reversing, with people coming back into the workforce and pay rising, in nominal and real terms, so now is the time to look at the pace of change in benefits.

Owen Smith: I am grateful to the right hon. Gentleman, who is being gracious in giving way. He talks about us all wanting to avoid a disincentive to work extra hours, but does he not accept that that disincentive will be increased by reducing the lower earnings threshold and increasing the taper, thereby increasing the amount of money that is taken away for every extra hour worked and every extra pound earned?

John Redwood: I have already been quite honest in saying that Governments face a difficult choice in this regard: do they want fewer people facing a sharper taper, or more people facing a gentler taper? There are no easy answers. I look forward to hearing the Government's judgment when they have completed their listening and thinking. Again, the Opposition are refusing to see all three parts of the package. It is not possible to answer the hon. Gentleman's question as simply as he would like, because working out whether people are better off or worse off, and by how much, depends on what else happens with taxation, rates of pay, inflation and all the other things that are going on.

My advice to the Government is that their strategy is absolutely right: get more from pay, more from tax cuts and then cut the benefits, because people will not need them as much. They must listen carefully to criticisms, for example if their changes are going too far and too fast, or if they catch some people we do not want to catch. I am sure that my right hon. Friend the Chancellor will want to return to those points in his autumn statement and tell us his thinking. However, the direction of travel must not be simply to make big increases in benefits again; it must be to find other answers so that more people can enjoy prosperity from work, earnings and lower taxes.

Helen Hayes: I wonder whether the right hon. Gentleman would like to comment on two issues. First, is there any legitimacy or authority in the Government's approach to cutting tax credits, given that the Prime Minister repeatedly denied that he would do so in the run-up to the general election? Secondly, there is unequivocal evidence from the Institute for Fiscal Studies and others

that the maths on the issue simply do not add up, and that asking people to work harder for less is, quite simply, an unacceptable proposition.

John Redwood: I agree with the hon. Lady's latter point, because I do not want people to have to work harder for less. I have just described the world I want to live in, and how I want that world, which some of my constituents enjoy, to be available to many more. I want people to work smarter and with more skill so that they can earn more because their companies can afford to pay them more. With regard to the Prime Minister's promise in the run-up to the general election, I heard him rule out cutting child benefit, and I understand that there are no proposals to cut child benefit.

When I was asked about welfare in the run-up to the general election, I made it clear that I wanted the total welfare bill to come down and that I expected to see welfare reform, including some reductions in welfare payments and eligibility. Personally, I do not think that I have anything to answer on that score. I was entirely honest with my electorate, and they kindly trusted me with the job again, and with a bigger majority. There are many people in this country with a grown-up view about welfare, who do not want it to penalise those who really need it but who think it is high time we reformed it so that we depend much more on work and tax reduction on lower and middle levels of pay than we have done in the past.

Therefore, I urge my right hon. Friend the Chancellor to preserve the spirit of his reforms but to look very carefully at the detail, because we do not want to see bad cases of the type that Opposition Members have been conjuring out of thin air without proper facts. Above all, we do not want to go back to Labour's boom-and-bust economy, where generous welfare, far from creating more jobs and prosperity, helped bring the whole thing down.

Neil Gray (Airdrie and Shotts) (SNP): I rise to speak to the amendments in this group tabled by the Scottish National party. We also support new clause 1, which the shadow Minister moved earlier. Let me pay tribute at this stage to the efforts of my hon. Friends the Members for Ayr, Carrick and Cumnock (Corri Wilson) and for Livingston (Hannah Bardell) who worked so assiduously on the Bill Committee on behalf of the SNP, and to my hon. Friend the Member for Paisley and Renfrewshire South (Mhairi Black) for her work on these matters in the Work and Pensions Committee.

My wife has always suggested to me that it provides context and depth to a speech if it includes a quote early on. On this occasion, and in relation to tax credit cuts, I have a quote that was timeously delivered in the past few days:

"It's not acceptable. The aim is sound, but we can't have people suffering on the way... The idea that there's a cliff edge in April before the uptake in wages comes in is a real practical human problem and the Government needs to look again at it again".

Who is that quote attributed to? That was said by Ruth Davidson MSP, leader of the Conservative party in Scotland, as she called on this Government to have some movement on the issue by the autumn statement.

After last night's vote in the other place, it is time for the Government to rethink these outrageous proposals. They have managed to unite a considerable swathe of

political and civic society against the plans. In fact, after last night the Chancellor really stands alone in continuing to push for the cuts. If the Chancellor, the Prime Minister and this Government will not listen to Members on the Opposition Benches, if they will not listen to charitable and third sector organisations, and if they will not listen to anyone else, surely they should listen to the leader of their own party in Scotland.

The SNP is completely opposed to the UK Government's continued attack on low-income families, and we support Labour's amendment to repeal the regulations, which will affect 350,000 children in 200,000 families in Scotland. Let me say this loud and clear: the SNP will oppose these ideological, regressive and utterly punitive tax credit cuts with every opportunity open to us today and every day, because we realise the damage they will cause to working family incomes, to levels of poverty across these isles, including child poverty, and to social cohesion in every community in the United Kingdom.

The amendments that my colleagues and I support in this group would bring about the repeal of these tax credit regulations and overturn the proposed cuts. However, should the Government decide to press on with the cuts in the face of hostility across this Chamber, and from Conservatives up the road, they must consider forms of mitigation. They must act to protect vulnerable families with a delay and a fully implemented transitional period, as is covered in our new clause 8, which we will be pushing to a vote. In the light of last night's vote in the other place, I expect that is already being considered by the Government.

New clause 8 would mean that the measures in the Bill and in the 2015 tax credits regulations relating to the award of tax credits and the relevant entitlement within universal credit would not take effect until the Secretary of State had implemented a scheme for full transitional protection for a minimum of three years for all families and individuals currently receiving tax credits before 5 April 2016, and such transitional protection should be renewable after three years with parliamentary approval.

The transitional arrangements are important, as none are put in place by the Tax Credits (Income Thresholds and Determination of Rates) (Amendment) Regulations 2015. This means that the tax credit cuts will be implemented immediately in April 2016. In fact, tax credit recipients will apparently be getting an unwelcome letter detailing the cuts to their award just weeks before Christmas. This will give working families no time to plan effectively for an average cut of £1,300. For families living wage packet to wage packet, utterly dependent on tax credits to keep them above the breadline, the cut will be devastating and impossible to plan for in such a short time.

Amendments 49, 50 and 52 would ensure that relevant benefits, child benefit and tax credits increased in line with the consumer prices index. Amendment 51 is consequential, while amendments 53 and 54 would ensure that the current child tax credit arrangements remained in place. Amendment 55 would remove changes to the entitlement to the child element of universal credit. These amendments were pushed by my colleagues in Committee. The Government did not accept any of them, but they pledged to come back with more information, which has not yet materialised.

Why on earth have the Government decided to rush the Bill from Committee, which only finished on Thursday, to this final stage today? If they are serious about

introducing more detail and explaining the expected mitigation measures, why not flesh that out? The rush suggests that the cuts are purely about making savings and therefore ideologically driven. The changes are fundamentally regressive. They disproportionately target those in low-income households and punish them for the Government's ideological obsession with austerity—an obsession that is failing socially and economically.

The SNP stood on a manifesto that was fundamentally anti-austerity but which also plotted a more responsible path to reducing the deficit. We have argued for a 0.5% increase in departmental spending per year for this Parliament, which would have released £140 billion to invest in capital projects to boost growth and narrow income inequalities. Our plan would also have resulted in a budget deficit of just 2% by the end of the Parliament, and it was backed by an International Monetary Fund report in June that highlighted how reducing income inequality not only reduced poverty but boosted growth. By extension, the policy of cutting tax credits and thereby increasing income inequality will drive more of our citizens into poverty and harm growth and therefore harm the Government's apparent aim of reducing the deficit. So, as well as being socially destructive, this policy is—to extend the IMF's thinking—economically incompetent.

Ian Blackford (Ross, Skye and Lochaber) (SNP): Does my hon. Friend agree that the SNP has come up with a responsible approach to delivering sustainable growth that will drive up wages and employment, by contrast with what the Government have done over the past five years and what we see going forward? The Bank of England, with its £375 billion of quantitative easing, has had to bail them out with monetary policy because, quite simply, they have not delivered on fiscal policy.

Neil Gray: I welcome my hon. Friend's contribution. As we are talking about affordability and sustainability, let me say that the Government think it feasible to press ahead with apparently £167 billion of Trident nuclear weapons, which is shocking and deplorable, while seeing fit to find £4.4 billion of cuts in tax credits. They are taking an ideological wrecking ball to our social security system in the name of a budget surplus by scandalously waging a war on low-income households.

Paul Scully: Does the hon. Gentleman agree that the cost of Trident is over the lifetime of the project, whereas he is talking about an annual savings figure?

Neil Gray: By anyone's estimation, £167 billion is a vast sum of money, but it would also amount to £3 billion per year, which would go some way to squaring the circle on the tax credits cuts.

2.15 pm

Just to add to this omnishambles, there was no mention of wholesale cuts to tax credits in the Conservative manifesto. There were just two references to tax credits, but neither mentioned anything like these proposals. This is the central plank of the Chancellor's first Budget since the election, and he has based all his sums on the back of it. One would have thought, therefore, that it merited at least a passing reference—a hint perhaps—yet

the only hint during the election campaign came in a “Question Time” debate when the Prime Minister hinted at his opposition to cuts to tax credits. Now, either the Chancellor has convinced him to make a pretty major U-turn, or he was telling porkies that night to Mr Dimpleby and the electorate. A subsequent “Question Time” programme, a week past on Thursday, sadly showed a Conservative voter devastated at what the Government were proposing. She felt let down and misled—and I bet she is not the only one.

This all demonstrates that the Government do not have a mandate to push these changes through. They were not in the manifesto, and, when explicitly asked about the matter, the Prime Minister—to give him the benefit of the doubt—was at the very least deliberately obfuscating. A similar obfuscation came in the Chancellor’s summer Budget, when he suggested that these cuts to tax credits would be compensated for by his rise in the minimum wage. The reality is that the full rise in the minimum wage will not come into effect until 2020, four years after the tax credit cuts start, and even when the full rise comes in, it still will not mitigate the tax credit cuts.

Why, then, did the Government decide to undermine and sabotage the real living wage campaign by labelling their minimum wage rise as such? Next year the minimum wage rise will be 65p short of the real living wage, and by 2020 the living wage is forecast to be closer to £10 per hour and therefore still higher than the projected minimum wage rise announced by the Chancellor. Besides, the real living wage is calculated taking tax credits into consideration, so the Chancellor is going to be even further behind the curve when the revised living wage is announced. It is a myth that raising the personal tax allowance will mitigate the effects of the cut because many tax credit recipients do not earn enough to reach either the old or the new tax threshold. This is a £1.4 billion tax cut that disproportionately benefits the rich. And no, free childcare will not compensate either, as less than 10% of tax credit recipients receive under-5s childcare support.

These cuts will leave many families much worse off. Yesterday, Paul Johnson, the Director of the Institute for Fiscal Studies, giving evidence to the Work and Pensions Select Committee, said there was no way to mitigate the cut to tax credits other than by amending the cut itself—a point of view shared by the Resolution Foundation. The House of Commons Library has calculated the cumulative impact of the summer Budget on a single-earner couple with two children, where that single earner works 35 hours per week and earns the minimum wage. That independent analysis shows that in 2016-17—the year the changes will take effect—such a family will be more than £1,500 worse off, and that by 2020-21 they will be more than £2,000 worse off per annum. How on earth can that be described as anything like making work pay?

The various attacks on low-income working households fly in the face of the UK Government’s own rhetoric and rationale about making work pay and employment being the best route out of poverty. It has been estimated that almost 60% of the children living in poverty in Scotland come from working families. The latest statistics show that 65% of children in the UK living below the relative poverty line are living in families in which at least one parent works.

As shameful as it is, I am not surprised that the Bill attempts to repeal most of the Child Poverty Act 2010 and weakens the UK Government’s commitment and obligations on child poverty. Let us be absolutely clear that the measures in the Bill are without doubt going to plunge many more children into poverty. It is shameful that it has taken a vote in the other place to perhaps shame this Government into providing an independent report on the impact of these cuts, especially on children living in or close to poverty.

In regard to taking action on these matters in Scotland, the Smith commission recommended that tax credits remain reserved to this place. In Scotland, we will clearly use the powers we are due to receive to the best of our ability and we will always use our powers to do our best to protect the poorest and most vulnerable in our society. We have a good track record of mitigating the worst of the UK welfare cuts where we can, such as by providing £100 million to ensure that no one pays the bedroom tax, and by investing £40 million in local government to ensure that council tax benefit was not cut in Scotland when it was in England. But when 85% of welfare and 70% of taxation remain reserved, it will be hard to fully mitigate the UK Government’s plans. Scotland must therefore have full control over all universal credit if we are to pull children and families out of poverty, and that must be devolved with the appropriate resources.

Our amendments in this group also address the two-child limit for child tax credits. According to the Institute for Fiscal Studies, this measure will impact 872,000 families, who receive on average £3,670-worth of support for third and subsequent children. I struggle to see how this policy could be seen as anything other than social engineering, as it hints that having more than two children is a luxury reserved for the rich. Also, I would appreciate it if anyone on the Government Benches could explain how an exemption for rape victims will work. Will there need to be a conviction? Will DNA evidence be required? Will a tax credit claimant need to provide a police statement with their claim form? This proposal is totally and utterly absurd. It highlights the absurdity of the two-child rule and the tax credit cuts in general.

I shall end with another quote. These will now be familiar words for the Government after the hon. Member for South Cambridgeshire (Heidi Allen) delivered them so eloquently last week. She said:

“A constituency does not function—a country and its economy does not function—if the people who run the engine cannot afford to operate it. We need every teaching assistant, care worker, cleaner and shop worker to secure this economic recovery. To pull ourselves out of debt, we should not be forcing those working families into it. The Prime Minister has asked us to ensure that everything we do passes the family test. Cutting tax credits before wages rise does not achieve that. Showing children that their parents will be better off not working at all does not achieve that. Sending a message to the poorest and most vulnerable in our society that we do not care does not achieve that, either. I believe that the pace of these reforms is too hard and too fast. As the proposals stand, too many people will be adversely affected. Something must give.”—[*Official Report*, 20 October 2015; Vol. 600, c. 876.]

I agree. It is time that the Government gave in and scrapped these tax credit cuts. Conservative Members who agree with the hon. Member for South Cambridgeshire, or with their party leader in Scotland, cannot just vote

these cuts through and hope that mitigation will follow. Voting them down is the only answer, and we need that to happen today.

I should really declare an interest before I sit down. In my constituency of Airdrie and Shotts, 11,300 children in 6,100 families are currently in receipt of tax credits. The child poverty rate currently sits at more than one in five in my constituency. The statistics for my constituency will not be the worst, but they are utterly shameful none the less. I am not here to accept cuts that will make matters worse, and neither should any other MP, but that is what will happen if these tax credit cuts are accepted by this House. An average of £1,300 will come out of the household budgets of the lowest income families in this country.

Perhaps you and I could cut our cloth to suit, Madam Deputy Speaker, but the very definition of qualifying for tax credits means that the recipients do not have enough to get by and do not have the resources to accept this level of cut without severe ramifications. That will be on the conscience of every right hon. and hon. Member who votes to accept the cuts. They will have to accept that choosing between heating and eating is a price worth paying. They will have to accept that food poverty is a price worth paying. And ultimately, they will have the lives of disadvantaged families the length and breadth of this country on their conscience. Please support the amendments tabled in my name and those of my hon. Friends.

Several hon. Members *rose*—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. At last, Members have risen to show that they want to speak. It is very confusing for the Chair if you do not stand up at the beginning of the debate, because I cannot tell how many people wish to speak. At the moment, I can see approximately eight people—

Tom Brake *rose*—

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

Madam Deputy Speaker: You see! Why can't people just stand up? It is not difficult. Schoolchildren do it. Just stand up when you want to speak! I can now see a significant number of people wishing to speak. I cannot impose a time limit at this stage in the proceedings, but we have less than half an hour left in this debate, so I appeal for brevity: perhaps three or four minutes.

Oliver Dowden: I shall speak briefly against new clause 1. We as a nation need to be clear about the scale of the challenge that we face. The budget deficit has been halved, but it is still enormous and we are spending far more than we earn. Against that backdrop, the increase in welfare spending is an important element that must be addressed. The amount of spending on tax credits has risen from £6 billion when Gordon Brown first introduced them to £30 billion now. That money is being borrowed in order to pay for welfare. I do not think that borrowing money to pay for welfare expenditure is a sensible idea.

Catherine West (Hornsey and Wood Green) (Lab): Let us look at the totality of welfare spending as though it were a cake. Is it not the case that the failure of the

Government over the past five years to address the high cost of housing or to bring down the housing benefit bill is the key to solving your problem?

Madam Deputy Speaker (Mrs Eleanor Laing): Order. It is not my problem. It is somebody else's problem.

Oliver Dowden: We need to be clear about the problems with tax credits. Let me offer the House three facts. The first is that, under the last Labour Government, 1.4 million people remained on out-of-work benefits for almost the entire period. Secondly, the number of workless households doubled, and thirdly, the level of in-work poverty rose by 20%. So there has been a massive increase in expenditure on welfare and on tax credits, but it is not delivering the reduction in poverty that we all desire.

Neil Coyle: Does the hon. Gentleman not agree that tax credits have played a role in tackling in-work poverty?

Oliver Dowden: This is precisely the point that I would like to get on to. Despite the increased expenditure on tax credits, we continue to see these dreadful statistics on poverty, and that is because this is a flawed model that is based on taxing people on the minimum wage who can barely afford to pay tax, recycling that revenue through the welfare system and using it to top up low pay. That is not a sensible way in which to proceed.

Ian Blackford *rose*—

Oliver Dowden: I will give way once more, but I am aware of Madam Deputy Speaker's injunction.

Ian Blackford: We understand, from survey after survey, that millions of people in this country are going to be worse off as a result of these measures. What is the hon. Gentleman going to say to his constituents who come to him after next April having lost on average £1,300 of their income?

Oliver Dowden: I would say to those people that this Government have a clear and coherent plan for helping people on the lowest incomes that consists of three elements. The first is to increase the amount of money people can earn without paying any tax; by the end of this Parliament that will be increased to £12,500. That is lifting people working 35 hours a week on the minimum wage out of tax entirely. Secondly, we are introducing a national living wage which by the end of this Parliament will increase wages to £9 an hour. Thirdly, we are introducing a number of other measures such as free childcare which will help those in most need of it. That is a far better model—to move from a low-wage economy with high tax and high welfare to a higher wage, lower welfare and lower tax model.

2.30 pm

I say to Opposition Members that because we have record high levels of private sector wage growth—4.4% according to the latest figures—because unemployment continues to fall, because growth remains strong, and because we are introducing a national living wage, we have a moment where we can reform tax credits. If we do not seize this opportunity, future generations will not thank us for continuing to saddle the economy and taxpayers with £30 billion-worth of subsidies for low

wages. The moment is now ripe. These proposals form part of a coherent vision, whereby we cut taxes for those on the lowest pay, increase their pay through a national living wage and help them access childcare by providing free childcare.

Opposition Members are opposing this change wholesale. If they wish to remove £4.4 billion-worth of public spending savings, which is what new clause 1 proposes, they have to be able to tell their constituents how they will afford that. Do they propose to put up taxes on hard-working people? Do they propose to cut spending on health, education or defence, or do they intend to carry on borrowing? The signals from both Labour and the SNP are that they want to carry on borrowing. Every pound we borrow in this generation is a pound future generations have to repay. That is why I urge all Members to grasp this opportunity to reform welfare and reform tax credits as part of a comprehensive package which helps those on the lowest wages. If we fail to do so, those Members on the Opposition Benches should justify to their children and grandchildren why we have saddled them with such high debts.

Sammy Wilson: We will be supporting the new clause—not because we are opposed to all welfare reform. Our voting record in this House and the fact that against the odds we have tried to drive through sensible welfare reform changes in Northern Ireland indicates that we do not take the blanket view that welfare reform is bad, full stop. Some of it is necessary, but some of it is wrong-headed, and this change is wrong-headed for a number of reasons.

First, I do not believe that the proposals will achieve what the Government want. We hear time and again—we have heard it today—that the Government want to make work pay and that those who go out every day to employment must have a reward for that and there must be an incentive. All the indications and assessments are that these proposals, because of their timing and their scale, will not make work pay. In fact, the OBR has said they will be a disincentive to work, because the rewards are being taken away from people but the mitigation will not be added quickly enough. Therefore, the objectives that the Government are setting out to achieve will not be achieved.

The second point is that in most cases we are not dealing with people who have a large buffer either of savings or additional income which can help them overcome the timing difficulty. We are talking about people on low wages and probably every penny that they earn goes on their living expenses. We have heard again today that as the tax credits come off, there will be tax cuts, additional childcare support and reductions in rent, and that all those things will mitigate the changes—and that on top of that there will be an increase in the national living wage. However, the tax credit cuts are coming in immediately, whereas the other things will be brought in over a period of time.

Catherine West: Does the hon. Gentleman agree that one way of bringing down the entirety of the welfare bill is to build more homes, so that we do not spend £60 billion in a Parliament on housing benefit?

Sammy Wilson: I agree, although that is not a short-term answer either. That is a long-term answer and it is certainly not going to deal with the issue facing us today.

The tax reductions will not affect all the people who are on low wages because they will not all hit the threshold. The childcare changes will affect only a fifth of the people whose tax credits will be cut. The national living wage increases will not apply, for example, to people under 25. So there is a whole swathe of the population who will not benefit from the other changes. Many of them will have families as well, of course. The Chancellor has said that the principal way in which the issue will be addressed is an increase in the national living wage, yet a whole swathe of the population will not be affected by that. For that reason, many people will be worse off. Even when all the changes are added together—the tax credits being removed, the tax thresholds being increased, the childcare element, the housing element, which does not apply to people in the private rented sector of course, and the national living wage—it is estimated that people will still find themselves on average a third worse off. This will affect many of our constituents.

Conservative Members should be very thankful that those in the House of Lords swapped their red Benches for red flags last night. That has probably done the Conservative party a favour. Many of the people who will be affected by these changes are the natural supporters of the Conservative party; they are the strivers of society, the people who want to do better, who want to improve themselves, and who probably look to some of the Government's other policies. They will be hit hardest. I suspect that the Government have got off the hook, therefore.

The Government's measures should be overturned by the House tonight and the Government should have a complete rethink. If they are serious about having a rethink, they should be supporting the amendments, to enable a radical rethink rather than a tinkering with the policy which will be detrimental.

This question is rightly asked: what is the alternative? There are many alternatives. The changes represent less than 1% of total Government spending. Surely to goodness across Departments two thirds of 1% in savings can be found to finance dropping the changes. Over the life of this Parliament we can then work towards a sensible rebalancing, where employers pay proper wages and the state has to pay less in subsidies.

Suella Fernandes (Fareham) (Con): We all share a belief in the welfare state, and in a civilised country like ours it is right that we offer help to the most needy, but the amendments are myopic and ill thought out because they forget about sustainability and fairness. Our welfare system is immensely unfair in its discrepancies. The clauses that would be amended—clauses 9 and 10—together freeze the main rates of most working age benefits, child benefit and certain elements of working tax credit and child tax credit for four years, starting from 2016-17, with important exemptions to protect the vulnerable, such as pensioners and those who are disabled, reflecting compassion and proportion.

Why are we doing that? Because since 2008 wages have risen by 12%, but for most working age out-of-work benefits the rise has been 21%. How can it possibly be fair or justifiable that the amount that people receive on benefits is increasing at a faster rate, and is more, than people receive in work? The freezes contained in clauses 9 and 10 go to the heart of the in reversing that damaging trend.

I want to make three key points about clauses 9 and 10. They support the original concept of welfare, as designed and intended by its father, Beveridge. In 1942, when the Beveridge report was published, he enshrined the key principles of what welfare should stand for—to help those who found themselves in occasional exceptional need. It was to help people cope with unexpected and temporary afflictions of sickness and unemployment.

Catherine West: Is the hon. Lady aware that the Government's proposals would affect 740,000 families in which there are children with disabilities?

Suella Fernandes: What I am aware of is that the reforms are part of a package that includes an increase of free childcare to 30 hours, which is worth about £5,000 and will help working families combine work and childcare. That is how we are going to help children. Work, not benefits, is the route out.

Beveridge's guiding principles were clear—the individual has to take greater responsibility, alongside the state establishing a national minimum standard to ensure that the most vulnerable are looked after and that there the system is sustainable. The main problem with the existing welfare system is that it has allowed businesses to act in a way that is both unpalatable and bad for the economy. It has facilitated the underpayment of workers, which has allowed chronic under-training and under-investment in staff. The problem is simple. If a business or an employer knows that low wages will be topped up by the state, what is the point of investing in its workforce? What is the point of investing in training or promotion?

Alan Brown (Kilmarnock and Loudoun) (SNP): Does the hon. Lady think it is fair that businesses will get a taper on the increase in wages? She complains that tax credits subsidise businesses, yet the poorest in society will not get a taper—their income will be cut right away in April. How is that fair?

Suella Fernandes: The Government are pragmatic and sensible, and they will be responsive. They will make announcements in the autumn statement that will deal adequately with that issue. [*Interruption.*] I have limited time and I want to make progress. It is important that we make work pay by stopping businesses underpaying their staff.

My next point is that we need to ensure that everybody keeps in mind the fact that the reforms are part of a package. The new measures on free childcare, the rise in the personal allowance, the tax lock on income tax, VAT and national insurance, and the welcome introduction of the national living wage will all ensure that household incomes rise over the course of this Parliament. People will be able to keep more of the money that they earn, rather than pay it in tax, which would just go to more Government expenditure.

Finally, the manner in which the Opposition have behaved is shameful. Prior to the election, there were suggestions that they would back our welfare reforms, acknowledging that welfare had become unsustainable and costly. They equivocated and suggested support. Even in July the right hon. and learned Member for Camberwell and Peckham (Ms Harman) was clear in her support for the reforms. What we have seen now is opportunism and the politicisation of an issue on which

consensus is required. That is shameful and underlines the Opposition's lack of integrity and decency, when we need cross-party support on this difficult issue. I support the clauses as drafted and expect the Opposition to do so too.

2.45 pm

Hannah Bardell (Livingston) (SNP): I welcome my hon. Friend the Member for Airdrie and Shotts (Neil Gray) to his position as I move across to the business brief. From his speech earlier, I am sure the social justice team has a very talented member.

I shall speak to amendments in this group tabled by my colleagues, particularly amendments 53, 54 and 55, which clearly state the SNP's opposition to the Government's two-child policy. The SNP wholeheartedly condemns the Tory Government's intention to restrict tax credits to two children, which by definition excludes many of the poorest children in society from our social security system, going against the very principles for which it was set up. The Government's proposals also stray into an area of policy making that I never thought I would see suggested by any Government who had a shred of compassion for their people. Hidden away in the Red Book were the words:

"The Department for Work and Pensions and HMRC will develop protections for women who have a third child as the result of rape, or other exceptional circumstances."

No detail was provided. How much disrespect can this country take?

Alison Thewliss (Glasgow Central) (SNP): Does my hon. Friend agree that it is appalling not only that that appeared in the Budget statement, but that during the consideration of the Bill there has been no explanation of how that will work in practice?

Hannah Bardell: I could not agree more. The two-child policy will hit more than 872,000 families who receive support for third and subsequent children. The Government's own national child poverty strategy recognises that the risk of poverty is much more significant in larger families than in smaller ones. Currently a third of children living in poverty live in families with three or more children. Perhaps that is why the Tory Government seek to airbrush child poverty from the statute books.

It is easy for this Tory Government to espouse theories and claim that reducing financial support to just two children will make poorer families rethink their "financial choices". That is based on the falsehood that all children are planned and that it is possible to financially plan for children. I am sure we are aware that that is not the case. What if a second pregnancy turns out to be twins or even triplets? What about the many families who are supported or led by kinship carers? Perhaps the Tories need a biology lesson, or a simple lesson in humanity.

Such eventualities cannot be planned for, so are we telling families across these nations to stop having children, just in case? I have raised many times in Committee, and many of my colleagues have raised on the Floor of the House, the sensitive issue of children resulting from rape and the insensitive Government plan to make women justify their children in front of DWP caseworkers. Many domestic abuse charities have expressed grave concerns, and Rape Crisis Scotland has warned that the

[Hannah Bardell]

plan is “inherently unworkable”. It has asked how DWP workers will prove whether someone has or has not been raped, and said that many women would find explaining that situation extremely uncomfortable. Many women do not report to the police that they have been raped, or go years without reporting it or speaking about it, so they cannot be expected to explain it to a DWP worker.

What training will a DWP worker have to deal with rape victims? It is clear that this is an unrealistic, ill thought out and unhelpful proposal. In evidence before the Select Committee on Work and Pensions, stakeholders described it as “unpalatable”, and the hon. and learned Member for Holborn and St Pancras (Keir Starmer) wrote in *The Guardian* recently:

“A rape test for welfare is a chilling way to save money”.

I could not agree more. It just goes to show that at the height of the Tories’ insensitivity, they will quite literally leave no vulnerable group untouched in their scramble to, as they put it, balance the books. The policy will ultimately result in a complete abuse of rape victims’ privacy, leading to potentially serious emotional damage for children should they become aware that they are a child resulting from a rape. The SNP amendments would see the policy abolished, and we urge the Government to remove the two-child policy from tax credit and universal credit to ensure that no victim or child goes through the torment associated with having to justify a third child due to such an horrific crime being inflicted—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I am sure that the hon. Lady is about to conclude.

Hannah Bardell: If we as parliamentarians are in this place to legislate for those we represent, let us legislate well and with compassion and good conscience. The proposals do not make good legislation. They are wrong for our society and wrong for this generation, so I ask Members to think again and vote with us.

Marcus Fysh (Yeovil) (Con): I spoke the other day about how tax credit reform is part of moving to the higher wage, higher productivity, higher opportunity economy that the Government are building. I have been talking to the Chancellor behind the scenes about welfare reform for many months, and he is listening. Welfare reform is, however, an essential part of the broad package of reform that is helping to return our nation and its people to a sound financial future. The Opposition offer no alternative.

In my professional life before becoming a Member of this House, I was involved in the pensions and savings industry. I know how important saving is in building people’s future and their economic resilience. I believe that reforming national insurance contributions and entitlements is a good way to further incentivise work, deal with the hurdles to advancing at work caused by high marginal tax and benefit withdrawal, and provide scope in the budget for transitional arrangements. That could address the impact of tax credit reform on those with the lowest regular income.

Insurance businesses work by taking premiums from people and investing them over long periods, usually in dividend-paying and other shares that grow substantially

in value over time to generate returns that are then available to those who need to claim on the scheme. Unfortunately, our national insurance contributions are not invested in the same way but are spent year in, year out on the claims of those using the NHS or the state pension, or are lent out to other Departments for their spending. We should add major savings reform to what we are doing, by reforming national insurance to create a genuine low-cost defined-contribution investment scheme that people can use to supplement their entitlements under the state pension system and that can be made available, under certain circumstances, ahead of retirement age. Credits could be offered to the lowest paid even if they did not meet the threshold for payment of traditional national insurance, to kick off their contributions and get them used to saving. They could also be used to supplement some payments by employers or to provide transitional funds, which could be substantial.

The investment scheme could also be available to others who wanted to make a contribution. I believe that it should be accompanied by tapering the threshold for the payment of traditional national insurance contributions, and the rate, to make the marginal incentives to work more efficient while letting people keep more of their earnings. That could be paid for by tapers on the higher limit and rate of national insurance obligations and entitlements for those on the highest incomes, particularly the entitlement eligibility of very high income retirees. I note that the principle is already established that state pension entitlement cannot pass in its entirety from spouse to spouse, and that entitlement to state pension is not an asset. I believe that that measure could make available several billion pounds.

Tax credit reform is not an option, but is essential in moving to a higher wage economy that will better provide for the future of all of us. Reform of national insurance is a neat solution that is not inconsistent with our manifesto. Nor is reform of the working tax credit system, as part of our overall package of reform.

Tom Brake: I support new clause 1, although it is still not entirely clear to me what the Labour party’s position is on this question. In this place Labour has tabled new clause 1, which is in effect a fatal motion, whereas in the other place Labour would only support transitional protection. I assume that the Labour party is now fully opposed to the tax credit cut.

Owen Smith *rose*—

Tom Brake: I will not give way, as I have to finish at 2.57 pm.

Tax credit cuts will hit 4,000 families in my constituency and 7,000 children. Collectively, some £4 million will be lost. The cuts will hit hard-working families who are struggling to make ends meet and, perhaps most importantly from the Government’s point of view, the changes will reduce the incentive to work, which I thought the Government favoured. Contrary to what the hon. Member for Sutton and Cheam (Paul Scully) said, I do not think that tax credits are a pat on the head. They are essential in supporting families.

Paul Scully *rose*—

Tom Brake: I will give way briefly.

Hon. Members: Typical.

Paul Scully: The right hon. Gentleman said that he was going to talk about this, but does he not agree that when I spoke about a pat on the head I was talking about the original tax credits, which were received by nine out of 10 families, including those with salaries up to £60,000 and not just low income families?

Tom Brake: Indeed, and changes were made to tax credits to take that into account. However, tax credits are now needed to support people who are in low-paid work and will not suddenly see their salaries rise dramatically to compensate them for the loss of those tax credits. The cuts are regressive and should be opposed by the House. I hope that that will happen in the vote that is about to take place on new clause 1.

Damian Hinds: I start by welcoming the hon. Member for Airdrie and Shotts (Neil Gray) to his new position and I wish the hon. Member for Livingston (Hannah Bardell) well in her new role.

These amendments intend to prevent the Government from making future changes to control welfare spending and we cannot support them. The Government's approach is clear: our mission is to get wages up, taxes down and welfare under control. New clause 1 seeks to revoke the 2015 tax credits regulations and new clause 8 seeks to delay the introduction of the regulations unless and until the Government put in place a scheme of transitional protection for existing tax credit claimants for a minimum of three years. The House will recall that the Government tabled the regulations for a vote on the Floor of the House on 15 September, rather than their being scrutinised upstairs in Committee, to allow wider discussion on the regulations and to allow all hon. Members the opportunity to debate and vote on the issue. This House voted in favour of the regulations.

The House further discussed the regulations in the Opposition day debate on Tuesday 20 October and again voted in favour of them. However, as the House will also be aware, last night unelected Labour and Liberal Democrat Lords voted against tax credit regulations, raising constitutional issues that the Prime Minister will address.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): Is the constitutional issue not that politicians should not lie to people in their manifestoes?

Damian Hinds: I can only guess that the hon. Lady is making a strange reference to the Conservative manifesto. We were very clear in our manifesto that we are still only halfway through the job of getting the deficit down to zero. It stands at £3,300 for every household in the United Kingdom and we said very clearly during the election campaign that, as part of that, we needed to make £12 billion of welfare savings. What was not in our manifesto was the national living wage.

The Chancellor has said that he has listened to concerns from colleagues in this House and will come forward with proposals in the autumn statement to achieve the goal of reforming tax credits, saving the money needed to secure our economy while helping with the transition through the changes. I do not believe that the new clauses are therefore appropriate for inclusion in the Bill.

I now turn to amendments 49 to 52, which intend to prevent the freeze for four years of working age benefits, child benefit and tax credits. The freeze of the main

rates of the majority of working age benefits, child benefit and tax credits will, in total, contribute some £3.5 billion of savings by 2019-20, and will help us to achieve our objective of deficit elimination. It will put welfare on a fairer and more sustainable footing so that we can continue our investment in our national health service and our schools, even as we get the national finances back into balance.

As my hon. Friend the Member for Fareham (Suella Fernandes) pointed out, there is an imbalance in a system that has seen a rise in average earnings of 12% since 2008, and in working age benefits, such as jobseekers' allowance, of 21%. The individual element of child tax credit has risen by 33%. The freeze will reverse that trend, helping earnings to grow faster than benefits, which will strengthen the incentives to work, and deliver the savings necessary to bring down the overall welfare bill. None the less, the Government will continue to offer protections to the most vulnerable. We know the best way to support people is to help them move closer to the labour market, but of course we realise that that is not possible for everyone. That is why we have made many important exemptions to the four-year freeze. We have exempted pensioner-related benefits, personal independence payment, disability allowance and attendance allowance relating to the additional cost of disability as well as statutory payments, carers' allowance, the support group component of the employment and support allowance and disability elements in tax credits.

Simon Hoare (North Dorset) (Con): The list that the Minister has just given to the House underscores entirely the compassionate, one nation Conservative approach that we are taking to these issues in sharp contradistinction to the Opposition parties, which seek to lecture but which have no remedy.

Damian Hinds: My hon. Friend is right, and it is right that those exemptions are made.

Neil Coyle: Will the Minister be absolutely clear that the half a million disabled people receiving ESA in the work-related activity group will not be protected under the measures that he has just outlined?

Damian Hinds: People who are in the work-related activity group are, by definition, people who are to be helped to move closer to the labour market. What I have said in the list of exemptions that I have read out is that the amounts that are specific to the additional costs of disability are protected, which is something that we discussed in Committee.

Ian Lavery *rose*—

Damian Hinds: If the hon. Gentleman will forgive me, I will not give way, because it is 3.02 and I need to stop by 3.05 pm.

Amendments 53 and 55 seek to remove clauses 11 and 12 from the Bill, and amendment 54 seeks to retain the payment of the family element of child tax credit for all persons who are responsible for a child or a qualifying young person born before 6 April 2022.

The Government want to ensure that the system is fair both to those who pay for it and to those who benefit from it. Currently, the benefit system adjusts

[*Damian Hinds*]

automatically to family size, but many families who are only in receipt of income from work would not see their budgets flex in the same way when they have more children. The Government want to encourage those families who are in receipt of benefits to make the same financial choice about the number of children they have as those families who are supporting themselves solely through income from work.

3 pm

Mark Durkan (Foyle) (SDLP) *rose*—

Damian Hinds: If the hon. Gentleman will forgive me, I will not give way.

That is why the Government have proposed changes to child tax credit and to the child element of universal credit, as set out in clauses 11 and 12 respectively. The Government will look at the important issues around exemptions through secondary legislation, which is a better way of dealing with these matters. Indeed, we discussed when that could be done in Committee with proper reflection and working together with stakeholders and experts.

I also wish to make it clear that the changes will not affect families already receiving the child and family elements before 6 April 2017 and who remain on benefit after that date, including such families who subsequently leave universal credit for a period of less than six months, and families who make a new claim to universal credit and who have been in receipt of tax credits for more than two children or qualifying young persons in the past six months. In addition, the Government will continue to support larger families through child benefit, which is paid for all qualifying children in a household, and paid at a higher rate for the first child.

In conclusion, the amendments oppose our clear mandate to find £12 billion of welfare savings and to restore fairness to the system by ensuring that work always pays. In making these changes, we have balanced the vital task of bringing spending under control while ensuring that the support is there for those who need it most. I therefore urge hon. Members to withdraw their new clause.

Question put. That the clause be read a Second time.

The House divided: Ayes 281, Noes 320.

Division No. 94]

[3.4 pm

AYES

Abbott, Ms Diane	Blackford, Ian
Abrahams, Debbie	Blackman, Kirsty
Ahmed-Sheikh, Ms Tasmina	Blackman-Woods, Dr Roberta
Alexander, Heidi	Blenkinsop, Tom
Ali, Rushanara	Blomfield, Paul
Allen, Mr Graham	Boswell, Philip
Anderson, Mr David	Bradshaw, rh Mr Ben
Arkless, Richard	Brake, rh Tom
Ashworth, Jonathan	Brennan, Kevin
Austin, Ian	Brock, Deidre
Bailey, Mr Adrian	Brown, Alan
Bardell, Hannah	Brown, Lyn
Barron, rh Kevin	Brown, rh Mr Nicholas
Beckett, rh Margaret	Bryant, Chris
Betts, Mr Clive	Buck, Ms Karen
Black, Mhairi	Burden, Richard

Burgon, Richard	Gray, Neil
Burnham, rh Andy	Green, Kate
Butler, Dawn	Greenwood, Lilian
Byrne, rh Liam	Greenwood, Margaret
Cadbury, Ruth	Griffith, Nia
Cameron, Dr Lisa	Gwynne, Andrew
Campbell, rh Mr Alan	Haigh, Louise
Campbell, Mr Ronnie	Hamilton, Fabian
Carmichael, rh Mr Alistair	Hanson, rh Mr David
Champion, Sarah	Harman, rh Ms Harriet
Chapman, Jenny	Harpham, Harry
Cherry, Joanna	Harris, Carolyn
Clegg, rh Mr Nick	Hayes, Helen
Clwyd, rh Ann	Hayman, Sue
Coaker, Vernon	Healey, rh John
Coffey, Ann	Hendrick, Mr Mark
Cooper, Julie	Hendry, Drew
Cooper, rh Yvette	Hepburn, Mr Stephen
Corbyn, Jeremy	Hillier, Meg
Cowan, Ronnie	Hodge, rh Dame Margaret
Cox, Jo	Hoey, Kate
Coyle, Neil	Hollern, Kate
Crausby, Mr David	Hopkins, Kelvin
Crawley, Angela	Hosie, Stewart
Creagh, Mary	Howarth, rh Mr George
Creasy, Stella	Hunt, Tristram
Cruddas, Jon	Huq, Dr Rupa
Cryer, John	Hussain, Imran
Cummins, Judith	Irranca-Davies, Huw
Cunningham, Alex	Johnson, rh Alan
Cunningham, Mr Jim	Johnson, Diana
Dakin, Nic	Jones, Graham
David, Wayne	Jones, Helen
Davies, Geraint	Jones, Mr Kevan
Day, Martyn	Jones, Susan Elan
De Piero, Gloria	Kane, Mike
Docherty, Martin John	Kaufman, rh Sir Gerald
Dodds, rh Mr Nigel	Keeley, Barbara
Donaldson, rh Mr Jeffrey M.	Kendall, Liz
Donaldson, Stuart Blair	Kerevan, George
Doughty, Stephen	Kerr, Calum
Dowd, Jim	Kinahan, Danny
Dowd, Peter	Kinnock, Stephen
Dromey, Jack	Kyle, Peter
Dugher, Michael	Lamb, rh Norman
Durkan, Mark	Lammy, rh Mr David
Eagle, Ms Angela	Lavery, Ian
Eagle, Maria	Law, Chris
Edwards, Jonathan	Leslie, Chris
Efford, Clive	Lewell-Buck, Mrs Emma
Elliott, Julie	Lewis, Clive
Elliott, Tom	Lewis, Mr Ivan
Ellman, Mrs Louise	Long Bailey, Rebecca
Esterson, Bill	Lucas, Caroline
Evans, Chris	Lucas, Ian C.
Fellows, Marion	Lynch, Holly
Ferrier, Margaret	MacNeil, Mr Angus Brendan
Fitzpatrick, Jim	Mactaggart, rh Fiona
Flelo, Robert	Madders, Justin
Fletcher, Colleen	Mahmood, Shabana
Flint, rh Caroline	Malhotra, Seema
Fovargue, Yvonne	Mann, John
Gapes, Mike	Marris, Rob
Gardiner, Barry	Marsden, Mr Gordon
Gethins, Stephen	Maskell, Rachael
Gibson, Patricia	Matheson, Christian
Glass, Pat	Mc Nally, John
Glindon, Mary	McCabe, Steve
Godsiff, Mr Roger	McCaig, Callum
Goodman, Helen	McCarthy, Kerry
Grady, Patrick	McDonagh, Siobhain
Grant, Peter	McDonald, Andy

McDonald, Stewart Malcolm
 McDonald, Stuart C.
 McDonnell, John
 McGarry, Natalie
 McGinn, Conor
 McInnes, Liz
 McKinnell, Catherine
 McLaughlin, Anne
 Meale, Sir Alan
 Mearns, Ian
 Miliband, rh Edward
 Monaghan, Carol
 Monaghan, Dr Paul
 Morden, Jessica
 Morris, Grahame M.
 Mullin, Roger
 Murray, Ian
 Nandy, Lisa
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Paisley, Ian
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Phillipson, Bridget
 Pound, Stephen
 Powell, Lucy
 Pugh, John
 Qureshi, Yasmin
 Reed, Mr Jamie
 Reed, Mr Steve
 Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, rh Angus
 Robinson, Gavin
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Salmond, rh Alex
 Saville Roberts, Liz
 Shah, Naz
 Shannon, Jim
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy

Sherriff, Paula
 Shuker, Mr Gavin
 Siddiq, Tulip
 Simpson, David
 Skinner, Mr Dennis
 Slaughter, Andy
 Smeeth, Ruth
 Smith, rh Mr Andrew
 Smith, Angela
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smith, Owen
 Smyth, Karin
 Starmer, Keir
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Tami, Mark
 Thewliss, Alison
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thompson, Owen
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Derek
 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
 Williams, Mr Mark
 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:
Vicky Foxcroft and
Angela Rayner

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
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter

Bradley, Karen
 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
 Cameron, rh Mr David
 Carmichael, Neil
 Carswell, Mr Douglas
 Cartledge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Clarke, rh Mr Kenneth
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Crouch, Tracey
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, Dr James
 Davies, Mims
 Davies, Philip
 Dinenage, Caroline
 Djanogly, Mr Jonathan
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 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
 Fallon, rh 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, rh Sir Edward
 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
 Halfon, rh Robert
 Hall, Luke
 Hammond, rh Mr Philip
 Hammond, Stephen
 Hancock, rh Matthew
 Hands, rh Greg
 Harper, rh Mr Mark
 Harrington, Richard
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, Sir Oliver
 Heapey, James
 Heaton-Harris, Chris
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 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
 Kennedy, Seema
 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
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 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
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Osborne, rh Mr George
 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
 Purslove, Tom
 Quin, Jeremy

Quince, Will
 Raab, Mr Dominic
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 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
 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
 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:
 Sarah Newton and
 Simon Kirby

Question accordingly negated.

More than two hours having elapsed since the commencement of proceedings on consideration, the proceedings were interrupted (Programme Order, this day).

The Deputy Speaker put forthwith the Questions necessary for the Disposal of business at that time (Standing Order No. 83E).

New Clause 8

TAX CREDIT REFORMS

“The measures in this Bill and (Income Thresholds and Determination of Rates) (Amendment) Regulations 2015 relating to the award of tax credits and the relevant entitlement within Universal Credit shall not take effect until the Secretary of State has implemented a scheme for full transitional protection for a minimum of three years for all families and individuals currently receiving tax credits before 5 April 2016, such transitional protection to be renewable after three years with parliamentary approval.”—(Neil Gray.)

Brought up, and read the First time.

Question put, That the clause be read a Second time:—

The House divided: Ayes 285, Noes 319.

Division No. 95]

[3.18 pm

AYES

Abbott, Ms Diane
 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
 Betts, Mr Clive
 Black, Mhairi
 Blackford, Ian
 Blackman, Kirsty
 Blackman-Woods, Dr Roberta
 Blenkinsop, Tom
 Blomfield, Paul
 Boswell, Philip
 Bradshaw, rh Mr Ben
 Brake, rh Tom
 Brennan, Kevin
 Brock, Deidre
 Brown, Alan
 Brown, Lyn
 Brown, rh Mr Nicholas
 Bryant, Chris
 Buck, Ms Karen
 Burden, Richard
 Burgon, Richard
 Burnham, rh Andy
 Butler, Dawn
 Byrne, rh Liam
 Cadbury, Ruth
 Cameron, Dr Lisa
 Campbell, rh Mr Alan
 Campbell, Mr Ronnie
 Carmichael, rh Mr Alistair
 Champion, Sarah
 Chapman, Douglas
 Chapman, Jenny
 Cherry, Joanna
 Clegg, rh Mr Nick
 Clwyd, rh Ann
 Coaker, Vernon
 Coffey, Ann
 Cooper, Julie
 Cooper, rh Yvette
 Corbyn, Jeremy
 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
 Dakin, Nic
 David, Wayne
 Davies, Geraint
 Day, Martyn
 De Piero, Gloria
 Docherty, Martin John
 Dodds, rh Mr Nigel
 Donaldson, rh Mr Jeffrey M.
 Donaldson, Stuart Blair
 Doughty, Stephen

Dowd, Jim
 Dowd, Peter
 Dugher, Michael
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Edwards, Jonathan
 Efford, Clive
 Elliott, Julie
 Elliott, Tom
 Ellman, Mrs Louise
 Esterson, Bill
 Evans, Chris
 Ferrier, Margaret
 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
 Hodge, rh Dame 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
 Johnson, rh Alan
 Johnson, Diana
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Kaufman, rh Sir Gerald
 Keeley, Barbara
 Kendall, Liz
 Kerevan, George

Kerr, Calum
 Kinahan, Danny
 Kinnock, Stephen
 Kyle, Peter
 Lamb, rh Norman
 Lammy, rh Mr David
 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
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart Malcolm
 McDonald, Stuart C.
 McDonnell, John
 McGarry, Natalie
 McGinn, Conor
 McGovern, Alison
 McInnes, Liz
 McKinnell, Catherine
 McLaughlin, Anne
 Meale, Sir Alan
 Mearns, Ian
 Miliband, rh Edward
 Monaghan, Carol
 Monaghan, Dr Paul
 Morden, Jessica
 Morris, Grahame M.
 Mullin, Roger
 Murray, Ian
 Nandy, Lisa
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Paisley, Ian
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Phillipson, Bridget
 Pound, Stephen
 Powell, Lucy
 Pugh, John
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Jamie
 Reed, Mr Steve

Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, rh Angus
 Robinson, Gavin
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Salmond, rh Alex
 Saville Roberts, Liz
 Shah, Naz
 Shannon, Jim
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Shuker, Mr Gavin
 Siddiq, Tulip
 Simpson, David
 Skinner, Mr Dennis
 Slaughter, Andy
 Smeeth, Ruth
 Smith, rh Mr Andrew
 Smith, Angela
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smith, Owen
 Smyth, Karin
 Starmer, Keir
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes

Stringer, Graham
 Tami, Mark
 Thewliss, Alison
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thomson, Michelle
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Derek
 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
 Williams, Mr Mark
 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:
Marion Fellows and
Owen Thompson

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
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 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
 Cameron, rh Mr David
 Carmichael, Neil
 Cartlidge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Clarke, rh Mr Kenneth
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Crouch, Tracey
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, Dr James
 Davies, Mims
 Davies, Philip

Dinenage, Caroline
 Djanogly, Mr Jonathan
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 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
 Fallon, rh 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, rh Sir Edward
 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
 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
 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
 Kennedy, Seema
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Leadsom, Andrea
 Lee, Dr Phillip
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 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
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Osborne, rh Mr George
 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, 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
 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
 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:

**Simon Kirby and
 Sarah Newton**

Question accordingly negated.

New Clause 2

ASSESSMENT OF TAX CREDIT AND BENEFIT REFORMS ON WORKING FAMILIES

The measures in this Bill shall not take effect until the Secretary of State has laid before both Houses of Parliament an assessment of the cumulative impact and an equalities impact of tax credit and benefit reforms announced in Summer Budget 2015 on working families.”—(*Debbie Abrahams.*)

Brought up, and read the First time.

3.30 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): I beg to move, That the clause be read a Second time.

Madam Deputy Speaker (Natascha Engel): With this it will be convenient to discuss the following:

New clause 3—*Personal independence payment: timing of payment*—

‘(1) Schedule 10 of the Welfare Reform Act 2012 is amended as follows.

(2) In paragraph 1(1), at start insert “Subject to paragraph (),”

(3) At end of paragraph 1(1), insert the following new paragraph—

“() Where a person in receipt of disability living allowance meets the requirements of section 82 of the 2012 Act his or her entitlement to disability living allowance shall terminate immediately and entitlement to personal independence payment shall commence on the same day.”.

This New Clause aims to enable claimants of DLA who are transferred to PIP due to terminal illness to receive their first PIP payment immediately after being transferred. Currently claimants must wait four weeks from their final DLA payment to be made and then another four weeks to receive their first PIP payment.

New clause 4—*Review of application of sanctions*—

‘(1) The Secretary of State must before the financial year ending 31 March 2016 provide for a full and independent review of the sanctions regimes attached to working-age benefits, including but not limited to Jobseekers Allowance, Employment Support Allowance and Income Support, to determine whether they are effective and proportionate for meeting the Government’s objectives.

(2) The terms of reference for the review must include consideration of—

- (a) the application of sanctions to lone parents with dependent children;
- (b) the application of sanctions to claimants who are disabled;
- (c) the effectiveness of sanctions in moving claimants into sustained work; and
- (d) any other matters which the Secretary of State considers relevant.”

To provide for a full, independent review of the operation of the sanctions regimes attached to out of-work benefits, to determine the effectiveness of sanctions in moving claimants into sustained work as well as any adverse impacts on particular groups.

New clause 5—*Report on impact of benefit cap reductions*—

‘(1) The Secretary of State must publish and lay before Parliament before the end of the financial year ending with 31 March 2017 a report on the impact of the benefit cap reductions introduced by this Bill.

(2) The report must include an assessment of the impact on each of the measures of child poverty defined in the Child Poverty Act 2010.”

This new clause requires the Secretary of State to review impact of lower benefit cap after 12months.

New clause 7—*Changes to the benefit cap*—

Changes to the Benefit Cap shall not be made until the Secretary of State has carried out an assessment of the impact on its effect on poverty and laid a report before the House of Commons, The Scottish Parliament, The Northern Ireland Assembly and the National Assembly for Wales.”

New clause 9—*Universal credit and carers*—

Claimants in receipt of universal credit who are responsible carers for children are not subject to work focused interviews or work preparation requirements until their youngest child starts school.”

New clause 10—*Changes to age of eligible claimants of housing benefit*—

The Social Security Contributions and Benefits Act 1992 is amended as follows. After section 130(1) insert—

‘(1A) The Secretary of State shall not make provision about eligibility for housing benefit in respect of the age of a claimant except by primary legislation.”.’

New clause 11—*Entitlement to housing costs element of universal credit for 18-21 year olds*—

‘(1) Entitlement to the housing cost element of Universal Credit shall not be restricted for those 18 to 21 year olds who fall into the following categories—

- (a) those who have previously been in work;
- (b) a person who lives independently;
- (c) those with a disability or mental health problem receiving Employment Support Allowance or Income Support;
- (d) those with dependent children;
- (e) pregnant women;
- (f) those who are owed a rehousing duty under—
 - (i) section 193 of the Housing Act 1996;
 - (ii) section 9 of the Homelessness etc. (Scotland) Act 2003;
 - (iii) section 73 of the Housing (Wales) Act 2014;
- (g) those who are homeless or at risk of homelessness who are being assisted by local authority housing teams;
- (h) those who are living in statutory or voluntary sector homelessness accommodation;
- (i) those who have formerly been homeless and have been supported by voluntary or statutory agencies into accommodation;
- (j) those who have formerly been homeless between the ages of 16 and 21;
- (k) a person without family or whom social services have found that a home environment is not suitable for them to live in; care leavers and
- (l) those leaving custody.

(2) Within three months of section [Entitlement to housing costs element of universal credit for 18-21 year olds] of this Act coming into force, the Secretary of State must, by regulation, provide definitions of—

- “a person who lives independently”;
- “risk of homelessness” and
- “a person without family”.

New clause 12—*Review of application of sanctions*—

‘(1) The Secretary of State must on commencement of this bill, commence a full and independent review of the sanctions regimes attached to working-age benefits, including but not limited to Jobseekers Allowance, Employment Support Allowance and Income Support , to measure the impact on—

- (a) to lone parents with dependent children;
- (b) claimants who are disabled;
- (c) moving claimants into continuous work;
- (d) homeless;
- (e) protected characteristics;
- (f) long term health conditions;
- (g) claimants with mental health disorders and
- (h) any other matters which the Secretary of State considers relevant.”

Amendment 35, in clause 6, page 8, line 39, leave out subsection (2)

Amendment 36, in clause 7, page 9, line 2, leave out “£23,000 or £15,410” and insert “£26,000 or £18,200”

Amendment 37, page 9, line 3, leave out “£20,000 or £13,400” and insert “£26,000 or £18,200”

Amendment 38, page 9, line 15, leave out paragraph (a)

Amendment 39, page 9, line 17, leave out paragraph (b)

Amendment 40, page 9, line 19, leave out paragraph (c)

Amendment 41, page 9, line 21, leave out paragraph (d)

Amendment 42, page 9, line 27, leave out paragraph (f)

Amendment 43, page 9, line 39, leave out paragraph (k)

Amendment 44, page 9, line 41, leave out paragraph (l)

Amendment 45, page 9, line 44, leave out paragraph (n)

Amendment 46, page 9, line 46, leave out paragraph (o)

Amendment 47, page 9, line 48, leave out paragraph (p)

Amendment 48, page 10, line 1, leave out subsection (6)

Amendment 56, page 14, line 15, leave out Clause 13

Amendment 29, in clause 13, page 14, line 26, at end insert—

“(3A) The Secretary of State may not lay an order under section 31 to bring the provisions of subsections (2) and (3) into force until he has laid before both Houses of Parliament a report giving his estimate of the impact of those provisions on persons who would otherwise be entitled to start claiming the work-related activity component of employment and support allowance.

(3B) No order bringing subsections (2) and (3) into force shall be made unless a draft of the order has been laid before and approved by a resolution of both Houses of Parliament”.

Amendment 31, page 14, line 29, at end insert—

“(5A) The Secretary of State must make provision for additional personalised and specialist employment support in connection with the changes made by subsections (1) to (3).

(5B) The Secretary of State must issue guidance on the following—

- (a) the forms of personalised and specialist employment support;
- (b) the means by which a diverse market of suppliers for personalised and specialist employment support can be developed in local areas; and
- (c) information for local authorities seeking to improve local disability employment rates.”

Amendment 20, page 14, line 39, leave out Clause 14

Amendment 57, page 14, line 39, leave out Clause 14

Amendment 58, page 15, line 1, leave out Clause 15

Amendment 59, in clause 15, page 15, line 4, leave out paragraph (a)

Amendment 60, page 15, line 4, leave out paragraphs (a) to (c) and insert—

“(a) in section 19(2)(c) for the words “under the age of 1” substitute “who has not yet started primary school””

Amendment 61, page 15, line 9, after “2,” insert “3 or 4”

Amendment 62, page 15, line 10, leave out paragraph (c)

Amendment 63, page 15, line 13, leave out paragraph (a)

Amendment 64, page 15, line 13, leave out paragraphs (a) and (b) and insert—

“(a) in regulation 91 (claimants subject to work-focused interview requirement only), for the word “3” substitute “5 or when the child starts primary school”;

(b) in regulation 91A (claimants subject to work preparation requirement) for the words “3 or 4” substitute “who has not yet started primary school”;

Amendment 65, page 15, line 15, leave out paragraph (b)

Debbie Abrahams: It is a pleasure to be here on my first occasion at the Dispatch Box. On Second Reading I conveyed my concerns about the Bill, and after a few weeks in Committee I have not changed my opinion. I said then that I thought this is a wicked Bill, and I still feel that.

Amendments 56 and 20 seek to leave out clauses 13 and 14 so as to prevent cuts to the work-related activity component of employment and support allowance, and to the limited capability for work element of universal credit. We believe it is unjust and unfair that disabled people and those with serious health conditions who have been assessed during the work capability assessment as not fit for work and placed in the work-related activity group should have their social security support cut by nearly £30, from £102.15 to £73.10.

Compelling evidence from the independent Extra Costs Commission, which analysed the additional costs facing disabled people, shows that on average they spend an extra £550 per month on things associated with their disability. The Government’s proposed cuts to people in the ESA WRAG come on top of a host of other cuts to social security and support for disabled people since 2010. Demos has estimated that by 2018, £23.8 billion will have been taken from 3.7 million disabled people, with 13 policy changes in the Welfare Reform Act 2012.

The cut in the ESA WRAG comes on top of the freeze in other social security support and the £3.6 billion of cuts to social care. My hon. Friend the Member for Pontypridd (Owen Smith) has argued for a cumulative impact assessment of cuts to tax credits and other benefit reforms for working families on low incomes, as defined in new clause 2, but why has that not happened already? Why have the Government not undertaken a cumulative impact assessment of the latest proposed cuts for disabled people, given that it is a requirement under the Equality Act 2010? I raised that point in Committee, and although I am grateful to the Minister for her response, she implied that only one model can be used to analyse the distributional effects of a policy. That is a flawed judgment. The Equality and Human Rights Commission is somewhat surprised by the suggestion that such cumulative modelling is not possible, given that it is undertaking its own cumulative impact assessment. I understand that the commission has written to the Government and highlighted the resources that are available to help them do that work, and perhaps when she responds the Minister will enlighten the House as to whether the Government have changed their mind.

The Government have also failed to provide evidence to substantiate their claim that working families on low incomes will be better off in spite of having tax credits taken from them—for example, through the introduction of the new national minimum wage, changes to personal allowances, and extended childcare provision. The Government’s meagre offering of an impact assessment for clauses 13 and 14 has failed to provide reassurance that disabled people will not be subjected to serious financial hardship. Although the assessment estimates that approximately 500,000 disabled people and their families will be affected by the cut to the ESA WRAG, there is no analysis of the impact this will have on the disabled people who will be pushed into poverty.

Ian Lavery: I am not sure whether my hon. Friend was present about an hour ago, when the Minister suggested that it was a good idea for people in the work-related activity group to lose 30% of their benefits so as to move them nearer to employment. How ridiculous is that?

Debbie Abrahams: I entirely agree with my hon. Friend. In fact, I am going to move on to a section specifically concerned with incentivising work and how on earth people with, for example, progressive conditions can be incentivised.

Richard Graham (Gloucester) (Con): I welcome the hon. Lady to her place. On the specific issue of trying to help people in the work-related activity group to get into work, does she agree that the current system is not working as well as it should and that we need to spend more money on helping them find jobs? It is harder for them to find jobs than it is for other people on jobseeker's allowance. In answer to the point made by the hon. Member for Wansbeck (Ian Lavery), that is precisely why we should be transferring money into helping them to get jobs.

Debbie Abrahams: I thank the hon. Gentleman for his intervention, but his question belies the facts. Some £640 million is being withdrawn from people in the ESA WRAG, while £100 million is meant, in some undisclosed manner, to provide support. There is no information from the Government on how that will support disabled people back into work.

As I was saying, there is no analysis of the impact that this will have on the disabled people who will be pushed into poverty. Disabled people are twice as likely as non-disabled people to live in persistent poverty, and 80% of disability-related poverty is caused by their extra costs. Last year, there was a 2% increase in the number of disabled people who were pushed into poverty. That is equivalent to 300,000 people. The Minister's recent reply to me did not address this particular point, so I would be very grateful if that could be explained. Half a million disabled people will be affected and lose £30 a week—nearly a third of their weekly income. What is the Government's estimate of the increase in the number of disabled people who will be living in poverty?

Neil Coyle: I welcome my hon. Friend to her rightful place on the Labour Front Bench. Is she aware that in the other place Lord Low is going to carry out an independent review of poverty, in the absence of a Government study? Will she encourage the Government to interact with that independent review, in particular on poverty and the impact on higher health and local authority costs as a result of the reduction in ESA?

Debbie Abrahams: My hon. Friend makes some excellent points. The Equality and Human Rights Commission is able to undertake that analysis. Other bodies and organisations are doing it, so why are the Government not able to do it? Surely this is what we should expect from the Government in their implementation of policy. There are real concerns from disabled charities, disabled groups and Lord Holmes, the chair of the EHRC's disability committee, about the extent to which the assessment of the impact on disabled people is understood.

On incentivising work, on Second Reading the Secretary of State for Work and Pensions stated:

“the current system discourages claimants from making the transition into work.”—[*Official Report*, 20 July 2015; Vol. 598, c. 1259.]

What about people with progressive conditions, such as Parkinson's, multiple sclerosis and motor neurone disease, who have no prospect of recovery but have undergone a work capability assessment? They have been found not fit for work and placed in the WRAG group. Are the Government seriously saying that the measure will incentivise this group of disabled people into work? They have already been found not able to work through the Government's own assessment process. Their progressive conditions are not going to change. This is a real concern.

Mr Anderson: I welcome my hon. Friend to her position on the Front Bench. As chairman of the all-party group on muscular dystrophy, I would like to tell her that information shared with me suggests that people across the whole field of disability believe that this measure will actually have the opposite effect from the one intended. Rather than providing an incentive for people to go to work, it will mean that they will struggle to continue to have the independence they need. This £30 deduction will make a big difference: people will wonder whether they can afford to maintain their mobility, which will have a detrimental effect, making it less likely that they will find work than if they are left where they are now.

Debbie Abrahams: My hon. Friend makes an entirely valid point. Disabled people will find it more and more difficult to live fulfilling lives that enable them to make contact and fulfil their potential, which everyone should have the right to do, so it will be a disincentive.

Simon Hoare: I am chairman of the all-party group on multiple sclerosis. I entirely understand the hon. Lady's concern and, indeed, the sort of representations made by the hon. Member for Blaydon (Mr Anderson). However, does she take heart, as I do, from the fact that Ministers are part of a party that brought forward pioneering legislation on disability rights, which should provide comfort that Ministers on the Treasury Bench will make sure that no policy will leave people behind?

Debbie Abrahams: Yes, it is right to acknowledge the Government's role in bringing in the Disability Discrimination Act 1995, but this Bill flies in the face of that legacy. I really hope that by the end of today, the Government will be able to provide some reassurance, because to date there has simply been none for disabled people.

In Committee, the Minister said that these cuts would not affect people currently on the ESA WRAG, but does that mean that people diagnosed with progressive conditions, but assessed after the Bill is enacted, will be deemed to have a different form of the progressive condition? Will they require less support, or do the Government finally accept that, apart from being dehumanising and exacerbating people's health conditions, the work capability assessment is not fit for purpose and needs a complete overhaul so that people with progressive conditions are not placed in the ESA WRAG? I would really appreciate some clarity on that point.

[Debbie Abrahams]

Surely if the Government were serious about supporting disabled people into work, there would be measures in place to support those disabled people who are able to work into work. How many employers will be engaged? Although the Disability Confident scheme is a good first step, only 68 employers are currently active in it, and they will certainly not be able to support the 1.3 million disabled people who are able to and want to work. Do the Government intend to extend Access to Work beyond the 35,000 disabled people it helped stay in work or into a new job last year? What is going to happen about the appalling ratio of one disability employment adviser for 600 disabled people? [Interruption.] What estimates are there of the impact on the employment of disabled people of this measure and the reduction of the 30% disability employment gap?

Helen Goodman (Bishop Auckland) (Lab): My hon. Friend has just said the most astounding thing I have heard in this Chamber for a very long time. There is one work adviser for 600 people. In the course of a year, I wonder whether each person would get some attention just once. Has there been any assessment of the absurdity and ineffectiveness of this situation, as contrasted, of course, with the marvellous suggestions we heard a short while ago from the hon. Member for Gloucester (Richard Graham)?

Debbie Abrahams: That figure was revealed through the work done when I sat on the Select Committee. Yes, it is shocking. Some are trying to say that this Bill is about encouraging people into work, but there are no measures in place to support it. Indeed, my next point is—where exactly is the “work” bit in this Welfare Reform and Work Bill? Here we are on Report, and these basic questions have still not been answered. All we know from the Government’s impact assessment is that by 2020-21, approximately £640 a year will have been cut from social security support for disabled people—on top of the £23.8 billion of support that has already been taken from them—and that £100 million a year will be provided in unspecified support to help them into work. That is a disgrace; disabled people deserve much better.

3.45 pm

I am sure the House will recall the Government’s reluctance to publish data on the number of people receiving incapacity benefit and employment support allowance who had died. On the Thursday before the last August bank holiday, five months after the Information Commissioner had ruled that the Government must publish those data, they were finally published. They revealed that the death rates among people on incapacity benefit and ESA in 2013 had been 4.3 times those among the general population, having increased from 3.6 times in 2003. People in the ESA support group are 6.3 times as likely to die as members of the general population, and people in the ESA WRAG, a third of whose weekly income would be deducted as a result of the Bill, are more than twice as likely—2.2 times as likely—to die as members of the general population.

The Government have continually tried to malign, vilify and demonise people on disability and other social security benefits, calling them shirkers and scroungers, and that has been picked up by the media.

Simon Hoare: Hitherto, the hon. Lady has been making a very thoughtful and considered speech. It may not be up to me, as a new Member, to say this, but the sentence that she has just uttered has fundamentally undermined the cause of her argument, and I invite her to reconsider it.

Debbie Abrahams: I appreciate that it is strong language, but I can only provide the hon. Gentleman with the evidence. In 2010, the use of the term “scrounger” by the mainstream press had increased by more than 330%, and it has remained at that level. We should always be mindful of the language that we use as leaders, and of how it is perpetuated.

Ian Lavery: May I advise my hon. Friend not to take any lectures from the team opposite when they are asking her to calm down in respect of her language against the disabled? Constantly, for the last five years, they have attacked disabled people, poor people and lower-paid people. No apologies are required.

Debbie Abrahams: I used that language to draw attention to the issue in the House, and more widely. I did so partly because I am sure I am not the only one to remember the autumn statement two or three years ago in which the Chancellor, at the Dispatch Box, referred to “closed curtains” when people were going out to work. It was quite clear what that implied. I use such language very carefully, and I repeat that its use in the media has increased by 330%. We all have a responsibility in this regard, including the country’s leaders.

The innuendo is that people with a disability or illness might be faking it or feckless. That is grotesque. As a former public health consultant, I speak with some knowledge. It is recognised that incapacity benefit and ESA are good population health indicators, and the release of the Government’s own data has proved the point. Disabled people in the ESA WRAG are a vulnerable group who need our care and support, and not our humiliation.

Simon Hoare *rose*—

Debbie Abrahams: I will give way to the hon. Gentleman one more time.

Richard Graham: I invite the hon. Lady to come to the opportunities fair in my constituency on 6 November, which is specifically focused on helping people in the ESA WRAG category to find opportunities for getting back into work. It will be very similar in tone to the first Disability Confident fair we held a year ago, and I am sure she would want to encourage Members from all parts of this House to hold these events and champion people like that who are trying to find jobs.

Debbie Abrahams: In return, I ask the hon. Gentleman to ask his constituents who are on ESA WRAG how they will be affected by these proposals and whether they will have to cut back on such journeys and work fairs because of the cuts the Government are likely to impose. Up and down the country good work is being done to support people back into work, but this measure is not part of that.

Several hon. Members *rose*—

Debbie Abrahams: I am not going to give way anymore, as I am conscious of the time.

These cuts are punitive and wrong. They fly in the face of the Conservative party's pledge to protect disabled people's benefits. With this cut to ESA WRAG support, without putting in place anything to replace it, the Government are condemning more disabled people and their families to live in poverty. I predict that more tragedies will happen. I will be pushing our proposals to a vote and urge all Members to do the right thing by supporting the removal of clauses 13 and 14 from the Bill.

New clause 4 requires that the Government undertake a full independent review of their sanctions regime by 31 March 2016. It is with considerable regret that, after the Work and Pensions Committee's report earlier this year, which also recommended an independent review of benefit conditionality and sanctions, the Government have failed to recognise the real concerns about their new sanctions regime, either in response to what was said in the Bill Committee or to that report.

I have been campaigning for an independent review of sanctions for nearly two years, and in that time constituents have come to me with their stories about how they have been sanctioned. One constituent was told while he was undergoing the work capability assessment that he was having a heart attack and should go to hospital, yet two weeks later he received a letter to say that he had been sanctioned. People up and down the country have also got in touch with their stories of how they have been sanctioned, for example, for being a few minutes late for an appointment with an adviser or work coach. Increasingly, people are being sanctioned unreasonably, for example, because they had attended their mother's funeral, been hospitalised or gone to a job interview—this is absurd.

There was another category of reasons for being sanctioned. I still have the email from a constituent who had received a letter saying he had been sanctioned for non-attendance at a meeting with his adviser at the jobcentre, even though he had evidence that he had been there. The penny dropped when another constituent, who had worked in jobcentres across Greater Manchester for 20 years, came to me to tell me that as part of the new sanctions regime introduced at the end of 2012, the DWP had targets for sanctions. As he described it, claimants were being deliberately set up to fail, whether they had done anything wrong or not.

The Work and Pensions Committee also became concerned while conducting an inquiry in 2013 on "The role of Jobcentre Plus in the reformed welfare system". At that stage, it recommended the following:

"DWP should launch a second, broader, independent review of conditionality and sanctions, to include investigation of whether the process is being applied appropriately, fairly, proportionately and in accordance with the rules, across the Jobcentre network."

Graham Stuart (Beverley and Holderness) (Con): I am concerned about the issue the hon. Lady raised about targets for sanctions, as this is a serious allegation to make and it is a serious issue. It is possible to meet people from all sorts of walks of life who through their profession may have some professional insight, but their word alone is not enough to suggest that something

is true—one does need verification from elsewhere. Can she substantiate her point? What did she find out that would make us believe it is true?

Debbie Abrahams: The hon. Gentleman makes my point for me: that is why we need the independent review. There was enough evidence to leave real concerns about this matter. The Select Committee thought that the Minister had agreed to a review, but as paragraph 100 of the report states, unfortunately he reneged on that promise. In addition to these serious ethical issues, there were, and still are, concerns about a number of people affected, particularly in the case of ESA claimants, and about the meteoric rise in the use of sanctions.

Peter Dowd (Bootle) (Lab): Does my hon. Friend recall that in the summer the Department for Work and Pensions was forced to admit to having invented quotes from fake benefit claimants, which meant that its sanctions leaflets had to be withdrawn pretty quickly?

Debbie Abrahams: My hon. Friend makes a valid point. That is one of the reasons why we need an independent review to investigate such matters.

Graham Evans (Weaver Vale) (Con): I congratulate the hon. Lady on her new role on the Front Bench—she has done far better than me. When she and I served on the Work and Pensions Committee, we investigated this matter and found no evidence of benefit sanctions targets in the jobcentres we visited. I have two outstanding Jobcentre Plus offices in my constituency, and I have seen no evidence whatsoever of any targets there. How can she stand at the Dispatch Box and say that there are targets for sanctions when, to the best of my knowledge, there is no evidence that they exist?

Debbie Abrahams: I thank the hon. Gentleman for his kind remarks. I understand that his wife has previously worked in a Jobcentre Plus office. To reiterate my response to the hon. Member for Beverley and Holderness (Graham Stuart), the whole point is that there is some evidence and that we need a better understanding, which is why we need an independent review.

Helen Goodman: If there is to be an independent review, does my hon. Friend agree that it should take evidence from the National Audit Office, which has stated that although the targets might not come from the Minister's office, the performance management of the jobcentres amounts to targets, because what it measures does not take into account the numbers of people who are supposed to go back into work or the quality of advice they receive?

Debbie Abrahams: My hon. Friend makes a valid point. The Select Committee reported on the fact that there are targets for off-flow, which means getting people off the books. Those in themselves are targets. *[Interruption.]*

Graham Stuart: That has nothing to do with sanctions.

Debbie Abrahams: Well, I will move on to that shortly and show exactly why we believe that is happening.

In addition to those serious ethical issues, we have also seen a meteoric rise in the use of sanctions. ESA sanctions increased from 60,363 between June 2010 and

[Debbie Abrahams]

October 2012 to 245,679 between November 2012 and March 2015, which corresponds with the introduction of the new sanctions regime. As I have said, people on ESA are disabled or have serious health conditions.

The new sanctions regime is also particularly punitive. People are without financial support not just for a week or two, because the minimum sanction is now four weeks. Subsequent misdemeanours can mean up to three years of sanctions, whereas previously the maximum was six months. That has particularly affected young people, disabled people and lone parents. In addition, during 2013-14 it became clear that although no other benefits, such as housing benefit, were meant to be affected, in some cases housing benefit was automatically being stopped. The obvious implication is that families will be getting into debt as a result.

The fact that since January 2014, on average, nearly half of ESA sanctions have been overturned on appeal surely confirms that there are issues with sanctions policy and practice. The Work and Pensions Committee published its report in March this year, revealing even greater concerns about the inappropriate use of sanctions, their ineffectiveness in getting people into work and the impact on the health and wellbeing of claimants.

The Select Committee received evidence that sanctions were being driven by targets to get claimants off-flow in a way that distorted the JSA claimant count. A team from Oxford analysed data from 376 local authority areas and found that 43% of JSA sanctioned claimants left JSA and that 80% did so for reasons other than employment. In July, the Social Security Advisory Committee also raised concerns about the effectiveness of the sanction regime in getting people into good quality jobs, and called for better evidence to underpin sanctions policy.

4 pm

The Select Committee also took evidence on the rise in the use of food banks—more than 1 million food parcels were distributed in 2014—on its largely being attributed to the increase in the use of sanctions; and on the particular impacts on poverty, including child poverty, debt and physical and mental health. One reported case concerned a woman who discharged herself from hospital in fear of being sanctioned, but even more shocking were the reports of deaths following sanction. Many will have heard of David Clapson, a diabetic soldier who died after being sanctioned. He was unable to keep his insulin cool in a fridge and died of diabetic ketoacidosis. He was only 59. The coroner said that when he died there was no food in his stomach. His sister, Gill Thompson, has campaigned tirelessly for an independent review into sanctions, and the petition she started has got support from more than 211,000 signatories.

But David is not the only one to have died after being sanctioned. At the time of the Select Committee's report, there had been 49 peer reviews since February 2012 following the death of a claimant. Unfortunately, the Government have refused to publish the learning from these peer reviews or to state whether or how policy has changed as a result. The association with sanctioning is also unclear. The Select Committee recommended that an independent body be established to investigate all deaths of vulnerable claimants. It is with considerable

regret, therefore, that in addition to ignoring the recommendation for an independent review, the Government, in their response on Thursday—four months late—have rejected the call for greater transparency following the death of a vulnerable claimant. I am afraid this is a slap in the face of everyone affected by sanctions, including family members of those who have died.

Finally, I wish to speak to new clause 5, which would compel the Government to report on the impact of the benefit cap reductions by 31 March 2017, including on the effect on child poverty as defined in the Child Poverty Act 2010. The Opposition are absolutely committed to developing a high-wage economy in which work pays, but after more than five years, this Government and the previous coalition have failed to deliver it. As an IFS analysis and many others have shown, our fragile recovery has come at the expense of people on low incomes, who have lost proportionately more of their income as a result of tax and social security changes.

Last year's analysis in *The BMJ* showed that working-age families with children and disabled people have been particularly adversely affected and that the level of child poverty and the number of disabled people living in poverty had both increased, thereby reversing the improvements from the previous decade. Two weeks ago, another article in *The BMJ* warned of further risks to child poverty and, as a result, to child health from the further cuts to social security. The authors argued that with the UK having the highest under-five mortality rate in western Europe—double that of Sweden—the expected rise in child poverty would have

“a corrosive influence on children's learning and development” and associated higher levels of childhood mental health problems.

Helen Goodman: Exactly. It is a long-term problem.

Debbie Abrahams: Absolutely.

Similarly, there are concerns about the impact of the benefit cap on disabled people, who already face extra costs associated with their disability, as I mentioned earlier. It is estimated that 150,000 adults and 395,000 children will be affected by the reduction in the cap. We believe that, in conjunction with the freeze in local housing allowance, cuts in social housing rents and a lack of affordable homes, the lower cap also risks exacerbating the housing crisis. The Government's own impact assessment concedes that rent arrears, evictions and homelessness will increase as a result of the lower cap. We believe that further reductions in the benefit cap in London and elsewhere risk pushing tens of thousands of children, families and disabled people into poverty. We are the sixth wealthiest country in the world. It is not right that the Government are seeking to secure the recovery on the backs of the working poor, their children and disabled people. I hope they will think again.

Graham Stuart: I, too, would like to congratulate the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) on her new position.

I want to speak narrowly to new clause 3, tabled by the hon. Member for Sheffield Central (Paul Blomfield). The new clause would amend the regulations that currently mean that a claimant who is moved from the old

disability living allowance system to the new personal independence payment award must wait 28 days after a decision before receiving the new benefit. Those regulations allow a claimant who is moving to a lower award to adjust to their new financial circumstances by receiving the old award for a period of time, which is extremely welcome.

The unintended consequence of the regulations, however, has been that some of the most disabled and vulnerable people in our society, including those who are terminally ill, are being forced to wait almost a month, and sometimes longer, to receive the extra money they need to meet the costs resulting from their illness. That situation most commonly affects individuals who have become entitled to additional money through PIP because their diagnosis has become terminal.

I am grateful to Macmillan Cancer Care for the work that it has done in this area. Let us imagine a cancer patient, who is already receiving some support under the old DLA system because of their illness, and who receives a terminal diagnosis. They inform the Department for Work and Pensions about this, and the Department makes a decision about their eligibility for additional financial support as a result of their terminal diagnosis. I am pleased to say that that decision should be made within six days—a target timescale that was introduced precisely in recognition of the fact that those who are terminally ill are in particular need of timely assistance.

Jo Churchill (Bury St Edmunds) (Con): I, too, have seen the Minister to push this point, to ensure that the vulnerable—particularly the terminally ill—do not fall through the cracks as they transition from the DLA to PIP. I thank the Minister for listening, and I look forward to receiving confirmation of how we are going to ensure speedy payments and minimum waits for that group, as I have been assured will happen, so that those people can get their funds in advance. All these things help, and it is not right that they should have to wait. I am grateful for being listened to.

Graham Stuart: I am grateful to my hon. Friend for her intervention, in which she has succinctly made my entire speech for me. She sets an example to all of us in how to convey an argument as briefly as possible.

If a decision is made within six days—which is a good thing—why must an individual then wait 28 days to receive the additional financial support that it has already been decided they should get? That financial support could help them meet the costs of the sudden onset of daily living needs or mobility needs that can accompany a terminal diagnosis. There are examples of people missing out on, in some cases, hundreds of pounds. People miss out not only on the additional money through PIP, but on other financial support such as free car tax, premiums in means-tested benefits and other passported benefits, because eligibility for those benefits kicks in only when the additional PIP starts to be paid. It cannot be right that an individual who has a life expectancy of less than six months is being forced to wait a minimum of 28 days—perhaps one sixth of their life expectancy—for vital financial support on which they depend.

At the heart of this Government's welfare reform programme is a commitment to protecting the most vulnerable people in our society. The context of today's

debate, given the tough financial decisions that are having to be made, is one of a transformation in the work opportunities, employment chances and life chances of so many people across our society, so that they can try to escape the labyrinthine mess that was left behind by the former Labour Prime Minister and Chancellor. That is what we are trying to do—create a society in which everyone, including the disabled, can be looked after properly. That is why I believe it is entirely in the spirit of these reforms to amend the current regulations so that anyone who transfers from DLA to PIP due to a terminal diagnosis is paid the additional support promptly and does not have to wait 28 days. It is not a large group, but it is a group of some of the most disabled and vulnerable individuals in our society.

Jo Churchill rose—

Graham Stuart: My hon. Friend wants to give whatever remains of the argument in my speech, and I give way to her again.

Jo Churchill: I thank my hon. Friend. During the conversations to which I referred, I received confirmation that no one would lose those four weeks' money, and that following the decision to award PIP new claimants would have their claim backdated, so I look forward to confirmation of such positive news.

Graham Stuart: My hon. Friend really does keep stealing my punches, because I too have met the Under-Secretary of State for Disabled People, and he was most sympathetic in listening to these arguments. There are technical issues that are going to be dealt with, but I will return to that.

The positive impact of such a change on the individuals who are currently affected by the rule would be immense. It would that ensure people could afford the support they need in the final few months of their lives. In Committee, the Government suggested that changing the regulation could mean that a case manager would not have sufficient time to consider the case. I do not follow that argument, because the 28-day rule applies once a decision has already been made, so it should not have an impact on the time taken to decide on a case.

Having spoken to the Minister, I know that he is listening to the concerns raised by my hon. Friend the Member for Bury St Edmunds (Jo Churchill), myself and others across the House, and I hope we will get a positive response so that terminally ill people who are to see an increase in their financial support can receive it as soon as possible.

Richard Graham: Surely the point my hon. Friend raises and the Government's response on some of these issues—which are sensitive, as other hon. Members have rightly said—indicate that the Government do care about this category of our constituents and are reacting and making changes that will help them, and totally give the lie to some of the irresponsible comments from the Opposition Front Benchers?

Graham Stuart: I would hesitate to give any advice to any Member as to how they should conduct themselves, but this is an emotive area and these decisions affect vulnerable people. A balance has to be struck between fiscal responsibility, looking after the most vulnerable

[Graham Stuart]

and changing the incentives so that we get people aligned with the best opportunity in the long term as well as the short term. These are sensitive issues, and I agree with my hon. Friend about the hon. Member for Oldham East and Saddleworth referring to the Government demonising the disabled and the poor in a way that she did not substantiate at all. One mention in an autumn statement two or three years ago of the fact that some people abused the system is not an effort to demonise the poor and disabled, and suggesting that undermines the other arguments—and there are strong arguments to be made in this area and questions that need to be asked about the Government's programme.

The decisions being made are not easy, and they will not all be right, but trying to smear the whole Government Front-Bench team loses people rather than wins them over. I do not think the hon. Lady needs to do that in order to make a powerful case and have a strong hearing outside this place; if what she says looks like partisan point scoring and personal vilification, it will undermine the arguments she is trying to pursue and champion.

I am delighted that the Minister is listening. I hope and expect—as I know all my hon. Friends and Opposition Members do—that we will find a solution to this technical challenge and make sure it is delivered as quickly as possible, so that the terminally ill get the money they are due as quickly as possible.

Dr Eilidh Whiteford: I shall speak to the amendments in this group in my name and the names of my party colleagues, namely new clauses 9, 10, 11 and 12, amendments 35 to 48, 56, 20 and 57 to 65, and new clause 7, on which I will open my remarks.

New clause 7, along with amendments 35 to 48, is intended to amend the parts of the Bill relating to the benefit cap. Amendments 35, 36 and 37 would maintain the cap at its current rate, while amendments 38 to 48 would mitigate the differential impact of the Government's proposals on specific groups of claimants by exempting from the benefit cap bereavement allowance, carer's allowance, child benefit, child tax credit, guardian's allowance, maternity allowance, severe disablement allowance and widowed parent's allowance.

The bottom line, and the key point to be made today, is that many of the provisions in this part of the Bill are entirely arbitrary and have no robust evidence to support them. By proposing an arbitrary benefits cap, the Government fail to acknowledge the underlying drivers of benefits increases. They fail to acknowledge, for example, how soaring private sector rents in parts of the UK with astronomical house prices and chronic under-supply of affordable housing push up the cost of housing benefit—money that usually goes straight into the pockets of private landlords, often without even passing through the hands of tenants. But I recognise that that is not the only driver, and in the absence of proper analysis, setting the benefits cap at an arbitrary level is possibly the worst example of policy making on the back of a fag packet that I have seen in this place for quite some time. Although I support the Labour amendment that would force the Secretary of State to review the impact of the lower cap more regularly, I would prefer to see this very weak piece of policy making removed completely from the Bill.

4.15 pm

What we know about the benefits cap is that the Government's initial impact assessment says that by 2017-18, 333,000 children will be affected by it, with households expected to lose about £64 per week each. In *The Guardian*, the Government's civil servants were quoted as saying that up to 40,000 more children will fall into poverty as a result of the new benefits cap alone. We heard earlier about how hundreds of thousands of children are set to be affected by other changes to the tax and benefits system, but 40,000 more children will be affected just because of the benefits cap and just because they live in areas with excessively high rent. That is why we in the SNP have tabled amendments that would require the Government to measure the impact properly and act on the poverty caused by the lowering of the benefits cap.

When the Tories said in their manifesto:

“We will work to eliminate child poverty”,

it seems that what they really meant was that they intended to eliminate child poverty from the statute books by abandoning any attempt to measure it effectively. The benefits cap is one of the measures in the Bill that will undoubtedly push more children into hardship. Airbrushing child poverty from our public discourse by changing the way in which it is reported is the wrong thing to do and will not help us tackle the lifelong impacts of growing up in a family deprived of income.

Dawn Butler (Brent Central) (Lab): On the effect of the cuts, Brent council has produced its own report, which highlights the fact that in Brent 13,600 households and 26,200 children will be affected.

Dr Whiteford: The hon. Lady makes a useful point. I am aware that Brent is one of the areas where the benefits cap will be particularly keenly felt, but all our big conurbations are affected, especially those where there is a large gap between the incomes of the wealthiest and people who are earning what in any other part of the country would be a decent wage, but in certain parts of the UK is not enough to live on.

I am glad to see that Labour Members have supported amendment 56, which I intend to press to a vote this evening. I shall also address some of the related amendments, 57 to 65, all of which would affect support for those distanced from the labour market, whether under employment and support allowance or universal credit. They would remove the provisions in the Bill that seek to reduce ESA for those in receipt of the work-related activity component.

I want to be absolutely clear that SNP MPs will oppose the proposals in clauses 13 and 14, which are an outright attack on people who are seriously sick, disabled, or living with debilitating long-term health problems. We are talking about people who are so seriously incapacitated that even the Government's own stringent assessment process has deemed them unfit for work at present. Slashing support for sick people will not help them recover more quickly. In fact, money worries are one of the things that often slow down people's recovery from serious illness. We have just heard a powerful speech delivered from the Government Benches about support for people who are terminally ill, but sometimes people recovering from illnesses that could go either way need a long time to recover, and they do not always get the support and the sympathy they need.

I am deeply concerned by the Government's rhetoric on this matter. The hon. Member for Oldham East and Saddleworth (Debbie Abrahams) hit a raw nerve earlier when she suggested that some of the Government's language has been deeply inappropriate, but as recently as the summer Budget the Chancellor said it was a "perverse incentive" for ESA claimants to receive more than jobseeker's allowance. When a person has been assessed as not currently fit for work, I fail to see how reducing their income by 30 quid a week will get them into work faster.

Today, the Disability Benefits Consortium has released figures suggesting that 70% of disabled people surveyed say that the cut will make their health worse, not better. There are other important considerations to take into account, however, particularly for those with long-term disabilities or health conditions that compromise their ability to work over long periods. A lifetime of disability or the development of a long-term condition already erodes the financial assets and resilience of too many people, including carers. About one third of disabled people already live in poverty, and sick and disabled people who are unable to work—many disabled people do work, of course, and hold down steady jobs—face many costs that might not be immediately evident. For example, they might need to heat their home throughout the day at a higher temperature than would be necessary for a more active and fit person. They also incur those costs over a long period. In contrast, the vast majority of people on jobseeker's allowance are on it for fairly short periods. About 60% of people on JSA move off the benefit within six months, whereas almost 60% of people in the work-related activity group need that support for at least two years.

Let us face it, most of us could, with a wee bit of effort, cope with a very low income for a week or two, but for those who face an extended period out of the labour market because of their health, £73 a week is just not sustainable. People will be eating poorly and will be unable to heat their home and clothe themselves adequately on such sums. Any one of us in this Chamber could find our lives, or the lives of the people we love, transformed at any moment by serious illness or disability. Earlier this afternoon someone described this as a civilised society, but in my view to be a civilised society we need an adequate safety net. We need to remember that returning to employment immediately is just not an option for people who have been deemed not currently fit for work.

I agree entirely with the Labour Front Benchers that the language the Government have been using has vilified and stigmatised sick and disabled people. Talking about "perverse incentives" implies that they are malingering. That is not the case. I do not think that a perverse incentive involves being so ill that one cannot work. When this part of the Bill was discussed in Committee, the Government seemed to suggest that they planned to use the savings from the cuts to ESA to provide additional funding for tailored employment support for disabled people. God knows, that is badly needed, given the fairly woeful performance of parts of the Work programme, but the only figure I have seen mooted by the Government is an increase of £90 million in employment support, whereas the measures are expected to save in the region of £640 million. Based even on the most rudimentary arithmetic, that seems a fairly paltry

portion of the savings. I am also not convinced that it is the best use of resources given the direct adverse impacts on low-income, disabled and sick people. I would welcome detail from the Government on that, because from where we are standing now it looks extremely thin.

New clause 9 and amendments 57 to 65 all seek to reverse the proposals to introduce further conditionality on parents and responsible carers of very young children. I am particularly concerned about the potential impact on one-parent families. There is quite a lot of evidence that many lone parents are already struggling to comply with the new conditionality regime. We have seen disproportionate numbers of lone parents sanctioned, for example, and in recent days we have seen a massive U-turn by the Government in acknowledging that the sanctions regime is not working. I met representatives of One Parent Families Scotland just over a week ago and was gobsmacked by some of the examples they highlighted of struggling parents being sanctioned in extenuating and extremely difficult circumstances.

Currently, lone parents of children under five do not actively have to seek work, but they do need to attend work-focused interviews or work-related activity. Under this group of amendments, parents will be expected to be available and ready actively to seek work from the time their youngest child starts school, but not before. These proposals, which were pushed in Committee by my hon. Friend the Member for Livingston (Hannah Bardell) and supported by the lone parent charity Gingerbread, take account of the very real logistical hurdles faced by those who are parenting single handed, and do not unnecessarily penalise those children who are already more likely to be poor as a consequence of their family circumstances. The Government's proposals increase the risk of sanctions for parents of very young children, which can only be detrimental not just for them but for our society as a whole.

That leads me on rather neatly to new clause 12, which is in my name and which I also hope to push to a vote tonight. It would compel the Secretary of State to conduct a review of the sanctions regime. I have called for an independent review previously in the House. In the last Parliament, as we have already heard, the cross-party Work and Pensions Committee called for a full independent review. Earlier today, my hon. Friend the Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) eloquently called for that review, because it is manifestly clear that the new sanctions regime is just not working, as it is failing lots of very vulnerable and disadvantaged people. It is failing not just lone parents, but sick and disabled people, particularly those with invisible or fluctuating conditions such as mental health problems. We can see the fall-out from that in the explosion in the number of food banks in our constituencies and in almost all the communities that we serve.

Last week, we had tacit acknowledgement from the Government that the system is not working when they made their U-turn, announcing their so-called "yellow card" warning scheme pilot. They also showed a new willingness to consider reviewing those classed as at risk to include homeless people and those with mental health problems. I welcome those steps; they are an important change of tone in the Government's approach, but we need action now and not in the new year—that part of winter when these problems will already have become a

[*Dr Eilidh Whiteford*]

lot worse. We must recognise that these steps also fall far short of the independent root-and-branch review that is really needed.

If we are to move towards a more workable system, we need a solid evidence base and to understand better how sanctions have differential impacts on claimants who are disabled, those with protected characteristics such as gender and ethnicity, those with long-term health problems, including mental health problems, and those who are bringing up bairns single handed.

Finally, new clause 10 aims to ensure that any changes to the age of eligible claimants for housing benefit must be made by primary legislation rather than by regulation through the back door. New clause 11 offers protections for young people who cannot, for whatever reason, live with their parents. The Government said that they plan to cut housing benefit for 16 to 21-year-olds, but we on the SNP Benches do not think that that should be done through regulation. It is another example of a policy for which there is a very poor evidential base and which needs proper scrutiny. Some 60% of the young people set to be affected by this measure live in social housing. In other words, they are already likely to be deemed vulnerable by their local authority. Their age should not matter, but their need for support most certainly should. Again, this seems entirely arbitrary, and, again, we have seen none of the promised detail of support for those who are particularly vulnerable. I am forced to conclude that the Government have not thought through the implications of their slash-and-burn approach to our social security system.

Our amendments in this group seek to protect low income households, sick and disabled people and children. They offer the Government a way to mitigate the worst impacts of the legislation and help us all better to understand how we can genuinely improve our social security system. I hope that the Government will take some of that on board this evening.

Helen Whately: Over the past few weeks, the Welfare Reform and Work Bill Committee, of which I am a member, has had to make some difficult decisions, but they were decisions that the electorate showed in May that they wanted us to make. The decisions that we have had to make can be seen both in this Bill and in the summer Budget.

I do not support the Opposition's proposed new clause 2, but its wording shows that they do recognise that these reforms are part of a broader and coherent plan. They are part of a package of measures to create the kind of economy and society that people want. I am not talking about a society in which people spend years on benefits and low pay but one in which work pays, people keep more of what they earn and everyone has a chance to be better off.

Dawn Butler: In the context of people earning more, does the hon. Lady believe that we should take into the consideration the Living Wage Foundation's report on how much the living wage should be?

4.30 pm

Helen Whately: When the announcement on the national living wage was made, the Living Wage Foundation supported it, and I hope that Labour Members can do the same.

Jo Churchill: This is only a minor point, but the hon. Member for Pontypridd (Owen Smith) said earlier that the minimum wage is £6.50, yet it actually went up to £6.70 on 1 October. Knowing how much we are paying people is the first step. A living wage is what we are driving towards so that people have more in their pocket—*[Interruption.]* At the moment the national minimum wage is £6.70, and we are driving it up to £7.20.

Helen Whately: I thank my hon. Friend for her intervention.

Dawn Butler: On a point of order, Madam Deputy Speaker. I think that the hon. Member for Bury St Edmunds (Jo Churchill) might be inadvertently trying to mislead the House in that the living wage is actually £9.15 an hour, according to the Living Wage Foundation.

Madam Deputy Speaker (Natascha Engel): I am afraid that I did not catch the intervention by the hon. Member for Bury St Edmunds (Jo Churchill), but I am sure that she was not trying to mislead the House.

Jo Churchill: Indeed I was not, and I apologise if I did. I was merely trying to make the point that the current minimum wage is £6.70 and not £6.50 as was stated earlier. We are moving towards a higher-wage economy. *[Interruption.]*

Madam Deputy Speaker: Order. The hon. Member for Faversham and Mid Kent (Helen Whately) is in the middle of her speech, and this is a debating point rather than a point of order, so can we please continue?

Helen Whately: Thank you very much, Madam Deputy Speaker.

Labour's new clause calls for an impact assessment. There have already been several impact assessments, but the strongest one of all was that made by the thousands of people in May who voted for a Conservative Government on a manifesto that pledged to build a stronger economy with more jobs and lower taxes, to move from deficit into surplus, to protect public services such as the NHS, and to bring down the welfare bill. Labour Members oppose these reforms. They want to keep on taxing people and using that tax to subsidise below-the-breadline wages.

It is time to break that cycle, and these reforms will do that. They include the national living wage, from which 2.7 million people will receive a direct increase in income and at least 3 million more will get a knock-on benefit. Would Labour Members seek to delay that? If so, they would already be too late, because the benefits are already being felt. Wages are going up, and 200 companies have committed to increasing their lowest rates of pay in advance, including Sainsbury's, Morrisons, Lidl, IKEA, Asda, and British Gas.

Mr Anderson: Does the hon. Lady have any idea what her Government plan to do about the people who have been left behind with pay increases—the 5 million or so public sector workers who have had their pay frozen or cut over the past seven or eight years? What do the Government intend to do to bring them up to the living wage, because they have not had a pay rise for more than seven years?

Helen Whately: Public sector workers are getting a 1% pay rise. Over the past few years, private sector pay has, in the main, been frozen while public sector pay has continued to go up.

I will move on to the Opposition amendments on the benefits cap. The Government intend to reduce the cap to £20,000, or £23,000 in London. We should be clear that that is the net figure, so it would amount to a salary of about £25,000 before tax. We have heard some rather mixed messages from Labour Members. Their leader has said that he wants to cap benefits overall but not for individuals. I am sure that it will become clear today exactly where they stand on the amendments tabled by SNP Members, who I understand do not want any reductions in the benefits cap. Benefits should be a safety net. We need a benefits system that is sustainable and therefore affordable and fair. It cannot allow people to do better on benefits than in work. That creates the wrong incentives. It is also deeply unpopular and therefore unsustainable in its own right. Surely Opposition Members have had conversations with people who are just above the threshold that would allow them to receive most benefits. They must understand their legitimate anger when they see their taxes funding a lifestyle they cannot afford.

Peter Dowd (Bootle) (Lab): Is the hon. Lady aware that 70% of the money that the Treasury will save as a result of cuts to tax credits will come from working mums?

Helen Whately: It was pointed out in Committee that people who receive benefits also pay tax. I do not think we should try to parcel people up in different tribes or groups. This is about getting the right thing for the country, trying to help everybody make the most of their opportunities and making work pay.

I have certainly had difficult conversations on the doorsteps in my constituency, because the majority of employees in Faversham and Mid Kent are paid less than £20,000 per annum. At its current level the benefits cap has been working. More than 16,000 capped households have moved into work, and households subject to the cap are 41% more likely to get into work. We know that work is the best way out of poverty and I believe that everyone in this House wants to see people move out of poverty. We should make the benefits cap work harder. That is what this is about.

Graham Stuart: It is shocking that Opposition Members find themselves unable to talk about the jobs miracle of the past five years. We have created more jobs in this country than the rest of Europe combined. That is the dignity that people want. What we did not need was people who were on 16 hours a week and disincentivised from taking on any extra work because they would lose out if they did so. That is the mess that Labour left behind and we are disentangling it so that we can create a fairer society for everybody.

Helen Whately: I thank my hon. Friend for making his point so forcefully.

I will move on to the proposed amendments to clause 13. The Bill Committee heard evidence of the damage that a long period or a life on welfare can do to people. Our witnesses talked about people who had been out of work for a long time having their confidence destroyed,

and about how they begin to feel that they are not capable of changing their lives. We were also told that 61% of people in the work-related activity group want to work, yet only 1% come off that benefit each month. I am sure that many of us know of people who find it difficult to get into work for all sorts of reasons, such as mental health problems, and need extra help to do so. The current system is not working well enough. Not only does clause 13 remove financial disincentives, but, critically, and hand in hand with that, the Government have committed new funding to help that group of people into work, which is a response to what they really want.

Neil Coyle: What message does the hon. Lady think she is sending to the 8,000 people with progressive and incurable conditions in the employment and support allowance work-related activity group when she says they should be working rather than receiving support?

Helen Whately: I had a conversation recently with the company that does the work assessments. We talked about the importance of people with progressive conditions not being put in groups that would lead to them being made to work if it is not possible for them to do so. We should not assume, however, that just because someone has a progressive condition they do not necessarily want to work and be helped to do so.

Although many people knock jobcentres and are critical of them, the Committee also heard about the effective work they do across the country in supporting people, particularly those faced with barriers, to get into work. I have heard of some great examples in my own constituency in Kent.

In summary, many important and valid points have been raised in Committee and in this Chamber. The amendments, however, propose to pull apart a package of considered changes to welfare, including tax changes such as increases to the personal allowance and access to free childcare, as announced in the summer Budget. That package of measures is about making work pay and helping people into work.

Dr Philippa Whitford (Central Ayrshire) (SNP): Will the hon. Lady give way?

Helen Whately: I am just summing up, so the hon. Lady will forgive me if I do not give way.

Opposition Members are not offering a credible alternative or, in fact, any alternative. Throughout the Committee stage and today's debate we have heard many criticisms, but a complete absence of positive proposals to make the welfare system more effective at getting people off welfare and into work—this is an opportunity for Opposition Members to make such proposals—and to make the welfare system more sustainable and affordable.

Hand in hand with criticising the Bill, Opposition Members should say what they would do to make work pay and help people into work; what savings they would make to ensure the welfare bill is more sustainable; what cuts they might make to public services—for instance, whether they would cut the NHS or reduce its funding—and what taxes they would put up, other than raising the top rate, which they know does not raise extra revenue; or would they just keep on borrowing, which is increasing the debt for future generations?

Emily Thornberry (Islington South and Finsbury) (Lab): Will the hon. Lady give way?

Helen Whately: I am just summing up, so I will not give way, if the hon. Lady will forgive me.

Coupled with that is the desire of Opposition Members to keep a welfare system that does not work and does not help enough people into work, when we now—with the economy growing, plenty of jobs and wages going up—have an opportunity to do something about it. We have a plan, and in the absence of a plan of their own, I encourage them to back ours.

Mr Anderson: This debate should be about people, not constitutional niceties or the economy. It is not about some faceless, inanimate objects, but real people at the sharp end. I have been asked by the Muscular Dystrophy Campaign, with which I work as the chair of the all-party group on muscular dystrophy, to raise the impact of these changes to support, which build on the cuts and challenges brought in by the coalition Government during the past five years. It has real concerns about the changes to ESA, JSA, housing benefit, tax credits and the new universal credit. It has asked me to raise the cases of real people, and that is what I will do.

I want to talk about Bill. After 25 years as a coalminer, he had to retire in his early 40s. He had long-term health problems and died at the age of 48. Joy, who as a young girl swam with Durham County, went into the world of work and then, in her early 20s, was struck down by a disease. She died at the age of 53, from heart failure. Joanne, a girl who was born with defects, spent a lifetime struggling to get on in her life. A lovely young woman, she died at the age of 42, cruelly, after suffering for a long time. Jacqueline died from a massive heart attack at the age of 40. Unfortunately, the hon. Member for Beverley and Holderness (Graham Stuart) has left the Chamber, but she was one of his constituents. Ian, a young boy who struggled through his early years, was just starting to develop, but died at the early age of 19 from a heart attack, beside a swimming pool while doing what he did best.

These five people had three things in common: they were all part of my family; they all suffered from myotonic muscular dystrophy; and, to a greater or lesser extent, they all looked for support from the welfare state. These people's lives were happy if tough, but ultimately they were short-lived. Thank God that the people who went before them had the guts, nous and determination to build a welfare state that meant they could live a reasonably secure and stable life.

No doubt Conservative Members would say that my family were part of the dependency culture. Do you know what? They would be absolutely right. These members of my family were dependent on the state for help with the costs of medication and of care, and they were dependent on the state for day-to-day living costs, as well as for help with transport, mobility, housing and hospitalisation. If they were alive today, they would no doubt be in the direct sights of Conservative Members, so I will now use the language that has been used today.

This Government have demonised people who depend on the welfare state, and through a clear strategy of dog-whistle tactics, they have worked to convince many in this country that anyone on benefits is a scrounger. They have led people to believe that if anyone passes a

house with closed curtains while on the way to work in the morning, they can safely assume that anyone inside is a bone-idle waster who needs to be ridiculed and demonised.

4.45 pm

Let me say this to the House: go past my nephew's house in Bridlington one morning. His curtains will be closed because he is simply too weak to get out of bed until midday. This 40-year-old man had to give up a career in electronics because he was too weak to lift and move electronic equipment. Go to my sister's council bungalow in South Shields. She won't get out of bed in the morning either; she will be waiting for a carer to come and help her out of bed, because she struggles to move in the morning. A woman who has just turned 60 and served this country as a nurse in the Army, the national health service, and the ship-building industry, now relies entirely on others to help her live, and on the state to help her survive. These are real people; these are the people who the Conservative party are making the scapegoat of austerity. These people are being made to pay for the failure of the global economic collapse—not the rich, the wealthy or the well-to-do, but ordinary, poor, sick, vulnerable, disabled people in this country. That is a disgrace, and regardless of the outcome of this debate, the Labour party will not leave this issue, or those people, alone.

Graham Evans: This is a very important debate. In the last Parliament I had the privilege of sitting on the Work and Pensions Committee, and it is a pleasure to follow the hon. Member for Blaydon (Mr Anderson). I am sorry to hear about how his family have been affected by Duchenne muscular dystrophy. A member of my family suffered with that condition and died aged 21 after many years of suffering. It is a dreadful disease, but this Government's reforms are not about inflicting anything on people with diseases such as Duchenne muscular dystrophy.

Reforming welfare is crucial to achieving a sustainable welfare system that is fair to the most vulnerable in society and also to the hard-working taxpayers who pay for it. Without sound public finances, there can be no economic security for working families, and the country cannot pay for the hospitals and schools that we rely on. Those who suffer most when Governments run unsustainable deficits are not the richest, but the very poorest.

Ian Blackford: We have heard much from Government Members about sustainable welfare spending, but how would they define it? Is not the heart of the problem the fact that through the things they are doing, the Government are pushing many children into poverty and redefining poverty? Is it not the case that when we change the definition, we change the truth?

Graham Evans: I think I am grateful for the hon. Gentleman's intervention. This is about choices and what we spend our money on. There is no such thing as a magic money tree, and if Scottish nationalists are not happy with these measures, perhaps they will inform the Scottish people how much they will pay in tax—we never hear that from the SNP. If they do not agree with welfare reform, they should tell the House and the people of Scotland how much they will put up taxes.

The Bill continues on from the Welfare Reform Act 2012, restoring the ethos that it always pays to work to the heart of the British welfare system. The 2012 Act set in place a benefit cap.

Geraint Davies (Swansea West) (Lab/Co-op): Does the hon. Gentleman accept that this debate is between growth or cuts to get down the deficit? We are taking a lot of money from the poorest people—those on tax credits and welfare—but those people spend all their money consuming things while richer people save some of it. The macroeconomic impact of the cuts—especially across the country outside London—will be deflationary, undermine growth and increase debt. Is that not economically illiterate?

Graham Evans: The hon. Gentleman has a fine record of representing his constituents. That argument is often made by Opposition Members, but I do not necessarily agree with it. The most important thing is for people to get into work and to get into higher paid work.

The Welfare Reform Act 2012 wanted to reduce the benefit cap to £26,000, or £500 a week. That is a net figure. If tax and national insurance are taken into consideration, the cap is actually £36,000. The Bill expands on the 2012 Act, lowering the cap, rightly, to £20,000 per household, or £23,000 in the London area. The changes restore fairness to the welfare system: they are fair for the hardworking taxpayers, who have to pay for the welfare, and ensure that work always pays. The savings from the benefit cap will be used in conjunction with other measures to fund 3 million apprenticeship places to secure the future of our young people.

This is about choices. This House takes very seriously the security and defence of our country—we are committed to spending 2% of GDP on it. I am absolutely delighted that Labour Members are also committed to that 2% target, but if they are committed to 2% of GDP for defence, and to spending on welfare and overseas aid, where will the savings be made? If they want savings to be achieved through an increase in taxes, they should please tell the British people how much more tax they will have to pay.

I sat on the Work and Pensions Committee investigation into benefit sanctions. We hear a lot of noise from Opposition Members about benefit sanctions, but the truth is that the condition has always been applied to the payment of unemployment benefits. The concept of conditionality enforced by financial sanctions dates back to the 1980s. It is nothing new, even under 13 years of a Labour Government. Conditionality remains a necessary part of the benefits system and is still one of the most effective tools for encouraging engagement with employment support programmes at the jobcentre. Some 70% of claimants say they are more likely to follow the rules if they know they risk having their benefits stopped. Sanctions are used only as a last resort and in a very small percentage of cases. Only 6% of JSA claimants and 1% of ESA claimants have faced sanctions in the past year, and the number of sanctions issued has fallen by a third.

Geraint Davies: In Swansea, the area that I represent, 65% of JSA claimants have been sanctioned at some point in the past two years, according to the citizens advice bureau. That is intolerable.

Graham Evans: Swansea is a fine city and the hon. Gentleman represents it very well. That may be the case in Swansea, but I can only speak about the Jobcentre Pluses that the Work and Pensions Committee investigated. We did not see any evidence of targets. In my constituency, I have two Jobcentre Pluses. They are outstanding and do a fantastic job. We have almost full employment in Weaver Vale and the surrounding area. The centres do a great job of trying to get the people who are unemployed into jobs. If hard-working taxpayers who pay for benefits and welfare did not turn up to work on time and do a good job, they would be sanctioned—they would be sacked. There has to be fairness. Finding a full-time job is a full-time job. There is the claimant commitment. All I am saying to the House is that in my experience I have not seen any target culture in the Jobcentre Pluses I have visited.

Emily Thornberry: Is the hon. Gentleman aware that the Islington Law Centre in my constituency has a 100% success rate in overturning sanction decisions?

Graham Evans: I am grateful to the hon. Lady for that intervention. She makes a powerful point. She represents north London and I represent a seat in the north-west. When the Committee investigated Jobcentre Plus, one of the things I used to argue for was best practice. There are some outstanding examples of Jobcentre Plus practice. Perhaps the north London jobcentres need to look at best practice elsewhere in the Department for Work and Pensions.

Emily Thornberry: The point is simply this: the hon. Gentleman may be right, so will he support our call for an independent review of sanctions across the country, so we can see where there is good practice and where there is bad practice?

Graham Evans: The hon. Lady raises a good point, which others have raised, too. I would encourage the Select Committee to do a further investigation into Jobcentre Plus. My personal experience is that it does an outstanding job. I carry out job fairs in my constituency and I am organising my fifth one since I became an MP, during which time I have seen unemployment halved in Weaver Vale. One thing I learned from working with the jobcentres in Runcorn and Northwich was the number of high-quality and well-paid jobs available.

Let me provide an example. Waitrose came to town—to Northwich. It is under no obligation to give interviews, but when it came to Northwich, it said it would interview 25% of local people on the books of the local jobcentre. In the end, it interviewed 70%, and I am pleased to say that more than 50% of those it took on for the new Waitrose in Northwich were local people. I spoke to many of the people employed there. There were lots of young ladies, and ladies not quite so young, who had been unemployed for many years. They now have themselves a fantastic career with a John Lewis partnership. I asked them why they were unemployed for so long, and they said that the training given by Jobcentre Plus and the local Cheshire West and Chester work zone was what made them job-ready, able to do well in interviews and capable of producing a good CV.

The last time I checked, Waitrose was delighted with the quality of the workforce—one that, as I say, had been unemployed for a very long time. Some of the jobs are part time, but some people want that, and they are

[Graham Evans]

good-quality jobs and very well paid. This is exactly the sort of Jobcentre Plus activity that I hope goes on in everyone's constituency. I was going to say more about Jobcentre Plus, but I shall give that a miss as I have already made the points.

Everyone with the ability to work should be given the support and opportunity to work. The previous system wrote too many people off and left too many trapped in a cycle of welfare dependency. Over the last five years, the number of people in Weaver Vale claiming jobseeker's allowance and universal credit while not in employment fell by more than 1,000—a 51% drop. I am not saying that my jobs fairs had anything to do with that, but they probably helped in some way.

This Government's long-term economic plan is working for Weaver Vale, getting people off a life on benefits and back into work. I have not heard of an alternative to our long-term economic plan recently—or at all, in fact. Employment has been this Government's real success, with 2 million more jobs—and 1,000 created each and every day during the last Parliament.

Graham Jones (Hyndburn) (Lab): I question this “long-term economic plan”. Is it the one intended to cut the deficit entirely by 2015 or the one to cut it by 2020? Which one of those long-term economic plans is it?

Graham Evans: The hon. Gentleman raises a good point. The long-term economic plan I am talking about is taking this country from the depths of despair we experienced in 2010. If we carry on the way we are going, we will be the biggest economy in Europe. I have to confess that I have a vested interest as I have young children and I am interested in their future. Do we all want to leave a credit card debt of £1.4 trillion? As long as we carry on with the deficit, we are adding to that debt. It is all about choices and paying down the deficit, which we will do by 2019-20. It is about paying down the debts of my children and the hon. Gentleman's children so that they will not be saddled with our credit card debt.

We understand that the route out of poverty is not through welfare; poverty can be left behind through work. International development is a recognition of that. When we as a country give 0.7% of our GDP to overseas development, we look for ways to help countries to stand on their own two feet. Helping communities and individuals all comes through work.

The OBR has predicted that a further million jobs will be created over the next five years, but this is the party of ambition, and we want to go further. This Bill is working to a target of full employment and puts an obligation on the Secretary of State to report on progress towards that target. I wholeheartedly agree with that.

This Bill is a major stepping-stone, moving Britain from a high-welfare, high-tax, low-wage economy to a lower-welfare, lower-tax and higher-wage economy. It continues the work of my right hon. Friend the Secretary of State for Work and Pensions in the last Parliament, making work central to Britain's welfare system. These reforms are transforming the lives of some of the poorest and most vulnerable people in our communities and giving people the skills and opportunities to get on in life and stand on their own two feet.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. Before I call the hon. Member for Bermondsey and Old Southwark (Neil Coyle), let me remind the House that, while this is a very interesting and lively debate, 12 Back Benchers and the Minister are still to speak before the knife comes down at 6 pm. If interventions could be short and kept to a minimum, that would be great, because there are still quite a few Members whom we wish to call.

5 pm

Neil Coyle: I want to speak about new clause 3, to which my name is attached. It was a privilege to be a member of the Bill Committee, which studied this issue in some detail. I thank the hon. Member for Beverley and Holderness (Graham Stuart)—who is no longer present—and the hon. Member for Bury St Edmunds (Jo Churchill) for speaking positively about the new clause. I hope that that is an indication of consensus that it is a necessary amendment to the coalition Government's changes in relation to personal independence payments. I also pay tribute to my hon. Friend the Member for Sheffield Central (Paul Blomfield) and his local citizens advice bureau. They helped with the drafting of the new clause, and also provided genuine case studies of terminally ill people who are missing out on the swifter support that the new clause would deliver.

New clause 3 is designed to address a bureaucratic anomaly that has arisen since the Government began ending disability living allowance and introducing personal independence payments. New claimants of PIP who become terminally ill can access additional support swiftly, and under the DLA system, people could, on receipt of a terminal prognosis, access help swiftly. However, since PIP has begun to replace DLA under the coalition's regulations, an issue has arisen that affects people who are already on DLA, become terminally ill, and are required to move on to PIP before they can access the additional help that the whole House seems to agree should be provided. The aim of the new clause is to enable people receiving DLA who are transferred to PIP owing to terminal illness to receive their first new payment immediately after being transferred. Currently, claimants must wait four weeks for their final DLA payment to be made, and then another four weeks to receive their first personal independence payment.

The Government have suggested that they are protecting disabled people from the worst cuts. The new clause is concerned solely with terminally ill and disabled people: people with an existing impairment or health condition, and a terminal prognosis. That is a very small group. To meet the Department's definition of “terminally ill”, the claimant would need to provide independent medical evidence of a prognosis of six months or less to live. While it is great to have the support of the hon. Member for Beverley and Holderness for the new clause, it is slightly more disturbing that Members should suggest that only those with six months or less to live should benefit from our welfare system.

On 9 September, I asked the Department to specify the number of people on DLA who could benefit from the new clause. The response was that the information on the number of disabled people affected was “not collated” by the Department, and “could only be provided at disproportionate cost.”

That was an incredibly disappointing response, given the nature of the people whom we are discussing.

In May this year, the DWP did publish a statistical report on registrations, clearances and awards of PIP, which indicates how many people might qualify under the new clause. As at 31 March 2015, the number of reassessments under

“special rules for the terminally ill”

was just 1,600 in two years. So that the Government can cost the new clause, let me explain that we are talking about roughly 800 people a year who are disadvantaged by current processes and who would benefit slightly from a more empathetic system: that is, disabled people who are on DLA and are moving to PIP owing to terminal illness.

Let me give the House a couple of genuine case studies. Carol is 59, lives in Sheffield, and was receiving the DLA care component at the lowest rate of £21.80 per week. On 27 May this year, following a diagnosis of terminal, metastatic breast cancer, she notified the DWP that she wanted her claim to be reconsidered under the special rules. The Department awarded her the highest rate of daily living and mobility components of PIP, worth more than £100 a week extra to reflect her new needs and her terminal prognosis. However, owing to the application of the transitional PIP rules, payment was from 8 July, four weeks after her next DLA payment. Had she been a new claimant for PIP and not already receiving DLA, the benefit would have been paid immediately. Carol lost about £240 as a result of a bureaucratic anomaly.

John was diagnosed with terminal lung cancer. He also has chronic obstructive pulmonary disease, and has had his right leg amputated below the knee. He lives in Sheffield and receives disability living allowance, with a high-rate mobility component and a low-rate care component. Under PIP, he is entitled to an enhanced rate of the care component and a high-rate mobility component. Although he discovered on 10 August that the additional help would be available, his next DLA payment was due on 2 September, and under the anomaly he did not qualify for the extra help until 30 September. We are talking about almost an eight-week delay for someone living in those circumstances.

Given the circumstances of those involved, some people affected by the change will simply not live long enough to receive the extra help to which they are entitled under existing rules. That additional waiting time was not required under DLA rules and has arisen purely as result of the introduction of PIP by the coalition Government. PIP is now being rolled out nationally and this issue will begin to affect more people in more constituencies. If Carol or John were new claimants, they would have got help quicker. When people are terminally ill, time is more pressing and more precious. John and Carol are genuine people who would, if the new clause is accepted, have a little more help for a little more time.

We discussed this issue in Committee at some length, and the Minister for Employment suggested that

“PIP recognises the unique challenges of claimants who are terminally ill.”—[*Official Report, Welfare Reform and Work Public Bill Committee*, 15 October 2015; c. 435.]

John and Carol, however, demonstrate how PIP has introduced an obstacle to swift support and left some people with less help. It is my understanding that that

bureaucratic anomaly was an accident, as we discussed in Committee, rather than deliberate policy design, but the result is that it has delayed support for terminally ill and disabled people. The new clause would change that situation.

In Committee, the Minister also emphasised that PIP handles new cases under a fast-track system, with claims, on average, being cleared within six working days and with 99% of people going on to receive an award at a higher rate. That is welcome, but it serves to highlight the disadvantage for former DLA claimants moving to PIP, as opposed to the system for new claims, statistics for which the Minister cited. The fast-track system reflects the fact that these people have only six months to live and was meant to mirror the DLA system. The new clause would replicate the system in a way that addresses the anomaly arising from regulations and would provide equivalent support for those on DLA transitioning to PIP and new claimants.

In Committee, the Minister undertook to meet me and interested parties to address our concerns, and that meeting will be tomorrow. I am grateful for the Minister's time but I thought there would be more of a window of opportunity for the Government to explore this issue in detail before Report and Third Reading. I understand that they may be willing to address this issue in the other place and, as I say, I am pleased to have heard positive comments from some Government Members, but a strong indication today that the Government do intend to address the issue would be very helpful. I hope they will accept the new clause or indicate how they will introduce their own mechanism to fix the anomaly caused by the PIP regulations, which leaves the most disadvantaged terminally ill people waiting while their time with family, friends and loved ones runs out.

Amanda Milling (Cannock Chase) (Con): Having served on the Bill Committee, I am grateful for the opportunity to speak in this debate. I would like to focus my attention on amendments 35 to 48 relating to the benefit cap, and speak first to amendments 35, 36 and 37. In my view, it was absolutely right in the last Parliament to introduce the benefits cap, and it is right that we review its level now, as set out in clause 7. For those reasons, I do not support the amendments, which seek to keep the cap at the current level.

Many of the things I will touch on this afternoon have been covered by my colleagues, but I wish to make a few points. The benefits cap was introduced in the last Parliament to make work pay or, to put it another way, to incentivise people into work, ensuring that those people who can work are always better off doing so, rather than living a life on benefits. This was about creating fairness in the system.

Neil Coyle *rose*—

Amanda Milling: I am going to make some progress.

It is morally right that people who can work are better off in work; why should someone who is able to go to work get more money on benefits than in work? There has been strong support for that argument, both nationally and in my constituency. As I have mentioned in this Chamber before, Cannock Chase is a former mining area, where there is an incredibly strong work ethic. That might go some way to explaining why people would spontaneously say to me on the doorstep that

[Amanda Milling]

they really supported the cap. That is notwithstanding the general public's support. A YouGov survey conducted in the previous Parliament demonstrated the strength of public feeling, with around three quarters of respondents supporting the cap.

Emily Thornberry: Will the hon. Lady give way?

Amanda Milling: If the hon. Lady does not mind, I am going to make progress.

Not only do people support the cap, but there is evidence that it is working. It is reforms such as these that have helped encourage people back into work. In my constituency of Cannock Chase, unemployment has fallen dramatically. Since May 2010, the number of people claiming jobseeker's allowance has fallen by a staggering 70%. It is measures such as the benefits cap that have contributed to that fall. That is also evidenced by the figures mentioned by my hon. Friend the Member for Faversham and Mid Kent (Helen Whately). Since the cap was introduced, 16,000 capped households have moved into work. Further analysis shows that households subject to the cap are 41% more likely to go into work, compared with similar uncapped households. There is also evidence to show that those who are subject to the cap are doing more to find work, whether by submitting more applications or attending more interviews.

However, one of my key concerns—this can be seen nationally and in my constituency—is whether the benefits cap goes far enough. Having talked with members of the public, I had a strong sense that the cap was set too high. After all, a family going out to work would have to earn £35,000 in order to net the equivalent £26,000, as my hon. Friend the Member for Weaver Vale (Graham Evans) mentioned.

Emily Thornberry: Will the hon. Lady give way?

Amanda Milling: I am going to make progress, because I am conscious of time and the number of Members who wish to speak.

I therefore welcome the proposed reduction in the cap to £20,000 outside London and £23,000 in London, as set out in our manifesto and as included in the Bill. That is something the public support, as the general election result demonstrated. The Government received a clear mandate from the public on 7 May to introduce the benefits cap and the proposed reductions.

In my view, the benefits cap is a key measure at three levels. First, it ensures that our welfare system is fair, by making work pay and ensuring that those who can work are always better off in work than on benefits. Secondly, it ensures that our welfare system is targeted, by making sure that there is safety net for those people who most need support—the most vulnerable. Thirdly, it creates a welfare system that is sustainable, helping to get our economy and public finances on to a firmer footing and helping to reduce the deficit.

To date, the benefits cap has worked to meet those three objectives, helping to create a fair, targeted and sustainable welfare system. I believe that the measures set out in the Bill will help to deliver those further. The amendments that have been tabled would undermine that progress, so I will not be supporting them this evening.

Helen Goodman: I am pleased to follow the hon. Member for Cannock Chase (Amanda Milling) and will begin where she left off: on the benefit cap. It is quite clear that, as she has described, the public take the view that there needs to be a certain reciprocity and that there is a certain fairness in limiting the amount that individual households can receive. The question is whether the amounts are set at the right level and whether the right benefits are included.

The impact assessment that the DWP initially produced when it introduced the benefit cap stated that the object of the policy was to get more people into work. That raises a question about how sensible it is to include carer's allowance, since carers are already busy caring, and maternity benefits, since people claiming those will obviously have little babies to look after. The Government should think more carefully about those proposals.

5.15 pm

My hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) made a fantastic first speech from the Dispatch Box, and I support new clause 2, on getting more information, which she moved. We have had the rather pathetic episode of the Chancellor's failure to produce a proper analysis of the distributional impact of the tax and benefit changes that he announced in July. He came before the Treasury Committee in July, and we pointed out that he was no longer publishing the analysis by decile for this year's announcements. He had been publishing that analysis for at least five years, and we could not understand why he had stopped. After about six weeks, he produced an analysis by quintile for all four years together. We had him back before the Committee this week, and he was still resisting. It is all very well the Chancellor saying he is comfortable with his proposals on tax credits, and the Secretary of State for Work and Pensions saying what marvellous reforms the Government are making, but not publishing the underlying analysis suggests a lack of confidence. I am therefore that my hon. Friend has moved the new clause.

I am also pleased that the hon. Member for Beverley and Holderness (Graham Stuart) is supporting new clause 3, on reducing the waiting time for people transitioning from DLA to personal independence payments. I hope we will hear from Ministers that they, too, will support the new clause.

We have discussed sanctions a lot this afternoon. I have been concerned about some of the people I have met who have been sanctioned. I met a young man who had applied for 27 jobs in one fortnight, and he had been sanctioned. I said, "Why have you been sanctioned? That is a lot of jobs". When I was unemployed, there was no way I could have got through 27 serious job applications in a fortnight. I think half a dozen a week is quite a lot. He said, "I was sanctioned because my target was 30". This is ridiculous and absurd. It is not a fair or reasonable way to treat people. We had a debate in Westminster Hall where north-east Members came to discuss benefits issues, and every single Member raised the issue of sanctions. It transpired that the guidelines that officials are supposed to use and which give good reasons for people not to be sanctioned were not being followed. I urge Ministers to ensure that the guidelines are followed.

Michelle Donelan (Chippenham) (Con): The hon. Lady mentioned six applications a week. Just to clarify: is that less than one application a day?

Helen Goodman: It depends what kind of job is being applied for and how long it takes. I do not know how many applications the hon. Lady made when she was unemployed. Obviously, if they are simple job applications, one can make more. My point was: the young man had made 27 and he was sanctioned. Does she think that a sign of somebody malingering or a sign that people in the jobcentre were playing games? I put it to her that it was not a straightforward way to treat this young man. It was not encouraging or supportive; it was demeaning and demoralising, and it should stop. Ministers should ensure that the sanctions rules are properly applied.

The big study on sanctions carried out by Glasgow University found that one person in four on JSA had been sanctioned. I am sorry, but I think there is the intention on the part of Ministers to massage down the JSA numbers. Of course, the number of people unemployed has fallen and employment has risen—everybody is pleased about that, and nobody wishes to deny it—but I think there is an attempt, through sanctions, to massage the JSA numbers and pretend that there is not an unemployment problem. When I went to the Bishop Auckland jobcentre, I was told that half the people claiming JSA there had been unemployed not for more than 12 months but for more than three years. This is a serious problem, but the Government are not addressing it in a serious way.

Paul Scully: The hon. Lady might make a stronger case if she were looking at the unemployment figures alone. The fact is, however, that we now have record levels of employment in this country. They are at their highest since the statistics first started to be recorded. Does she not agree that that shows a move from unemployment to employment?

Helen Goodman: The statistics are quite dubious, in a number of ways. Let us consider, for example, the number of people who have gone into self-employment because they have not been able to find proper jobs, and the extent of under-employment.

Paul Scully: As someone who has been self-employed for the best part of 20 years, I find that quite offensive. Is the hon. Lady seriously telling her constituents that self-employment is not a proper job?

Helen Goodman: Is the hon. Gentleman aware that self-employment has increased by 42%? How many of those newly self-employed people does he think are in sustainable small businesses? People come to my constituency surgeries who have become self-employed and are working as window cleaners. That is fine—of course everyone needs to get their windows cleaned—but there is a limit to how many window cleaners we need in society. If people are coming out of highly skilled jobs and going into very low-skilled ones—[*Interruption.*] Conservative Members can protest as much as they like, but when the Treasury Committee took evidence from representatives of the Bank of England, they told us that a lot of the increase in self-employment was not real employment and that it was a sign that people could not get the kind of employed jobs that they

wanted. Professor Kristin Forbes said precisely that to the Committee. Conservative Members do not need to pretend that this is some kind of prejudice on my part. It certainly is not.

Neil Coyle: Much has been said about the current employment levels. Indeed, we heard earlier that there had been a miracle, no less. Is my hon. Friend aware that the percentage of working age disabled people in work has fallen over the past five years, in direct correlation to the reduction in the number of disability employment advisers and in the number of disabled people being supported by the Access to Work scheme?

Helen Goodman: I was not aware of that fact, and I am grateful to my hon. Friend for pointing it out.

On the employment numbers, I also want to point out that there are a lot of people on short-hours contracts. I am not talking about zero-hours contracts, which have now reached 750,000, as Conservative Members must know; I am talking about eight-hour and 12-hour contracts. They provide insecure employment and insufficient money for people to live on, and they make it very difficult to get other jobs. They are, however, recorded as employment. There is all the difference in the world between working 35 hours a week and working eight hours a week, and Conservative Members need to think about that before they start talking about miraculous employment figures.

Emily Thornberry: A snapshot of today's jobs market would also reveal that 3 million people in this country identify as being underemployed. They are not working enough hours to be able to support their family.

Helen Goodman: My hon. Friend has expressed that beautifully.

I shall move on to the question of employment and support allowance. Again, hon. Members need to think about the overhang from the heavy industries and the impact that reductions in people's income has on those individuals and on whole communities. I suppose this seems quite unusual to those representing a constituency whose casework consists of a lot of neighbour disputes and planning issues, and where only one person a week turns up with a benefits problem, but in a constituency like mine—a former mining constituency in an industrial area—the bulk of the casework is this sort of thing. The cuts Conservative Members are proposing to vote for tonight will have a devastating impact on the amount of money in the local economy, as well as being very unfair to people who are not going to be able to go back to work.

Finally, I want to make one observation on universal credit and lone parents. It is not reasonable to have the same conditionality for a lone parent with children under school age as for people in couples. The practicalities of looking after children are different for lone parents and for married couples. Ministers in the Parliament before last changed the rules so that the conditionality for lone parents was aligned to the tax credit system, and the period was 16 hours instead of 30 hours for people in couples. Ministers must help people balance their parenting responsibilities and their working responsibilities better.

Jo Churchill: I was fortunate enough to sit on the Public Bill Committee, and I also sit on the Women and Equalities Committee. That has shown me two things.

[Jo Churchill]

I recently spoke to women in Oldham running a voluntary group, and the leader said to me she did not feel what we were doing was wrong, because she felt these measures helped marginalised minority women break out of the cycle of being kept in their homes, improved their English and helped them understand how their families interact with the wider world, asking women to find work and not rely on—

Madam Deputy Speaker (Natascha Engel): Order. The hon. Lady is making a speech, not an intervention, so I ask her to resume her seat.

Helen Goodman: People can take different views on this matter, and I have just been describing the view I take with respect to lone parents.

I want to make one final point. Conservative Members have repeatedly said that the Opposition have no proposals for savings and they are the only ones who are concerned about the deficit. The Opposition voted against the inheritance tax cuts, which will benefit the richest 60,000 households, and we went into the last general election with a proposal to cut the winter fuel allowance for wealthy pensioners. Personally, I think that would be a better thing to do than hit disabled people once again.

Jeremy Lefroy (Stafford) (Con): I am going to speak extremely briefly to amendment 29 in my name and that of my hon. Friend the Member for Stevenage (Stephen McPartland), which asks the Government to look again at withdrawing the full amount of the WRAG component, which affects approximately 492,000 people. Let me briefly explain the reasons.

First, as the hon. Member for Banff and Buchan (Dr Whiteford) mentioned earlier, many in the WRAG are in that group for a long period—two years or more, compared with six months on average for jobseeker's allowance, for instance. As she said, it is extremely difficult to exist on these levels of income for long periods, whereas it might be possible for a few weeks or even a few months for those with other kinds of support. It is therefore important that we look at the length of time.

Secondly, the costs for people in this group are often higher. It has been said to me that the personal independence payment will compensate. It will not compensate for all those costs; for instance, heating is not part of PIP, nor are the special diets people may have, although caring and mobility are part of PIP, of course.

Thirdly, there is the question of the incentive. Because the support group has a component of £36.20 a week at present as opposed to the WRAG of £29.05 a week, which it is proposed to take away, there will be the incentive and a tendency for people to be put into the support group rather than the WRAG. Surely the whole point is to bring people into the WRAG so that they can be given support to come back into work. For instance, 30% of people with Parkinson's are wrongly placed in the WRAG. This means that instead of receiving the £29.05 component a week, they will receive nothing in future. I have seen instances of people placed in the wrong group in my constituency.

We are talking about a benefit where sanctions are wrongly applied in a number of cases, as has been mentioned in the debate. I need to be very brief and I

apologise for not making my points in more detail, but I want others to come in. I ask the Minister to come back on this—

Mr David Burrowes (Enfield, Southgate) (Con): This may be an opportunity to mention amendment 31. I recognise my hon. Friend's concerns. What we need is specialised tailored employment support. I understand that in Committee the Minister agreed to come back in the autumn with details of what support the Government will give when the package rises from £30 million to £100 million. The sooner we get those details, the better.

Jeremy Lefroy: I entirely agree that we need specialised tailored employment support, but people also need cash to pay their heating bills. That is extremely important and needs to be borne in mind.

Finally, I was not quite clear from my hon. Friend the Minister's remarks earlier whether the freezing of benefits applies to those in the WRAG who will be on the present JSA rate of £73.10.

5.30 pm

Natalie McGarry (Glasgow East) (SNP): I am grateful for the opportunity to speak in this crucial debate. I congratulate and welcome to her place the shadow Minister for disabled people. She made a fantastic contribution.

I support amendment 56, which was introduced by my hon. Friend the Member for Banff and Buchan (Dr Whiteford). The proposed changes to the employment and support allowance and the potentially devastating cuts to the work-related activity group are of particular interest to me as the disability spokesperson for the SNP.

This Government say that the Bill will support our economy and improve support for those who need it, but it is clear that it is a deeply damaging and divisive piece of legislation which will harm workers, families and communities and will exceed even the worst excesses of the Thatcher Government. The Tories' approach to social security has been deeply destructive, and has damaged the vital social fabric that binds our society together. Liz Sayle of Disability Rights UK says that the language used in this context conveys a sense of suspicion of disabled people, as though they were trying it on to get free transport and handouts. That suspicion is completely misplaced, but is reinforced by the policy and rhetoric of this Government.

This Government's cuts are systematically undermining the life chances of working people, especially children and young people across the UK. It is an ideological attack on the most disadvantaged—a war not on poverty, but on the poor. But despite my fervent opposition to the Bill, and my vocal opposition to this Government's policies, I want to take the opportunity to reach out to Members right across the House. I understand the desire to support people into work, and to create a system where social security supports those in need and encourages those who can work to do so. That ambition, I believe, is shared by all of us across the House. However, I cannot see how Members on the Government Benches can say with any integrity that this Bill furthers our common aim.

We already know that many people who are currently unfit for work are dubiously placed in the ESA work-related activity group, and that DWP policies already force

WRAG claimants to meet arduous bureaucratic requirements simply to receive the financial support they rely on. We already know that the UK Government's austerity programme is impacting disproportionately on those living with disabilities and sicknesses and that it impairs their ability to work. We also know that there is absolutely no evidence that these policies of cuts will have a positive impact on moving those in the WRAG group into work. There is no evidence from the Government, despite repeated requests for it to be produced. It is therefore absolutely shameful that, without any evidence, the Conservatives should have disabled people in their sights yet again, promising to cut nearly a third of ESA support for new claimants in the work-related activity group.

It is also deeply distressing for many claimants that the Government intend to freeze ESA WRAG support for the next four years, failing to protect this important social security payment against the rising cost of living. When it comes to people with long-term sicknesses and disabilities, however severe, and the support they need, the Government simply do not get it, and for too many it seems that the Government simply do not care. We talk about language, and we have a Secretary of State who has shockingly made a distinction between disabled people and "normal" people. We have a Government that have continually introduced policies that isolate disabled people and distance them from their communities and support, risking institutionalising people in their own homes.

It is quite unfathomable why the Conservatives think that those with illnesses and disabilities should not have their special requirements and challenges recognised in the level of support and care that they receive. By reducing ESA for WRAG claimants to the level of the general jobseeker's allowance, the UK Government are undermining the entire purpose and principle of ESA, which was always intended to support those with particular challenges in entering employment more gradually than those on jobseeker's allowance.

By targeting disabled people for the latest cuts, Government Members do nothing more than demonstrate an utter unwillingness to listen to the needs of disabled people and disability organisations. As a disability spokesperson for the SNP, I spent the past few months speaking with and listening to people across the UK. I heard from organisation after organisation, I heard statistic after statistic, and it is clear the harm this Bill will cause. I cannot see him in the Chamber this afternoon, but who has my counterpart on the Government Benches, the Under-Secretary of State for Disabled People, been talking to? An echo chamber?

According to a new survey conducted and released today by the Disability Benefits Consortium, almost one third of people on ESA who were surveyed say that they cannot afford to eat on the levels of ESA that they receive now. Do the Tories intend to starve those people into work? To me, that is not just morally repugnant but economically incoherent and illiterate. Inclusion Scotland has said that the proposals are

"a direct attack on the living standards of disabled people, their families, carers and children and will result in hundreds of thousands more being plunged into poverty and destitution".

To talk about levels of destitution in 2015 is an outrage and we cannot simply stand by and let these people's lives be sacrificed on the altar of fiscal responsibility.

Surely no civilised society would penalise the disabled and disadvantaged in the pursuit of an ideological austerity obsession.

I know that my constituents will find it difficult to fathom how the Government can introduce such harmful proposals and I sincerely hope that Government Members at least have significant concerns about them, too.

Graham Evans: I am most grateful to the hon. Lady for giving way. I welcome her to this place; she makes a powerful point and a huge contribution. Disability and carer benefits for working age people in 2014-15 were £11.4 billion and in this new financial year of 2015-16 they are £11.5 billion. The hon. Lady is talking about cuts, but the spending has gone up, not down.

Natalie McGarry: I thank the hon. Gentleman for that point. These are real-term cuts and many people have disappeared from the system because of its complexity and because of their fear of it.

With every Bill in this Session, we have a chance to act in concert, to set out the direction of our country and to make it clear what and who is important. I look to all Members, on both sides of the Chamber, to look to themselves and to their consciences and not just to their Whips. I implore Members from all parts of the House to put themselves in the position of the half million people who will be affected by these cuts—I am talking about those with mental ill health, learning disabilities, autism, Asperger's and all the families involved—and vote in solidarity with them. They are real people, so Members should vote for amendment 56.

Victoria Atkins (Louth and Horncastle) (Con): I wish to speak to new clause 7, amendments 35 to 48 and new clause 6.

I had the very great privilege of sitting on the Committee for this Bill and I have heard arguments from all parts of the House. There is one point in relation to new clause 7 that we looked at in Committee and that I wish to develop further today, and that is the principle of making work pay. The benefit cap has been criticised by some Opposition Members, but the reality is that, in my constituency, it is a very popular policy. The median salary in my constituency is £480 per week, which is less than the cap currently in place for benefits of £26,000. The point has already been made, and indeed we looked at it in the Bill Committee, that that £26,000 figure is equivalent to a gross figure of £35,000.

Emily Thornberry: Will the hon. Lady give way?

Victoria Atkins: In a moment if I may. Let me just finish this point. This effort to make work pay is to be welcomed and not criticised.

Emily Thornberry: I pointed this out to the hon. Lady in Committee, but I am grateful to have the opportunity to point it out to her again. If someone had a median income in central London, they would be on benefits, because it is accepted that people cannot live on £26,000 in central London and pay their rent.

Victoria Atkins: As I responded in Committee, I understand that the hon. Lady represents a London constituency, but I do not. I can only speak for what I think is right for my constituency and the area outside London.

[Victoria Atkins]

We are talking here about a package of measures. I know that Opposition Members do not like to draw together all of its different threads, but this is a package. The ripple effect of the national living wage includes commitments—

Dr Philippa Whitford *rose*—

Victoria Atkins: No, I will not give way, because I wish to develop this point. The ripple effect of the national living wage includes commitments by at least two employers in Louth and Horncastle—I am talking here about Morrisons and Sainsbury's, but there may be many more that have not yet declared their intentions—to raise their lowest wages to more than the first stage of the national living wage, which will take effect in April.

Helen Goodman *rose*—

Victoria Atkins: I will not give way, thank you.

The point is that the policy is part of a package, and the principle behind it is to make work pay. The criticisms that we are hearing from Opposition Members highlight how different our approaches are. We want to create a culture of employment. We believe in work and in all of the benefits that work brings to people.

Our responsibility as a Government is to make work pay, but we cannot do that if the system means that some people are better off out of work than in work. That does not make economic sense. We know that, since the cap was introduced, at least 16,000 capped households have moved into work. That is a good thing for those households. We know that those people who are now working are spending their money in the local economy. A strong local economy pays for the things that we care about—hospitals, teachers, the armed services and so on.

As we saw on the Bill Committee, what counts is not just the pay packet, but what it brings to people's lives in terms of life chances, the positive benefits that it has for children in a working household and the examples it sets for those children. Those are all factors that are part of this package that some Members seem keen to avoid.

We know that households subject to the current cap are 41% more likely to get into work than uncapped households. I join my hon. Friend the Member for Weaver Vale (Graham Evans) in congratulating the Government on making the commitment that the money saved through this measure will be used to help fund more apprenticeships. It is about getting people into work and into training. We should celebrate, not criticise, the fact that unemployment and the number of out-of-work claimants is at its lowest level since 2010. The fact that we have these very low claimant rates, these measures and this determination to make work pay is something to be supported and not chipped away at.

5.45 pm

New clause 6 proposes that the Secretary of State should provide

“information about...the job quality of new jobs”

and

“the distribution of the quality of jobs by occupation, industry, sector and region”.

Mr Speaker: Order. Before the hon. Lady continues with her speech, I want to notify the House that I would like to secure a contribution from the hon. Member for Bootle (Peter Dowd), which will be brief, as I must leave time for the Minister. I therefore feel confident in expressing the hope that the hon. Lady is approaching her impressive peroration.

Victoria Atkins: I am grateful, Mr Speaker. This is a very quick point.

The concept of job quality is beguiling, but how on earth do we define it? I am conscious that I may be about to upset the hon. Member for Bishop Auckland (Helen Goodman). I am going to describe a real-life job. Someone in their early 20s worked six days a week, or seven on occasion, without a break and far beyond nine-to-five, earning so little that she did not pay income tax in her first year, with no pension, no sickness pay and no holiday pay. Some Members might think that the quality of that job was very poor, but the opinion of the person who had it was that it was a great stepping stone into a very fulfilling career. I can say that because it was my first job. The hon. Member for Bishop Auckland laughs. I do not for a moment recommend it as a first job; we must all find our own courses in life. Nevertheless, how on earth do we define the quality of a job? I fear that this new clause would be a lawyers' paradise—and I know whereof I speak.

Peter Dowd: It is often my lot to be well down the batting order, although I prefer bowling.

Until last night, when they were fortunately brought down to earth by the other House, the Government were pushing on with their tax credit proposals. They are still pushing on with them, despite the fact that the Chancellor is, he tells us, in listening mode, and the fact that there is no palpable or sustainable action to move to a higher-wage economy. They are tinkering at the edges. This proposal affects working mums; as I said earlier, 70% of the burden is falling on them. It affects low-income families. It damages work incentives, despite what the hon. Member for Louth and Horncastle (Victoria Atkins) said. It affects the working poor. It will have a dire effect on those with chronic illnesses, particularly with mental health problems.

The question we have to ask is whether this proposal will make work pay and help people back into work. Many say no. Some have suggested alternatives for where the extra funding can be found. I am not saying whether I agree or disagree with them, but it gives the lie to the claim that there are no alternatives. Despite issues of phased implementation, inheritance tax, relocation of planned spending on the personal allowance, marriage allowance changes, help with childcare costs, working tax credit and universal credit, there is still no guarantee of higher wages.

The provisions on ESA and the WRAG were introduced specifically to assist with support for disabled people who were assessed as not being fit for work according to the Government's own assessment regime. Some people, such as those with chronic mental health problems, find it difficult to work. The Work programme has supported only 9% of participants on ESA with mental and behavioural disorders into sustained employment. We have parity of esteem, but not for those on welfare. Support for those people has to be tailored to their needs. There can be a slow journey back to health.

People need advisers with particular skills and they are not getting them, so how do they possibly get back into work?

As for the sanctions regime, a Church group in Scotland identified that 100,000 young people were affected by sanctions, that they were being debilitated by them and that the sanctions undermined their humanity. Yes, sanctions have existed since 1913, but they have to be humane and those under discussion are not.

The Minister for Employment (Priti Patel): We have had a long and interesting debate on a range of amendments. I thank every colleague who has contributed to it, particularly my hon. Friends the Members for Faversham and Mid Kent (Helen Whately), for Beverley and Holderness (Graham Stuart), for Weaver Vale (Graham Evans), for Stafford (Jeremy Lefroy), for Bury St Edmunds (Jo Churchill), for Chippenham (Michelle Donelan) and for Louth and Horncastle (Victoria Atkins).

Given that time is short, I will speak very briefly to some of the amendments. On amendments 35 to 48, we introduced the benefits cap in order to increase work incentives, to promote fairness between those in work and those on benefits, and to not only help to address the deficit but to support people back to work. The benefits cap has been a key part of our reforms to the structure of the welfare system and to attitudes towards getting back into work.

It is clear from the evidence that the cap is working. Since the cap was introduced in 2013, more than 6,000 previously capped households have moved into work and more than 41% of capped households are likely to go into work. That trend did not exist before the cap, and those with higher weekly benefit payments used to be less likely to move into work. We have had some great results and we intend to build on them and to align the cap with the circumstances of many hard-working people throughout the country. We firmly believe that the new, tiered benefit cap will continue to build on those successes and that it will do more to improve work incentives throughout the country while promoting greater fairness when it comes to work and employment.

There was an extensive debate on amendments 56, 20, 57 and 31 on universal credit and the employment support allowance. The removal of the work-related activity and limited capability for work component will apply only to new claims. There will be no cash losers among claimants already receiving the rate, and clauses 13 and 14 do not affect the support group component.

In 2008, when the then Labour Government introduced ESA as a “radical reform package”, the work-related activity component was originally intended to act as an incentive to help people into work and to return quickly to work. However, the original estimates were incorrect and only 1% of people in the work-related activity group left the benefit each month. It is clear, therefore, that the existing policy is not working and that it is failing claimants.

As discussed in Committee and this afternoon, we believe that it is the duty of Government to support those who want to work to do so, particularly those with disabilities and health conditions who want to work, including the majority of ESA claimants. We know that 61% of those in the WRAG want to work. We will do everything we can to support them in that ambition, and it is right that we do so.

Universal credit supports people with small or fluctuating amounts of work. That is why it is particularly helpful that we look at the ESA component and universal credit together. It is that alignment that will help to bring people closer to work while tailoring the support they need to move into work. As part of the package of savings in the summer Budget, the Government were able to allocate new spending to ESA that would not otherwise have been available. That support is now funding up to £100 million per year to help claimants with limited work capability but who have potential, because they want to move into work, to get closer to the labour market. We will provide all the support necessary to make sure that they can get back into work.

Comments have been made about work coaches and jobcentres. May I reassure the House that all work coaches are trained to help claimants and that that is not based on the benefit they are on, but, importantly, on the actual support they require? That is particularly true for universal credit. The training for staff working with ESA claimants focuses on raising awareness of their individual circumstances and recognises that disability and health conditions affect individuals in different ways. Such factors change over time but, importantly, we will support claimants in their journey to get back into work.

We have had a debate about sanctions. Of course sanctions exist for a reason. Importantly, however, they also exist to support people into work. I recognise that many Members from both sides of the House have specific cases to which they have referred. I again extend my offer to look into such cases. The Government keep the operation of sanctions under constant review. We have clearly made a number of improvements to sanctions, including in relation to the Oakley review. Last week, we gave a very clear response to the Work and Pensions Committee report. Our response outlined the work that the Department has already undertaken to review the sanctions system and the changes we intend to make. The response was welcomed by the right hon. Member for Birkenhead (Frank Field), the Chair of the Select Committee.

Our response to the Committee includes the announcement that we will trial a sanctions warning system, which will give claimants a further opportunity to work with jobcentre work coaches to provide evidence before a sanction is applied. We will consider extending the definition of at-risk groups for hardship purposes, including those with health conditions—particularly those with mental health conditions—and those who are homeless, which means that they can seek access to hardship payments from day one of the sanction.

We want the sanctions system to be clear, fair and effective in promoting positive behaviours. Importantly, however, it should also support individual claimants, which is why we will continue to keep the system under review. I will make it very clear: there are no targets for sanctions, a point made on the Floor of the House this afternoon. I say to the hon. Member for Bishop Auckland (Helen Goodman) that she was wrong in her remarks not just about sanctions but about employment levels in this country and clearly about the economy.

On new clause 3, I thank my hon. Friend the Member for Beverley and Holderness, the hon. Member for Bermondsey and Old Southwark (Neil Coyle)—he was

[Priti Patel]

consistent in making points in Committee—and my hon. Friends the Members for Bury St Edmunds, for Gloucester (Richard Graham) and for Weaver Vale for their contributions. The PIP assessment is designed to treat all health conditions and impairments fairly. I assure all hon. Members that we consider the needs of those who are terminally ill in developing the assessment, and that we absolutely remain committed to providing support to disabled people and those with illnesses in all their circumstances. We know that such claimants, especially those who are terminally ill, have particular challenges.

I listened to all the contributions in Committee. As the hon. Member for Bermondsey and Old Southwark knows, I am meeting him tomorrow, with the hon. Member for Sheffield Central (Paul Blomfield), to discuss this matter further. I look forward to working with him on the points he has made, as well as on those expressed by my colleagues. The hon. Member for Bermondsey and Old Southwark was right to refer to the fact that rules have been introduced to ensure that the PIP system handles terminally ill claimants efficiently and sensitively, reducing the need for face-to-face assessments—we discussed that at length in Committee—and the degree of intrusion on claimants and their families, while, importantly, focusing on delivering vital support to claimants as quickly as possible.

It is very clear, as we discussed in Committee, that the Government are focused on rolling out PIP in a very safe and steady manner, ensuring that the claimant experience is protected and that the PIP system is as straightforward as possible for the user, particularly those who are terminally ill. PIP has been and will continue to be subject to independent reviews—we have committed to that in legislation—which, as ever, will help us to make continued improvements to what is a dynamic benefit. We are fully committed to ensuring that there is a positive evidence base for all changes that we make and that users understand their impact so that we can deliver the best possible service for claimants.

We will continue to work with all hon. Members, as I have said in Committee and this afternoon, as PIP is rolled out. I will continue to work with colleagues and to take on board their points. I thank them for their valuable contributions. The hon. Member for Bermondsey and Old Southwark has expressed some concerns, but I will take away his points for our meeting. I look forward to taking forward such considerations.

In summary, the Bill brings forward important changes that are designed to create the right incentives within the welfare system, and I urge hon. Members to withdraw their amendments.

6 pm

Debate interrupted (Programme Order, this day)

The Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E), That the clause be read a Second time.

Question accordingly negatived.

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

Clause 5

SOCIAL MOBILITY COMMISSION

Amendments made: 2, page 6, line 1, leave out from “describe” to end of line 5.

This amendment removes the duty on the Social Mobility Commission to describe in its annual report the measures taken by Scottish Ministers in accordance with Scottish strategies and by Welsh Ministers in accordance with Welsh strategies.

Amendment 3, page 6, line 18, leave out “the United Kingdom” and insert “England or Northern Ireland”. —(Guy Opperman.)

This amendment amends the power of UK Ministers to direct the Social Mobility Commission to carry out activities relating to improving social mobility in the UK so that it no longer applies in relation to Scotland and Wales.

Clause 6

OTHER AMENDMENTS TO CHILD POVERTY ACT 2010

Amendments made: 4, page 6, line 23, leave out “10” and insert “11”.

This amendment repeals section 11 of the Child Poverty Act 2010 which, as currently amended by the Bill, imposes a duty on Scottish Ministers to produce triennial strategies on reducing socio-economic disadvantage and annual progress reports.

Amendment 5, page 6, line 24, at end insert—

() In the italic heading before section 11, omit “Scottish Ministers and”.

This amendment amends the italic heading currently before section 11 of the Child Poverty Act 2010 to reflect the fact that sections 12 and 13 will only include provisions relating to Northern Ireland strategies in consequence of amendments 4 and 7 to 12.

Amendment 6, page 6, line 25, leave out subsection (2).

This amendment is consequential on amendment 4 and removes the amendments that were originally included in clause 6 to the duty on Scottish Ministers to produce triennial strategies and annual progress reports.

Amendment 7, page 7, line 29, at end insert—

() In section 13 (consultation: Scotland and Northern Ireland)—

- (a) in subsection (3), omit “a Scottish strategy or”;*
- (b) in subsection (3), for “devolved administration”, wherever occurring, substitute “relevant Northern Ireland department”;*
- (c) omit subsection (3)(a);*
- (d) omit subsection (4);*
- (e) in the section heading, omit “Scotland and”.*

This amendment is consequential on amendment 4 and amends section 13 of the Child Poverty Act 2010 so that the consultation requirements only apply in relation to the preparation of Northern Ireland strategies and not Scottish strategies, which will no longer be required.

Amendment 8, page 7, line 30, after “circumstances)” insert “(a)”.

This is a technical amendment consequential on amendment 9 which adds new paragraph (b) to clause 6(4).

Amendment 9, page 7, line 30, at end insert—

“(b) for subsection (3) substitute—

(3) In preparing a Northern Ireland strategy, the relevant Northern Ireland department must have regard to—

- (a) the resources that are or may be available to the Northern Ireland departments, and*
- (b) the effect of the implementation of the strategy on those resources.”.*

This amendment is consequential on amendment 4 and amends section 16 of the Child Poverty Act 2010 so that the requirement to have regard to economic and financial circumstances applies only in relation to the preparation of Northern Ireland strategies and not Scottish strategies, which will no longer be required.

Amendment 10, page 7, line 37, leave out

“Part 9 of the Social Security Contributions and Benefits Act 1992 or”.

This amendment is consequential on amendment 4 and amends the definition of “child” to reflect the fact that it will only be relevant to the requirement of the relevant Northern Ireland department to consult on its strategies.

Amendment 11, page 8, line 1, leave out “in relation to Northern Ireland”.

This amendment is consequential on amendment 4 and amends the definition of “parental responsibility” to reflect the fact that this term will only be relevant to the requirement of the relevant Northern Ireland department to consult on its strategies.

Amendment 12, page 8, line 3, leave out from “1995” to end of line 6.

This amendment is consequential on amendment 4 and amends the definition of “parental responsibility” to remove the definition in relation to Scotland. This reflects the fact that this term will only be relevant to the requirement of the relevant Northern Ireland department to consult on its strategies.

Amendment 13, page 8, line 7, at end insert—

“() For the heading to Part 1 substitute “Strategies: Northern Ireland”.

This amendment substitutes the heading for Part 1 of the Child Poverty Act 2010 to reflect the fact that this Part now only includes provisions relating to Northern Ireland strategies.

Amendment 14, page 8, leave out lines 19 to 22.

This amendment removes the definitions of “Scottish strategy” and “Welsh strategy” as these terms are no longer used in the Child Poverty Act 2010 due to amendments 2 and 4.

Amendment 15, page 8, line 31, after “(extent)” insert—

“(a) omit subsection (2);

(b) in subsection (3), for “Section 12” substitute “Part 1”.

This amendment amends section 30 of the Child Poverty Act 2010, which sets out the extent of the provisions of the Child Poverty Act 2010, to reflect the changes made by amendments 2 to 13.

Amendment 16, page 8, line 32, at end insert—

“() In Schedule 1 (Social Mobility and Child Poverty Commission), in paragraph 1(1) (membership), omit paragraphs (b) and (c).—(Guy Opperman.)

This amendment removes the role of Scottish and Welsh Ministers in each appointing a member of the reformed Social Mobility Commission.

Clause 13

EMPLOYMENT AND SUPPORT ALLOWANCE: WORK-RELATED ACTIVITY COMPONENT

Amendment proposed: 56, page 14, line 15, leave out Clause 13—(Dr Eilidh Whiteford.)

Question put, That the amendment be made.

The House divided: Ayes 287, Noes 315.

Division No. 96]

[6 pm

AYES

Abbott, Ms Diane	Ashworth, Jonathan
Abrahams, Debbie	Austin, Ian
Ahmed-Sheikh, Ms Tasmina	Bailey, Mr Adrian
Alexander, Heidi	Bardell, Hannah
Ali, Rushanara	Barron, rh Kevin
Allen, Mr Graham	Beckett, rh Margaret
Anderson, Mr David	Black, Mhairi
Arkless, Richard	Blackford, Ian

Blackman, Kirsty	Fleelo, Robert
Blackman-Woods, Dr Roberta	Fletcher, Colleen
Blenkinsop, Tom	Flint, rh Caroline
Blomfield, Paul	Flynn, Paul
Boswell, Philip	Fovargue, Yvonne
Bradshaw, rh Mr Ben	Foxcroft, Vicky
Brake, rh Tom	Gapes, Mike
Brennan, Kevin	Gardiner, Barry
Brock, Deidre	Gethins, Stephen
Brown, Alan	Gibson, Patricia
Brown, Lyn	Glass, Pat
Brown, rh Mr Nicholas	Glindon, Mary
Bryant, Chris	Godsiff, Mr Roger
Buck, Ms Karen	Goodman, Helen
Burden, Richard	Grady, Patrick
Burgon, Richard	Grant, Peter
Burnham, rh Andy	Gray, Neil
Butler, Dawn	Green, Kate
Byrne, rh Liam	Greenwood, Lilian
Cadbury, Ruth	Greenwood, Margaret
Cameron, Dr Lisa	Griffith, Nia
Campbell, rh Mr Alan	Gwynne, Andrew
Campbell, Mr Ronnie	Haigh, Louise
Carmichael, rh Mr Alistair	Hamilton, Fabian
Chapman, Douglas	Hanson, rh Mr David
Chapman, Jenny	Harman, rh Ms Harriet
Cherry, Joanna	Harpham, Harry
Clegg, rh Mr Nick	Harris, Carolyn
Coaker, Vernon	Hayes, Helen
Coffey, Ann	Hayman, Sue
Cooper, Julie	Healey, rh John
Cooper, rh Yvette	Hendrick, Mr Mark
Corbyn, Jeremy	Hendry, Drew
Cowan, Ronnie	Hepburn, Mr Stephen
Cox, Jo	Hillier, Meg
Coyle, Neil	Hodge, rh Dame Margaret
Crausby, Mr David	Hodgson, Mrs Sharon
Crawley, Angela	Hoey, Kate
Creagh, Mary	Hollern, Kate
Creasy, Stella	Hopkins, Kelvin
Cruddas, Jon	Hosie, Stewart
Cryer, John	Howarth, rh Mr George
Cummins, Judith	Hunt, Tristram
Cunningham, Alex	Huq, Dr Rupa
Cunningham, Mr Jim	Hussain, Imran
Dakin, Nic	Irranca-Davies, Huw
David, Wayne	Jarvis, Dan
Davies, Geraint	Johnson, rh Alan
Day, Martyn	Johnson, Diana
De Piero, Gloria	Jones, Gerald
Docherty, Martin John	Jones, Graham
Dodds, rh Mr Nigel	Jones, Helen
Donaldson, rh Mr Jeffrey M.	Jones, Mr Kevan
Donaldson, Stuart Blair	Jones, Susan Elan
Doughty, Stephen	Kane, Mike
Dowd, Jim	Kaufman, rh Sir Gerald
Dowd, Peter	Keeley, Barbara
Dromey, Jack	Kendall, Liz
Dugher, Michael	Kerevan, George
Durkan, Mark	Kerr, Calum
Eagle, Ms Angela	Kinahan, Danny
Eagle, Maria	Kinnock, Stephen
Edwards, Jonathan	Kyle, Peter
Efford, Clive	Lamb, rh Norman
Elliott, Julie	Lammy, rh Mr David
Elliott, Tom	Lavery, Ian
Ellman, Mrs Louise	Law, Chris
Esterson, Bill	Leslie, Chris
Evans, Chris	Lewell-Buck, Mrs Emma
Farrelly, Paul	Lewis, Clive
Ferrier, Margaret	Lewis, Mr Ivan
Fitzpatrick, Jim	Long Bailey, Rebecca

Lucas, Caroline
 Lucas, Ian C.
 Lynch, Holly
 MacNeil, Mr Angus Brendan
 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
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart Malcolm
 McDonald, Stuart C.
 McDonnell, John
 McFadden, rh Mr Pat
 McGarry, Natalie
 McGinn, Conor
 McGovern, Alison
 McInnes, Liz
 McKinnell, Catherine
 McLaughlin, Anne
 Meale, Sir Alan
 Mearns, Ian
 Miliband, rh Edward
 Monaghan, Carol
 Monaghan, Dr Paul
 Morden, Jessica
 Morris, Grahame M.
 Mullin, Roger
 Murray, Ian
 Nandy, Lisa
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Paisley, Ian
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Phillipson, Bridget
 Pound, Stephen
 Powell, Lucy
 Pugh, John
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Jamie
 Reed, Mr Steve
 Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, rh Angus
 Robinson, Gavin

Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Salmond, rh Alex
 Saville Roberts, Liz
 Shah, Naz
 Shannon, Jim
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Shuker, Mr Gavin
 Siddiq, Tulip
 Simpson, David
 Skinner, Mr Dennis
 Slaughter, Andy
 Smeeth, Ruth
 Smith, rh Mr Andrew
 Smith, Angela
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smith, Owen
 Smyth, Karin
 Starmer, Keir
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Stuart, rh Ms Gisela
 Tami, Mark
 Thewliss, Alison
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thomson, Michelle
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Derek
 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
 Williams, Mr Mark
 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:
Marion Fellows and
Owen Thompson

NOES

Adams, Nigel
 Afriyie, Adam
 Aldous, Peter

Allan, Lucy
 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
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Brokenshire, rh James
 Bruce, Fiona
 Buckland, Robert
 Burns, rh Sir Simon
 Burrowes, Mr David
 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
 Clarke, rh Mr Kenneth
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Crouch, Tracey
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, Dr James
 Davies, Mims
 Davies, Philip
 Dinage, Caroline
 Djanogly, Mr Jonathan
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 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
 Fallon, rh 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, rh Sir Edward
 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
 Harrington, Richard
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, Sir Oliver
 Heapey, James
 Heaton-Harris, Chris
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 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
 Kennedy, Seema
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Leadsom, Andrea
 Lee, Dr Phillip
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 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
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 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, 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
 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
 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:
 Sarah Newton and
 Simon Kirby

Question accordingly negated.

Clause 14

UNIVERSAL CREDIT: LIMITED CAPABILITY FOR WORK
 ELEMENT

Amendment proposed: 20, page 14, line 39, leave out
 Clause 14—(Debbie Abrahams.)

The House divided: Ayes 284, Noes 315.

Division No. 97]

[6.13 pm

AYES

Abbott, Ms Diane
 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
 Black, Mhairi
 Blackford, Ian
 Blackman, Kirsty
 Blackman-Woods, Dr Roberta
 Blenkinsop, Tom
 Blomfield, Paul
 Boswell, Philip
 Bradshaw, rh Mr Ben
 Brake, rh Tom
 Brennan, Kevin
 Brock, Deidre
 Brown, Alan
 Brown, Lyn
 Brown, rh Mr Nicholas
 Bryant, Chris
 Buck, Ms Karen
 Burden, Richard
 Burgon, Richard
 Burnham, rh Andy
 Butler, Dawn
 Byrne, rh Liam
 Cadbury, Ruth
 Cameron, Dr Lisa
 Campbell, rh Mr Alan
 Campbell, Mr Ronnie
 Carmichael, rh Mr Alistair
 Chapman, Douglas
 Chapman, Jenny
 Cherry, Joanna
 Clwyd, rh Ann
 Coaker, Vernon
 Coffey, Ann
 Cooper, Julie
 Cooper, rh Yvette
 Corbyn, Jeremy
 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
 Dakin, Nic
 David, Wayne
 Davies, Geraint
 Day, Martyn
 De Piero, Gloria
 Docherty, Martin John
 Dodds, rh Mr Nigel
 Donaldson, rh Mr Jeffrey M.
 Donaldson, Stuart Blair
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Dromey, Jack
 Dugher, Michael
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Edwards, Jonathan
 Efford, Clive
 Elliott, Julie
 Elliott, Tom
 Ellman, Mrs Louise
 Esterson, Bill
 Evans, Chris
 Farrelly, Paul

Fellows, Marion
 Ferrier, Margaret
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flint, rh Caroline
 Flynn, Paul
 Fovargue, Yvonne
 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
 Hermon, Lady
 Hillier, Meg
 Hodge, rh Dame 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
 Johnson, rh Alan
 Johnson, Diana
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Kaufman, rh Sir Gerald
 Keeley, Barbara
 Kendall, Liz
 Kerevan, George
 Kerr, Calum
 Kinahan, Danny
 Kinnock, Stephen
 Kyle, Peter
 Lammy, rh Mr David
 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
 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
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart Malcolm
 McDonald, Stuart C.
 McDonnell, John
 McFadden, rh Mr Pat
 McGarry, Natalie
 McGinn, Conor
 McGovern, Alison
 McInnes, Liz
 McKinnell, Catherine
 McLaughlin, Anne
 Meale, Sir Alan
 Mearns, Ian
 Miliband, rh Edward
 Monaghan, Carol
 Monaghan, Dr Paul
 Morden, Jessica
 Morris, Grahame M.
 Mullin, Roger
 Murray, Ian
 Nandy, Lisa
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Paisley, Ian
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Phillipson, Bridget
 Pound, Stephen
 Powell, Lucy
 Qureshi, Yasmin
 Reed, Mr Jamie
 Reed, Mr Steve
 Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, rh Angus
 Robinson, Gavin
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Salmond, rh Alex
 Saville Roberts, Liz
 Shah, Naz

Shannon, Jim
 Sharma, Mr Virendra
 Sheppard, Tommy
 Sherriff, Paula
 Shuker, Mr Gavin
 Siddiq, Tulip
 Simpson, David
 Skinner, Mr Dennis
 Slaughter, Andy
 Smeeth, Ruth
 Smith, rh Mr Andrew
 Smith, Angela
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smith, Owen
 Smyth, Karin
 Starmer, Keir
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Stuart, rh Ms Gisela
 Tami, Mark
 Thewliss, Alison
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thompson, Owen
 Thomson, Michelle

Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Derek
 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:

Vicky Foxcroft and
 Angela Rayner

NOES

Adams, Nigel
 Afriyie, Adam
 Aldous, Peter
 Allan, Lucy
 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
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Brokenshire, rh James
 Bruce, Fiona
 Buckland, Robert
 Burns, rh Sir Simon
 Burrowes, Mr David
 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
 Clarke, rh Mr Kenneth
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Crouch, Tracey
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, Dr James
 Davies, Mims
 Davies, Philip
 Dinenage, Caroline
 Djanogly, Mr Jonathan
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 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
 Fallon, rh 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, rh Sir Edward
 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 Justice
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, Ben
 Gyimah, Mr Sam
 Halfon, rh Robert
 Hall, Luke
 Hammond, rh Mr Philip
 Hammond, Stephen
 Hancock, rh Matthew
 Hands, rh Greg
 Harper, rh Mr Mark
 Harrington, Richard
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, Sir Oliver
 Heapey, James
 Heaton-Harris, Chris
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 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
 Kennedy, Seema
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Leadsom, Andrea
 Lee, Dr Phillip
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryl
 Murrison, Dr Andrew
 Neill, Robert
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 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, 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
 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
 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:
 Sarah Newton and
 Simon Kirby

Question accordingly negated.

Schedule 2

FURTHER PROVISION ABOUT SOCIAL HOUSING RENTS

Amendment made: 1, page 30, line 17, leave out “in which the tenancy begins” and insert “falling after the beginning of the tenancy”.—(*Guy Opperman.*)
This amendment makes clear that, where a tenancy begins after part of a relevant year has elapsed, the part of the year in question is the part after the tenancy begins.

Third Reading

6.27 pm

Priti Patel: I beg to move, That the Bill be now read the Third time.

The Bill, alongside other measures, including the national living wage and the increase in the personal allowance for income tax, will ensure that the welfare

[Priti Patel]

system is fair to taxpayers while supporting the most vulnerable. It will help ensure that work always pays more than life on benefits. It will continue to build an economy based on higher pay, lower taxes and lower welfare.

Ian Lavery: As a result of these measures, people receiving family tax credits will lose up to £1,300 per annum and 200,000 more children will be pushed into poverty. Can the Minister explain how that is fair?

Priti Patel: I thank the hon. Gentleman for giving me the opportunity to respond once again on that issue and make the case that, first, it pays to be in work, and secondly, through our package of measures, including the national living wage, the increase in the personal allowance and the extra support for tax-free childcare, families will be supported through the changes we are making. That contrasts with the system we inherited from Labour in 2010, which was not fair to the hard-working taxpayers who paid for it, and certainly did not support people trapped in a system of welfare, with no hope for a brighter future. That is why we are continuing to reform welfare so that work pays in the United Kingdom.

After 13 years in government, Labour left a welfare system that failed to reward work. Between 1997 and 2010, spending on tax credits increased by 335%, compared with an increase in average earnings of just 30% over the same period. Despite all the spending, 1.4 million people spent most of the last decade under Labour trapped in out-of-work benefits. [Interruption.] That is not a ridiculous point to make. Over the same period, the number of households in which no member had ever worked nearly doubled and in-work poverty rose, yet Labour has opposed every decision we have taken to fix the welfare system and support people off welfare and into work.

Our welfare reforms are focused on transforming lives by helping people to find and keep work. We are focused on boosting employment and ensuring fairness and affordability, while supporting the most vulnerable, and on making sure that people on benefits face the same choices as those not on benefits and in work. Over the past five years, 2 million more people have entered employment, while 2.3 million people are now in apprenticeships and the number of workless households is at a record low—down by more than 680,000 since 2010. This was achieved in the last Parliament, when welfare spending increased at the lowest rate since the creation of the modern welfare system.

Mr Burrowes: The Bill delivers on our ambitious manifesto commitment to halve the disability employment gap, but we need to be held to account for the progress we make, so will the Minister outline how, through the reporting mechanisms in the Bill, we can show we are delivering on that commitment and build on the good progress we have already made in helping over 200,000 more disabled people into work?

Priti Patel: My hon. Friend is right about the Government's clear desire to support more disabled people into employment, and as we discussed in Committee, we will strive continuously to fulfil that commitment. I can assure him that in everything we do, including

through the £100 million of investment to help people with disabilities and health conditions—something that Labour did not do in government—we will share information with the public and report back to the country on our progress. The Government stand by the principle of encouraging and rewarding work, and the Bill builds on that success.

Naturally, we want more people to have the dignity of a job, the pride that comes with earning a pay packet and, importantly, all the wider advantages that come with employment. All those who want to enter employment and contribute to the growth of our economy should be supported to do so, which is why we are committed to full employment. The Bill will support that commitment with a statutory duty to report on our progress towards full employment and our ambition to deliver 3 million new apprenticeships. In addition, it will put in place a statutory duty to report on our progress in supporting troubled families with multiple, highly complex problems, including in helping them to move closer to work. It will encourage parents into work and support those trapped on benefits without the opportunity to move into work, such as those with health conditions or disabilities in particular. As my hon. Friend the Member for Enfield, Southgate (Mr Burrowes) rightly highlighted, we will support them into work.

As a one nation Government, we believe that everyone in the country should have the chance to benefit from the security and sense of purpose that comes from being in work. Work provides purpose, responsibility and, in particular, role models for children, yet getting people into work is about more than earning a salary. Growing evidence shows that work can help people to remain healthy and help to promote recovery where somebody falls ill. It is right, therefore, that we look at how the system supports people with health conditions into work. We know that 61% of those in the work-related activity group want to work, but only 1% come off benefits each month. The system has failed them, and financial disincentives have left them trapped on benefits.

As we discussed in Committee and on Report, the changes in the Bill will apply to new ESA claims and universal credit from April 2017. This will enable us to provide significant new funding for additional support to help claimants with health conditions and disabilities into work and to transform people's lives. Furthermore, we are providing £60 million of funding in 2017, which will increase to £100 million a year by 2020. That will be direct support to get people into work and provide new employment opportunities for those who want to work but have been unable to do so. We recognise the long-term conditions that some people face and will support them back into work.

Jeremy Lefroy: That help into work is absolutely vital, but what would the Minister say about those who have been in the work-related activity group for one or two years, or perhaps even longer, and who are unable to get back into work, however hard they try? New claimants will not have that work-related activity group component.

Priti Patel: We recognise that there are people who cannot work, as a result of illness, and they will be in the support group. They will absolutely be supported in that group, as is right and proper.

It is our responsibility to ensure that the welfare system is affordable and sustainable. Those on the Opposition Benches who oppose our making difficult decisions on welfare must say what they would cut or which taxes they would put up to pay for their proposals. The Bill will correct many of the unaffordable and disproportionate increases in benefits compared with earnings by freezing most working-age benefits. As we have said throughout the passage of the Bill, this will protect taxpayers from the cost of subsidising increasing social housing rents through housing benefit. Those rents have climbed by 20% since 2010, but we will now act to reduce them by 1% a year for the next four years.

The Bill will continue to restore fairness to the system. We do not think it is fair that someone on benefits should receive more than working households earn, and 77% of the public agree. The benefit cap reintroduced fairness. Reducing the benefit cap to £20,000—and to £23,000 in Greater London—reinforces and strengthens that message. The new cap better aligns the level with the circumstances of hard-working families across the country.

Paul Scully: Does the Minister agree that, as well as providing a fairer deal for the taxpayer and introducing a fairer, more sustainable system in order to help to pay off the deficit, this programme will help to encourage, nudge and support people back into work? Is that not better than just wringing our hands?

Priti Patel: My hon. Friend is absolutely correct. That is the whole purpose of what we have been doing through our welfare reforms. We are putting people first and providing the support they need to get back into work, in contrast to what we saw during the 13 years of the Labour Government, when people were trapped on benefits in a cycle of dependency, and trapped in poverty while having opportunities denied to them.

This Government are committed to working to eliminate child poverty and to improving life chances. Our new approach focuses on transforming lives, which is what the Labour Government failed to do through their arbitrary measures on poverty. We will tackle the root causes of poverty rather than focusing on the symptoms, as existing measures do. We saw the previous Labour Government's pursuit of short-term, narrow and expensive policy solutions that attempted to lift incomes above an arbitrary line. They increased welfare spending by 60% in real terms—[*Interruption.*] That is a fact. They increased spending in an attempt to chase that moving poverty line, without driving any sustainable improvements in children's lives.

In contrast, the Bill will place a duty on the Government to report annually on the key measures of worklessness and educational attainment. In these new life chances measures, we will focus on the root causes of poverty, rather than on the symptoms. That approach has been seen to fail—[*Interruption.*] The hon. Member for Islington South and Finsbury (Emily Thornberry) can shout all she wants, but these new measures will drive real actions and make the biggest difference to disadvantaged children now and in the future. We have also committed to publishing a life chances strategy—[*Interruption.*] What is embarrassing is that during 13 years, the Labour Government systematically failed to deal with the root causes of poverty or to change people's lives by getting them back into work.

Imran Hussain (Bradford East) (Lab): Will the Minister give way?

Priti Patel: I will not give way.

We are committed to publishing a life chances strategy, which will set out a wider set of measures on the root causes of poverty such as family breakdown and the problems of debt, drug addiction and alcohol dependency. We will report to the House on those measures annually. We are absolutely committed to protecting the most vulnerable in society, and the Bill will continue to ensure that the welfare system will support the elderly, the vulnerable and disabled people. We are exempting pensioner benefits, and benefits relating to the additional costs of disability, from the freeze on working-age benefits. We are also exempting the most disabled people from the benefit cap.

I would like to thank all Members on both sides of the House for their contributions on the Bill and on the other important issues that have been raised in our debates in Committee and on the Floor of the House. A number of amendments have been passed so that support for mortgage interest and social rented sector policies are delivered as intended. In the case of the social rents measure, we have been able to reflect comments made to the Government by the social housing sector. We have also added a clause that will enable the Government to recover the expenses they incur from administering benefit diversions for the Motability scheme. As we agreed on Report, the wishes of the Welsh and Scottish Governments are now also reflected in the life chances measure.

This Bill will establish the principle of economic security, and will ensure that the welfare system is fair to taxpayers while continuing to build an economy based on higher pay, lower taxes and lower welfare. I commend the Bill to the House.

6.40 pm

Owen Smith: May I start by thanking everybody on our side of the House for all the contributions they have made not just today, but during the passage of this enormously important Bill? May I also thank the Secretary of State for gracing us with his presence today? I would like to be able to thank the Minister for offering some detailed answers to the questions put to her throughout the Committee stage and today, but there were not many answers, so I will not be able to do that, I am afraid.

Labour will be opposing the Third Reading of the Welfare Reform and Work Bill. Combined with the other measures in the summer Budget, this package of tax credit and benefit reforms penalises millions of working families and will risk pushing hundreds of thousands of children into poverty. It is a cruel, pernicious Bill that breaks Tory promises in almost every clause and will hit more than 10 million families in Britain. It is also indiscriminate: it hits the young, the old, those unable to work and those working every hour they can.

Andrew Gwynne (Denton and Reddish) (Lab): I am pleased we will be opposing the Welfare Reform and Work Bill on Third Reading. Is not the real problem for the Government that their record so far on welfare reform has been entirely counterproductive? The facts

[Andrew Gwynne]

speak for themselves: on this Government's watch welfare bills have shot through the roof. They have cut welfare, but the bills have gone up.

Owen Smith: This is the first Government who have ever spent more than £1 trillion in a Parliament on social security. That is an extraordinary rise, and it has happened on the watch of the Secretary of State for Work and Pensions.

In this Bill we are seeing the Government break their promises repeatedly. They are breaking their promises to older people, for example. Before the election, the Conservatives' manifesto said they would "maintain all pensioner benefits", but after the election it appears that there is a different story. Some senior Conservatives have talked about this being a "great opportunity" for deep cuts to pensioner benefits. The Minister for Community and Social Care said that pensioner benefits should not be cut immediately, but that raises the question: when are they going to cut them?

The answer appears to be that the Government are cutting pensioner benefits now, in this Bill, because 70,000 pensioners are being hit by more than £1,000 a year through the changes to support for mortgage interest. That support is a vital lifeline for many, but through this Bill the Government are chipping away at pensioner benefits and charging a 2.9% interest rate—profiteering from pensioners. By refusing our amendment 24, the Conservative party is breaking its promise to our pensioners. We will act as the watchdog for our older people on that, as we will on pensioner freedoms. A scathing report from the Work and Pensions Committee has warned that the next great mis-selling scandal will be coming soon, after the Tories introduced pension freedoms. We will be watching that, as we are watching tonight.

Just as with older people, the Conservative Government are tonight letting down young people and our children. Before the election the Conservative manifesto spoke of "boosting the self-esteem of young people", but after the election the Government are failing our children, failing young people and failing the next generation.

This Bill will push 600,000 children into poverty over the course of the Parliament while fiddling the figures and hiding the Government's shame by abolishing the child poverty target. It is a scandal that any Government can seek to withdraw income—the money people have—from a measure of poverty. If it were not so disgraceful, it would be laughable. They are stripping housing benefit away from 18 to 21-year-olds, patronising our young people with "earn or learn" boot camps and introducing a so-called living wage that kicks in only when people are 25, and the Business Minister is running down young people, saying that they do not deserve a living wage because they are not as productive.

What about the Tory promises to the sick and disabled people of Britain? Before the election the Tory manifesto said that the Conservatives would

"aim to halve the disability employment gap: we will transform policy...so that hundreds of thousands more disabled people who can and want to be in work find employment."

But what is the truth? After the election, they are cutting support for sick and disabled people. Half a million people in the ESA WRAG are set to lose

£1,500 a year. That will reduce the likelihood of a return to work, increase the number of long-term unemployed and act as a work penalty for sick or disabled people seeking to get back into work.

Alex Cunningham (Stockton North) (Lab): I was told today by Homeless Link that 50% of the charities providing specialist housing services say they will be forced to close services within one to five years because of the changes in the rent arrangements for housing associations and housing benefits. Does my hon. Friend know what will happen to the vulnerable who depend on those services?

Owen Smith: I suspect that their lot will be far worse, as with so many of the groups that I am talking about tonight. We know that young people, older people, disabled people and vulnerable people in our communities are going to be worse off under the Tories, because they always are.

Mr Burrowes: Will the hon. Gentleman give way?

Owen Smith: What about working families, the very group that this Tory party chooses to try to speak for? Before the election, the Tories said they would not cut tax credits. The Justice Secretary said:

"We're going to freeze them for two years, we are not going to cut them."

That was the promise. We know the truth. After the election, the Government are stripping £1,300 out of the pockets of 3.5 million working families—a 10% cut in the incomes of working families, putting an effective 93% tax rate on low and middle-income workers and imposing a work penalty on those families.

Mr Burrowes: Will the hon. Gentleman give way?

Hon. Members: Give way!

Owen Smith: I had not heard the hon. Gentleman. He needs to speak up. I give way to him.

Mr Burrowes: The hon. Gentleman is very kind. Will he speak up, loud and clear? He says that he and his party will oppose the Bill, so what are their alternatives? How would they meet the £12 billion savings package? What parts of it will they accept, and what are their alternatives? We want to know the basis of their opposition.

Owen Smith: I could, of course, refer, as I have done repeatedly, to not cutting inheritance tax for people passing on million-pound houses; I could talk about not introducing the millionaires' tax cut; I could talk about clamping down on tax avoidance and evasion. But the real question is for the working families in the hon. Gentleman's constituency, thousands of whom are going to see 10% of their income carved away at the stroke of a pen, in a letter arriving just before Christmas. It is a disgrace what this Government are doing. We are clear that we are opposing it tonight and will continue to oppose it. Asking working mothers to shoulder 70% of the cuts is no way for any Government to continue.

This Bill is a litany of broken promises. The risk of job loss, sickness, bereavement or retirement faces all of us at some point, yet this is a Tory bid to undermine the

basic case for support and security for individuals through the collective pooling of risk. The Bill is a naked attempt to turn people against one another, in order to undermine any concept of a safety net—young against old, disabled people against non-disabled people, those in work against those looking for work.

The Opposition will not play that game. We are not interested in those divisive Tory tactics. We all want to bring down the welfare bill by making work pay, getting the homes we need built, bringing down unemployment and growing our economy, helping our foundation industries, such as the steel industry, which is being abandoned by the Government—[*Interruption.*]

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Mr Bacon, you are getting carried away. That is not like you. You are usually a man who wants to hear both sides of the argument. Don't spoil it tonight.

Owen Smith: I am very grateful to you, Mr Deputy Speaker.

The Tories faced a humiliating and deserved defeat last night in the House of Lords, in part due to their failure to outline where cuts will fall and being less than open about their intentions. Just like their cuts to tax credits, this Bill breaks the Conservatives' manifesto promises—pledges to protect pensioners, to support the young, to help the disabled into work and to back working families. This is a cruel Bill that shows that the Tory manifesto was not worth the paper it was printed on. It penalises children, takes money from low and middle-income workers, drives families from their homes, punishes disabled people and will push hundreds of thousands of children into poverty. We will oppose it tonight.

6.50 pm

Peter Heaton-Jones (North Devon) (Con): It was a pleasure to serve on the Public Bill Committee along with hon. Members from both sides of the House who I can see in the Chamber. I sat through many sittings of the Committee, listening intently to all that was said, and I simply fail to recognise a lot of what the hon. Member for Pontypridd (Owen Smith) said about what the Bill will do. I do not know how much of the Committee he sat through.

We have made great progress on the economy since 2010, and it is worth recording some facts. I stress that they are facts. Employment is now at a record high of more than 31 million, up more than 2 million since 2010. That represents a record employment rate of 73%. I am always proud to talk about my constituency of North Devon, and the JSA claimant rate there is just 0.9%, a record low. Unemployment is almost back to its pre-recession levels—a recession, let us remember, caused by the Labour party—[*Interruption.*] The number of workless households is at a record low as well, down nearly 700,000—[*Interruption.*]

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I expect the same courtesy from Opposition Members as I expected from Government Members.

Peter Heaton-Jones: Thank you, Mr Deputy Speaker. They do not want to hear the truth, that is the problem.

Our welfare reforms over the last Parliament, every one of which was designed with the aim of supporting those who are able to work in getting closer to employment, were undoubtedly part of achieving the success story I have cited.

Mr Nigel Evans (Ribble Valley) (Con): Is not the difficulty that the Labour party, in its last year in government, borrowed £150 billion, introduced a tax credit system that started at £4.5 billion and ended at £30 billion, maxed out not only the taxpayers' credit cards but their children's and grandchildren's credit cards, and chained workers to a lower minimum wage instead of a much higher national living wage?

Peter Heaton-Jones: I agree with the powerful point that my hon. Friend makes. In fact, I am about to talk about the benefits cap that the Bill quite rightly introduces. The *New Statesman*, by any measure the house journal of the Labour party, states:

“Most voters regard a cap of £26,000 as unacceptably high and the move draws a sharp new dividing line with Labour. By pledging to use the money saved to fund apprenticeships, Cameron sends out the message that the Tories support work, not welfare.”

Alex Cunningham *rose*—

Peter Heaton-Jones: I will not give way, as we are short of time.

Let us look at what happened when the £26,000 cap was introduced: 16,000 households moved back into work, and capped households are 41% more likely to move into work. When asked, 38% of those who had been capped said that they were doing all they could to find more work and being supported by the Government in doing so. Those are important statistics that we must not forget.

I want to talk briefly, if I may, about some of the measures in the Bill on the help that will be given to people with disabilities. I am pleased to see on the Front Bench my hon. Friend the Under-Secretary of State for Disabled People. An SNP Member asked earlier where he was, and at that very moment he was in Westminster Hall speaking up for the people he represents, so we will take no lessons about that. I am working with the Minister to hold a Disability Confident event in my own seat of North Devon, because I want to ensure that people with disabilities can get closer to employment.

I am aware of the time, so I will conclude my comments. [HON. MEMBERS: “More!”] I am very happy to provide more. We are moving from a high welfare, high tax, low wage economy to a society where work pays, where people earn more, and where the Government will help them to keep more of the money that they earn. That is the purpose of the Bill. That is why it is important that the House passes it; why it is right for the country; and why we should all support it in the Lobby tonight.

6.55 pm

Dr Whiteford: I will keep my remarks brief. This Bill has been the centrepiece of the Government's austerity agenda, but the Government's package of proposals was holed below the waterline by the vote in the House of Lords yesterday. The Bill's measures are characterised by their arbitrary nature, by a total lack of evidence that they will achieve their intended aims and, above all,

[Dr Eilidh Whiteford]

by the fact that low-income working households and the sick and disabled have been put on the frontline and are shouldering a wholly disproportionate share of the cuts.

Cuts to tax credits are at the heart of that agenda, with 7 million families set to lose an average of £1,300 each.

Alex Cunningham *rose*—

Dr Whiteford: I will not give way, because time is very short.

Those measures will drive disincentives to work and will compromise economic recovery. Above all, they will push hundreds of thousands of bairns into poverty. The benefit cap fails to tackle the underlying issue of an out-of-control housing market and a lack of affordable housing, and it hits those living in our most expensive urban areas. Cuts to employment and support allowance penalise people with serious and long-term illnesses and disabilities, and, to add insult to injury, stigmatise people for their own poor health. On sanctions, we have heard that the Government's U-turn fails to address the need for a proper review of the sanctions regime. Those are the wrong choices to make. There is a responsible path to deficit reduction. There is a responsible alternative to austerity, and this Bill is not it.

However, we did not get a chance to debate the amendments in the third group this afternoon, so I wish to put it on the record that I welcome Government amendments 2 to 16, which take into account the concerns raised by the Scottish Government and other devolved Administrations.

This is a deeply regressive Bill. It harms low-income households and makes disadvantaged people carry the can of the Government's economic failure. The SNP will oppose the Bill tonight.

6.57 pm

Paul Scully: I regret the fact that, on Report, we have spent a lot of time—about a third of it—on yesterday's debate. As important as that issue is, it has meant that we did not get to speak about our measures for full employment and for improving people's life chances, especially with our troubled families programme. What I do not regret—in fact, I positively welcome it—is the clear and direct action taken by the Secretary of State for Work and Pensions and the range of Ministers who have worked incredibly hard so that Britain can deliver this Bill tonight.

The Bill means that, when we are looking at delivering a welfare programme, people who are in work and paying their tax will have the same expectations on housing and other choices when they have children as those who are not in work. The Bill is also for our children. We must pay off the deficit and, ultimately, our debt. By saving £12 billion through our overall package, we will be able to reduce the deficit significantly. Most of all, the Bill is about helping those who are most in need of our support. We have heard a lot of empty rhetoric from the Opposition parties, but what the Secretary of State and his Ministers have done in this Bill is to look at the underlying problems and at the underlying situation so that we can push people towards

work. We will nudge, support and help them back into full employment. I very much welcome this transformational Bill.

6.59 pm

Mark Durkan (Foyle) (SDLP): Like other Opposition Members, I will oppose the Bill, because it does not meet the claims that the Government are making for it about making work pay. It will penalise people in work. Most of all, it will penalise families. It will penalise not just work but parenthood. The Minister told us that it is about making sure that families have to make the same choices as others. However, the two-child rule will not apply to childcare payments, and that means that up to £2,000 per child will be paid to relatively well-off people in employment, who will continue to get those payments for as many as children as they want. Only poorer families will be penalised by the two-child rule. That is just one of the injustices and inequities for which—

7 pm

Debate interrupted (Programme order, this day).

The Deputy Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83E), That the Bill be now read the Third time.

The House divided: Ayes 317, Noes 285.

Division No. 98]

[7 pm

AYES

Adams, Nigel	Cairns, Alun
Afriyie, Adam	Carmichael, Neil
Aldous, Peter	Cartlidge, James
Allan, Lucy	Cash, Sir William
Allen, Heidi	Caulfield, Maria
Amess, Sir David	Chalk, Alex
Andrew, Stuart	Chishtii, Rehman
Ansell, Caroline	Chope, Mr Christopher
Argar, Edward	Churchill, Jo
Atkins, Victoria	Clark, rh Greg
Bacon, Mr Richard	Clarke, rh Mr Kenneth
Baker, Mr Steve	Cleverly, James
Baldwin, Harriett	Clifton-Brown, Geoffrey
Barclay, Stephen	Coffey, Dr Thérèse
Baron, Mr John	Collins, Damian
Barwell, Gavin	Colville, Oliver
Bellingham, Mr Henry	Costa, Alberto
Benyon, Richard	Cox, Mr Geoffrey
Beresford, Sir Paul	Crabb, rh Stephen
Berry, Jake	Crouch, Tracey
Berry, James	Davies, Byron
Bingham, Andrew	Davies, Chris
Blackman, Bob	Davies, David T. C.
Blackwood, Nicola	Davies, Glyn
Boles, Nick	Davies, Dr James
Bone, Mr Peter	Davies, Mims
Borwick, Victoria	Davies, Philip
Bottomley, Sir Peter	Dinenage, Caroline
Bradley, Karen	Djanogly, Mr Jonathan
Brady, Mr Graham	Donelan, Michelle
Brazier, Mr Julian	Dorries, Nadine
Bridgen, Andrew	Double, Steve
Brine, Steve	Dowden, Oliver
Brokenshire, rh James	Doyle-Price, Jackie
Bruce, Fiona	Drax, Richard
Buckland, Robert	Drummond, Mrs Flick
Burns, rh Sir Simon	Duddridge, James
Burrowes, Mr David	Duncan, rh Sir Alan
Burt, rh Alistair	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
 Fallon, rh Michael
 Fernandes, Suella
 Field, rh Mark
 Foster, Kevin
 Fox, rh Dr Liam
 Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 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
 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
 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
 Kennedy, Seema
 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
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Mr 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
 Mordaunt, Penny
 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
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy

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, 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

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
 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 Ayes:
 Sarah Newton and
 Simon Kirby

NOES

Abbott, Ms Diane
 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
 Black, Mhairi
 Blackford, Ian
 Blackman, Kirsty
 Blackman-Woods, Dr Roberta
 Blenkinsop, Tom
 Blomfield, Paul
 Boswell, Philip
 Bradshaw, rh Mr Ben
 Brake, rh Tom
 Brennan, Kevin
 Brock, Deidre
 Brown, Alan
 Brown, Lyn
 Brown, rh Mr Nicholas
 Bryant, Chris
 Buck, Ms Karen
 Burden, Richard
 Burgon, Richard
 Burnham, rh Andy
 Butler, Dawn
 Byrne, rh Liam
 Cadbury, Ruth
 Cameron, Dr Lisa
 Campbell, rh Mr Alan

Campbell, Mr Ronnie
 Champion, Sarah
 Chapman, Douglas
 Chapman, Jenny
 Cherry, Joanna
 Clwyd, rh Ann
 Coaker, Vernon
 Coffey, Ann
 Cooper, Julie
 Cooper, rh Yvette
 Corbyn, Jeremy
 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
 Dakin, Nic
 David, Wayne
 Davies, Geraint
 Day, Martyn
 De Piero, Gloria
 Docherty, Martin John
 Dodds, rh Mr Nigel
 Donaldson, rh Mr Jeffrey M.
 Donaldson, Stuart Blair
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Dromey, Jack
 Dugher, Michael
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Edwards, Jonathan
 Efford, Clive
 Elliott, Julie
 Elliott, Tom
 Ellman, Mrs Louise
 Esterson, Bill
 Evans, Chris
 Farrelly, Paul
 Fellows, Marion
 Ferrier, Margaret
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flint, rh Caroline
 Flynn, Paul
 Fovargue, Yvonne
 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
 Hermon, Lady
 Hillier, Meg
 Hodge, rh Dame 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
 Johnson, rh Alan
 Johnson, Diana
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Kaufman, rh Sir Gerald
 Keeley, Barbara
 Kendall, Liz
 Kerevan, George
 Kerr, Calum
 Kinahan, Danny
 Kinnock, Stephen
 Kyle, Peter
 Lamb, rh Norman
 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
 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
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart Malcolm
 McDonald, Stuart C.
 McDonnell, John
 McFadden, rh Mr Pat

McGarry, Natalie
 McGinn, Conor
 McGovern, Alison
 McInnes, Liz
 McKinnell, Catherine
 McLaughlin, Anne
 Meale, Sir Alan
 Mearns, Ian
 Miliband, rh Edward
 Monaghan, Carol
 Monaghan, Dr Paul
 Morden, Jessica
 Morris, Grahame M.
 Mulholland, Greg
 Mullin, Roger
 Murray, Ian
 Nandy, Lisa
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Phillipson, Bridget
 Pound, Stephen
 Powell, Lucy
 Pugh, John
 Qureshi, Yasmin
 Reed, Mr Jamie
 Reed, Mr Steve
 Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, rh Angus
 Robinson, Gavin
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Salmond, rh Alex
 Saville Roberts, Liz
 Shah, Naz
 Shannon, Jim
 Sharma, Mr Virendra
 Sheppard, Tommy
 Sherriff, Paula
 Shuker, Mr Gavin

Siddiq, Tulip
 Simpson, David
 Skinner, Mr Dennis
 Slaughter, Andy
 Smeeth, Ruth
 Smith, rh Mr Andrew
 Smith, Angela
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smith, Owen
 Smyth, Karin
 Starmer, Keir
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Stuart, rh Ms Gisela
 Tami, Mark
 Thewliss, Alison
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thompson, Owen
 Thomson, Michelle
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Derek
 Umunna, Mr Chuka
 Vaz, Valerie
 Watson, Mr Tom
 Weir, Mike
 West, Catherine
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan
 Whitford, Dr Philippa
 Williams, Hywel
 Williams, Mr Mark
 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 Noes:
 Vicky Foxcroft and
 Angela Rayner

Question accordingly agreed to.

Bill read the Third time and passed.

Business without Debate

ELECTORAL COMMISSION

Motion made, and Question put forthwith (Order, 15 October, and Standing Order No. 118(6)),

That an humble Address be presented to Her Majesty, praying that Her Majesty will reappoint Anna Carragher as an Electoral Commissioner with effect from 1 January 2016 to 31 December 2020.—(*Charlie Elphicke.*)

Question agreed to.

Cardiac Screening: Young People

Motion made, and Question proposed, That this House do now adjourn.—(Charlie Elphicke.)

7.13 pm

Mims Davies (Eastleigh) (Con): I am grateful to you, Mr Deputy Speaker, for the opportunity to discuss the crucial matter of cardiac screening for our young people. I am delighted to be able to speak tonight because I did the 10-mile Great South Run on Sunday for CRY—Cardiac Risk in the Young—which raises awareness, supports screening and research, and assists bereaved families affected by cardiac risk in the young. You can look at its website to see its impact on cardiac arrest in our young people.

Cardiac arrest is a preventable and silent killer. There are often no symptoms and there is regularly no warning. At least 12 young people under the age of 35 die unexpectedly every week of the year from a heart condition that they did not know they had. I and various campaign organisations involved in tackling this issue believe that the number may be even higher. Perhaps even as many as 20 young people a week are lost by their families. Some 80% of those deaths occur with absolutely no prior symptoms.

Sudden cardiac death is thought to be caused by a heart condition, and young sudden adult death syndrome occurs when a cardiac pathologist is unable to find a definite cause of death. Thankfully, coroners are becoming more willing to name sudden arrhythmic death syndrome as the cause of death, which is a positive step forward, but we must continue to push for greater awareness.

My constituents, Graham and Anne Hunter, lost their beautiful daughter, Claire, two years ago from sudden cardiac arrest. Claire was only 22 and was newly married to Andy. She was a trained accountant and a mature, beautiful girl with an exciting life ahead of her. She had no prior symptoms. She was in a spa on a hen weekend, relaxing with friends in a jacuzzi after a swim. She said that she felt hot and sick, and she sadly died from sudden cardiac arrest. It took a significant time for the ambulance to arrive. We and her family do not know whether, had the spa had a defibrillator, that would have saved her life.

Claire's family have since been screened. Heart conditions have been found and preventive measures put in place by the excellent Southampton general hospital. Graham and Anne's lovely daughter Claire was cruelly and tragically taken from them, and that terrible loss exemplifies what is happening to other families in every community and constituency each week. Graham and Anne are sitting in the Public Gallery listening to and watching this vital debate, and I pay tribute to them and to many other families across the country who have lost their precious children to such a cruel and sudden tragedy. Such losses are often preventable, which only makes them even more heart-breaking.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): I congratulate the hon. Lady on securing this important debate. Does she agree that this tragic condition seems to hit fit young people, such as my constituent Mr Philip Evans who was a family friend? He was a keen bodybuilder and he tragically died from this condition.

Mims Davies: I agree with the hon. Gentleman. We are losing fit, young, capable, able and good people, and we must do something about it. We bring our children into the world. We school and train them, and above all we love them and get them ready for a future—our future. Economically, there is a case to do something, but the emotional case is priceless.

Screening has been proven to work. In Italy, screening is mandatory for all young people who are engaged in sport, and cases of young sudden cardiac death have fallen by 90%. In this country, free screening is provided only when a young death has occurred in the family, or through the work of Cardiac Risk in the Young and the help of affected families who fundraise for that cause.

Pauline Latham (Mid Derbyshire) (Con): I congratulate my hon. Friend on securing this important date. My constituent, Sam Wright, who was a very fit young man, died suddenly. His friend, Danielle West, has fundraised on behalf of CRY and secured enough money to screen all the sixth-formers at the school that Sam used to go to. Three of those sixth-formers have had further tests. I do not know the results of those tests, but three people who knew nothing may have a condition that can now be treated. My hon. Friend's campaign is valuable and we should continue with it.

Mims Davies: I absolutely agree. The UK National Screening Committee has refused to make a comprehensive offer of heart screening for young people in the UK, which I think is a scandal.

Mike Gapes (Ilford South) (Lab/Co-op): I lost my own daughter three and a half years ago from sudden unexplained heart failure. I am a supporter of CRY, and I appeal to the Government to listen to what is being said in this debate. Many young people between 14 and 35 die suddenly from an unexplained cause, and that is a personal tragedy for the families and friends of those young people. I came to this debate unsure of whether I would be able to intervene, and it is a great grief and something that is with me all the time. I wish that people would take this issue more seriously.

Mims Davies: I thank the hon. Gentleman for such an eloquent and kind intervention. I am sorry for his loss. We think of all the children in this debate.

How can it be right to wait for tragedy to strike before taking action? That is truly unacceptable. I urge the Minister tonight to review the policy and to reverse it. As with many other preventable illnesses, screening needs to be part of the standard healthcare provided to our young people. Screening has more than just general benefits: it helps to prevent future diseases. Heart UK estimates that if 50% of people with the potential genetic condition known as familial hypercholesterolaemia or FH—a naturally occurring high cholesterol condition—were diagnosed and then treated, the NHS could save £1.7 million per year on treatment. Truly comprehensive heart screening is a good measure for now and a perfect insurance policy for the future.

Tom Tugendhat (Tonbridge and Malling) (Con): I pay tribute to my hon. Friend for this fantastic opportunity to highlight a major national issue. I also pay tribute to the hon. Member for Ilford South (Mike Gapes) for his

[Tom Tugendhat]

courage in intervening to talk about a clearly incredibly fraught moment, not only for him but for his whole family and all who share his grief.

In my constituency recently, a young man was playing football when he dropped dead. Junior Dian, who played for Tonbridge Angels, could have been saved by screening. We are pleased to say that the Under-Secretary of State for Culture, Media and Sport, my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch) is working with the Premier League and other organisations to introduce screening for individuals across our country. I hope very much that we will all join her in urging sporting institutions, whether relating to football, rugby or cricket, to push for this opportunity to save young people. Sudden cardiac death hits every part of society. My very dear friend's brother, the late Earl of Shaftsbury, died in his sleep, aged 30, in New York. This hits everyone: old, young, rich or poor. We can do better. We must do better.

Mims Davies: We need to do more on public defibrillators, too.

Jim Shannon (Strangford) (DUP): In Northern Ireland, we have done three things. First, schools have responded. I visited Regent House school just last week and there were 60 young people doing CPR testing—that was very positive. Secondly, we have first responders in Strangford, volunteers with a defibrillator. So far, they have had 64 call-outs in less than a year. Thirdly, the Henderson Group has purchased defibrillators for each of their shops in Northern Ireland. Those are three initiatives that can make a difference. I commend the hon. Lady for bringing this issue to the House.

Mims Davies: I thank the hon. Gentleman. I think that is something we can absolutely pick up on. There are other ways we can reduce mortality at any age, young or old. We need to have more ready access to defibrillators and further CPR training.

Dr Tania Mathias (Twickenham) (Con): Does my hon. Friend agree that a teenager should not get a driving licence unless they have CRP training?

Mims Davies: I absolutely agree. That is a wonderful idea to make people aware, early on, about health intervention and what can be done through training.

Mrs Maria Miller (Basingstoke) (Con): I thank my hon. Friend and Hampshire neighbour for giving way and I pay tribute to her for securing the debate. Will she join me in paying tribute to organisations such as my local parish council, which has gone out of its way to put its funds towards making defibrillators available not only in the local village hall but in the local village pub, too?

Mims Davies: Absolutely, and I thank my right hon. Friend. There is always a good reason to go the pub and that sounds like an excellent one.

Julian Knight (Solihull) (Con): My hon. Friend is being very generous in giving way as I know this is a short debate. I pay tribute to her for securing the debate and for the passion she is showing in putting her case across.

On defibrillators, will my hon. Friend join me in congratulating Solihull Lions in my constituency, which has just paid for 10 defibrillators in public places, and the cardiac nurses at Solihull hospital who, touched by the tragic case of young Miles Reid, 21, who dropped dead of a heart attack while playing football, paid for a defibrillator in Shirley Park? Will she join me in congratulating those groups and in understanding the importance of public defibrillators?

Mims Davies: I absolutely do. My hon. Friend makes a great point about communities coming together—sadly, always off the back of a tragedy. We could be on the front foot on this issue instead.

Rebecca Pow (Taunton Deane) (Con): I, too, absolutely commend this debate. Every single one of us probably knows somebody who has dropped dead. My brother-in-law's brother, a great college friend of mine, did so, and we all know such people. We are, in particular, encouraging our young children to get into sport big time, and it gets more and more intense. Every time they get selected, they have more sessions, more training and it becomes more high profile; I would urge that we get testing going for these young people. It is often the fit and sporty ones that seem to be affected. Does my hon. Friend agree we should do something for these particular type of students?

Mims Davies: Absolutely. Italy saw a 90% reduction when sporting people were properly targeted.

Portable defibrillators will help people with no medical training; they can provide immediate, first-instance help to all patients following a cardiac arrest. Survival decreases by 23% per minute. The UK Resuscitation Council asks for an AED—automated external defibrillator—to be present in any location where medical treatment is further than five minutes away. Clearly, that means pushing on with installing these crucial bits of equipment in every public building, and encouraging more businesses to have them.

I thank the Chancellor for listening to Graham and Anne Hunter from my constituency and to the British Heart Foundation. Some £1 million has been pledged for defibrillators for community centres and to ensure that schools are delivering CPR training awareness. This is a welcome step, but more can be done.

Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): In my family's case, my father died very young when I was two years old. I have had to go to my GP to ask to be monitored, and no suggestion has been made that my children should also be monitored, even though my grandfather also died young of what is clearly a potential genetic disorder. Does my hon. Friend agree that the Minister should consider how we can develop this across the national health service, thus ensuring that families are protected?

Mims Davies: If I did not know better, I would think that my hon. Friend was reading my speech. Action is needed on GP awareness. When there is an incident of sudden adult death syndrome, the family can be screened for free to look for potential causes. This is often because the conditions require a live and still beating heart for diagnosis, although problems are also often discovered through a process of screening for genetic hereditary conditions in families. It is up to GPs to

ensure that they advise family members to get screened in these instances. I want to see far greater awareness among our practitioners of the huge benefits from screening. It is absolutely critical to fight to prevent these young mortalities.

So what do we want? First, MPs, campaigners and families want free screening for every 14-year-old to be checked for the key risk factors. Whether via schools, sports clubs or the NHS, we can find a way. Last week, at Fleming Park in Eastleigh, two youngsters were screened by CRY and found to be in urgent need of follow-up. Another screening was organised in Claire's memory and was funded by local donations.

Secondly, we want more public access to defibrillators, and new local community buildings should, though planning, have one placed in sight. That is easily done. Thirdly, we want higher awareness among our general practitioners that hearts need checking at any age.

In conclusion, up and down the country every week, at least 12 young people are dying from sudden cardiac arrest—over 600 young people a year, and we have heard tonight that many MPs have experienced at least one incident in their family or their community. On 14 October, the *Daily Mail* reported that a family from Stoke-on-Trent lost a daughter in 2006 and now a son aged 17, after swimming on a recent holiday in Turkey. Each and every incident is a tragedy. These causes of death are conditions that can be picked up by screening. I do not believe that a health Minister is often told that we can relatively cheaply and surely prevent the deaths of thousands of our young people by taking some very easy steps. This evening, on behalf of many families, I ask the Minister to do just that.

7.29 pm

The Parliamentary Under-Secretary of State for Health (Jane Ellison): I thank my hon. Friend the Member for Eastleigh (Mims Davies) and all the other Members who have contributed to the debate for raising what is—as has been more than amply demonstrated—a serious and important issue. We have heard from Members who have suffered tragic losses, and I myself have lost a friend in similar circumstances. I thank all Members for bringing their experiences to the Chamber to inform our debate. Obviously, our sympathies are with the families who have been affected.

I suspect that some elements of my speech will not satisfy my hon. Friend, but I want to try to identify the areas in which I think we are making some progress, and also those in which some of the real difficulties lie. Many of them involve clinical challenges rather than political decisions.

I join my hon. Friend in paying tribute to her constituents Graham and Anne Hunter, who have worked tirelessly to raise awareness of sudden adult death syndrome because of the personal tragedy that they suffered. My right hon. Friend the Secretary of State met them in June 2013, along with the UK National Screening Committee's secretariat and Public Health England's director of screening programmes, Dr Anne Mackie.

Sadly, as we know, not everyone survives cardiac arrest, and 100,000 people die of heart disease annually in the United Kingdom. As my hon. Friend said, an estimated 400 to 500 cardiac deaths each year are

unexplained, and most have a genetic basis. In some cases there is no definite cause of death, even after the heart has been examined by an expert cardiac pathologist. Most sudden deaths in people under 30 are caused by inherited cardiomyopathies and arrhythmias. The situation is very tragic.

My hon. Friend mentioned three possible solutions. The principal one was population screening, but she also mentioned defibrillators, the provision of testing and advice for the families of those who suffer a sudden cardiac arrest, and GP awareness. I shall try to touch on all those points, although time is slightly against me: I have only about 10 minutes.

I think that if population screening were easy and obvious, we would do it, but it is not easy or obvious, despite the compelling reasons why we would all want to respond to the challenge. Let me try to explain why. As many Members will know, screening programmes in England are set up on the advice of the UK National Screening Committee, so these are not political decisions. They are decisions based on the best currently available evidence and expert advice from those who are most qualified to provide it, and many factors are weighed in the balance. The evidence is drawn from the United Kingdom and from other countries around the world.

Earlier this year, the UK NSC carefully considered the evidence in favour of introducing cardiac screening for people between the ages of 12 and 39. They took account of, for instance, the fact that sudden cardiac death covers a range of extremely complex conditions which are very difficult to detect by means of screening. Although it is such an important health problem, the committee found little peer-reviewed evidence that would have enabled it to make an accurate assessment of the number of people affected.

There is no single test that can detect all the conditions involved, nor is it possible to say which abnormalities will lead to sudden cardiac death. Moreover—this applies to other kinds of screening, but it applies particularly in this context—there is currently a risk that a false positive or a false negative could result. There is a clear risk that a positive result could be given to someone who was not affected by these conditions, and we can all imagine some of the effects that that might have. Someone might worry unnecessarily about having a heart problem, and might refrain from exercise that would be beneficial for their health, or give up a promising career in sport. A false negative would also present significant challenges. It is possible to have a heart problem that a test will not pick up. Fabrice Muamba, for example, had several screening tests throughout his career which did not identify any problems, but we saw his sudden collapse on the pitch at White Hart Lane.

Telling someone they have a condition when they do not could cause unnecessary anxiety to everyone concerned, even though it might not affect them. That causes difficulties, as does telling someone they are in the clear when they are not. These are the difficult elements of decision making and evidence that our expert committees have to sift in coming to a conclusion and making a recommendation. In the review that has just taken place, no studies reporting on test performance, sensitivity or specificity were identified by academic evidence. It was therefore felt that it was not possible to recommend the use of such a test in a national programme.

[Jane Ellison]

Another key test for screening is that once a problem has been detected, there must be something we can do about it, either by treating a condition or by helping someone to remain healthy. The conditions that lead to sudden cardiac death are poorly understood, and there is no evidence to guide clinicians as to what the treatment or lifestyle advice would be when a problem is found in a family member. That is not to say that in every circumstance people cannot give advice, but across a population-based screening programme it would not be possible to know what the advice would be for everyone screened. For some of the conditions implicated in sudden death there is no treatment. Delivering the message that someone has a condition is extremely difficult, but it is exacerbated where no known treatment is available. A person who tests positively will face significant dilemmas, and not just the ones I have touched on. Such dilemmas may involve ending a career they have mapped out for themselves or decisions about their family situation. They can also be penalised financially through higher insurance premiums.

On screening, the situation is extremely difficult. The evidence has been carefully weighed up recently, and we should introduce screening only when there is evidence that it can be effective. Overall, at this time, the UK NSC found insufficient evidence to support it. That position was supported by the British Cardiovascular Society, the national clinical director for heart disease in the NHS and the Royal College of Paediatrics and Child Health. They made that position clear in their responses to the public consultation. The difficulties were acknowledged even by *Cardiac Risk in the Young*, which, as many hon. Members have said, does wonderful work campaigning in this area. It acknowledged some of the concerns identified by the review, although I also accept that it took issue with some of the other matters raised in the conclusions.

This year's decision by the UK NSC is not the end of the road in the consideration of screening for sudden cardiac death. The evidence is routinely reviewed every three years, but individuals and organisations can alert the committee at any time to any new peer-reviewed evidence published in the interval between regular reviews. It goes without saying that I will draw the committee's attention to this excellent debate, how well supported it has been and the strength of feeling that has been expressed. Such a notification will be considered by the UK NSC, which can conduct an early update of a review in response.

Let me respond to the point that was made about Italy, because it has been raised before. My hon. Friend the Member for Eastleigh mentioned the example of Italy's introduction of screening for all children involved in organised sport. Although there is literature on the screening of young people participating in sport, the evidence is again mixed, and some of the outcomes have been questioned. We are keen to understand what is going on in Italy, but it has yet to share its national data on the screening programme. The Secretary of State wrote to his Italian counterpart to request these data in August 2013, following the meeting that I mentioned earlier. This has been chased up on a number of occasions but the data have not been forthcoming, to date. Obviously, I will write again after this debate to say that we would

like to see the data, because they might be one example of data that could inform a future NSC evidence review. My hon. Friend and other hon. Members may also be interested to know that the Sports Minister and I spoke today to some of the major sports governing bodies and raised this important issue. They are very much aware of their responsibilities towards young athletes, and we had a very productive discussion about what they have already done and what more they are considering in this area.

Let me touch a little on the research that is going on, because I have mentioned that we do not know much about some of these conditions and do not have treatments for some of them. The National Institute for Health Research is funding research on early detection of asymptomatic cardiomyopathies through its biomedical research centres and units, including the genetic aspects of the condition. It is also supporting a project with partners, including Manchester United football club, to identify the healthy limits and wider benefits of exercise for young elite athletes, normal healthy children and children with congenital heart defects. There is some really interesting and important work going on, and some of the data will be used to improve screening protocols for cardiac abnormalities in young athletes. The evidence from that research will be provided to the UK NSC when it next reviews the evidence, or earlier if new evidence comes to light.

Let me touch on defibrillators in the remaining three minutes. Tonight we have heard some wonderful examples of local campaigns across the country, and I pay tribute to all the people involved in ensuring that we accelerate access to defibrillators. In the March Budget my right hon. Friend the Chancellor of the Exchequer announced a £1 million fund to boost public provision of defibrillators in England and to support training in their use. That funding is now being administered by the British Heart Foundation.

Members of Parliament also have a role to play in that regard, for example if they think there are places where we need to have defibrillators. Many of them are in public buildings and sports grounds—I was discussing this with sports governing bodies only today—but they are of no use to wider communities when those buildings or grounds are closed. We can ask those questions on the back of debates such as this one, and I know that hon. Members are well placed to do that. The Hunter family, of course, have been extremely instrumental in making that change happen, and we pay tribute to them for that.

My hon. Friend also mentioned the importance of providing support to families of people who have suffered a sudden cardiac death and the need to ensure that GPs are aware of that. I make a commitment now to write to the Royal College of General Practitioners and draw its attention to the strength of feeling and the continuing concern that this might not be as well understood as it should be. When there is a sudden cardiac death, we need to take action to ensure that potentially affected family members are identified and offered counselling and testing to see if they, too, are at risk.

The national clinical director for heart disease, Professor Huon Gray, and representatives of NHS England, the Department of Health and the British Heart Foundation met the Chief Coroner in late 2013 to discuss that matter. Guidance has now been issued to the coronial

system on how to deal with potentially affected family members. The Department will do all it can to encourage that, and I will write to the Royal College of General Practitioners to draw its attention to Members' interest in spreading good practice in this regard. NHS England is committed to working with all stakeholders to ensure that we develop and spread good practice, particularly as evidence becomes available.

I will conclude by once again thanking my hon. Friend the Member for Eastleigh and all hon. Members

who have attended the debate—I have responded to a great many Adjournment debates, and this is easily one of the best attended. That is clear evidence of the strength of feeling across the House on this important subject. We will continue to give it our utmost attention.

7.43 pm

House adjourned without Question put (Standing Order No. 9(7)).

Westminster Hall

Tuesday 27 October 2015

[GERAINT DAVIES *in the Chair*]

Tropical Diseases

9.30 am

Jeremy Lefroy (Stafford) (Con): I beg to move,

That this House has considered the work of the UK in tackling malaria and neglected tropical diseases.

It is a pleasure to serve under your chairmanship, Mr Davies. I refer Members to my declarations in the Register of Members' Financial Interests. One thing that is not there that I need to declare is that I have been invited to become a trustee of the Liverpool School of Tropical Medicine. That has not yet been ratified, so will not be in the register.

I have secured this debate at a critical time in tackling malaria and neglected tropical diseases, which affect up to 1.4 billion people across the world. Just to explain, neglected tropical diseases include leprosy, lymphatic filariasis, schistosomiasis, soil-transmitted helminths—or worms—leishmaniasis, human African trypanosomiasis and Chagas disease. All those diseases are preventable and treatable using existing treatments, yet they continue to cause death and disability in a way that would simply not be acceptable were they endemic in the United Kingdom. This debate is particularly important as the 2015 Nobel prize in physiology or medicine was awarded this month for work on malaria and neglected tropical diseases. Professor Youyou Tu was awarded the prize for the discovery of artemisinin, which I will come on to later, and Doctor William C. Campbell of Ireland and the USA and Professor Satoshi Omura of Japan were awarded the prize for their discovery of avermectin, which is effective against river blindness, lymphatic filariasis and a growing number of other parasitic diseases.

Over the past decade and a half, the UK has taken a prominent role in the fight against malaria and neglected tropical diseases, and I will set out the great progress made and the challenges that face us if we are to see their elimination. I ask the Minister to consider the future of the UK's programmes in both areas.

Twenty years ago, we were losing the fight against malaria—I declare an interest, having had it at least four times—and there was widespread resistance to the main drugs used to cure it: chloroquine and sulfadoxine-pyrimethamine. The international will to tackle malaria seemed absent. All of that changed with the adoption of the millennium development goals. MDG 6 targeted malaria, while MDG 4 focused on child mortality. We have to remember that children are the ones who suffer most from malaria, as more children die from malaria than adults. MDG 5 was on maternal health, and pregnant women are particularly at risk of catching and suffering from malaria. The fight against malaria has resulted in a 58% decline between 2000 and 2015 in deaths from malaria globally. The World Health Organisation estimates that that means that 6.2 million deaths from malaria have been averted, primarily among children under five in sub-Saharan Africa.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Gentleman on securing this debate. Does he agree that while significant progress has been made, the fact that 200 million new cases of malaria have been reported this year alone calls into question our legitimate and worthwhile attempt to try to eliminate malaria in the next 15 years?

Jeremy Lefroy: I entirely agree with the hon. Gentleman. Between 450,000 and 500,000 people—they are mainly children—are dying unnecessarily every year from the disease. How did the tremendous progress—I stress that huge progress has indeed been made—happen? Principally, reliable long-term funding enabled the development and implementation of various interventions, including prevention through insecticide-treated bed nets and the development of vaccines, and diagnosis through the rapid diagnostic tests that enable people, particularly children, to be diagnosed with malaria in the village, rather than having to come to a laboratory in a town when the malaria may be severe.

Graham Stringer (Blackley and Broughton) (Lab): The hon. Gentleman makes a good point about the progress made and the different ways of making that progress. Does he agree that the earlier regression was partly to do with the mistaken banning of DDT in Africa and elsewhere?

Jeremy Lefroy: I agree with the hon. Gentleman. DDT was banned for clear, understandable reasons, but it had some severe consequences that resulted in malaria taking a grip in areas where it had almost been eliminated. Even today, when DDT is being used for indoor residual spraying, we are seeing its effectiveness when topically applied and carefully used.

There have been some tremendous advances in cures, notably in the artemisinin combination therapies, which I will come to and which are the subject, in part, of this year's Nobel prize in physiology or medicine. There has also been the welcome development of new medicines. One of them is coming out of Dundee University, and I am sure other Members will wish to discuss that.

The UK has played a major role in providing the long-term funding. It was less than £100 million a year in 2000, but it now stands at £500 million. That is the direct result of the Chancellor's pledge, while shadow Chancellor in 2007, to increase funding to tackle malaria to £500 million. It is not simply funding that is essential, however; we need the institutions through which the work can be done. It is pointless for several different nations to all work on their own programmes independently. Overseas development assistance is far too precious a commodity for that, so co-operation was essential from the beginning.

I remember how important the first artemisinin-based cures for malaria were when they came out in the mid-1990s. At last, there was a cure that was very effective and had limited side effects, unlike chloroquine, which was increasingly ineffective, and Lariam, which was effective, but which, as I found out to my cost, had potentially severe side-effects. At between \$10 and \$15 a dose, the drug was unaffordable to almost all those who needed it. It needed to be more like \$1 a dose at the most.

[Jeremy Lefroy]

The Medicines for Malaria Venture was established in 1999 as a product development partnership, with considerable UK support from the Labour Government right from the beginning. Its aim was to take up promising new projects from pharmaceutical companies and help them to fruition, so that effective drugs would be available at a price affordable to the poorest and to developing countries' health systems. The founders of MMV recognised that developing medicines for malaria was not commercially attractive to companies, as those who most needed the drugs were least able to pay prices that covered the costs of development. There is a big lesson there for our work on tackling antimicrobial resistance. Indeed, I believe that Professor Dame Sally Davies, the chief medical officer, refers to the example of MMV when talking in her book, "The Drugs Don't Work", about what we need to do to tackle antimicrobial resistance.

By bringing together Governments including Switzerland, the UK and the US, private foundations such as the Gates Foundation and the Wellcome Trust, pharmaceutical companies, critically including small companies and not just the majors, and researchers, they were able to do in co-operation what had not been possible in isolation. Two drugs that have come from that work are: Coartem Dispersible, which is for children and has had more than 250 million doses produced and distributed; and the artesunate injection, which is very effective against severe malaria—possibly more effective than quinine—and has had 35 million doses produced.

A second, larger example of co-operation was the Global Fund to Fight AIDS, Tuberculosis and Malaria, which was also established in the time of the Labour Government in 2002 to concentrate efforts to fight those diseases. The UK, along with the US, France and the Bill & Melinda Gates Foundation, was a prominent supporter of the fund right from its creation. Indeed, the first executive director was a Briton, Dr—now Sir—Richard Feachem. The fund has been responsible for supporting programmes in malaria-endemic countries, including programmes on the mass distribution of insecticide-treated bed nets and the introduction of rapid diagnostic tests.

A third example is the Malaria Vaccine Initiative of PATH, which supports the development of promising malaria vaccines. The most advanced is GlaxoSmithKline's vaccine, which was developed in Belgium and is called RTS,S. It recently received approval from the European Medicines Agency and will, I hope, become available in the not too distant future.

The progress made in the past 15 years has in large part been down to political will through the millennium development goals and the work of the United Nations and the Governments of the United Kingdom, the United States and other countries increasing long-term funding, with the UK taking a lead alongside the US and the Bill & Melinda Gates Foundation.

Mrs Helen Grant (Maidstone and The Weald) (Con): I congratulate my hon. Friend on securing this debate. Does he agree that the tenacity of malaria means that much more money will have to be spent to beat it? The Gates Foundation estimated that it could cost between \$90 billion and \$120 billion up to 2020 to deal with it. Does he agree that we must not take our foot off the pedal?

Jeremy Lefroy: My hon. Friend is exactly right, and we have seen the consequences of taking our foot off the pedal in the past. In Zanzibar, malaria was almost eliminated in the 1950s, but it came back with a vengeance. There was another programme in the 1980s, and the foot was taken off the pedal and it came back with a vengeance. The same has happened in Sudan and many other places, so we must deal with that. I think the figures she quoted are accurate, but if we manage to tackle malaria and get to virtual elimination, it would add more than \$4 trillion dollars to world GDP, so it is a hugely important investment to make.

Improving health systems is another reason why we have seen progress in many developing countries, with increasing local funding, although some countries really need to step up to their pledges—for instance, the Abuja declaration of committing 15% of budgets to health, which only a few sub-Saharan countries do at the moment, along with unprecedented co-operation, which I have described. We will need all these and more as we face the challenge of the next 15 years, which is to meet the WHO's global technical strategy for malaria 2016 to 2030.

On top of that, we face two forms of serious resistance: by the malaria parasite to artemisinin-based combination therapies in the Mekong region in south-east Asia, from where resistance to both chloroquine and sulfadoxine-pyrimethamine started and spread to sub-Saharan Africa, which is why it is vital to get on top of this; and by mosquitoes to the insecticides on bed nets, which are becoming resistant to pyrethroids. We also see serious outbreaks where bed net distribution has failed and health systems are weak. I believe my hon. Friend the Member for Mid Derbyshire (Pauline Latham) is going to describe one such instance later in this debate.

The UK is heavily involved in work to counter both those threats, through the Department for International Development's work and the global fund supported by DFID in Myanmar, working alongside the Government there, and through the work of the Innovative Vector Control Consortium, based in the Liverpool school, in searching for and testing new insecticides for bed nets. The UK has therefore been at the forefront in so many different ways, whether through funding or research—from the London school, the Liverpool school, Dundee, York, Imperial, Keele and other universities, or from business, NGOs, or, above all, people. There are so many I would like to mention, but I will not because of time constraints, but the UK has fantastic scientists in this field at all levels.

Given the effectiveness of UK support for tackling malaria over the last 15 years, will the Minister undertake to do his utmost to maintain that for the future? I am not asking the UK to increase the level of funding, but to maintain current levels. Reaching £500 million a year is a great achievement and others need to come forward to support the UK in this, not least the countries in which malaria is endemic.

The WHO's roll back malaria framework states that malaria interventions are very good value for money:

"Immunisation is the only public health intervention that has been shown to be more effective than malaria interventions. Beyond the financial return, investments in fighting malaria will have enormous positive effects on agriculture, education and women's empowerment. They will also contribute significantly to reductions in poverty and the alleviation of inequality."

Almost exactly the same can be said about the work on neglected tropical diseases. They affect 1.4 billion people—possibly an underestimate—bringing disability and sometimes death. They have a devastating economic impact, yet treating them is cheap and entirely possible. Co-operation plays a vital role, and host Governments have a vital role to play. Many of these diseases can be treated in parallel through local health systems. It makes sense to work together rather than in silos. We saw that when we visited the NTD control programme in Mkuranga district in Tanzania—I went with two other hon. Members in the all-party group on malaria and neglected tropical diseases—where they were tackling lymphatic filariasis, schistosomiasis, soil-transmitted helminth and trachoma all together. Universities also have a vital role to play. In the case of Mkuranga, an important partner was the schistosomiasis control initiative, based in the UK's Imperial College London. Other universities are very important partners.

In the private sector, we have seen extraordinarily generous donations of drugs. I will list them because it is important that hon. Members understand the scale. Merck and Co. will donate Mectizan—ivermectin—for onchocerciasis and lymphatic filariasis in Africa for as long as it is needed, with no limit. GSK has already donated nearly 2 billion tablets of albendazole for lymphatic filariasis and will continue until elimination, and has also donated 1 billion per annum to de-worm school-aged children. Johnson & Johnson has donated 200 million tablets of mebendazole a year. Pfizer donated 70 million doses of azithromycin for trachoma in 2012 alone. Novartis has donated drugs for leprosy. Eisai, the Japanese company, has donated 2 billion tablets of Diethylcarbamazine for lymphatic filariasis, and E. Merck has donated 20 million doses of praziquantel a year, going up to 250 million tablets a year from 2016 for schistosomiasis. These are huge figures that will substantially reduce the costs of treatment in countries where those diseases are endemic.

There are also product development partnerships. As well as the Medicines for Malaria Venture and the Malaria Vaccine Initiative, we have the Drugs for Neglected Diseases Initiative, which focuses on developing new treatments for the most neglected patients suffering from diseases such as human Africa trypanosomiasis, Chagas disease and lymphatic filariasis, as well as paediatric HIV. Again, the UK has taken a leading role. On top of the £50 million committed by the previous Labour Government, a further £195 million was pledged by the coalition. The UK is also the second largest funder of the Drugs for Neglected Diseases initiative, with £64 million donated, second to Gates, who has given \$126 million. The one other donor with more than €20 million of donations is Médecins sans Frontières, which has donated €66 million.

The UK has also played a leading role by hosting the London conference—a big conference that set the path for the next few years; we need to find out where we have got to with that—and the declaration on neglected tropical diseases, an important declaration that I want to quote from:

“Inspired by the World Health Organization's 2020 Roadmap on NTDs, we believe there is a tremendous opportunity to control or eliminate at least 10 of these devastating diseases by the end of the decade”—

that is just over four years away.

“But no one company, organization or government can do it alone. With the right commitment, coordination and collaboration, the public and private sectors will work together to enable the more than a billion people suffering from NTDs to lead healthier and more productive lives—helping the world's poorest build self-sufficiency.”

Jim Shannon (Strangford) (DUP): I thank the hon. Gentleman for giving me a chance to speak in this debate. Obviously the issue is very important. The number of Members present is an indication of that. I have not yet heard—although I am sure he is coming to it—about the vast contributions that faith groups, churches and missionaries make throughout the world to eliminate poverty and help people to work their farms and so on. Almost every church in my constituency of Strangford has a project to give help directly to an area in Africa, the middle east and the far east. Does he recognise the good work that those churches and faith groups do?

Jeremy Lefroy: I do indeed. I am most grateful to the hon. Gentleman for that intervention. I recognise the huge amount of work done by faith groups and missions around the world. They often run remote hospitals, which even the state health system cannot afford to maintain. I have seen the work that they do. Indeed, my wife ran a public health education programme for 11 years in Tanzania and saw at first hand the work that was done when she worked for the Lutheran Church there.

I will not go through the London declaration in detail, because I want other hon. Members to speak, but I will quote the final words:

“We believe that, working together, we can meet our goals by 2020 and chart a new course toward health and sustainability among the world's poorest communities to a stronger, healthier future.”

Real progress has been made in the past few years. To take one example of many highlighted by the Overseas Development Institute last year, Sierra Leone made great strides in preventing four of the five diseases that make up 90% of the world's NTD burden: onchocerciasis, lymphatic filariasis, soil-transmitted helminth and schistosomiasis. In particular, on schistosomiasis, which can lead to death through liver disease and bladder cancer, 562,000 people in Sierra Leone received preventative treatment in 2009. By 2012, that figure had reached 1.4 million, which was 99% of those needing treatment. We have heard of the tragic trials of Sierra Leone in the past year and a half, but it is important that we also recognise the huge amount of work that Sierra Leoneans have done to treat many of these other diseases.

Bob Stewart (Beckenham) (Con): When my hon. Friend refers to elimination, does he mean the elimination of a disease in human beings or the elimination of the scourge of these diseases from the face of the earth? Have I got that wrong, or is it a combination of the two?

Jeremy Lefroy: My hon. Friend is absolutely right to raise that distinction. The recent leader article on malaria in *The Economist* discussed eradication, which is what I believe we have to go for. There are slightly different meanings to elimination and eradication, but whatever it is, we have to aim for what we have seen with smallpox and are approaching with polio, with no one getting these diseases anymore.

Bob Stewart: I am sorry, but my question was really about the distinction between getting rid of a disease from the face of the earth, so that it is never there again and human beings cannot catch it, and dealing with a disease in a human being.

Jeremy Lefroy: Ultimately it is about making sure that human beings cannot catch a disease. Whether we can get rid of a disease from the face of the earth is another matter, because they have a tendency to come back. We have to ensure that we have the tools in place so that if a disease does return when we think it is eliminated, we can deal with it.

I have three questions for the Minister. What progress has been made in investing the additional £195 million committed by the coalition Government to work on neglected tropical diseases? Given the tremendous cost-effectiveness of interventions—we are talking about tackling diseases that affect 1.4 billion people by committing over four years the cost of running an average district general hospital in the UK for just one year—will the Minister look carefully at increasing the UK's support for NTD work, especially drug discovery and support for programmes that strengthen health systems as they deliver prevention, diagnosis and cure? Finally, will he update us on the progress made on implementing the London declaration? We hosted the conference, so it is important that we take the lead in ensuring that the declaration comes to fruition.

Over the past 15 years great progress has been made on malaria and NTDs. The UK has been a vital part of that work, not just via funding from DFID, but through our scientists, universities, NGOs and voluntary organisations such as the Rotary Foundation, which has done tremendous work on malaria on top of its work on polio, and most certainly through our private pharmaceutical sector, whether in its commitment to research and development in unfashionable areas or in its direct donations of billions of doses of essential drugs. Nevertheless, the job is only half done for malaria, and even less so for NTDs. If the UK remains committed over the coming 15 years, I remain hopeful that we can make substantial progress. I ask the Minister to make that commitment. It is not about specific sums of money, but about an overall approach that recognises how much difference this work makes to billions of people and what an effective use of UK taxpayers' money it is.

Let me conclude by quoting the leader article in *The Economist* from 10 October:

“Throughout history, humans and disease have waged a deadly and never-ending war. Today the casualties are chiefly the world's poorest people. But victory against some of the worst killers is at last within grasp. Seize it.”

Several hon. Members *rose*—

Geraint Davies (in the Chair): Order. Before I call Kate Osamor, if Members restrict their speeches to five or six minutes, we should have time for everyone who wants to speak. There is no formal time limit at this point.

9.54 am

Kate Osamor (Edmonton) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Davies. I thank the hon. Member for Stafford (Jeremy Lefroy) for securing this debate.

I am glad that we have the opportunity to draw attention to this important issue, about which, as a British-born Nigerian, I feel passionately. According to statistics published by the US Government to coincide with this year's World Malaria Day, Nigeria has the highest number of malaria casualties worldwide, with an estimated 100 million cases and around 300,000 deaths each year.

The debate is particularly timely given the recent announcement that the roll-out of the world's first malaria vaccine has been delayed as experts at the World Health Organisation have urged caution. The vaccine requires four doses, and without all four shots children had no overall reduction in severe malaria. That raises important questions about access to healthcare and how less developed countries will be able to administer the four vaccines. It also highlights the disparity in access to healthcare across the world and the more general need to address the issue in order to tackle infectious diseases most effectively. After all, access to healthcare is a human right.

I have been encouraged to see the progress that has been made in tackling malaria. Malaria No More UK states that malaria prevention returns £36 to society for every £1 invested. It is important to note that according to a recent WHO report, carried out jointly with UNICEF, malaria death rates have dropped by 60% since 2000, saving 6 million lives. The number of children under five sleeping under insecticide-treated nets has risen from 2% to 68%. Thirteen countries that had malaria in 2000 no longer have any cases of the disease. That shows that, with funding from the international community, there is hope that malaria, one of the biggest killers at the turn of the millennium, could be eradicated.

Progress must continue to be made. This year alone there have been an estimated 214 million new cases of malaria, with more than 400,000 deaths. Two forms of resistance are threatening to undo the progress that is being made: in south-east Asia, the malaria parasite is able to shrug off the effects of the drug artemisinin; and some mosquitos are becoming resistant to the drugs used to coat the nets. That must be looked into.

Mrs Grant: The hon. Lady is making a really good case. Does she believe that the lack of both adequately trained doctors and health networks is also worrying?

Kate Osamor: That is an important point. We need to invest in the healthcare profession so that this significant and costly disease can be eradicated.

I welcome the fact that the Department for International Development has pledged up to £500 million a year towards tackling malaria. Eliminating malaria is a global effort that involves work from the grass-roots and aid on international and governmental levels. There is still a lot of work to be done and I hope that the UK will continue to lead the way in the fight to end this disease.

9.58 am

Pauline Latham (Mid Derbyshire) (Con): It is a pleasure to serve under your chairmanship for the first time, Mr Davies. I thank my hon. Friend the Member for Stafford (Jeremy Lefroy) for securing this debate on a topic that is very close to my heart. Although I am going to focus on malaria, we must not forget the

many neglected tropical diseases that my hon. Friend outlined. He and I have worked closely on international development issues for a number of years, as well as in the all-party group on malaria and neglected tropical diseases. We expect to continue that work during this Parliament.

It is clear that the work the UK is doing to tackle malaria is having a huge effect. Through a mixture of UK aid, British business, British-led research and non-governmental organisations, the UK has contributed to reducing the global malaria death rate by 60% since 2000. In the previous Parliament, the UK acted in a number of ways to tackle malaria and other diseases, as my hon. Friend outlined. Our financial and political support for the Global Fund to Fight AIDS, Tuberculosis and Malaria, our support for the Gates Foundation's efforts to eliminate malaria, our work mapping malaria to establish high-risk areas to focus on, and our bilateral work on helping in-country healthcare systems to respond effectively to malaria and other diseases have all had a real, positive effect.

Although we can be proud of our contribution to tackling malaria and other tropical diseases, we must not become complacent or slow down our efforts. If we do, we risk reversing our momentum. Despite all the progress that has been made, malaria remains a substantial global killer, and women and children still overwhelmingly feel its effects. I could say an awful lot about the fact that women and children are disproportionately affected because they cannot access medicines or get to the clinics easily. Children who do not go to school because they have got malaria have worse life chances than those who go to school all the time.

Given the limited time available, I will focus on the situation in Uganda, a country I have focused on for many years and have a real interest in. Access to medical care to treat malaria and other diseases is poor in areas such as rural northern Uganda. Women and girls are even poorer there. I recently had a meeting with Alison Hall, the founder of Seeds for Development, to discuss the urgent situation in northern Uganda, where there is a major malaria outbreak. Her charity has been on the ground in northern Uganda working with farming communities to help rebuild their lives after the 20-year war with the Lord's Resistance Army. She has been there for about six years. Three of the districts the charity works in are among those affected by the malaria outbreak. The Department should look immediately at the situation she described to assess whether there is anything we can or should be doing to help.

In the middle of July, Dr Jane Ruth Aceng, the director general of health services in Uganda, admitted that tens of thousands in northern Uganda have recently contracted the disease. Many people cannot afford to travel the long distances required to get to the hospital, and those who do are overwhelming the services due to the outbreak. One hospital—Gulu general hospital in the Gulu district of northern Uganda, which Seeds for Development visited to assess how patients are being treated—padlocks shut its outpatients department at 4 pm, leaves patients outside the door and provides nowhere for them to be treated inside. The charity was also told that St Joseph's hospital in Kitgum, which is supported by DFID, recorded 125 deaths from malaria between June and August, which is much higher than normal. That is just one hospital, not the true picture.

Clinics had run out of drugs, and new supplies were taking a long time to arrive. In August, there had not been a delivery of drugs for a month.

We need to look urgently at the situation in northern Uganda to establish the facts and act on them. In particular, I am worried about the lack of access to treated mosquito nets in northern Uganda. We provide financial assistance to the Ugandan Government to provide nets, so why are families in the region not receiving them? I understand that the Ugandan Government stopped its indoor residual spraying of huts programme in 2014. That one act alone will increase the risk of malaria. If the local people get nets, do they know how to use them? Nets often go astray—they are used for fishing and all sorts of other activities—so there has to be an education programme to teach people how to use them. It is very important that women and children sleep under the nets to save their lives. That important issue has been highlighted as among the causes of the current outbreak in northern Uganda.

The UK has a huge amount to be proud of in the way we have taken a lead on combating malaria. We know that the return on investment in tackling malaria is well established and accepted by the Government. However, we alone cannot defeat malaria. It requires a global effort, financially and politically supported by Governments around the world, including those of the countries affected. A lot has been done, but the outbreak in northern Uganda, where hundreds if not thousands have died this year alone, shows that we must not become complacent. I hope the Minister will explain what DFID is doing to help those affected in that region. I understand that DFID acts responsibly in many areas of Uganda, but that area seems to have been neglected, and I would like to know what the Minister can tell us about what is happening.

10.4 am

Mr Virendra Sharma (Ealing, Southall) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. I congratulate the hon. Member for Stafford (Jeremy Lefroy) on securing this important debate at the right time.

Since I first entered Parliament in 2007, I have been committed to development and healthcare issues. As a boy growing up in India, I saw the debilitating effects of malaria and parasites such as hookworm. Such conditions are not blind; they affect the very poorest in society. Developing nations face a competitive disadvantage. The west and the more developed nations have mostly eradicated such debilitating, but not necessarily life-threatening, diseases, but the countries with the greatest need often lack even the most basic tools for curing neglected tropical diseases.

I was proud to be in New York last month with four of my colleagues here in the Chamber for the global launch of the sustainable development goals. I pledge my support to two goals in particular: goal 3, on health and wellbeing for all people; and goal 5, on achieving gender equality and empowering all women and girls.

The UK currently invests £536 million in eliminating malaria. The Department for International Development has much to be proud of, but neglected tropical disease funding is being reassessed at the end of this year. NTD funding has to be protected and, as the hon. Member

[Mr Virendra Sharma]

for Mid Derbyshire (Pauline Latham) said, increased where possible. If there is not a predominantly decent level of health across the globe, how can the world face the challenges of the 21st century? Speaking selfishly, if we meet global malaria targets by 2030, we will not only have saved more than 10 million lives but increased global economic output by \$4 trillion. That represents a huge new market for British goods, manufacturing and know-how.

Some 44 million households worldwide, representing more than 150 million people, face catastrophic healthcare costs that can cripple them financially. If we can prevent such cruel, horrible diseases from developing, we can free millions of women and girls from lives of servitude when they have to care for sick and ill family members. They will be able to go to school, receive an education and be fully equipped to participate as full members of our society. The life-changing effect of the drugs we support can be immense, and the cost can be just a few pence. The burden of NTDs and malaria traps so many in a spiral of debt, sickness and poverty. We have much to offer, having gained so much ourselves, but although we have done so much, there is much left to do. I hope that by 2050 people will no longer be trapped in poverty spirals driven by sickness. Hopefully, we will help them to become full members of society.

I support the questions put by the hon. Member for Stafford to the Minister. If the Minister can answer all those questions, it will not only satisfy people but give confidence to wider society that the Government are committed to what they have already paid for.

10.9 am

Fiona Bruce (Congleton) (Con): I congratulate my hon. Friend the Member for Stafford (Jeremy Lefroy) on an excellent speech, not least because of his impressive articulation of so many technical terms, which left many of us in awe. I also acknowledge his equally effective leadership of the all-party parliamentary group on malaria and neglected tropical diseases, which over the previous Parliament and continuing into this one has gathered together many of those involved in research and its practical application, seeking to resolve the challenges that he spoke of and to find solutions to the still deeply concerning impact of malaria and other neglected tropical diseases across the world.

I acknowledge the Department for International Development's considerable contribution over the past several years and the achievements secured thus far, not least because the constructive partnership working that my hon. Friend mentioned is being so effective in contributing to the improvements that have been made. There is still a long way to go, however. My hon. Friend spoke of the importance of increasing funding for drug discovery, and I want in particular to speak about early-stage drug development funding.

As I said, the all-party parliamentary group has gathered together a number of thinkers at the forefront of this issue, one of whom is Professor Alister Craig from the Liverpool School of Tropical Medicine, who visited us last week. He is a lifelong researcher into the biology of diseases and has several suggestions that could make the funding that goes into this area even

more effective. I hope the Minister will take those suggestions away. Professor Craig speaks of the weighting system of the research excellence framework, which is a method of addressing the research of British higher education institutions that can impact on the grant funding received. Professor Craig says that the current UK system is well suited to recognising the researching and developing of drugs that have an ultimate commercial home in western markets—that is to say that the cost of their development will be recouped by pharmaceutical companies. In practice, that can mean that the research excellence framework prioritises pure academic and perhaps more theoretical research over more iterative drug development processes. Drug development, particularly at an early stage, can be under-recognised as a result. Framework points can be accrued through the demonstration of excellence in academia more than through a demonstration of excellence in drug development. That is particularly concerning for the development of drugs for NTDs, because it can be seven to 10 years before apparent progress is made, but unless that work is done, no progress will ever be made.

While the system makes sense for the majority of the UK market, where a commercial operator will put in money to turn academic research into a product that ends up on the market, it can be difficult for grant money to get to development stage research into tropical diseases. Such research is often left under-resourced without a commercial developer to inject cash. In the next review of the research excellence framework, is the Minister prepared to consider measures that would allow drug developers to demonstrate the excellence of their research? We could perhaps consider the matter at a future meeting of the APPG, to which Ministers were generous in giving their time in the previous Parliament, so that the issue can be discussed with the experts in this field.

There is a clear disparity in the funding here. Successful research is rightly rewarded with drug development, but the drugs being developed only have a 0.3% chance of turning out to be an effective and available product. Much development work gets us closer to a final answer while not producing a solution or product. That valuable work—we could perhaps call them useful failures—could be better understood by review panels to give it more recognition.

For example, a number of malaria vaccines did not result in a marketable vaccine, but each new research stage and trial contributed to the accumulation of knowledge and is valuable in the chain of research that will eventually lead to an effective malaria vaccine. If useful failures could be better understood and identified, that would be helpful. However, funding agencies and review panels are often heavily represented by individuals from the academic sphere of pharmaceuticals and less so by those from the development field. The Government have the power to set expectations about the mix of backgrounds on such panels, but will the Minister consider the balance between those from academia and those from product development?

DFID's funding has been enormously effective over the past few years, but will DFID look particularly at targeting at early-stage NTD drug development? The purpose would be to support long-term development work from groups that have a deep understanding of NTD challenges. Money is put into development, but it

is often directed, even by DFID, towards picking up drugs that are already at an advanced stage of development, leaving early-stage drugs desperately under-resourced. It is particularly important that Government consider that because private foundations and NGOs often want to invest where they can get the biggest bang for their buck and where they can see an early-course impact.

Research in the UK into tropical diseases has been effective, and research into river blindness, as mentioned by my hon. Friend the Member for Stafford, is a good example. For Members' information, river blindness is a parasitic infection that is spread through the bites of black flies. It often leads to permanent blindness, and millions of people in central Africa and Latin America are at risk of infection. In some west African communities, 50% of the men over 40 had been blinded by the disease. UK research discovered that the parasitic worms could be stopped by attacking bacteria inside the worm as it was much easier to kill the bacteria than the worm. Millions of people are still benefiting from that discovery, which is a great example of UK research benefiting the lives of many. Such strides take time, however, which is why it is important for us to invest in early-stage drug development to make progress as quickly as possible.

I thank Professor Craig for his engagement with the APPG and for his particularly constructive comments. He says that it is not that the UK is not doing this work, but rather that more could be done. We could do more and could do it even more effectively.

10.18 am

Mark Durkan (Foyle) (SDLP): It is a pleasure to serve under your chairmanship this morning, Mr Davies. Like others, I commend the hon. Member for Stafford (Jeremy Lefroy) on securing this debate and on the helpful way in which he set out the terms of the debate, which was helpful not least because, as the hon. Member for Congleton (Fiona Bruce) said, he covered all the technical terms and jargon, meaning that none of the rest of us have to go over those hurdles. I also pay tribute to the hon. Member for Stafford for his steadfast and sterling work as the chairman of the all-party parliamentary group on malaria and neglected tropical diseases. I try to attend the group's meetings as often as I can, and I appreciate not only the quality of his work, but the calibre of the evidence and engagement that is brought to the group, which powerfully demonstrates the range of commitment of a number of charities and campaign groups. We have also heard directly from companies, not only about the quality of the work and their research, but about the commitment that they have been prepared to make on things such as price sensitivity. We have also been able to see and hear how important the work of DFID is and about its various partners in the NGO sector, and internationally and multilaterally.

The rate of progress and advance highlighted by the hon. Member for Stafford in his introduction in many ways proves the power of marshalled will when we have multilateral actions and well defined global goals. For some it is fashionable to knock such initiatives, but seeing real success against declared goals should incentivise us to do more and to go further. As the hon. Gentleman said, when we might still be looking at 450,000 or more children dying from malaria and neglected tropical diseases, we clearly need to do more.

This is a time for renewed commitment, rather than complacency about the challenges. Tackling malaria and neglected tropical diseases will be key to achieving the sustainable development goals, especially the health goal, the realisation of universal health coverage and the reduction in maternal and child mortality. Achievement of the global malaria targets by 2030 will mean more than 10 million lives saved, giving all that added productivity, releasing all that quality of life and increasing economic activity.

The UK should be seen to be prioritising sustainable development goal 3. We should therefore sustain and, I hope, increase the annual investment—£536 million at present—to achieve malaria elimination. The UK's malaria and reproductive health framework for results will run out this year, so we need a renewed vision and a new plan for the UK's contribution to global efforts towards elimination.

DFID has the credibility, so it should be seen to ensure that SDG 3 is more articulate about neglected tropical diseases by using its own working indicator on the number of people requiring interventions against neglected tropical diseases by 2030. Furthermore, we should heed the caution of the hon. Gentleman about silo approaches, which are understandable in the face of so many difficult challenges and so many pressures, but it is vital that we do not miss the opportunity to use disease-specific vertical programmes for other diseases and other health challenges to contribute towards the defeat of other diseases. It is therefore important for the UK to continue to fund bilateral, disease-specific programmes if we are to sustain the gains that have been made.

There has already been some discussion of “elimination” or “eradication”. It is important whether we use and how we qualify such terms and the differences between them. The goal is, in essence, one of emancipation. When we achieve elimination or eradication, we will have conquered a disease, with all the ravages that it can bring, including death, disability or diverting the life opportunities of those who have to care for the sufferers—women and children in poor countries are affected in particular. At the same time we will need to remember that malaria and neglected tropical diseases are not only a face of poverty, but a force for poverty, not least in their impact on women and children.

We need to see the whole effort as one of emancipation, creating alternatives for people—not only lives no longer lost, but lives that can be better lived and more fulfilling expressed through economic contribution and in public life. That is why it is so timely that the hon. Member for Stafford has secured the debate and that is why it is so important that we encourage the Minister and everyone he works with in DFID to do everything that they can.

Geraint Davies (in the Chair): I was hoping to get two speakers in before 10.30 am, but I know that will be rather difficult.

10.25 am

David Mackintosh (Northampton South) (Con): I am grateful to my hon. Friend the Member for Stafford (Jeremy Lefroy) for arranging for the debate and I support his view that this is a critical time for tackling tropical diseases. I will talk specifically about leprosy,

[David Mackintosh]

which, along with the other neglected tropical diseases that we have heard about, is preventable and treatable, although it needs to be caught early to avoid complications, side effects or disfigurement.

Last month I visited Bangladesh and met with workers from the Leprosy Mission and people suffering from the disease. We visited Vasantek, on the outskirts of Dhaka, where I met Soloma Akter, a 58-year-old widow who used to live in Boroalgapa village with her son Azizul Haque, who is a rickshaw puller, and his family. Soloma had dismissed the patch on her left arm as “nothing” when it first appeared. When she developed an ulcer on her right foot, her son took her to the hospital, but the doctors failed to diagnose leprosy. She subsequently lost three toes. A few months before my visit, staff from the Dhaka Leprosy Control Project saw her begging on the street. They recognised her symptoms and brought her to the Vasantek clinic, where she is now receiving treatment. Earlier diagnosis and medical treatment would have helped Soloma to keep her toes. There are many more stories like hers.

I also visited a self-help group in the nearby Bashantek slums, where most people who received early treatment and therefore escaped disability now look out for others with symptoms and bring them to the clinic for treatment. One man who had lost all his fingers and toes spoke passionately through the translator about how he now knew and recognised the signs and had spotted them in three other people, who had since been diagnosed and treated.

Dr Tania Mathias (Twickenham) (Con): I have worked with leprosy in different countries and different continents. Does my hon. Friend agree that disability is 100% preventable and that the UK can lead by ensuring that Governments have proper data collection of every single disability case in leprosy?

David Mackintosh: I agree with my hon. Friend.

I have to confess that that was the first time that I had met people with leprosy, and I was not sure that to expect when I walked into the clinic. I saw people who had lost their toes, sitting with their feet in buckets to clean and hydrate their feet. I was nervous about how I would react, but I wanted to shake their hands to dispel the myth about catching leprosy by touch. But it was fine: my reaction was human, and we all saw how vulnerable these people were, but we also saw the best of humanity—the selflessness of the people caring for them, the local doctors and the people from the Leprosy Mission.

I am pleased that over the past 20 years more than 14 million leprosy patients have been cured throughout the world, and the prevalence rate of the disease has dropped by 90%. Almost all new leprosy cases are now reported from only 14 countries. In order to reach all patients, leprosy treatment, as with treatment of other neglected tropical diseases, needs to be fully integrated into general health services. Education and awareness must remain a priority. As I saw, when people know the signs and symptoms and see the effects, they become advocates for seeking help and themselves help to save many people from similar suffering.

We also need political commitment in countries with the problem, so that leprosy and other neglected tropical diseases remain a public health priority and so that we break down the age-old stigmas attached to these diseases.

Wendy Morton (Aldridge-Brownhills) (Con): Does my hon. Friend agree that although the global goals give us a greater focus—one of them concerns preventable NTDs and malaria—the focus must now be on all countries buying into the process and into the collection of robust data, which can be shared and used to further the agenda?

David Mackintosh: I agree with my hon. Friend.

The UK Government clearly recognise the importance of neglected tropical diseases. DFID hosted and was a signatory to the London declaration, and it has been championing the issue of neglected tropical diseases on the global stage. In June during the G7 meeting in Germany, the UK Government reiterated their commitment to tackling neglected tropical diseases. The UK needs to commit to continuing to lead on such an important issue and to ensure that at the UN stats meetings, when the indicators are discussed over the next few months, it continues to push for the inclusion of the proposed indicator on neglected tropical diseases, along with discussion of other statistics, as pointed out by hon. Members.

I am grateful to my hon. Friend the Member for Stafford for securing the debate and I am pleased to be able to speak and give my support.

Several hon. Members *rose*—

Geraint Davies (in the Chair): Order. I need to call the Front-Bench Members now, as we have half an hour left and three 10-minute speeches to go, but I know that Dr Tania Mathias wanted to speak. Would you like to make a brief point?

10.30 am

Dr Tania Mathias (Twickenham) (Con): Thank you, Mr Davies; I appreciate it. Contrary to some other people, I want to see 21st-century measures, with local medical teams and local Governments taking ownership.

The UK’s legacy is in data collection by the missionaries. In many of the countries in which I worked, that was not done adequately, and that is where the system will break down. Our greatest legacy is the rigour of data collection. I also commend the work of the late, great Colin McDougall, who was a titan in leprosy work. We owe him so much.

Geraint Davies (in the Chair): Mike Kane has indicated that he wants only five minutes, so if you want to speak for a couple of minutes, Dr Mathias, you may.

Dr Mathias *indicated dissent*.

Geraint Davies (in the Chair): In that case, I call Stuart Blair Donaldson.

10.31 am

Stuart Blair Donaldson (West Aberdeenshire and Kincardine) (SNP): It is a pleasure to serve under your chairmanship, Mr Davies. I thank the hon. Member for Stafford (Jeremy Lefroy) for securing the debate on this important issue.

It is important to start on the progress made in combating malaria and NTDs. On the basis of reported cases for 2013, 55 countries are on track to reduce their malaria case incidence rates by 75%, in line with World Health Assembly targets for 2015. It is great to see that, in recent years, four countries have been certified by the World Health Organisation director general as having eliminated malaria: the United Arab Emirates, Morocco, Turkmenistan and Armenia. In 2014, 13 countries reported zero cases of malaria within their borders and another six reported fewer than 10 cases. Between 2000 and 2015, incidences of malaria fell by 37% globally and during the same period malaria mortality rates decreased by 60%. An estimated 6.2 million malaria-related deaths have been averted globally since 2000.

That is progress, but there is obviously progress still to be made. According to the latest World Health Organisation estimates released in September 2015, this year will see 214 million cases of malaria and 438,000 deaths. Sub-Saharan Africa continues to carry a disproportionately high share of the global malaria burden: the region is home to 89% of cases and 91% of deaths. Some 15 countries, mainly in sub-Saharan Africa, account for 80% of cases and 78% of deaths. Since 2000, the decline in malaria incidence in those 15 countries has lagged behind that of other countries.

In areas with high malaria transmission, children under five are particularly susceptible to infection, illness and death, with more than two thirds of all malaria deaths occurring in that age group. However, between 2000 and 2015, the under-five malaria death rate fell by 65% globally, translating into an estimated 5.9 million children's lives saved.

It is often the countries affected by neglected tropical diseases that are increasingly leading the fight to tackle them. In doing so, they are improving coverage rates and making strides towards elimination, with many already achieving elimination goals for individual diseases. In 2014, 126 cases of Guinea worm disease were reported, which is a staggering 99.99% drop since 1986. Only five cases have been reported so far in 2015. Of the 81 countries endemic for lymphatic filariasis, 25 no longer need mass drug administration, including 10 that have successfully eliminated transmission. Fewer than 4,000 new cases of human African trypanosomiasis—also known as sleeping sickness—were reported to the World Health Organisation last year, which is the lowest level in at least 75 years.

According to the UK coalition against neglected tropical diseases—and as the hon. Member for Stafford mentioned—NTDs affect 1.4 billion of the world's poorest people through mortality, morbidity, disability and stigma. The 10 neglected tropical diseases mentioned in the London declaration of 2012 are reported on each year in the *Uniting to Combat NTDs* annual report. Its third report was published on 25 June 2015, with its key finding being that increased investment in combating NTDs is hugely economically beneficial for nations afflicted by such illnesses. It is also reassuring to note that more than 5.5 billion tablets have been donated, providing 3.5 billion treatments since the London declaration.

It was good to hear the hon. Member for Northampton South (David Mackintosh) raise leprosy. The report mentioned that leprosy is one of the diseases that is off track, which demonstrates that we need to do more to tackle NTDs and ensure that no NTD is neglected.

Taken together, the NTDs in the London declaration constitute a disability and mortality burden of the same order of magnitude as HIV/AIDS, tuberculosis or malaria. However, the costs associated with reaching the WHO 2020 targets are relatively modest compared with those big three, and the benefits are enormous, providing a compelling case that the WHO road map is a highly cost-effective initiative, with far-reaching global health, societal and economic impacts.

Combating NTDs would unlock the productive and economic potential of hundreds of millions of people who would otherwise be kept out of work and school. As hon. Members have mentioned, sustainable development goal No. 3 is to ensure healthy lives and promote wellbeing for all at all ages. One of that goal's targets is, by 2030, to end the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and to combat hepatitis, water-borne diseases and other communicable diseases.

The delivery of malaria and NTD interventions is essential to achieving universal health coverage, ensuring healthy lives and promoting wellbeing for those of all ages, particularly the vulnerable and marginalised. It also contributes strongly to reducing child mortality and improving maternal health, and provides the opportunity to treat childhood illnesses such as pneumonia, diarrhoea and acute malnutrition.

It is clear that combating malaria and NTDs will significantly help to achieve the sustainable development goals; indeed, the goals will help to combat malaria and NTDs. With that in mind, it would be great if the Minister told us how the action that DFID is taking to combat malaria and NTDs fits into its wider strategy to achieve the sustainable development goals.

Let me finish by commending the work of the University of Dundee, which the hon. Member for Stafford touched on, in tackling malaria, with the discovery of a new anti-malarial compound in June 2015. The imaginatively named DDD107498 has the potential to treat malaria patients, including those with malaria parasites resistant to current medications, in a single dose and to help to reduce the transmission of the parasite. The compound was identified through a collaboration between the University of Dundee's drug discovery unit and Medicines for Malaria Venture. The discovery of that new anti-malarial agent, which has shown remarkable potency in multiple stages of the malaria lifecycle, is an exciting prospect in the hunt for viable new treatments. Once again, I thank the hon. Member for Stafford for securing the debate, and I look forward to hearing the Minister's response to some of the points raised.

10.38 am

Mike Kane (Wythenshawe and Sale East) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. I, too, thank the hon. Member for Stafford (Jeremy Lefroy) for securing the debate and for his personal leadership in this area. He gave great personal testimony about how the disease has affected him in the past. I, too, went to Tanzania in the early '90s and was prescribed Lariam while I was helping a friend to set up the first public library in Pemba. I also felt the effects of that terrible drug at that time.

Labour welcomes the sustainable development goals. We are entering a new era in which we hope to eradicate poverty, foster human wellbeing and protect our planet.

[Mike Kane]

That universal agenda for people in all countries pledges to leave no one behind. We now need to realise its transformational potential. The UK has shown its strong commitment to international development through spending 0.7% of its gross national income on aid and enshrining that spending in law.

I want to talk about sustainable development goal 3, which, as we all know, is about eradicating disease. Although it is only one of 17, and the target only one among 169—I feel sorry for the civil servants who have to understand all those fully—our contribution must demonstrate an integrated approach, as has been said. We must consider the interplay of all dimensions—social, economic and environmental—of sustainable development. We need to expand innovation and research, empower communities, build a skilled workforce and set up strong regulatory frameworks to promote and improve world health systems.

DFID has a strong track record on combating diseases such as malaria and neglected tropical diseases. UK spending on malaria control and prevention was £536 million in 2013-14, and we contributed significantly to the recently announced 60% reduction in malaria mortality since 2000.

According to the World Health Organisation, more than 70 countries are ready to implement national NTD masterplans, which aim to stimulate an increased demand for donated medicines. Since 2006, more than 5 billion anti-parasitic treatments have been delivered. During 2012 and 2013, the pharmaceutical industry donated 2.5 billion treatments—the hon. Member for Stafford made the industry's contribution clear. Over 800 million people were treated in 2012 alone. DFID has increased its expenditure on combating NTDs to over £250 million. As he said, it takes reliable long-term funding to tackle these diseases.

Global malaria control is one of the great public health success stories of the past 15 years, and our efforts to combat NTDs are on the right track, but we face substantial challenges, such as the spread of resistance to drugs. In addition, we face funding shortfalls for research and development targeted at new diagnostics for, and prevention and treatment of, NTDs. Yet the prevention of deadly diseases is one of the best uses of aid. If global malaria targets are achieved by 2030, it is estimated that more than 10 million lives will be saved and over \$4 trillion of additional economic output will be generated.

DFID has great experience in fighting malaria and NTDs, but we can do even more. The UK has excellent resources in the NHS that could be brought to bear in the task of building strong health systems around the world. Following the idea of co-development, the NHS could engage in a mutually beneficial exchange of professionals. As a global employer, the NHS has obligations to support training and healthcare in the countries of origin of our health workers.

DFID should be a strong partner for malaria-affected countries, which will play the most important role in designing effective national strategies, using funds transparently and well, and providing financing from their own domestic resources. Civil society and the private sector also have crucial roles to play. We should encourage new partners to join the global effort, especially

private contributors. We also need to support multilateral partners such as the Global Fund to Fight AIDS, Tuberculosis and Malaria. It is essential that we continue to support the fund and build on what has been done, particularly the investment in new vaccines, medicines, insecticides and diagnostics.

Tackling NTDs and malaria promises a number of spillover effects, such as greater productivity and growth, reduced worker and child absenteeism, increased equity and women's empowerment, and improved wellbeing, particularly for vulnerable and marginalised populations. Failure to act could see a resurgence in disease, with increased deaths and lost opportunities for progress and development. The Ebola crisis in west Africa has painfully illustrated the importance of strong public health systems for fighting disease. That lesson applies to our efforts to combat NTDs and malaria.

I thank the hon. Member for Stafford for leading this debate. I also thank hon. Members for their testimony about their time in Tanzania, Uganda, Nigeria, India and Bangladesh, and for the great expertise they have brought to the debate. We need to scale up our efforts to combat malaria and NTDs by investing in research and development, tackling resistance to life-saving medicines and insecticides, and boosting health systems across the world to help to bring an end to these terrible diseases.

10.45 am

The Minister of State, Department for International Development (Grant Shapps): It is a pleasure to serve under your chairmanship, Mr Davies. I congratulate my hon. Friend the Member for Stafford (Jeremy Lefroy) on securing this debate; I do so out of more than just the usual courtesy, as I also wish to commend him for his tremendous work on the Select Committee on International Development and for his chairmanship of the all-party group on malaria and neglected tropical diseases, which is one of the most effective APPGs in this House. It is well respected, frequently convenes high-quality debates and produces extremely influential reports. His knowledge and expertise have been acknowledged by hon. Members from across the House this morning.

The opening words of the “leave no one behind” pledge—many of us were at the United Nations General Assembly last month where that global promise was signed—are:

“We commit to putting the last first.”

Today's debate is therefore welcome and timely. Malaria and NTDs affect the poorest of the poor. Every year, neglected tropical diseases affect the lives of over 1 billion people, causing disability, disfigurement, stigma and an estimated half a million deaths, as we have heard. Malaria still kills more than 400,000 people a year, mostly children in Africa.

Since the start of this Parliament I have visited seven different African countries; the hon. Member for Wythenshawe and Sale East (Mike Kane) will be pleased to hear that I have been taking not Lariam but Malarone. My most recent visit was the week before last, to Nigeria—the hon. Member for Edmonton (Kate Osamor) will be interested to hear that—where I discussed these very issues. This morning, I returned from the United Arab Emirates; as the hon. Member for West Aberdeenshire and Kincardine (Stuart Blair Donaldson) mentioned,

the UAE is one of the latest countries to be declared malaria free, so I had interesting discussions there as well.

My hon. Friend the Member for Mid Derbyshire (Pauline Latham) asked what the UK is doing to tackle the resurgence in malaria—in Uganda in particular, although we must be watchful everywhere. As she will know, DFID has provided a significant amount of support to Uganda to try to reduce malaria. The recent outbreaks are of significant concern, and she is absolutely right to raise them. We are responding.

DFID is supporting the distribution of long-lasting insecticide-treated nets, along with capacity building for healthcare workers for the management of fever, specifically in the 10 most affected districts. We are working in partnership with the World Health Organisation to improve the availability and use of high-quality data for decision making—my hon. Friend the Member for Twickenham (Dr Mathias) rightly raised the subject of data—and, through the UK's significant contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria, life-saving anti-malarials are being made available to health facilities across the outbreak areas, as a key strategy for reducing transmission.

We are going further, by building on recent analysis by the WHO. DFID has agreed to fund a study—my hon. Friend will be pleased to hear this, as will the whole House—that will provide robust data on the possible causes of the outbreak, to inform the response and, most importantly, learn valuable lessons that we can then use in future programming as we take further decisions on the issue. I will meet the global fund leaders on 9 November, when I will raise that important issue. Through the strong monitoring mechanisms that we always have in place for our programmes, we will also take a close look at the issue of bed nets. I assure hon. Members that that will be a top priority.

The UK has been at the forefront of delivering progress against malaria and NTDs. By tackling them, we prevent pain, suffering and death, and we help to reduce poverty.

Pauline Latham: I am sorry to go back to the issue of northern Uganda, but will the Minister please tell me what is going to happen about the stock-outs of drugs? Are we going to flood the area with drugs to make sure that the people who need them actually get them? They are not getting them at the moment.

Grant Shapps: As my hon. Friend is aware, we are contributing up to £1 billion over three years—2014 to 2016—to the Global Fund to Fight AIDS, Tuberculosis and Malaria. She has my undertaking that I will raise that specific point when I take part in the meeting on 9 November. In addition, my officials are listening to the debate, and we will endeavour to take the issue forward as speedily as possible. We do not want any delay, and she has my absolute commitment that we will process this as fast as possible.

I would like to make three important points—about resources, results and partnerships. On resources, as hon. Members have discussed, the UK committed an additional £195 million in December 2012 at the London declaration on NTDs. I want to update Members, and particularly my hon. Friend the Member for Stafford, about the declaration. It brought together key leaders from health and development organisations, along with industry partners, and they pledged to tackle the 10 NTDs.

Its third progress report was launched in London in June, and the DFID Minister of State, my right hon. Friend the Member for New Forest West (Mr Swayne), spoke at the launch. The report indicated the growing number of countries that are meeting their targets.

None the less, there are challenges that threaten our ability to meet WHO road map 2020 targets, and we will all need to step up our efforts to do more. The road map and the London declaration have been game-changing events for NTDs, but the short answer to the questions my hon. Friend the Member for Stafford posed is that, although good progress has been made, there is much more to do. DFID and the British Government will take a lead in making sure that that happens.

At this point, I pay tribute to Members on both sides of the House. In the debate, there has been—almost uniquely, compared with many of our debates—a noticeable degree of cross-Chamber support for the action being taken. That assists the UK in making a full contribution.

We are fulfilling our commitment, and we have expanded our existing NTD programme. As my hon. Friend will be aware, five years ago the UK spent less than £200 million annually on tackling malaria; as has been recognised in the debate, the figure is now well over £500 million. As has been said, tackling such diseases is among the best buys in global health—I had not heard the statistic that £1 brings back £36. Each year, malaria costs the African continent at least \$12 billion in lost productivity.

That is why national Government leadership in the endemic countries is critical. The domestic focus in those countries must be on increasing measures to tackle malaria, and Governments must ensure that they put in resources themselves. Ensuring that that happens is a constant battle—a battle I frequently go out and fight to make sure we are all truly sharing the burden. National legislators have an important role to play in making the case for increased health budgets, including for NTDs and malaria. I call on those partners to step up their actions. It is in their countries' interests to do so, because—quite apart from the very sensible humanitarian reasons—enormous savings can be made.

Let me move on to my second point: results. Just last month, the Secretary of State spoke in the House at the global launch of the report on the malaria millennium development goal target. The report indicated the tremendous progress that has been made, which many Members have mentioned. Since 2000, an estimated 1 billion insecticide-treated bed nets have been distributed in Africa, and malaria mortality has almost halved in just over a decade. That is a huge achievement, and the UK can be proud of her contribution, but there is clearly a lot more to do. One in four children in sub-Saharan Africa still lives in a household without at least one insecticide-treated bed net or other effective protection against mosquitoes, but such things should be the bare minimum.

Mrs Helen Grant: The Minister mentioned the millennium development goals. Is he absolutely confident that the new global goals will be sufficient to continue the progress made under the MDGs, which have obviously done good? Will he and DFID also do everything they can to assist data collection—a subject ably and powerfully raised by my hon. Friend the Member for Twickenham (Dr Mathias)? Without data collection, we will have no measures and we will not be able to make people accountable.

Grant Shapps: On the latter point, about data collection, I had hoped that I had made myself clear: we absolutely support data collection programmes, and I outlined one specific programme. I will come to my hon. Friend's point about the new global goals in just a second, because the UK remains committed to bringing down the numbers even further.

Hon. Members will be delighted to learn that, just last week, I approved the purchase of a further 2 million insecticide-protected bed nets for Tanzania, which I visited recently. In addition, there are other programmes that will assist in the battle against these diseases. Energy Africa, a programme I launched in London last Thursday with Kofi Annan—Bob Geldof and others are supporting it—will enable energy to be brought to Africa. That means that it will be possible to provide better medical care, using means such as better refrigeration, for example. That is all an important part of achieving global goal 7.

On global goal 3, yes, everything is there. The UK has been at the forefront of supporting this global goal, with all its sub-targets, including preventing preventable deaths among children and ending epidemics of malaria and NTDs. I am therefore absolutely confident that the UK is right behind the push on that.

To really see an impact, we will need to make Herculean efforts. We need think only of river blindness, which once affected vast swathes of Africa, but which is now almost non-existent, to see what can be achieved.

Earlier this year, former US President Jimmy Carter was at DFID to discuss the guinea worm eradication programme. In 1986, guinea worm disease affected 3.5 million people; last year, there were 126 cases. So far this year, there have been just 15. The reduction is a simply amazing achievement, and we look forward to seeing other NTDs quickly follow the same course.

The Government have a strong track record on supporting successful product development and research, particularly through public-private product development partnerships, and some of the innovations have been discussed this morning.

There is, however, great concern about the 2020 vision, as my hon. Friend the Member for Stafford mentioned. Earlier this year, the WHO launched its third report on NTDs in London. Former DFID Minister Baroness Northover spoke at the launch. The report set out the financing and targets involved in meeting the WHO road map goals for 2020. It also discussed the progress that has been made. We need to do a lot more if we are to continue to meet those goals, but the Department and the Government are standing very much foursquare behind that.

My third point is about partnerships and collaborating with others to achieve a greater impact. We must, of course, recognise the substantial contribution the pharmaceutical companies have made. Pharmaceuticals have pledged drugs valued at \$17.8 billion from 2014 to 2020 to tackle NTDs—a very substantial amount. There is also lots of capacity among health workers, and the NHS was mentioned. Volunteers and others are also supporting the implementation of these programmes. The UK will stay at the forefront of those many developments.

Lastly, we will strive to ensure that the post-2015 agenda has a transformational impact on the lives of the most vulnerable and, in particular, on tackling NTDs and malaria. It is worth noting that the Conservative manifesto—the manifestos of other parties covered similar issues—included a commitment to lead a major new global programme to accelerate the development and deployment of new vaccines, drugs and diagnostics for the world's deadliest infectious diseases. I can report that that work is ongoing in DFID and throughout the Government so that we can meet that commitment, which I think the whole House will approve of.

Once again, I congratulate my hon. Friend the Member for Stafford on securing the debate. I am aware that there is one question I need to answer in a little more detail, and I will do so in writing.

Motion lapsed (Standing Order No. 10(6)).

Pakistan

11 am

Rehman Chishti (Gillingham and Rainham) (Con): I beg to move,

That this House has considered Government support for Pakistan.

As chairman of the all-party group on Pakistan, I am grateful for this opportunity to discuss Government support for that country, which has long and deep historic ties with the United Kingdom. Our thoughts are with the people in Pakistan, Afghanistan and parts of India affected by yesterday's earthquake. I lost 25 relatives, including my grandfather, in the 2005 earthquake in Kashmir. I know what amazing support the UK provided then, and I ask the UK to do all that it can to help Pakistan at this difficult time.

There are more than 1 million people of Pakistani background in the United Kingdom. They are the second largest ethnic minority group, and many continue to contribute much to our country, as well as retaining links with family and friends in Pakistan. Pakistan has come a long way in its relatively brief 68-year history, passing an important milestone in 2013 with the first peaceful democratic transition from one Government to another. There is a conviction that a resilient UK-Pakistan relationship is vital to regional and global peace and security. Working together and with key international partners helps to address evolving threats in south Asia. Pakistan has the will, determination and commitment at every level to be a progressive, strong and democratic country at the heart of the international community.

As a country on the front line of the war on terror, Pakistan has faced major challenges and brutal attacks, such as the horrific massacre at the army public school in Peshawar.

Mr Virendra Sharma (Ealing, Southall) (Lab): I thank the hon. Gentleman for allowing me to intervene so early in the debate. I congratulate him on securing it; it is important, given the historical and cultural relationship of Britain and Pakistan. Pakistan has existed for only 68 years, but things have developed. Given what is happening now because of earthquakes and other things, the area needs peace and increased prosperity. The British Government have a responsibility to look into the issues and work with the diaspora here and with the Government of Pakistan.

Rehman Chishti: I thank the hon. Gentleman for his remarks. He has always been a strong friend of Pakistan, wanting to build on the excellent relationship between our two countries. He often highlights the important role of the diaspora. Of course that is right. The United Kingdom has a huge role to play in ensuring that there is prosperity, stability and security throughout the region in south Asia, by working with all countries—India, Pakistan, Bangladesh, Nepal and China. It has a significant role to play in that respect.

I was touching on the horrific attack in Peshawar, in which, sadly, 134 children lost their lives. After many years of attacks that have resulted in the deaths of more than 47,000 civilians and 5,000 armed forces personnel in terrorist-related violence in the past decade, reports show that in the past nine months major terrorist attacks

have declined by 70%. The UK has always stood shoulder to shoulder with those tackling terrorism and has always been a strong ally of Pakistan. As the Prime Minister said,

“in this battle the friends of Pakistan are friends of Britain; the enemies of Pakistan are enemies of Britain”.

Domestically, Pakistan's main threat emanates from terrorism and extremism, and there is a direct link between those things and external factors such as conflict in Afghanistan, the unresolved Kashmir dispute and increasing chaos in the middle east.

Imran Hussain (Bradford East) (Lab): This is an important debate and the hon. Gentleman is right to point out that there are more than 1 million people of Pakistani origin in this country. The debate will be important for them. My thoughts and prayers are with those who tragically lost their lives in the earthquake in India, Pakistan and Afghanistan.

Does the hon. Gentleman agree that one issue that remains outstanding in the region, which is in some ways a barrier to peace and prosperity, is the region of Kashmir? Does he agree that there is a need for a peaceful solution to allow the sons and daughters of Kashmir the right to self-determination, and will he call on the Government to encourage both Pakistan and India to have peaceful round-table discussions to promote that?

Rehman Chishti: I pay tribute to the hon. Gentleman for the brilliant work that he does in building the relationship between our two great countries, and for all that he does in his constituency with its large Pakistani diaspora. He touched on an important point about Kashmir; no doubt the Minister and all concerned are aware of United Nations resolution 47 of April 1948, which says that the people of Kashmir should be given a right to self-determination, to determine their own destiny. The resolution includes the words:

“Considering that the continuation of the dispute is likely to endanger international peace and security”.

My response to the hon. Gentleman is that yes, of course, people will say there is a need for bilateral talks between India and Pakistan. However, as we saw in the past year the talks between Foreign Secretaries collapsed, with the Indian authorities withdrawing from them. For talks to continue, two willing parties are needed. At the moment there is no constructive bilateral way forward. The hon. Gentleman is right to say that the international community, including both the United States and the United Kingdom, has a moral obligation with respect to peace and stability in the region to do all that it can to assist in that long, drawn-out issue. I would mention, by way of a declaration, that I was born in Kashmir, so I await a plebiscite for my say, whenever that may come. I think that the international community has a moral obligation with respect to the matter.

Imran Hussain: I thank the hon. Gentleman for his thoughtful response. Will he also comment on the continued breaches and human rights violations in the region, as reported by many international human rights organisations? Will he join me in asking the Government to note that that is perhaps an even more pressing issue at present?

[Imran Hussain]

Human rights violations in the region must end and the international community must do more to assist with that.

Rehman Chishti: The hon. Gentleman is right about respect for the rule of law and human rights. Both the countries in question are signatories to the International Covenant on Civil and Political Rights, so on that basis everything needs to be done to ensure that people's basic human rights are respected, wherever they are.

It is said that the UK's supply of advanced conventional armaments to India has the potential to aggravate the growing asymmetry between India and Pakistan, which will lead to a lowering of nuclear thresholds. Some in Pakistan consider the UK's nuclear stance on Pakistan to be unfair and that the UK's support for India's entry into the Nuclear Suppliers Group and perceived pro-India stance on the Missile Technology Control Regime not only undermines Pakistan-UK bilateral relations but also forces Pakistan to adopt measures in the nuclear domain that it considers to be in its national interest but which may be contrary to the UK's aspiration within the international nuclear paradigm. The UK-Pakistan defence relationship is strong but not regarded as strategic. A move in that direction could develop even stronger relationships.

One of Pakistan's biggest challenges and largest opportunities is its growing and young population, which is projected by the UN to increase to more than 300 million by 2050. There is an opportunity to reap that demographic dividend, and Pakistan could be the next South Korea by 2050. According to economist Jim O'Neill, Pakistan has the potential to become the world's 18th largest economy by 2050—almost the same size of the current German economy.

Lord Maude, UK Minister for Trade and Investment, said in the House of Lords in June 2015 that Pakistan presents “too big an opportunity” to miss. Pakistan has one of the world's fastest growing middle classes, representing 55% of the total population. In the past three years, consumer spending in Pakistan has increased at an average of 26% compared with 7.7% in Asia as a whole. That increase in consumption-driven demand presents an opportunity for British brands to introduce their products and services to the market, as demonstrated by the success of Debenhams.

Pakistan's strong relationship with the European Union and the US through the GSP plus programme, which the UK strongly supports, is a significant boost to the country's exports. Since Pakistan was awarded that status by the EU, exports have increased by 21%, and total UK-Pakistan trade increased by 15% in 2013-2014. The China-Pakistan economic corridor in particular has seen 51 agreements signed, totalling \$45.6 billion in 2014, in one of China's largest overseas investments. The mega-projects that will follow can be given vital assistance by British companies through providing services and expertise to maximize the benefits. Encouraged by that, and in recognition of its being one of the best performing frontier capital markets, Pakistan's credit rating was upgraded this year by Moody's for the first time since 2008. The UK Export Finance fund has been revised in order to support the work of publicly managed projects, while the overall size of the fund has increased from £200 to £300 million.

While there is an appetite in the UK to do more business, there are mutual obligations and a moral imperative for Pakistan to reform, including improving the legal process, privatisation, taxation reform and dealing with corruption. Pakistan is rated 127th out of 177 countries on the corruption index. Its controversial and often abused blasphemy laws hinder the country's international standing, as countries are expected to respect citizens' human rights and religion freedoms.

Yasmin Qureshi (Bolton South East) (Lab): The hon. Gentleman is right to talk about human rights issues and blasphemy laws. Does he agree that our Government should also look at human rights issues in the rest of south Asia? For example, in India there has been a surge of sectarian violence in the past year or two, which has often been linked with the rise of Hindu nationalism or fascism—whatever we want to call it. In Burma, there have been killings of Rohingya Muslims. Does he think it appropriate for our Government to look at those countries and their human rights records as well?

Rehman Chishti: I thank the hon. Lady for her remarks and pay tribute to her for the brilliant work she does to promote the relationship between Pakistan and the United Kingdom. It was a real pleasure to be on a British Council delegation to Pakistan with her. She probably read the article I read—I urge the Minister to read it too—in the *Times of India* on 1 May 2015, entitled “US panel: Minorities under attack in India”. The independent panel that reports on religious freedom to the President of the United States, Barack Obama, highlighted human rights issues concerning minorities in India.

Whether the issue is China or the Rohingya community in Burma, human rights should be a key part of our foreign policy wherever abuses occur, as I made clear to the shadow Foreign Secretary in a Queen's Speech debate on foreign policy. As I said to the hon. Member for Bradford East (Imran Hussain), everyone's human rights, wherever they are, should be respected by all, and we should do everything we can to ensure that countries respect basic human rights and religious freedoms.

I have often spoken about the need to reform Pakistan's blasphemy laws. Last year, I wrote a letter, signed by 54 Members of Parliament, to Prime Minister Sharif and the Chief Justice raising concerns about Asia Bibi, a Christian mother of five who was sentenced to death. I am pleased to see that in July, Pakistan's Supreme Court announced a stay of execution, but there is still much to do to secure her release. Over the summer, the hon. Member for Bolton South East (Yasmin Qureshi) and I visited Pakistan as part of a cross-party delegation. We met senior Government officials and discussed the need to reform blasphemy laws and minority rights. It is fair to say that we sensed a real desire by those senior officials to look at reforming those laws, which are often abused and target Muslims as well as minorities.

Yasmin Qureshi: I concur with the hon. Gentleman. I remember meeting with a Chief Minister in Pakistan and raising the matter of blasphemy laws, as well as the Asia Bibi case.

Rehman Chishti: The hon. Lady not only raised the issue, but used that meeting to provide alternatives of how abuse could be curtailed. I fully support what she

said about reform, whether it is a question of these cases being dealt with at high courts rather than lower courts or having special prosecutors and special judges. Those discussions took place at every level, and I thank her for her expertise and contributions.

The delegation to Pakistan had the opportunity to learn more about the British Council's excellent work. Members on the trip visited Islamabad and Lahore to see some of the British Council's projects in action, including Take a Child to School and the Punjab Education and English Language Initiative, which aims to train 300,000 teachers. The British Council in Pakistan works in all four provinces and has built a network with the scale, skills and influence to deliver transformational change. The council aims to expand its presence and reach tens of millions of people across the entire country by reopening libraries, improving life chances and community engagement through citizenship and sport, empowering women and girls, strengthening skills and expertise in English and UK-Pakistan partnerships in higher education, science and the creative industries.

The Department for International Development is investing some £320 million this year in Pakistan in one of its largest programmes. Pakistan was DFID's third largest bilateral programme in 2014-15, and if progress continues, it could become DFID's largest such programme in 2015-16. The greatest priorities for the UK as an international development donor to Pakistan are education, women and children, creating jobs and supporting economic growth, strengthening democracy and governance, building peace and stability in conflict-affected areas, and providing humanitarian assistance through life-saving support to people affected by conflict and natural disasters.

There are ways we can further our relations with Pakistan. In particular, I would like the Minister to consider the following issues. Will he ensure that every possible assistance is offered to Pakistan in the light of the earthquake, to assist the country at this difficult hour? There is a clear relationship between the number of direct flights to a country and an increase in trade. However, since 2008, British Airways has suspended its six weekly Heathrow flights. Will the Minister look at that? The Government's travel advice has been raised as an issue. Will the Minister look at that and the process for reviewing it, in line with the improving security situation in Pakistan?

The Government have a target of increasing bilateral trade to £3 billion by 2015. Will the Minister present an update on plans to increase trade relations, including plans for trade delegations to Pakistan? With the bulk of trade focused on the goods sector, what can he say about the scope to develop trading links across the service sector? Around 10,000 Pakistani students are studying in the UK. However, changes to student visas were raised when we visited Pakistan as a delegation. Will the Minister provide an update on the situation?

On security, Pakistan is on the front line of the battle with terrorism and would appreciate assistance through GSM—global system for mobile communications—intelligence gathering and technology, such as biometric scanners and night goggles, to monitor the Afghan border more effectively.

I come to my last specific point for the Minister. In a recent joint statement with Prime Minister Sharif, President Obama said that US engagement with Pakistan, one of the largest Muslim democracies in the world, should be

comprehensive and multi-dimensional to reflect the global challenges of the 21st century. Is that what the United Kingdom is trying to achieve with Pakistan in its long, strategic relationship with the country?

In conclusion, Pakistan still has many challenges, but it is determined to become a safe and prosperous nation at the heart of the international community. With our mutual shared history, our very large Pakistani-origin diaspora and our deep, strong, multi-dimensional relationship based on mutual trust, respect and understanding, our relationship can go from strength to strength by working together to tackle the global challenges facing the international community. I know that the Minister has recently visited Karachi and seen the many opportunities that the country offers. I thank him for the brilliant work that he does in building our two countries' excellent relationship, and I look forward to hearing from him on this matter.

Geraint Davies (in the Chair): I call the Minister, who will have to speak quickly.

11.21 am

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): Thank you, Mr Davies; it is a real pleasure to respond to this debate, and I congratulate my hon. Friend the Member for Gillingham and Rainham (Rehman Chishti) on securing it. He spoke with such passion, flair, understanding and expertise on this matter, and in such detail, that he has managed to give me limited time in which to respond. However, such is his enthusiasm for making sure that these matters are discussed in the House that it is fully understandable that he has eaten a little into my time to reply. I will do my best to respond to some of the matters that he has raised, and as usual, I will write to him in the normal manner if there are points that I cannot to reply to now. I commend him and other hon. Members on the work they have done in the House.

My hon. Friend began, as I should as well, by offering our condolences, understanding and sympathies to all those affected by the horrific earthquake that has taken place in Afghanistan, but which has rippled right across the region. He asked what Britain are doing. Naturally, we stand ready to give support—we have had no formal request yet, but we stand by, ready to help our friend and ally.

My hon. Friend mentioned the important role of the enormous diaspora that we have in this country, which strengthens our cultural relationships and the understanding of our country, which is very important indeed. I am pleased that he also paid tribute to the British Council, not least the delegation that I had the opportunity to meet recently on a visit to the country. I was very proud to meet those British Council representatives and to hear about the work they are doing to strengthen this important bilateral relationship. I had the opportunity to visit not only Karachi, but Islamabad last month. I saw at first hand how Britain is working very closely with Pakistan on three key areas: security, which my hon. Friend raised, the economy and governance. Before trying to answer his questions, I will cover—in the time available—some thoughts on those three key areas.

First, as my hon. Friend implied, security across Pakistan has improved dramatically. There really was an understanding—almost a wake-up call—following

[Mr Tobias Ellwood]

the disastrous attack that killed so many children in the Peshawar public school. The British Government are very much playing our part. We are training Pakistani police and promoting work with prosecutors and the judiciary to investigate, prosecute and sentence terrorist suspects in line with international human rights standards. We have made an awful lot of progress, and I hope that continues.

Secondly, on the economy, the improved security is helping to drive economic growth. It is making the country more attractive. An International Monetary Fund programme has helped to stabilise the economy since the fiscal and balance of payments crisis two years ago. However, more work is needed if we are to increase the country's growth to the 7% to 8% needed to reduce poverty. We continue to encourage Pakistan to address the energy crisis, tackle corruption and undertake further privatisations, which are needed to boost the economy. We are supporting businesses that want to trade more with Pakistan, where the opportunities, from energy to infrastructure, are clear, as I discovered on my visit. I hope to return to Pakistan, not least to Karachi, in the near future with my own trade delegation. Indeed, I have invited and encouraged the Mayor of London, who is familiar with working with megacities, to provide assistance in making sure that Karachi works towards being a gateway to the region.

Thirdly, on governance, the advances made in security and prosperity cannot be sustained without good governance, and democracy in Pakistan has shallow roots, as we have heard. We are helping to build on that and sharing our experience to cement accountable governance, credible elections and civilian transitions. The Department for International Development, which my hon. Friend mentioned a number of times, has one of the largest bilateral aid programmes and is helping Pakistan to improve healthcare, education and the provision of humanitarian assistance. UK aid has benefited over 6 million primary school children, ensured that over 1 million more births involved medical professionals and helped over 4 million flood victims.

My hon. Friend mentioned Kashmir, which is obviously a very sensitive subject. He is familiar with our long-standing position in the UK—that it is for India and Pakistan to find a lasting solution to the situation in Kashmir which takes into account the wishes of the Kashmiri people. It is not for the UK to prescribe a solution or indeed, to mediate, but we very much encourage both sides to maintain their positive dialogue and to work towards a solution.

In the limited time remaining, I will try as best as I can to answer the series of questions that my hon. Friend asked. As I mentioned, on the earthquake, we stand ready to give support. We will continue to have discussions with British Airways. The time is now ripe for those flights to be reviewed and reinstated. I hope that will be the case, pending the security requirements

that we and the airline need. On travel advice, we want to make things as trouble-free as possible. There are over 1 million visits and movements every year. There is a requirement, occasionally, for us to review travel advice to specific areas. We are quite careful to make sure that we articulate that travel advice on our website.

On bilateral trade, we have the target of £3 billion. I hope we can persevere towards that. My hon. Friend is right to emphasise the fact that the British Government now underwrites and guarantees business opportunities. The money has increased from £200 million to £300 million, which I think is excellent news. That is an indication of how we want to meet the target and to encourage not only businesses that are already there to grow, but new businesses to consider Pakistan as a place to open up and do business.

My hon. Friend mentioned the 70th anniversary in 2017. I very much hope that that is something we can work towards, and it is wise to flag that up now, to ensure that we can mark that important landmark in Pakistan's history.

On visas, my hon. Friend will be aware of the robust requirement for us to have a thorough visa system in place. However, we want to make sure that we can attract the brightest and best students from around the world and that they are able to come here on legitimate courses, so we very much want to work with Pakistan on that front. On terrorism, I hear what he said about the requests. We will certainly look at that. We have a very strong relationship that is growing ever stronger with regard to helping Pakistan on counter-terrorism.

My hon. Friend spoke of the opportunities for the country to grow and to become the South Korea of the future.

Rehman Chishti: Will the Minister give way?

Mr Ellwood: I have 30 seconds left, so I hope it is a short intervention.

Rehman Chishti: Will the Minister join me in welcoming the high commissioner of Pakistan to our debate and in commending him on the brilliant work he does to build the relationship between our two countries?

Mr Ellwood: That intervention was absolutely deserved. I look forward to meeting the high commissioner in the very near future—I think we have a meeting planned either today or tomorrow—and we are always happy to have the opportunity to meet.

This has been a short debate, but it has articulated the importance of this bilateral relationship and the opportunities for us to work together on security, the economy and governance.

Motion lapsed (Standing Order No. 10(6)).

11.30 am

Sitting suspended.

Met Office

[MR GARY STREETER *in the Chair*]

2.30 pm

Mr Ben Bradshaw (Exeter) (Lab): I beg to move,

That this House has considered the BBC's relationship with the Met Office.

The Met Office and the BBC are two of the United Kingdom's most respected and successful public institutions. The first is our national weather forecaster, owned by the public, and the second is our national broadcaster, also owned by the public; they both have a reach and reputation that go far beyond these shores.

The BBC is a global broadcaster, with a justified reputation for quality, accuracy and impartiality. Our Met Office is independently assessed and widely recognised as the best in the world. Both the BBC and the Met Office earn millions of pounds for UK plc; for example, our Met Office provides weather forecasts for most of the world's civilian airlines, keeping our flights safe and helping them to plan the most efficient routes. The Met Office does more than just forecast weather. It provides expert advice on a host of hazards, including flooding, air quality, space weather and volcanic ash, and is the world's leading repository of expertise on climate change.

The BBC and the Met Office are also two of the world's oldest organisations of their kind. The Met Office was set up by the Government in 1854 to establish meteorology as a science and, initially, to provide weather forecasts to protect the safety of ships and their crews at sea. The BBC first broadcast a radio weather bulletin in 1922 using data from the Met Office, a relationship that has prospered to the present day. The weather men and women we see regularly on our TV screens are fully qualified meteorological scientists, often employed not by the BBC, but by the Met Office. They work round the clock using their scientific expertise and broadcasting skills to communicate vital information to the public. Many of them, across the generations, have become household names. Radio 4's shipping forecast, again provided by the Met Office, is an iconic part of our national life.

It was with some consternation that I heard back in August that the BBC was planning to end its 90-year-plus relationship with the Met Office. I should say at this stage that the Met Office is in my constituency. Indeed, I helped to secure its transfer to Exeter from Bracknell in the early noughties, and we in Exeter are immensely proud to host it. However, my main motivation for seeking this debate is not the potential impact on my constituency. The current contract with the BBC earns the Met Office about £3 million out of a turnover of £220 million a year. The Met Office has said that any impact on income or jobs from the BBC terminating the contract would be minimal. No, my main reason for raising my concerns and seeking this debate is primarily the wider national interest.

The historic relationship between the Met Office and the BBC and of each organisation with the Government has been and, in my view, remains integral to national resilience and emergency planning and even, in times or arenas of conflict, to national security. The Met Office provides information to a whole host of customers and

organisations, including commercial businesses, transport bodies, farmers, seafarers, sports organisations, local government, the NHS and the general public. If we think about it, there is almost no aspect of our lives that is not somehow impacted by the weather. Timely, accurate weather information and forecasting is vital in normal times, but during extreme weather events or at times of national emergency it can be a matter of life and death.

That is why the Met Office is embedded in our civil contingency systems. I remember, as a Minister, attending emergency meetings of the civil contingencies secretariat, COBRA, during severe flooding and the foot-and-mouth and bird flu crises, when the in-time input from Met Office staff was absolutely critical in informing the Government's response. Communicating severe warnings quickly and accurately through our main broadcaster is vital to enable businesses, public bodies and the wider public to plan and respond.

The BBC has said in response to questions from me that it intends to continue to use the Met Office's severe weather warnings in its broadcasts, and that is extremely welcome. But what the BBC has not done is explain how it will ensure that those warnings are consistent with its general weather forecasting if they are sourced from a different provider.

Britain's geographical position on the edge of the European continent and facing the Atlantic makes our weather very difficult to predict. Accurately forecasting the exact route of the deep depressions or storms that are responsible for most of the gales and flooding we experience is particularly tricky. The Met Office has an unparalleled reputation in getting these forecasts right. In fact, the World Meteorological Organisation says the Met Office's forecasts are consistently the most accurate in the world. But if the BBC goes ahead with its plans, the severe weather warnings from the Met Office could still be broadcast by the BBC but might be inconsistent with or even contradict the BBC's general weather forecasts.

Accurate and consistent messaging is absolutely essential in weather-related emergencies. Ten years ago, America suffered its worst ever death toll in a natural disaster when Hurricane Katrina devastated New Orleans. Much of the subsequent blame for the high death toll centred on the inconsistent and contradictory weather warnings, which sowed uncertainty and confusion in the area about the need to evacuate. I know our civil contingencies secretariat is extremely concerned about the BBC's proposals and the potential for mixed messages.

In response to parliamentary questions I have been assured by Ministers that arrangements will be put in place to address those concerns. The BBC has issued similar assurances to the Met Office, but we have not been provided with an explanation as to how that can be done so I would be grateful if the Minister would do so in his response. I wonder whether the Minister shares my concern that we could be facing a situation in which the public will receive and act on information provided through the BBC that is different from that provided to the Government itself and the emergency services by the Met Office. The long-standing and respected environment editor of *The Independent*, Mike McCarthy, said of the BBC's proposal to drop the Met Office:

"It may suit the Corporation's bottom line, or its image of itself as a trendy broadcaster: but the commercial interests of the BBC are not the same as the interests of the nation, and this decision is a nonsense which needs to be reversed."

[Mr Ben Bradshaw]

I have a parallel concern about the effectiveness of our armed services. The Met Office, which until recently came under the umbrella of the Ministry of Defence, provides regular weather information to our military at home and abroad. Met Office staff in military uniform are currently embedded within our armed services in Afghanistan and Oman. Those armed services will also have access to the BBC's global weather forecasting, so there a danger that the information they receive officially from the Met Office could be inconsistent with that provided by the BBC over the normal media, hampering operational safety and effectiveness.

Then there is the further potential vulnerability, in the event of a more serious conflict, war or massive cyber-attack, of our national broadcaster being dependent on a private or foreign weather forecaster. I should be grateful if the Minister would say whether the Government have made any assessment of the impact of the BBC's proposal on national resilience and security.

I would also like the Minister to tell us whether there have been any discussions across the Government about value for money if the BBC contracts weather services from abroad or from a private company. At the moment, the public pay through the licence fee for the BBC's weather services, but the public, or the Government, also receive the income as the Met Office is publicly owned. If the BBC goes down its proposed route, the public will in effect be paying twice: first to the Met Office for its work and again to a foreign-owned or private weather provider via the BBC licence fee.

As the Minister well knows, the BBC is about to embark on its 10-year charter renegotiation and renewal. This is the chance for the BBC to agree its size, its scope and its strategy within the financial envelope provided by the licence fee. Given the financial constraints on the corporation because of the funding levels already announced by the Government, there is widespread consensus that the BBC will have to do less if it is to protect quality. However, in a briefing provided to me in response to my concerns about the BBC decision, the BBC says that it wants

“to enhance our position as the leading destination for weather information with ambitions to be the best provider of weather information in the UK and the world.”

We already have the world's best provider of weather information. It is called the Met Office. This feels like another example of the BBC trying to do everything and grow its empire, rather than doing what its director-general, Tony Hall, says it should be doing, which is “partnering with others”. On the eve of charter review, the BBC is planning to sign a new 10-year contract with a foreign or private weather provider, pre-empting charter review and shutting the public completely out of the process. Does the Minister not agree that it would be far better for the BBC to consider and decide this as part of charter renewal? That would also give it and the relevant Departments the chance to review and address the concerns that I and the Met Office have been raising.

That leads me, finally, to the process. The decision by the BBC was not consulted on and was announced not in any formal way, but in the form of a leak to *The Sunday Times*. That is unsatisfactory in itself, but it is completely clear from the correspondence that I have received from Ministers and from the answers to my

parliamentary questions that Ministers and Departments were kept in the dark over this. The BBC treated it as a narrow commercial decision, with no regard whatever to the wider national and governmental interests. Could the Minister please confirm that he and other Ministers were not consulted on the announcement before the BBC made it? Could he also tell me what subsequent conversations he has had with colleagues in the Department for Business, Innovation and Skills, the MOD, the Department for Environment, Food and Rural Affairs, the civil contingencies office and the other interested Departments and agencies about the potential impact of the BBC's plans on national resilience and security?

The Met Office website offers a public weather media service that will be made available free at the point of use to all public service broadcasters. That package of information includes weather forecasts, warnings, observations, guidance, scripts and services provided under licence and tailored for the broadcast media, so I am also concerned that the BBC has in effect tendered for services that, at least in part, are available to it free of charge through that service. I recognise that the actual content of any tender is commercially confidential, but I none the less request the Minister to reassure himself that the option to satisfy the BBC requirement through the public weather media service was fully explored before the decision to tender was taken. If it was not, there are serious questions about the process and its ability to deliver value for money. My concern is that the BBC has pursued a narrow commercial tender without fully considering its responsibilities to UK resilience and public safety and value for money. That might explain why it is having such trouble explaining how it is going to address the concerns that it now recognises are real, but if the BBC cannot explain that, it is very important that the Government do.

This episode seems to me to be a classic example of a large organisation—in this case, the BBC—taking a decision without thinking through the wider implications. If it had bothered to consult or even seek others' views, it might have come to a different conclusion. Now that the wider implications and problems have been pointed out to it, it is frantically trying to reassure us that the potential problems can be resolved, but without explaining how. I hope very much that, in light of this debate, the BBC will pause this process and see the merit of rolling it forward into charter renewal, so that it can fully explore the potential problems with this plan and consider its weather forecasting contract as part of its overall strategy and reach.

However, the responsibility of Government goes much wider than this. The Government have overall responsibility for national security, emergency planning and managing crises and contingencies. So far, I have not been reassured by what Ministers and their Departments have said on this. I therefore hope that, in his response, the Minister can address those concerns or, failing that, go away and consult his colleagues in BIS, the MOD, the civil contingencies office and elsewhere and provide the detailed reassurances and explanations that I am seeking.

2.44 pm

Kevin Foster (Torbay) (Con): It is a genuine pleasure to serve under your chairmanship for the first time in Westminster Hall, Mr Streeter. I thank the right hon. Member for Exeter (Mr Bradshaw) for securing the

debate. It is directly relevant to my constituency, which is not a million miles away, and to your constituency of South West Devon. We will almost certainly have constituents directly affected by this decision. However, although there is a link between Torbay and south Devon's economy and the location of the Met Office, my focus, like that of the preceding speech, will be on the overall impact of the decision and what it could mean for our country.

It is safe to say that anyone who represents a coastal community knows the absolute importance of an accurate weather forecast and of that being disseminated to the public more widely. It is not the person who has a large shipping operation who relies on the BBC shipping forecast. It is the person deciding whether to go out in their own small boat the next morning. It is the person going to the beach. It is the person who might take their family to the coast. For each of them, it is critical that they can easily get hold of an accurate weather forecast. I see here my hon. Friend the Member for South East Cornwall (Mrs Murray), whose area has a large fishing industry. I have the bay, but I do not have Brixham. That is in the constituency of my hon. Friend the Member for Totnes (Dr Wollaston), but there is certainly a fishing community in Torquay that goes through Torbay, and all rely on being able to have accurate forecasts, with many using the BBC to supply them.

What speaks to me about the importance of the weather is this. We all remember the iconic hanging tracks at Dawlish. Had those winds been true east rather than slightly to the south-east, that storm would have hit Paignton directly, causing a very severe impact. That is why, for me, the relationship between the Met Office and the BBC is crucial.

The BBC has a reputation for gold-standard accuracy in its weather forecasts—perhaps with the exception of Michael Fish not quite seeing the hurricane that was on its way. Therefore, it is vital that it also has the accuracy of the Met Office's gold standard of weather information and forecasting. The right hon. Member for Exeter was right to talk about potential conflicts between Met Office severe weather warnings, which again are the gold standard for keeping people away from harm, and another provider advising of a slightly different outcome in the weather. It is hard to see how an organisation that has been accurately forecasting Britain's weather for nearly 170 years will be bested by any other organisation suddenly picking up this contract for the BBC.

It is vital that we look at the need for a resilient source of weather information, as the right hon. Gentleman said, for the military, for our civil authorities and for Government itself. We need to look at everything from energy security to potential issues with our agricultural sector. Many things will depend on knowing the weather and being able to provide what support we can by having had notice well in advance of what the weather conditions are likely to be.

For me, what shows the importance of the weather to Government decisions and planning is that we banned weather forecasts during world war two, because that was seen as such useful information to the enemy that we did not want them to have it. Seventy years later, it is still a vital part of Government planning. It is not just about whether we will get wet when going out for a walk, but about planning services—planning when power stations will need to be brought on to supply, and

planning when staff may need to be on standby for everything from snow and ice to flood and wind. Ensuring that we can maintain a resilient and durable Met Office is crucial to the way we run our country.

I accept that the Government do not direct the BBC in its contracting. It is right that the corporation has a level of independence. It would be strange for us to stand in this House one day demanding that it is completely independent of Government and then the next day demand that the Government take various decisions for it. That said, it is concerning that this decision was taken purely on a fairly narrow set of criteria. I, too, would be interested to hear the Minister's remarks on what consultation was done, given that ultimately the BBC is not a service that anyone can choose to receive. If someone has a television, they have to pay for it under the law, and in fact they are still branded a criminal if they do not pay the licence fee that goes towards it, so I would certainly be interested to hear what consultations were done.

I hope that the BBC will take a close look at the impact of the decision. My concern, as a constituency Member, is for my constituents who will be affected, particularly as such an iconic employer brings quality jobs into Devon that will benefit the community in the long term. I agree with the suggestion from the right hon. Member for Exeter that the BBC should pause this issue during the charter review, in which we debate the whole relationship between the Government and the BBC—between the state and the public broadcaster. I would be interested to hear the Minister's thoughts and comments. As I said, we cannot say one day that the BBC should be independent and the next that it should do whatever we direct it to do.

We need to know that the gold standard of weather forecasting is available; we do not want a standard that blows with the wind. I hope that the BBC will look again at this opportunity to keep its historic link with the Met Office.

2.50 pm

John Nicolson (East Dunbartonshire) (SNP): It is a pleasure to serve under your chairmanship, Mr Streeter. The Scottish National party Government Minister Humza Yousaf once observed that there are two seasons in Glasgow: taps on and taps off. To translate for those who are hard of Scots, that means removing one's upper garments, or keeping one's upper garments on. Of course, as everybody knows, the colder and wetter it gets in Glasgow, the more clothing people remove. My constituency is the second-wettest in the United Kingdom, just missing out on the top spot to Cardiff.

Although people from Scotland joke and vent their frustrations about the unpredictable weather that we experience throughout the day, accurate weather forecasting is essential to the country. The landscape and natural environment of Scotland are one reason why detailed weather forecasting is so important. Tourists from all over the world come to marvel at Scotland's natural beauty, climb our mountains, trek in our glens or explore our cities. They need to know the weather in advance to ensure that they dress appropriately and are adequately prepared. Our country's winter sport industry is worth nearly £30 million to the economy each year, so hotels and ski resorts also need to have detailed weather forecasts so that they can plan accurately.

[John Nicolson]

In addition, Scotland is home to large shipping, fishing and seafaring communities, who need to be fully briefed on what lies out in the seas to ensure their safety. Those are three of many obvious examples of why weather forecasting makes a huge impact on life in Scotland. It is intrinsically linked to the safety of our people and the prosperity of our economy. People rely on the Met Office.

There are, surely, two key questions that need to be addressed when debating the relationship between the Met Office and the BBC, and the divorce that is taking place. What were the reasons for ending the contract with the Met Office? Will the ending of the contract improve the weather forecasting service for the people of these countries? A BBC spokesperson has stated that during the bid process for the weather forecasting contract, the BBC sought to

“make sure we secure both the best possible service and value for money for the licence fee payer.”

That, of course, is always foremost in any BBC manager’s thought process. Although that is to be expected, can both be prioritised simultaneously or has value for money taken precedence?

There has been some misinformation about the cost of the Met Office to the BBC; reports in the press have stated that the Met Office charges the BBC £30 million a year. In fact, that is the total commercial revenue of the Met Office from a wide range of customers for the whole year. Only a small percentage of that comes from services to the BBC, with presenters being paid at market rate. The Met Office is seen as providing the most accurate predictions for UK weather underpinned by significant research capability and strong infrastructure. It is regarded as a world leader in the field, and provides services in the United Kingdom and around the world.

Many have argued that the BBC’s decision to end its contract with the Met Office has been taken purely for commercial reasons. Dr Grant Allen, an atmospheric physicist at the University of Manchester and a leading expert in the field, has said:

“In my opinion, the BBC’s decision was taken on cost and not on predictive skill. We could get less accurate weather forecasts than before through the BBC, and that is sad news.”

Moreover, the timing of the divorce could not be worse. The Met Office has recently invested £97 million in a supercomputer 13 times more powerful than its previous system, which will increase the accuracy of its forecasting. As part of the new forecasting abilities, the Met Office says that it wants to include the probability of certain weather types. A forecast would give the temperature and a 20% chance of rain, for example—again, vital to my constituents, although our assumption is that there is 100% chance of rain every day for the next year. Such probabilities are available on the Met Office website, and many people are used to using them on smartphone apps. We understand, although this has not been confirmed by the BBC, that the BBC does not want that new service, regardless of how useful it would be to licence fee payers.

If the BBC has opted to end its contract with the Met Office simply to reduce costs and replace it with a service that is not as detailed or accurate, that is worrying and clearly goes against the BBC’s public service broadcasting remit. The BBC is responsible for providing

services to inform its audience—services that would not always otherwise be provided where commercial interests are at the fore. Detailed, accurate weather forecasts fall into that category, and attempts to dumb down in order to reduce costs would do a disservice to audiences across the United Kingdom.

On a broader level, the UK has a leading position in the world for atmospheric science, which is the result of sustained institutional support for the science. Questions must be asked about how the end of the BBC contract will affect the Met Office and its ability to deliver. Will investment in the Met Office suffer as a result? Will the change have knock-on effects on the Met Office’s numerous roles outwith the BBC? Will it ultimately affect the future of domestic weather forecasting throughout the country?

The two companies widely reported to be in the final bidding for the contract are a Dutch firm called MeteoGroup and the commercial branch of New Zealand’s meteorological service, MetraWeather. Both must now come under scrutiny. Whichever is selected, we must be assured that it will deliver the high-quality, detailed and accurate weather forecasting required for the BBC and audiences. MeteoGroup is already used by the London *Evening Standard* and provides services at the Sheringham Shoal offshore wind farm. MetraWeather has attempted to make weather forecasting more interactive during TV bulletins in the Netherlands. Those are, however, small-scale endeavours compared with the scope of the task ahead of them if they are to replace the Met Office working for the BBC.

As Professor Ellie Highwood, joint head of the University of Reading department of meteorology, has said:

“Without any details about the BBC’s new arrangements, it is too early to say how this decision will impact the quality of weather forecasts to the general public”.

She does not welcome the developments. It is now the BBC’s responsibility to award the contract to whichever provider will offer the best weather forecasting service to the public. I strongly hope that it is awarded on the basis of quality of service, rather than as a cost-cutting procedure. At the end of this process, I expect the BBC to show full transparency and detail why the contract with the Met Office was ended and why a new contract was awarded to a different supplier.

In conclusion, I find myself agreeing with the right hon. Member for Exeter (Mr Bradshaw) that the Met Office is part of the family silver. Expelling it from our TV screens seems an unnecessary, destructive step, which has been inadequately explained and unwelcome.

2.59 pm

Chi Onwurah (Newcastle upon Tyne Central) (Lab): It is a pleasure to serve under your chairmanship, Mr Streeter. This is the third time in less than 24 hours that the Minister and I have been opposite one another. Yesterday evening he tried to incite me to intervene, although, as the Speaker rightly pointed out, it was against parliamentary procedure—not exactly fair play.

John Nicolson: Or cricket.

Chi Onwurah: No, it was not cricket. I was obliged to remain silent, but I intend to make up for that today. I congratulate my right hon. Friend the Member for

Exeter (Mr Bradshaw) on securing this important debate and on his impressive opening speech. He speaks with experience and authority, as a local MP and a previous Minister.

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): He was a Secretary of State.

Chi Onwurah: And as a previous Secretary of State. He knows his subject comprehensively. I am sure that the Minister will extend my right hon. Friend the courtesy of answering all his questions as fully as possible.

As my right hon. Friend said in his introduction, the Met Office is a respected and successful institution. He touched briefly on the origins of what is now known as the Met Office. Those origins reflect many supremely British characteristics: naval power, trade, exploration, science and eccentricity. The Met Office was first founded as the Meteorological Department of the Board of Trade by Robert FitzRoy, who is most famous for being the captain of HMS Beagle, the ship that carried Charles Darwin on his famous voyage. More than 160 years ago, this House roared with laughter when a Member suggested that we might, one day, predict the weather in advance. FitzRoy led an interesting and troubled life, but pressed on in the face of scepticism about weather reporting. Today, his vision of a public forecasting service, funded by the Government for the benefit of all, has endured.

The modern Met Office is respected the world over and has an important place at the heart of the nation's contingency planning and our culture. Indeed, the hon. Member for East Dunbartonshire (John Nicolson) emphasised its role in the heart of Scotland's culture. We all like to poke fun at weather forecasters for getting it wrong, but the fact is that the Met Office is critical to our military security and civil planning. Its shipping forecasts make the jobs of those at sea a little safer, as the hon. Member for Torbay (Kevin Foster) rightly emphasised. Its global research links enhance our understanding of how the weather and climate affect our economy and way of life, and its parliamentary advice makes us all—at least, those of us who make use of it—a little wiser.

I hope the Minister will assure us that the Met Office is not on the Government's list of public sector targets. In fact, I hope that he and his colleagues will go further and champion its work and the unique role it plays. Perhaps, they might even recognise the value that such public sector institutions play in our society and economy. As my right hon. Friend the Member for Exeter said, this decision is not the end of the Met Office—far from it. It does so much more than providing the BBC with weather forecasts. In fact, its data will still drive those forecasts. The decision raises questions about the strategic relationship between the BBC and the weather provider. The police and the military will continue to rely on the Met Office for advice, while the public may receive different information. My right hon. Friend cited international examples that raise serious questions about this approach. Is the Minister concerned about that and has he discussed it with the BBC?

Many in the Conservative party believe that the BBC needs to be clipped, either because of misplaced ideas that it crowds out competitors or because of perceived bias. I find it difficult to divorce this decision and this

debate from the wider context of the charter renewal process and the sustained attack that the BBC is coming under from the Government and their friends. The BBC is under immense pressure at the moment to prove to the Government and the wider public that it is efficient and good value for money. Obviously we are all in favour of value for money, but what matters is how we define value and over what period of time. Even if we accept that there is no risk to the national interest—which I have yet to be convinced of, although I will listen closely to the Minister—I am not persuaded that the cheapest option is always the best.

3.5 pm

Sitting suspended for Divisions in the House.

3.27 pm

On resuming—

Chi Onwurah: As I think I was saying before democracy interrupted me, my right hon. Friend the Member for Exeter explained that the BBC's decision is not the end for the Met Office—far from it: it does much more than weather forecasts. However, the decision raises questions about the strategic relationship of the BBC and the weather forecaster. Has the Minister discussed that with the BBC, and does he have concerns about it?

I am intrigued by the timing of the decision. Is it right to award a 10-year contract when the charter renewal process is about to decide on the entire future of the BBC and its purpose? Should not such important decisions be made after we know the outcome of the process? I understand that the contract does not expire until next year. Is it too late to review the decision and the process? Will there be increased transparency about the criteria for the decision that has been made?

What if, as part of the open consultation the Minister is running with the British public, we decide that the purpose of the BBC is indeed to provide integrated weather warnings at critical times? In its briefings to Members, the BBC has said that the decision to go to open tender was a legal one—something that it had to do. I support open tendering, of course. We need competitive procurement to prevent contracts from being handed out to the same old cronies and to enable new and innovative companies to have access to the £242 billion of public procurement cash available from the public sector, but what discussions have the Government had with the BBC regarding other aspects of the contract, such as social value?

I am sure the Minister is aware that recent European Union law exempts some services from procurement laws, and other laws allow organisations to make allowances in certain circumstances—for instance, where there is a question of social value. The Public Contracts Regulations 2015 came into force in February and expand on exemptions for co-operation between entities in the public sector, which I would have thought was exactly the case here. What is the Minister's interpretation of that exemption? Has he taken any advice on the rules in this case? If so, can he share it with the House today or deposit it in the Library, or ideally both?

One charge often levelled by Members of this House and others is that we are too strict on ourselves in this country when interpreting and obeying EU laws and

[Chi Onwurah]

can err on the side of extreme caution, so will the Minister bring his considerable resources to bear and see whether this 93-year-old relationship does not have to be sacrificed? We have yet to decide what the BBC is for or what outcomes we want. The BBC is a great British institution. It is public sector, it is successful and it is loved. Of course it needs to evolve with the times and with technology, but it also needs the support and championing of this Government.

I could say exactly the same about the Met Office. My right hon. Friend the Member for Exeter and the hon. Member for Torbay described in detail how successful and appreciated the Met Office is, and it, too, needs to evolve with the times and with technology. The Met Office also deserves the support and championing of this Government. I will listen with interest to the Minister, as always, but it seems strange that these two great British institutions should not be natural allies and partners.

3.32 pm

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): I am delighted to serve under your chairmanship once again, Mr Streeter. I thank the right hon. Member for Exeter (Mr Bradshaw) for securing this important debate. He and I have a close mutual interest in the weather on the weekend of 7 and 8 November. As he may be aware, I am lucky enough to be president of Didcot Town football club, who for the first time in their history have reached round 1 of the FA cup. I am delighted that their first opponents, because they are bound to win, will be Exeter City on that weekend. I hope he will join me in the lavish corporate box at Didcot Town, having cycled from his Exeter constituency on what I hope will be a fine and sunny day, but who can tell? Maybe the Met Office can.

The hon. Member for Newcastle upon Tyne Central (Chi Onwurah) spoke about her and me appearing together for the third time, but she left out the hon. Member for East Dunbartonshire (John Nicolson), who is also part of the group. Looking at the three of us, I call to mind the great words of the bard:

“When shall we three meet again
In thunder, lightning, or in rain?”

I cannot answer the first part of that question, but when I do know I will ask the Met Office to answer the second part.

We are lucky to have the Met Office, but it does not provide the weather for every television channel. As the hon. Gentleman pointed out, MeteoServices provides the weather for Channel 4, and it has a distinctive approach. The weatherman for Channel 4, Mr Liam Dutton, achieved notoriety for faultlessly pronouncing the longest place name in Wales, which, as I do not need to remind hon. Members, is Llanfairpwllgwyngyllgogerychwyrndrobwllllantysiliogogoch—I have almost certainly mispronounced it, but I may be the first hon. Member to read it into *Hansard*.

The right hon. Member for Exeter made it clear that he is proud of the Met Office, as we all are of the UK's national meteorological service. The Met Office is an internationally renowned organisation based in his constituency, and it provides highly skilled jobs and international connections. It is a massive asset for the

south-west, which is why I am pleased to see my hon. Friend the Member for Torbay (Kevin Foster) here. No doubt you have your own interest as a south-west Member of Parliament, Mr Streeter. Everyone in this House knows how committed the Chancellor is to science and a knowledge-driven economy. The Met Office is a fantastic example of that, which is why we have invested a significant sum in its new supercomputer; I will return to that towards the end of my remarks.

The right hon. Member for Exeter has corresponded with me, tabled parliamentary questions and secured this debate because he is interested in the BBC's decision not to shortlist the Met Office in its procurement process for weather forecasting services. That procurement process is still under way, but it has come to light that the Met Office is not on the shortlist. The current contract with the Met Office is therefore due to end in autumn 2016. That is a commercial decision for the BBC to take, and it is interesting that when we disagree with decisions made by the BBC—not me personally or as a Minister—we feel free to comment. I live in a world in which people are constantly telling me to keep my hands off the BBC, but I have no intention of interfering with its commercial decisions. It is true, as the hon. Member for Newcastle upon Tyne Central mentioned, that the BBC is undergoing a charter review, and we are obviously considering a range of options for its future, but it is important that we keep in mind its editorial independence and its freedom to make sensible commercial decisions. The BBC has a duty, and has always had a duty, to conduct its business in a way that delivers value for money for licence fee payers.

On the wider question of what kind of weather service the BBC will provide in the future, it is of course crucial that consistent information is available, particularly on severe weather, and that those warnings reach the people most likely to be affected. I reassure the right hon. Member for Exeter that in the next few months all parties concerned will continue to work with the BBC to ensure that Met Office severe weather warnings are clearly and consistently communicated to the public, because the Met Office will continue to provide the official UK forecast, official guidance and warnings as the single authoritative voice during high-impact weather events, such as storms, gales and flooding. We expect the BBC to continue carrying the Met Office's national severe weather warnings—that applies to all broadcasters, regardless of who provides their day-to-day weather forecasting—and to ensure that those severe weather warnings are consistent with any wider forecast issued at the same time. Indeed, the BBC has made it clear that it will continue to use the Met Office severe weather warnings.

As part of that new approach, the Met Office is developing a new public weather media service, which will be made freely available to all broadcasters and will ensure that Met Office severe weather warnings reach the maximum audience effectively and efficiently. The public weather media service is due to be ready by July 2016, before the current contract expires, so that it can be incorporated into whatever new service the BBC chooses to contract.

The Met Office public weather service is a critical component of the UK's resilience infrastructure. It provides the public with the information that they need to make decisions and protect themselves and their property from high-impact weather. An important part

of the service is public weather advisers—Met Office experts who provide advice and guidance to local emergency planners and responders and who are greatly valued by all who work in that area.

The public will continue to benefit from Met Office expertise through a wide range of other channels, including other national and regional TV, radio and print media outlets and the Met Office's website, mobile app and social media channels. It is important to clarify that the civil contingencies secretariat, the Department for Business, Innovation and Skills and the Met Office are working together on the public weather media service.

Mr Bradshaw: I am pleased to hear that the civil contingencies secretariat, BIS and others are working with the Met Office on that. I do not know whether the Minister slightly misunderstood my point about consistency. It is not about the consistency of severe weather warnings, which the BBC has agreed to continue broadcasting from the Met Office; it is about consistency between those and the general weather forecasting that the BBC might purchase from a different provider.

TV viewers and radio listeners could receive different information in general weather forecasts from the information issued by the Met Office, or the information provided by the Met Office to Government. The Minister says that such inconsistency will be addressed. We have heard the BBC give that assurance before, but it has not explained how it will resolve that potential inconsistency.

Mr Vaizey: As I thought I was explaining but will try to make clearer, my understanding was that the public weather service will be freely available to all media outlets. The work that the civil contingencies secretariat, BIS and the Met Office are undertaking now will ensure that when that service goes live in the summer of next year, it will be able to be incorporated into the BBC's more general weather. In effect, the public weather service is about severe weather warnings—gales, storms and flooding, as I said earlier—and it must be incorporated within the routine weather forecast: for example, whether it will rain tomorrow in East Dunbartonshire, or be cloudy or sunny. I am confident that that work will ensure that those two effectively separate parts of weather forecasting will be consistent and incorporated, not only by the BBC but by other broadcasters.

I will take this opportunity to address some of the other points raised by the right hon. Gentleman. It is not the case that Ministers were informed by the BBC of its decision. The Met Office informed the Department for Business, Innovation and Skills after learning that it was not on the shortlist for procurement, but I do not take any umbrage at the BBC's not having informed us. As I said, it is a commercial decision for the BBC.

Are we getting value for money? Are we effectively paying twice for the service? It is important to understand that the Met Office was not giving general weather service free of charge to the BBC; the BBC was paying for it. Procurement is under way for the weather service that the BBC will use in future. That is commercially confidential, but I do not see how it can be argued that we are paying twice, given that the BBC is currently paying for a weather service from the Met Office and will pay for a weather service from another provider next year.

I know that there will be concerns, particularly from a constituency perspective, as the right hon. Gentleman rightly mentioned. As far as I understand it, the Met Office contract with the BBC is a small fraction of its total turnover, and I am aware of any knock-on effect in terms of redundancies or job losses.

Chi Onwurah: To clarify, the point about not paying twice is that the British public pay the Met Office to produce a weather service, and now it will pay the BBC to pay somebody else to produce a weather service. The British public might be paying for two different weather forecasts, for the same weather.

Mr Vaizey: Clarity is clearly not my strong point this afternoon. As I said earlier, the BBC's contract with the Met Office is a commercial contract, paid for out of the licence fee. The BBC will continue to pay for a commercial contract, whether or not we agree with whoever eventually wins that procurement—whether or not we morally agree, as it were, that it is the right company. It may well be a foreign company, although it could well be a British company. That is one thing, but the fact is that we are not paying twice for the service. The licence fee pays for a weather service provided by the BBC that happens to be provided by the Met Office. It is not provided for free. As far as I am aware—again, it is a commercial procurement process—at no point did the Met Office offer to provide that service free to the BBC.

Kevin Foster: I thank the Minister for the response that he has given so far. On the comment that he just made about the BBC being a small percentage of the overall Met Office contract, will he confirm, to help deal with perceptions in south Devon, that he is satisfied that the Met Office will still be a viable and effective organisation going forward?

Mr Vaizey: My hon. Friend's question is helpful, because it allows me to segue into the wider part of my speech. I want to talk about the wider work of the Met Office, because it is a more than viable organisation. As I said in my opening remarks, it is a widely respected international organisation with a turnover of around £200 million, and it is highly successful. For example, regardless of whether the BBC continues to use the Met Office, its website is one of the most used websites in the UK Government family. It delivers weather information and critical weather warnings via a huge range of digital channels. The mobile app has been downloaded more than 12 million times, and there are 430 million user sessions every year. Some 900,000 people follow Met Office social media accounts.

The Met Office provides a huge range of services, not just to Government but to business. Its day-to-day forecasts and weather warnings are the most high-profile, but it also works with, for example, the Environment Agency on flood forecasting. It will continue to provide shipping forecasts, mountain weather forecasts and services to the aviation industry. It provides air quality and volcanic ash monitoring, which is not such an esoteric service when we remember what happened with the ash cloud a few years ago. The Met Office's work touches almost every aspect of our lives, in many ways of which we are unaware. It may interest hon. Members to know

[Mr Vaizey]

that just last week, the Met Office won the most prestigious award at the “top 50 companies for customer services” awards.

The Met Office is not only known for weather forecasting; it is home to the Hadley centre for climate science and services, one of the most famous research institutes in the world. It remains an important part of Margaret Thatcher’s legacy; she was the Prime Minister who opened the centre in 1990, and this year it celebrates its 25th anniversary. As we head towards the crucial negotiations at the United Nations conference on climate change in Paris in November, the UK, thanks to the Met Office’s brilliant work, is in a much stronger position to influence and secure the outcome we need as a result of that expertise and world-leading knowledge.

While I am discussing the international climate change conference in Paris, I should say that it is important to stress the global role played by the Met Office. It is one of only two world area forecast centres delivering forecasts globally, and it is recognised by the World Meteorological Organisation as the national meteorological service with the most accurate prediction model in the world. It is internationally respected for its unified weather and climate model, the accuracy of its weather prediction, its research, and its support for developing countries. It helps to save lives and it delivers improvements, such as helping to establish local meteorological services.

I will give just one example of the Met Office’s work. During Hurricane Patricia, which has recently battered Mexico, the Met Office has been, and it will continue to be, the source that the Foreign and Commonwealth Office uses to provide weather advice to citizens in the affected area. So we as a Government are immensely proud of the Met Office, its international standing and the international recognition it brings, but most importantly we are proud of the difference that it makes to people’s lives every day.

That is why, as I mentioned in my opening remarks, the Chancellor is backing the Met Office through investment in a new high-performance computing facility. Last year, he announced plans to invest £97 million in a new supercomputer, which will cement the UK’s position as a world leader in weather and climate prediction. The supercomputer’s sophisticated forecasts are anticipated to deliver £2 billion worth of socioeconomic benefits to the UK by enabling better advance preparation and contingency plans to protect people’s homes and businesses. I am told that the installation programme is progressing very well; indeed, it is five weeks ahead of schedule. Also, the Met Office recently released its new five-year science strategy, which aims to deliver science with impact, maximising the benefit to society of its weather and climate expertise, and making the most of the UK Government’s investment in its high-performance computing.

It is a credit to the Met Office and to all the highly skilled staff who work there, obviously including those who work in the constituency of the right hon. Member for Exeter, that it is recognised as a world-class institution that all of us are rightly proud of. Having protected the country for more than 150 years, the Met Office is a trusted voice for the British public, businesses and emergency responders when it is needed most.

Mr Bradshaw: I am very gratified that the Minister is extolling the virtues of the Met Office; indeed, he almost seems to be making a better case than I did for the BBC continuing its relationship with the Met Office. Before he closes, may I invite him at least to assure hon. Members and I that he will go away from this debate and just talk to his colleagues in the Ministry of Defence, the Cabinet Office group responsible for civil contingencies, and the Department for Business, Innovation and Skills, to ensure that they are aware—if they are not already aware—of some of their officials’ concerns, so that Ministers can help to encourage the process that he referred to earlier, of addressing and resolving some of these genuine concerns about resilience and national security?

Mr Vaizey: I absolutely give the right hon. Gentleman that assurance; I will ensure that the points he has made in this debate are taken seriously and that we absolutely clarify for him exactly what the public weather media service will provide, although the answer may not completely satisfy him. I will also seek assurances from the civil contingencies secretariat and BIS officials that they are content with the arrangements, as it were, whereby the BBC is in effect contracting with another provider for what I would call its commercial weather service, which provides the day-to-day weather service that we all watch at the end of a news bulletin, whether that is a national or local news bulletin, as opposed to the more important severe weather warning work that the Met Office does.

Chi Onwurah: As the Minister is so successfully clarifying points, may I point out that my question to him was about the legal basis that is necessary for there to be an open tender, given that EU procurement regulations now exempt collaborations between two public sector entities?

Mr Vaizey: I will certainly consider the point that the hon. Lady makes. It may well be that the contract was de minimis anyway in terms of those procurement rules, and it may well be that the savings the BBC thinks it can make by procuring weather services from another supplier mean that even the social aspects were not of the utmost concern to them. Nevertheless, I, or perhaps even the BBC itself, will write to the hon. Lady to address her point.

This has been a very useful debate. Although it has been disappointing in some respects, in that I was unable to pull a rabbit out of the hat and put the Met Office back in play with the BBC, it is right that we respect the BBC’s independence in this area. We cannot always say whether the BBC’s decisions are right or wrong, and it must be a particular frustration for someone working at the BBC or even leading it to be constantly second-guessed. I second-guessed the BBC on the closure of 6 Music and with hindsight I think I have been proved right; that was a service to save. Many people are now second-guessing the BBC on its moving BBC3 from terrestrial television to the internet. Equally, it is perhaps a testament to the standing of both the Met Office and the BBC that a parliamentary debate should be called to consider the BBC’s decision not to procure its weather services from the Met Office.

In a sense, I will conclude in the way that I started, by saying that my final congratulations must go to the Met Office for accurately predicting the weather for all the Rugby World cup matches. Unfortunately, that did not help the northern hemisphere teams, but I look forward to an accurate prediction of the weather for Didcot Town versus Exeter, and I put on the record now my own prediction that Didcot will win 2-0.

Mr Gary Streeter (in the Chair): Would the right hon. Member for Exeter like to say a few words by way of winding up?

Mr Bradshaw *indicated dissent.*

Question put and agreed to.

Resolved,

That this House has considered the BBC's relationship with the Met Office.

3.55 pm

Sitting suspended.

British Property Owners (Cyprus)

[MR JAMES GRAY *in the Chair*]

3.56 pm

Andrew Gwynne (Denton and Reddish) (Lab): I beg to move,

That this House has considered the matter of British property owners in Cyprus.

It is a pleasure to see you in the Chair, Mr Gray.

I am grateful for the chance to raise this issue in Westminster Hall. I am not the first Member to take it up on behalf of their constituents and I begin by praising the work of the all-party group on the defence of the interests of British property owners in Cyprus. Under the chairmanship of the hon. Member for Stone (Sir William Cash), the group has done great work in raising the concerns of people caught up in property and banking problems in Cyprus. It has also provided a framework through which they can pursue justice and fairness in relation to their properties.

I have been contacted by a number of people in my constituency about the mis-selling of Swiss franc mortgages by Alpha Bank in Cyprus, and about the poor advice they had received from solicitors purporting to act on their behalf. Briefly, the background to this issue is that between 2003 and 2010 Cypriot banks advised buyers to take out a mortgage in Swiss francs, because the interest rates were lower and the currency was considered stable. However, when the value of the Swiss franc soared against the euro in the aftermath of the financial crisis, buyers found that their mortgage repayments had doubled.

Buyers have complained that banks often failed to explain the potential risks or that currency fluctuations could cause repayments to rise, which has resulted in property owners being left with unfinished and unsaleable apartments, huge loan obligations and negative equity following the collapse of the Cypriot property market, which saw property values in some areas plummet by as much as 70%.

In one case brought to me by a constituent, the developer went into liquidation before the property being built for my constituent and his wife had been completed, taking 85% of their mortgage fund and leaving them insufficient money to finish the remaining work. My constituent says that his solicitor and Alpha Bank allowed that to happen by permitting the developer himself to sign written confirmation that the various stages of work had been completed.

My constituent and his wife had to begin making mortgage repayments at a time when they did not have the land in their name and the property was not finished. Effectively, therefore, they were paying a mortgage on a property and land that was not legally theirs. When they explained to Alpha Bank that they were in a desperate situation, they were simply told that if they did not make their mortgage payments the bank would seek possession of their home here in the United Kingdom. Similarly, another constituent with the same Swiss franc mortgage with Alpha Bank spoke of what he believed to be collusion between the bank, the solicitor and the developer, leaving him threatened with bankruptcy.

[*Andrew Gwynne*]

I am sure that those examples will be depressingly familiar to anyone who has had dealings with people caught up in the fiasco.

Sir William Cash (Stone) (Con): I am chairman of the all-party group on the defence of the interests of British property owners in Cyprus. The hon. Gentleman is a member of the group. Is he aware that we will have a meeting of those affected at 11 am on 12 November, at which the high commissioner for Cyprus, Mr Euripides Evriviades, will be present? There is also a Bill before the Cyprus Parliament, but I am sure that the hon. Gentleman will deal with that shortly, so I will not go into any more detail.

Andrew Gwynne: I am grateful for the hon. Gentleman's intervention. He is absolutely right, and I commend him on his work in leading the all-party group. It is my intention to be at that meeting but, if parliamentary duties do not permit me, a representative from my office will attend. I am aware of the situation in Cyprus to which the hon. Gentleman refers.

There have also been allegations of Cypriot solicitors using invalid powers of attorney. The case I want to focus on, on behalf of one of my constituents, is an example of that, and it also highlights that constituent's concern about his legal representation while seeking to obtain redress.

Joan Ryan (Enfield North) (Lab): I congratulate my hon. Friend on securing the debate. Before he moves on to that specific case, I want to say that I have had conversations with a number of leading politicians in Cyprus and have found them to be sympathetic, and understanding of some of the problems he refers to. When the Minister responds, will he let us know whether he has had conversations on the matter with members of the Parliament in Cyprus?

Andrew Gwynne: My right hon. Friend is absolutely right to ask that question, and I expect and hope that the Minister in his concluding remarks will be able to answer it. It is important that whatever pressure can be brought on the Cypriot authorities by Her Majesty's Government in the United Kingdom, is brought, and that Ministers do all they can to raise the issue with their Cypriot counterparts.

Sir William Cash: May I quickly add that the Minister for Europe has been immensely helpful? He has been to two, or perhaps even three, of the meetings I have convened for the purpose. I pay tribute to him for his active interest in the matter.

Andrew Gwynne: The hon. Gentleman is absolutely right to highlight the work that the Minister has done, and will continue to do, in respect of the injustices that many of our constituents face. I look forward to the Minister's reply.

My constituent does not want to be publicly named, so I will refer to him as Mr T. C. In 2007, Mr T. C. and his brother-in-law wanted to purchase a retirement property in Cyprus through a UK company called ROPUK. They met with the company's representatives, who showed

them impressive brochures and projections, and they decided to go ahead with the purchase. They paid a £25,000 deposit and understood that when the property was built they would go to Cyprus to have an inspection and then sign a mortgage agreement. They were advised by ROPUK's representative that a Swiss franc mortgage would be best, but they did not sign up to any agreement except to give a Cypriot solicitor power of attorney in any transactions to which they agreed.

In 2010, when the property was due for completion, Mr T. C. visited Cyprus to monitor the progress of the build. He found that it was not even half finished; it is still in the same state today. He believes that the power of attorney was not executed in accordance with common or Cypriot law, rendering it illegal and anything signed using the power of attorney invalid.

My constituent and his brother-in-law first heard of Alpha Bank when it started to pursue them for payments. They had not signed a mortgage agreement themselves, but one was signed by a third party without their knowledge or consent, and they have never even seen the agreement with the bank, despite repeated requests. They believe that the bank released all the money from their fraudulently obtained mortgage to fund something that is simply not there.

The payments from the mythical mortgage should have been gradually disbursed as the build progressed, according to the progress certificates issued by the project's architect. The bank's surveyor should have been inspecting the development and issuing a report back to the bank, a copy of which should have been passed to the Cypriot solicitor, who was supposed to be acting in my constituent's best interests, to verify build stage against the drawdown of moneys.

Sir William Cash: If the Bill to which I referred becomes law, it will give the Republic of Cyprus land registry the authority to exempt, eliminate, transfer and cancel mortgages and encumbrances depending on the case and under certain conditions. I do not have time to go into all the details, but I want to get that into *Hansard*.

Andrew Gwynne: I am grateful for that intervention. It is important that that is placed on the record.

I return to the case. None of what I just mentioned was ever done, which is why, years after the supposed completion, Mr T. C. and his brother-in-law still have absolutely nothing. They now owe the bank in the region of £257,000 plus interest—the original price they were quoted was about £140,000 minus their deposit—and they were issued a writ informing them that their case would be heard in the courts of justice in London in June 2014. They received the writ less than a week before the case was due to be heard and had no time to appoint a solicitor.

The case was heard at the courts of justice in front of Master Easton. He asked Alpha Bank's solicitors, Stephenson Harwood, to shelve the European enforcement order pending ongoing legal discussions in Cyprus, but they refused. A European enforcement order was rubber-stamped subject to a second hearing in September. By that time, Mr T. C. and his brother-in-law had appointed Cubism Law to represent them and their case was led by Duncan McNair, who they understood to be an expert in the field.

His representation in the UK forms the second part of the concerns that Mr T. C. raised with me. He and his brother-in-law paid Cubism Law £2,000 up front to represent them. A barrister attended court, but they say that they were simply told that the European enforcement order had been ratified and that a charge had been placed on their UK properties. They then had to defend the European enforcement order in Cyprus, where they believed they would get less justice than they would here.

Prior to the first hearing and before becoming subject to the European enforcement order, Mr T. C. transferred the house he and his wife owned into her name, to protect her share of their UK property, which was their only substantial asset. His wife was not party to the property purchase in Cyprus. Following the second hearing, Mr McNair commented that the judge had not been impressed by the action Mr T. C. had taken. My constituent says that he asked for advice on whether he should change the title deeds back into his name and that all he was told by his solicitor was that he should let them work for their money, by which he understood him to mean Alpha Bank's British solicitors, Stephenson Harwood. Mr T. C. says that they always made it clear to their solicitor that their priority was to get the European enforcement order overturned and for no further action to be taken until that was achieved.

Mr T. C. says that over the next few weeks much correspondence was exchanged between the two firms, but that that did not prevent Stephenson Harwood from continuing to threaten seizure of the properties. However, it did result in Cubism Law making regular demands for funds, which my constituents deemed unnecessary. At that stage, they became concerned about the costs that were racking up, and the date for the Cyprus hearing was still weeks away. Through Cubism Law, they had paid for solicitors in Cyprus to represent them at the hearing, which was subsequently postponed three times.

Mr T.C. asked his solicitor what the strategy was for their situation, as the costs were spiralling and all they had asked at that stage was for him to defend the European enforcement order in Cyprus. Mr T.C. says that they also informed Cubism Law on 28 October 2014 that they did not wish to incur any further costs, but that specific request was ignored and the costs continued to mount. Most of the costs related to correspondence between Stephenson Harwood and Cubism Law over the transfer of the title deeds. Mr T.C. states that if his solicitor had advised him immediately to transfer the title deeds back to his name, he would have done so. He was eventually advised to do that and for him the question remains as to why he was not asked to do that earlier.

During the time leading up to the hearing dates, Mr T.C. says that he and his brother-in-law were constantly subjected to requests from their solicitor—usually late at night by email—giving them deadlines for payments with what they perceived to be veiled threats of them “prejudicing their case”, or inferring that they would not be represented in this country or in Cyprus in the future. By that stage, their costs had increased to more than £12,000, which was approaching the 5% settlement offer Alpha Bank had alluded to for incomplete properties such as theirs. On 10 November 2014 they sent an email to their solicitor again instructing him not to incur any

further costs and mentioning the 5% settlement offer. That request was again ignored and their solicitor entered into discussions with a barrister, for which they were charged.

Mr T.C. says that they have yet to be informed what the basis of those costs were and what the discussions were trying to achieve. He adds that at no point had they indicated that they wished to start proceedings against the bank, as Mr McNair had advised that they could not sue the bank if the European enforcement order was not overturned.

Sir William Cash: Listening to the hon. Gentleman, I wonder whether his constituents have taken the matter up with the Law Society and the Solicitors Regulation Authority.

Andrew Gwynne: Not only have my constituents done that, but I have done so as their MP. The response we got back was less than satisfactory. I am still taking that up with the various authorities, but my constituents feel that one form of redress is to place on public record the real injustice that they feel they have endured over the past few years.

Mr T.C. said that when he pointed out that the solicitor had stated it was not possible to sue the bank without the European enforcement order having been overturned, the solicitor changed his statement and said it would be possible, but with difficulty. The new date for the hearing in Cyprus was set for early January 2015, but that was postponed until late January, and the case was finally heard in February 2015.

Jim Shannon (Strangford) (DUP): People from my constituency have had problems similar to those of the hon. Gentleman's constituents; the problems do not relate just to Cyprus, but to Turkey, too. The majority of them are law-abiding citizens who want to get some property to use, in most cases as a holiday home, but they find the legal system difficult. The hon. Gentleman is outlining the problems of his constituents. Does he feel, as I do, that the British consulate could have given better or more advice on what was best to do in a foreign country where they do not speak the language and are unaware of the legalities?

Andrew Gwynne: There is a lot that could have been done differently, and I have some sympathy with what the hon. Gentleman says. That is based on my experience not only with this case, but with several cases that my constituency office has been dealing with. No doubt other Members' offices are dealing with similar cases, too. I again commend the work of the all-party group and the Minister in trying to bring some kind of resolution to these matters. We are where we are, and it is a far from ideal situation for many of our constituents.

As I said, the case was finally heard in February 2015. In January, Mr T.C.'s brother-in-law was out of the country dealing with a family matter and he told Cubism Law that he had insufficient funds at that time to settle up his latest bill, but would settle at the end of January or early February when Mr T.C. returned to the UK and after the European enforcement order court case in Cyprus was settled. Mr T.C. says Mr McNair replied saying he no longer represented them and again implied

[*Andrew Gwynne*]

that they may not be represented in Cyprus. However, the Cypriot solicitors later assured them that they would be represented.

The European enforcement order was overturned with reservation at the hearing. Mr T.C. feels incredibly let down by the representation he received and believes a lot of the costs were avoidable and totally unnecessary. He has complained through the firm's complaints procedures and received what he and his brother-in-law considered to be a derisory offer of redress, which they refused, as they did a subsequent offer.

As I said in response to the hon. Member for Stone (Sir William Cash), the matter has been referred to the authorities, including the Law Society and the ombudsman. Mr T.C. feels that he has suffered real injustice in respect of both the property purchase and how his case has subsequently been handled. I appreciate that the Minister can do little to answer my constituent's specific concerns, but I would be grateful if he could update Members on the progress being made in general on the matter and on what the Government are doing to support Mr T.C. and all constituents caught up in this sorry situation.

4.16 pm

The Minister for Europe (Mr David Lidington): It is, as always, a pleasure to serve under your chairmanship, Mr Gray. Let me start by congratulating the hon. Member for Denton and Reddish (Andrew Gwynne) on securing this debate and paying tribute to the work of the all-party group under the chairmanship of my hon. Friend the Member for Stone (Sir William Cash).

From the large number of items of correspondence that I get from Members from all parts of the House on property disputes, I am certainly aware of the kind of problems that the hon. Member for Denton and Reddish described and of the traumatic impact that property disputes often have not only on the finances, but on the mental wellbeing of the people we represent. Officials in our consular directorate in London are in regular contact with our high commission in Nicosia. Together they brief me and the Foreign Secretary on the scale of the property problems in Cyprus and the impact they are having on individuals.

While today's debate has focused on the difficulties in Cyprus and the case of the hon. Gentleman's constituent in particular, it is a sad reality that property disputes are common in other parts of the world. I have to be frank with the House: the ability of our consular staff overseas to help in individual cases is very limited. That is partly because millions of British citizens live overseas and many thousands of others visit foreign countries every year. It is simply not possible for the Foreign Office to become involved in private legal disputes to which British citizens overseas are party, whether they are related to property, commercial interests or family disputes.

Another issue is that property laws are the competence of individual sovereign states. We have no more authority to intervene in matters concerning Cypriot domestic legislation than the Governments of Cyprus, Spain, Greece, Turkey or Bulgaria—or any other nation where there are numerous property disputes—do to intervene in United Kingdom domestic legislation. Our position

on property disputes is consistent with the approach taken by the US, Canadian, Australian and New Zealand diplomatic services. We will, however, do two things. We will continue to try to provide as accurate and up-to-date information as we can to our citizens about the risks involved in buying property overseas and about what they might do to manage those risks, and we will continue to lobby hard with the Cypriot and other Governments to try to persuade them to address some of the generic problems that these distressing individual cases highlight.

Sir William Cash: Again, I just want to put something on the record. The Bill to which I referred, which was passed on 3 September in the Parliament of the Republic of Cyprus, is not yet available in English. I know the high commissioner has requested it, but it is taking some time. We are now almost in November. I am told that until it is provided, the general information—for the sake of those who read transcripts—can be found on the website of Nigel Howarth of Cyprus Property News. However, the Bill does not apply to mortgages that were dealt with in Swiss francs.

Mr Lidington: What my hon. Friend says is right. I want to refer to that Bill later, but we continue to urge the Cypriot authorities to publish an English-language version of the new law as soon as possible and to make available any guidance that might need to be issued in association with the statute itself. I am sure that the forthcoming meeting of the all-party group with the high commissioner for Cyprus to the United Kingdom will provide a further opportunity for such persuasion to be offered.

We publish information on the high commission's gov.uk website and, more generally, the FCO publishes a guide entitled "Support for British Nationals Abroad", which also provides general advice for British citizens who are thinking about buying a property in another country. Last month our consular officials attended "A Place in the Sun", an exhibition in Birmingham, to talk directly to people considering going to live abroad. The purpose of these initiatives is to help to ensure that our citizens are better informed of the risks and challenges before they take the plunge. For example, we always urge people to take proper professional advice, including legal advice, before buying property.

In some cases, such as the one that the hon. Member for Denton and Reddish has described, part of the problem seems to derive from an alleged failure of the legal adviser to provide advice of a sufficiently high standard. In other cases, sadly, we have come across British citizens who have simply not taken adequate legal advice in the first place. Of course, there are others who, on the face of things, would seem to have been the victims of deliberate misrepresentation. Every case is different, which is why it is difficult to provide a template that will apply equally to every individual case.

Jim Shannon: I congratulate the hon. Member for Denton and Reddish (Andrew Gwynne) on securing this debate. Those who take legal advice perhaps anticipate that it will be correct, but sometimes it turns out not to be. Is it possible for the British consulate, in whatever country they are in, to have a list of legal minds—solicitors and barristers—who would have enough knowledge to be able to give advice to people?

Mr Lidington: We do keep and make available lists of solicitors and other legal advisers in all the countries where we have posts, and we usually know whether the practices have people who speak English. What we cannot do is give an assurance about the quality of the legal advice. We can say that somebody has been duly qualified to practise law in a particular jurisdiction, but it would simply not be possible for our consular staff to grade the relative performance of solicitors in a foreign country.

There are cases—if I may address one of the points raised by the hon. Member for Denton and Reddish—where the British courts have declined to enforce a European enforcement order because they have found, after scrutiny, that the documents had not been satisfactorily completed. Again, looking at the detail of a particular case is of key importance. Other options—this is all on the website—include contacting the various property action groups to share experience, contacting the Competition and Consumer Protection Service, the CCPS, in Cyprus, or considering financial arbitration, which has worked in some cases, although it is not suitable for all.

Although we have not been able to intervene in individual disputes, our high commission continues to be active. In March 2014, we organised a familiarisation visit to London for members of the Cypriot land registry to share our experience in e-applications, insolvency, alternative dispute resolution and complaint handling. The purpose of that is to try to make it possible for the Cypriot land registry to modernise and speed up its procedures, because one of the chief complaints is that it takes people a very long time to obtain the relevant deeds and documents.

The Cypriot land registry has now computerised its land information system in relation to the existence of encumbrances, and the Foreign Ministry in Nicosia has confirmed that land officers must now inform buyers in writing of any outstanding encumbrances on the property. Our high commission part-sponsored an alternative dispute resolution forum conference in October last year, and it organised two visits for the Cypriot financial ombudsman to this country to learn best practice from his UK counterpart. We continue to be active in helping with public sector reform, particularly with the Ministry of Justice and local government, which we believe will ultimately have a beneficial impact on the way in which property issues are dealt with.

We also lobby the politicians. During the past year—in 2014 and 2015—our high commissioner, Ric Todd, has raised the issue of non-performing loans with the Cypriot

Finance Minister and property-related issues with the Attorney General. Both my right hon. Friend the Foreign Secretary and I have raised property issues experienced by British nationals with the Cypriot Government. I did so with Foreign Minister Kasoulides on 12 March this year, and the Foreign Secretary raised property issues again with him when he visited Cyprus on 17 July.

We have seen an effect. There is now a definite will on the part of the Cypriot Government to try to find ways to tackle property issues. As my hon. Friend the Member for Stone said, on 3 September this year the Cypriot Parliament passed a Bill that will help many British nationals and others affected by these issues. The impact of the Bill will be that purchasers who have met their contractual obligations should now be able to obtain their title deeds, although purchasers who have failed to comply with their contractual obligations will not be able to make use of the new law. Our high commission will of course continue to work with the authorities, and they and Ministers will continue to raise property issues whenever the opportunity arises.

The new legislation does not cover the issue of Swiss franc mortgages, which is an entirely separate issue and one that we advise is a private legal matter. We know that some purchasers have managed to renegotiate their mortgage terms. Some have taken legal action in the UK and other claims have been made to the Central Bank of Cyprus and to the Competition and Consumer Protection Service in Cyprus. Last month, Cypriot MPs asked their central bank to review how Swiss franc mortgages were sold, but it is not yet clear how the central bank proposes to take this forward. Our high commission will monitor developments.

Although there has been progress, we recognise the impact that property disputes have had on many families in Cyprus and the United Kingdom, and that many of the families risk losing their life savings. Those affected should continue to pursue their cases through the Cypriot and, if appropriate, UK courts, although we accept that this can be challenging and that good legal advice does not come cheap. In parallel, we remain committed to lobbying at high level to encourage the Cypriot Government to take effective action to resolve existing problems and to reform the property sector to prevent such problems from occurring in future.

Question put and agreed to.

Resolved,

That this House has considered the matter of British property owners in Cyprus.

Young Jobseekers

4.30 pm

Chloe Smith (Norwich North) (Con): I beg to move,

That this House has considered young jobseekers and the Department for Work and Pensions.

I want to lead a positive and constructive debate using recent research into the role of the Department for Work and Pensions, specifically jobcentres, in supporting young people to find long-term employment. I will draw on my own experience of working closely with the Norwich jobcentre in a regional project and also direct Members' attention to the work of the all-party group on youth employment, which I chair. I will welcome interventions and, as we have plenty of time, speeches from other Members; I ask only that others join me in focusing constructively on young people's employment and looking in a positive way at how the hard-working officials in the jobcentre can best support those who need help.

You will be pleased to learn, Mr Gray, that this debate has allowed for the trial of a digital debate. The idea for digital debates linked to debates in Westminster Hall came from the Speaker's Commission on Digital Democracy, which argued:

"We believe the public want the opportunity to have their say in House of Commons debates; we also believe that this will provide a useful resource for MPs and help to enhance those debates. We therefore recommend a unique experiment: the use of regular digital public discussion forums to inform debates held in Westminster Hall."

It gave me great pleasure last night to take 97 questions and comments from the public over Twitter to inform this debate and raise its profile. I place on record my thanks to everyone who got involved. Between us, we reached nearly a million Twitter accounts, which is an achievement in itself.

I note a few comments made in that debate. A theme that ran through many of the points made was that everyone should not be treated the same: there should be personalised treatment for young jobseekers at the jobcentre. A second theme was that if we expect commitment from jobseekers, we should also demand it from staff, who should be punctual and treat jobseekers with respect. Someone asked whether the Government have plans for jobcentre resources specifically for young people. I have mentioned that early in the debate so that the Minister can prepare his answer. The theme of mentoring also came up. I took the opportunity in last night's debate to place on record the resources available through the Chartered Institute of Personnel and Development's Steps Ahead programme, which in East Anglia alone has more than 90 mentors ready to help young people at no cost to them.

Having given a flavour of the digital debate, I will lay out the problem: more young people are in need of work than older people, as shown clearly by the official employment rates. The Office for National Statistics concludes:

"The unemployment rate for those aged from 16 to 24 has been consistently higher than that for older age groups."

For the past three months on record—covering this summer, June to August—the unemployment rate for 16 to 24-year-olds was 14.8%. That is lower than it was in spring and lower than at the same time last year,

which is to be welcomed, but it is far higher than the rate among over-25s, which is 3.9%. To be clear, that is the ONS rate, which is different from the claimant count.

Heather Wheeler (South Derbyshire) (Con): I congratulate my hon. Friend on securing this debate. She is giving some very interesting figures. Perhaps South Derbyshire is bucking the trend, because in May 2010 our youth unemployment figure was 565, and in September it was 100, which is less than 1% of the national total. Perhaps people might like to come to South Derbyshire and see what we do to get young people employed.

Chloe Smith: I welcome my hon. Friend's positive example. South Derbyshire certainly has a very assiduous MP to go with those figures. It is indeed the case that youth unemployment is coming down. We should celebrate and look at the examples of what has worked locally. That is one of the themes I want to establish in this debate.

Mr Jim Cunningham (Coventry South) (Lab): I congratulate the hon. Lady on securing this debate. Will she comment on the quality of jobs young people get, and their training and salary levels?

Chloe Smith: I do not think that the hon. Gentleman will hold me too far to account if I leave it to the Minister to cover some of those points that are, after all, national. I suspect that the hon. Gentleman is arguing that they ought to be a matter for Government. The great majority of the private sector jobs created over the past few years have been full-time. Myths abound as to the extent of zero-hours contracts. We gave that argument a good going-over in the general election campaign—I am sure that the hon. Gentleman did as much as I did. There are myths around about the quality of jobs that young people can look forward to as they leave education and look for opportunities. It is deeply disrespectful to young people to set up a negative argument that they can look forward only to a zero-hours contract. It is deeply negative and we ought to avoid it.

Mr Stewart Jackson (Peterborough) (Con): I congratulate my hon. Friend on securing this important debate and on chairing the all-party group, of which I have the pleasure of being a member. A key complaint from employers is about the work-readiness of young people. Does my hon. Friend concur that the National Citizen Service is one of the best initiatives we have, particularly in the east of England, in helping young people to grow in confidence and work-readiness?

Chloe Smith: Yes, I do. Indeed, I note that the NCS is holding an event in Parliament today at which its leaders are on hand to explain an important point that we ought to celebrate in this debate: young people can lead young people to face these challenges. We should look for examples of that and give praise where it has worked, and we should seek more ways for young people to be in a position to lead their peers. I want to put that proposition forward, because it came over strongly in last night's digital debate. It is another way of looking constructively at what has worked up and down the country.

Mr Andrew Smith (Oxford East) (Lab): I join others in congratulating the hon. Lady on securing the debate. Does she agree that the quality of information and advice available to young people still leaves a great deal to be desired? Indeed, schools having the prime responsibility to provide careers advice has not been an unqualified success. The statutory guidance to schools says that they should work with Jobcentre Plus to provide a smooth pathway from school into employment. In the hon. Lady's experience of working with Jobcentre Plus, is that happening?

Chloe Smith: It is happening in parts of the country. One of the points I want to make today is that we see good practice in some parts of the country. I hold up the jobcentre with which I work in Norwich as an example of that. I also note forthcoming initiatives, which I am sure the Minister will cover in his response, whereby jobcentres will be asked to work more closely with young people in schools. That is to be welcomed.

Michael Tomlinson (Mid Dorset and North Poole) (Con): Will my hon. Friend give way?

Chloe Smith: One moment. First, I refer the right hon. Member for Oxford East (Mr Smith) to the work of the all-party group, because at our next meeting, on 18 November, we will be looking at careers education. I now give way to one of the officers of said group.

Michael Tomlinson: I join colleagues in congratulating my hon. Friend on securing this debate. In Mid Dorset and North Poole, the figures are still too high. Of the claimant count of 314, 67 are aged 18 to 24. That is better than it has been, but it is still too high. On the point made by the right hon. Member for Oxford East, does my hon. Friend agree that we can start careers advice from an earlier age—even as young as primary school—as we heard in the all-party group's evidence session?

Chloe Smith: Indeed, I do agree with that—my hon. Friend is absolutely right—and it need not be onerous. It can be as simple as asking role models to explain to young people what they do and why a young person might want to aspire to do the same. I am sure Members will now allow me to make a little more progress in setting out my argument.

It is worth putting the national figures into context and looking at our European neighbours. It is a matter for celebration that Britain has more young people in work than the nations around us in Europe. Across Europe, one in five young people are out of work. In Spain and Greece, one in two young people are lacking work. We also see the countries leading the field, Germany and Austria, with rates of 7% and 10% respectively.

One young jobseeker in last night's digital debate made the point that young jobseekers are people, not statistics, so, in Britain, what do all the large numbers mean in terms of real people? They mean that 3.92 million 16 to 24-year-old people are in work, including some 900,000 full-time students with part-time jobs. There are, in contrast, 683,000 unemployed young people, including about 200,000 full-time students looking for part-time work. I am including the student figures not to begin a debate about the classification of the figures—

I suspect that would take more than an hour—but because I want to draw out the key figure of 683,000: between 600,000 and 700,000 young people are looking for a chance in Britain today. If that is the problem, the question is, how best can we help them find that opportunity?

Victoria Borwick (Kensington) (Con): I absolutely concur with my hon. Friend. On that point, do you believe that jobcentres, which do good work in my constituency and others, should be encouraged to promote apprenticeships as a way of tackling the issues and figures that you have raised?

Mr James Gray (in the Chair): The hon. Member for Norwich North (Chloe Smith) has raised them; I have not.

Victoria Borwick: You are quite right, Mr Gray. I am sorry.

In London, we have created 220,000 apprenticeships since 2010, which have introduced people into a world of work. Perhaps in due course the Minister will comment on apprenticeships.

Chloe Smith: I am grateful to my hon. Friend for giving that example. Apprenticeships provide many opportunities for young people.

This was the subject of the debate last night. One young person, whom I will faithfully report, said the rate paid is too low. Perhaps that is a topic for a long debate another day. None the less, there are many opportunities out there for earning while learning, and that package can be very attractive to young people who are looking to take their first steps and find their first opportunities.

Richard Graham (Gloucester) (Con): Like others, I congratulate my hon. Friend on being a leading light in helping young people to find worthwhile employment. She is right to focus on apprenticeships. The increase in the level of apprenticeships in Gloucester almost directly mirrors the drop in youth unemployment from 1,000 to 250 over the past five years. I suspect—my hon. Friend might want to comment on this—that the employment figures for Europe will show a similar correlation in the countries that encourage apprenticeships, such as Germany and us, and those that do not. Will my hon. Friend say something about the fact that, although there are minimum rates for employing apprentices, there is no maximum rate? Many of us who have our own apprentices pay significantly over the minimum rate.

Chloe Smith: I am grateful for that point, which stands by itself so I shall welcome it and move on to the need for a strong economy.

The single best way to get young people into opportunities is for there to be lots of opportunities to start with. The Government have overseen significant private sector job growth, and the economy continues to grow. More jobs have been created in Britain recently than in the rest of Europe put together, and that is undeniably good news for a generation of young jobseekers who can look to a brighter future.

Secondly, we need to connect young people to those opportunities—here comes the meat of the debate. A local example illustrates my point. I founded and run a

[Chloe Smith]

project called Norwich for Jobs. In 2013, I looked at our local unemployment figures for those aged 18 to 24, and I knew that 2,000 unemployed young people was too many. Drawing together a team that could do something about it, we set about halving that number. In fact, we smashed the target we set ourselves in less than two years. So far, we have helped nearly 2,000 young people into work. About 600 still claim jobseeker's allowance, and we want to encourage employers to give them opportunities now.

We did that by encouraging local employers to create opportunities; connecting young people with those jobs, with the jobcentre at the heart of the process; and focusing the community on a common goal. We are taking on a new challenge after having met our first target, and we are now using the power of that local network to help those claiming employment and support allowance—in other words, young people who want work but have a health condition or a disability. I strongly support the Government's clarion call to be disability confident, and I call today on Norwich employers to consider what more they can do.

We are turning that one city project into a regional movement. The Norfolk and Suffolk youth pledge, led by the New Anglia local enterprise partnership, is a further strong example of the kind of collaboration that stands the best chance of helping young jobseekers. The pledge is that every young person in Norfolk and Suffolk will get the personal support they need to get an apprenticeship, training, work experience or a job within three months of leaving education or employment. The New Anglia skills board and Jobcentre Plus have been working closely with the two county councils, and indeed with me and others—I am on the board of the project—to develop the project. We are building on the successful roll-out of the MyGo service—the first of its kind in the UK—which was launched in Ipswich in 2014 and the project I outlined in Norwich. I am proud of that project, and hope it stands as an example to other hon. Members of what they can convene in their areas. Research by the Found Generation holds up MyGo, a youth employment centre that was the starting point of the Ipswich project, as a very powerful project.

How best can we help young people? I said that we should grow the economy and make connections. We should also share good ideas, which is why I have talked about those examples. I mentioned the all-party group on youth employment, and I welcome the members who are here today, including my hon. Friends the Members for Mid Dorset and North Poole (Michael Tomlinson) and for Bolton West (Chris Green). I welcome their presence, because we aim to share good practice. Our primary objectives are to promote youth employment in all its forms and the role of young people in the economy, to ensure that young people's voices are heard, to highlight the need for good-quality opportunities and to share best practice.

We should value good-quality research and learn from it what we can do better. I will draw on two reports. YMCA England, of which I am a parliamentary patron—I am also patron of the Norfolk organisation—produced a constructive and practical research report, which I have in front of me, entitled "Safety Net or Springboard?" Its purpose

"was to examine how the social security systems could be transformed to better enable young people to find employment and fulfil their potential.

High levels of youth unemployment are not a new problem in the UK. While the global recession saw a significant jump in the number of young people facing unemployment, in reality, the upward trend started long before the financial crisis, as far back as 2004.

Given that numerous governments have tried a range of schemes to battle this problem with only mixed success, this research sought to give young people a voice in shaping any new approach offered, including the introduction of a Youth Obligation, a back-to-work scheme announced by the Government as part of the Summer Budget 2015.

Through a series of focus groups, young people from YMCA identified six areas they believed job centres could improve to increase their prospects of finding employment:...Understanding young people's circumstances...Listening to young people's aspirations...Supporting young people to look for work...Getting young people the right skills and qualifications...Securing young people with meaningful work experience"

and

"Retaining support for young people transitioning into employment."

The evidence in the report is based on a series of focus groups that took place this summer across England in areas that many hon. Members here come from: north Tyneside, Birkenhead, Grimsby, Derby, Birmingham, Bedford, Dartford, Westminster, Horsham, Exeter and my own constituency of Norwich. The YMCA found that:

"The overwhelming feelings expressed by the young people participating in the research were ones of frustration and dismay towards job centres and the support they currently provide in helping to find employment. More than nine in 10 of individuals taking part in the focus groups believed the support they were currently or previously receiving from their job centre was not helping them find employment. Through the research, YMCA sought to understand why this alienation exists between young people and job centres and to identify what measures they felt were necessary to transform the job centre and the wider social security system from a safety net to a springboard into employment."

I want to be absolutely clear that I have the highest respect for Jobcentre Plus staff. As my local examples demonstrate, I work closely with the team in Norwich and East Anglia, which is led by the excellent district manager Julia Nix. I see their dedication, innovation and hard work day in and day out.

Gareth Johnson (Dartford) (Con): I have read the report that my hon. Friend is talking about. She rightly said that it referred to some work in Dartford, but there were a number of things that surprised me about it. First, it said that Dartford is in London; it is not. It was also somewhat critical of some of its experiences there. That has never been my experience of the jobcentre in Dartford; I have always found the staff to be incredibly professional. I would argue in their defence that the proof of the pudding is in the eating, and that since 2010 youth unemployment in Dartford has fallen by some 71%.

Chloe Smith: I welcome my hon. Friend's contribution. He makes the same point as I do. The best officials in the jobcentre are highly respected and are known for their work in the community. Their passion shines out and they embody the values of public service at every opportunity. They also take a hands-on approach, which is perhaps over and above the duties of a civil servant. They could well be expected to do their work from

behind a desk, but the best officials do not do that. They go out and work hard in the community to get results. I welcome hearing my hon. Friend's local example.

It is in that spirit that I mention the YMCA research today, because civil servants of the calibre of which we speak will want to do even better. The report states that "many young people are continuing to be prescribed the same generic support, regardless of their circumstances and aspirations. This is creating a significant discordance between how young people view the service being provided and what governments believe they offer. While examples of good practice do exist, the research illustrates that these are few and far between".

Let's share the good ideas and let's do better. The YMCA research proposes that the new youth obligation be matched with an obligation on jobcentres. It argues that the obligation should commit jobcentres to providing each young person accessing its services with a more detailed initial assessment with a closer focus on their personal circumstances and aspirations, a specialist youth work coach, more comprehensive sign-on sessions, more regular opportunities, better training and work experience, and options to discuss how available funding may be used to let them participate in training. The report also suggests that people should be able to participate in training for more than 16 hours a week without their benefit claims being affected.

I want to quote some of the young people in the research. Charlotte of Norwich says:

"I want the job centre to be a bit more understanding."

Jordan of north Tyneside says:

"The job centre needs to stop treating everyone the same."

Marcio of Bedford says:

"The job centre needs to really listen to young people to see what we want."

Other voices in the report tell us why we must collaborate locally to bring about the chances that young people need. Another young person from Norwich says:

"Everyone is looking for experienced workers, but how are we going to be experienced workers when no one is giving out experience?"

Another from Norwich seeks more "volunteering placements". I suspect that organisations listening to today's debate may want to continue the digital debate and explain exactly what they can offer in terms of volunteering opportunities for young people up and down the country.

I would also recommend that Members take a look at the work of the Found Generation, as mentioned earlier. It is another extremely practical group that asks young people for their own solutions to the problem of young unemployment. In July 2014, it published "Practical Solutions to UK Youth Unemployment", a report asking for four things. First, it asks that we expand

"the use of public sector procurement to create jobs for young people",

which I note that the Minister for the Cabinet Office is now doing. Secondly, we are asked to back

"a national 'kite mark' to recognise 'youth friendly' employers"

and I note that at least one organisation, Youth Employment UK—the secretariat of the all-party parliamentary group that I chair—is already doing so. Indeed, hon. Members can qualify for the award, as I have. I am a recognised youth-friendly MP.

Richard Graham: Hear, hear.

Chloe Smith: Thank you. Thirdly, the report argues for

"the creation of more local partnerships—including representation for young people—to co-ordinate"

the work that needs to be done. I hope that my examples make that clear. Finally, the report argues for the creation of

"a cross-government youth employment unit or agency in the UK Government, headed by a Minister for Youth Employment".

I am aware that such a scheme exists in the Scottish Government, so perhaps Scottish Members can outline a few points around that. Will the Minister give an update on what the Government's earn-or-learn taskforce is doing? The Found Generation's manifesto for youth employment at the 2015 general election echoed many of the themes that I drew out from the earlier research. We are looking for a more specialist, personalised, sustainable and empowered approach that puts young people at its heart.

In conclusion, I hope that I have highlighted some valuable research and that I have taken the opportunity to put young people's experiences at the heart of the debate. It gives them a chance to be heard in Parliament. I have argued at every step of my parliamentary career that more young people should be able to take their rightful place in this House. I ask the Minister to respond by giving us an update on the Government's taskforce, explaining his intentions for the youth obligation, and outlining what he will do to help hard-working jobcentre staff do their best to help young people into work.

Several hon. Members *rose*—

Mr James Gray (in the Chair): Order. I intend to call the first of the three wind-ups at 5.25 pm. I have about six people trying to catch my eye, so, while there is no official time limit, it would be helpful if Members could keep their speeches to five minutes or less.

4.55 pm

Angela Crawley (Lanark and Hamilton East) (SNP): It is a pleasure to serve under your chairmanship, Mr Gray. I congratulate the hon. Member for Norwich North (Chloe Smith) on securing such an important debate.

For any young person who is able to work to be out of a job is tragic. It is tragic for the individual who finds themselves unable to get on in life. It is tragic for their family who have to support and motivate them. It is tragic for the country, which misses out on young people's huge talent and potential. Young people across this country are incredibly talented, hard-working and ambitious. Above all, as I said, they have great potential. They are our future. Youth unemployment is not a new problem. The economic crisis has certainly made life harder for young people starting out, but we parliamentarians must not make excuses. It is our duty to tackle unemployment across these islands. Our constituents would expect no less.

I want to be clear that we will not reduce youth unemployment by sending jobseekers to boot camp, by sanctioning young jobseekers' benefits and certainly not by forcing young people to knock on the doors of food banks. Imagine a young person under 25 who is

[Angela Crawley]

unable to remain in their family home or to access housing benefit and has few opportunities. What is to become of them? Who will give that young person a chance? I would love to believe that every young person who walks into a jobcentre has the best experience, is listened to and appreciated, but they are not. That is a fact. I urge the Minister to consider the other options. A different approach is available. We must believe in our young people and their ability to learn and support them through their studies to provide them with real opportunities and real life chances. We must not burden them with huge debts.

Picture a young person in Scotland who is considering college or university. The cost of her education is not a barrier. The fact that she will be entitled to a bursary enables her to access her studies, and her parents can worry less about the debt. Her prospects are better. Her horizons are broadened. Her employment chances are increased. That is how we should approach the higher education system. It should be based on a person's ability to learn, not their ability to pay, opening the door for young people to create real chances and real opportunities for themselves. Educational aspirations should be determined not by wealth, but by ability to learn and to achieve real and meaningful employment. That is why I am delighted to be part of the Scottish National party and a Scottish Government that put education at the centre of young people's learning and life chances, something which I hope all parties across these islands would consider more seriously.

Contrast that with a young person in England who will be faced with £9,000 of debt each year to achieve their potential, to achieve their education and to achieve a chance to move on in life. Their prospects will be decreased, their access to education limited and their ability to learn essentially removed.

Michael Tomlinson: Do the figures not show that more people from poorer backgrounds have gone to university and further education despite what the hon. Lady has been saying about the increase in fees? Our measures have increased opportunities, not decreased them. What does she say about that?

Angela Crawley: I agree, but when considering whether economic development throughout Scotland is crippling the life chances of young people, we should contrast some of the constituencies represented in this Chamber with some of the constituencies in Scotland, where young people's life chances are far more limited. I invite the hon. Gentleman to my constituency to see for himself that many young people do not achieve the same potential as some of their counterparts in his constituency. That is a simple fact.

Higher education, however, is not for everyone, and education is not the only answer—I accept that—but the minimum wage for an apprentice is now £2.73 per hour. How can we seriously expect a young person to take on an apprenticeship when that is a pitiful amount to pay any intern or apprentice? Giving young people the opportunity to achieve their potential requires serious amounts of money and serious amounts of potential investment in their futures, so that amount is paltry; it does not give young people a chance to move on in their lives.

Inequality in apprenticeships is present throughout the UK, in particular when it comes to gender. The Scottish Government are therefore taking gender seriously and ensuring that more young women enter modern apprenticeships. Young people must see the full range of options available to them, not only in traditional jobs, which have been seen as jobs for men, but in other jobs available to women. We must broaden the horizons of our young people and ensure that all young people can achieve their full potential. I ask the Minister to consider all the options available. Let us create real opportunities for young people to learn, to grow, to flourish and to achieve their full potential. That is the best way to ensure that they get off jobseeker's allowance and achieve employment.

5.1 pm

Pauline Latham (Mid Derbyshire) (Con): It is a pleasure to serve under your chairmanship again, Mr Gray. I recognise that time is short, so I will confine my remarks to one or two things about my constituency.

In 2010 in my constituency youth unemployment stood at 6.1%; the total number of young people unemployed was 350. According to the most recent figures, released in September, that number is down to 70, which is just 1% of 18 to 24-year-olds in my constituency—so 280 young people have found work and are enjoying the benefits that come with it.

Good though the jobcentres are, other people are helping the effort in Mid Derbyshire and, in constituencies such as mine, the big society is working. I will highlight the work of one organisation in particular, the Drop Inn, which does a lot of work with young people. It offers accredited training, skills workshops, and support and mentoring for the many hurdles that young people are faced with as they grow up. It was set up by a woman who realised many years ago that many young people have nothing to do in the area, or they feel that, and she wanted to get them off the streets and to give them some sort of training.

The Drop Inn helps young people feel part of the community through volunteer schemes and outreach programmes, linking young people with others in the area and keeping them creative through music and multi-media sessions. It does all that for free, relying on volunteers and trainers to put on the sessions. A testament to the organisation is that many volunteers have been through the Drop Inn programmes themselves. Only last week I heard about two young people who had put on a successful music night, raising awareness and funds for the Drop Inn.

Organisations such as the Drop Inn directly tackle youth unemployment. They give young people the confidence needed to pursue the interests and skills that make them attractive to employers. I am lucky to have such a good organisation in my constituency. I hope that the Minister will join me in recognising the work of such community initiatives in tackling unemployment among young people. Without them, the success in Mid Derbyshire would not be as good as it is.

5.4 pm

Dr Rupa Huq (Ealing Central and Acton) (Lab): I echo the congratulations to the hon. Member for Norwich North (Chloe Smith) on securing the debate.

Youth, the state of being young that is between childhood and adulthood, used to be relatively carefree. In some senses it is now extending—something I say as a mum, as well as an MP—with more and more pressures on us, and people of middle age such as me seem to be on an eternal quest for youth.

In my constituency the good news is that 226 young people are now claiming JSA, which is 49 fewer than last year. The figure seems to be going down—that is a reduction of 18%—although, as we have been cautioned, we do not know how many of the jobs are zero hours or casual and the like. Those “young people” are 18 to 24-year-olds, but there are often different measures of what we mean by young.

We have two Jobcentre Pluses, one in Acton and one in Ealing Broadway, but what I wanted to flag up is the fact of conditional welfare arrangements, or ones that require people to behave in a certain way and involve the application of sanctions or penalties if they cannot. From the figures that I have seen, such benefit sanctions are disproportionately affecting young people under 25—another different measure of youth—although that might include the homeless and the vulnerable. In the past year two reports have come out, one from the Joseph Rowntree Foundation and one from Crisis, with everything pointing in the same direction.

Young people account for the largest proportion of JSA claimants who are sanctioned, with two thirds of all sanctions applied to claimants under the age of 35—another different measure. We do not know the precise reasons—perhaps young people have more erratic lifestyles—but they need to be looked into and I will be interested in the Minister’s comments, because such a situation might lead to a vicious cycle. Those sanctioned might stop seeking support, hardship might result, people might fall out of the system altogether and, if they have dependent children, the sanctions might affect those third parties as well. It may be a case of unintended consequences, who knows, but it needs looking at, in case that group is suffering some kind of direct or indirect discrimination in the benefit system, leaving them more vulnerable to sanctioning, even if they are equally as compliant as others. That work needs to be done, because there is a concern, especially when the group faces challenges such as high rents and so on in a constituency such as mine.

According to the same YMCA report that the hon. Member for Norwich North cited, “Safety Net or Springboard?”, more and more conditions and expectations are being placed on young people applying for benefits. She also mentioned that young people want more personalised and meaningful support; they do not want to be simply a number. There seems to be a disconnect between people’s daily lives and the way in which jobcentres operate.

In my constituency we have an organisation called MyBigCareer, run by the energetic Deborah Streatfield. She is also campaigning for more mandatory careers advice at school, which I know exists, but it is sometimes only a link to a website, whereas her campaign is specifically for more one-to-one, personalised, sit-down advice. Will the Minister comment on that? My right hon. Friend the Member for Oxford East (Mr Smith) raised similar issues.

Everything needs to be put into a context. Since the previous Administration, employment and support allowance has gone, student grants have been abolished

and housing benefit is no longer available to 18 to 21-year-olds. We have also heard that the so-called national living wage will not apply to the youngest workers. We do not want some sort of inter-generational conflict as a result. I found a blog that stated:

“UK Boomers slash benefits to young & force them to load up on debt while guaranteeing pensioners ever rising incomes.”

We do not want mistrust between generations, because young people are our future. I worry that some of the logical consequences of Government policy might lead there.

Richard Graham: Will the hon. Lady give way?

Dr Huq: I am about to finish, so I would rather not, if that is okay.

The Prince’s Trust—we are talking about Prince Charles, the heir to the throne—youth index uses a measure of 16 to 25, another different definition of what counts as young. One fifth of the respondents for the index said that they regularly fall apart emotionally and that they suffer from anxiety. It found all those mental health issues, so we do not want to be stoking things up.

There is much to agree with in the YMCA report. If we pick up any modern humorous dictionary of quotations, we will find many phrases about young people and youthful folly, such as, “You are only young once.” One such quote is from Oscar Wilde, who said:

“Youth is wasted on the young.”

We do not want to be in a situation where youth is wasted.

Mr James Gray (in the Chair): Order. Can I say that if hon. Members want to be called to speak, it is quite helpful if they stand up?

Chris Green (Bolton West) (Con) rose—

Amanda Solloway (Derby North) (Con) rose—

Mr James Gray (in the Chair): Victoria Borwick, I was planning to call you because you wrote to the Speaker to indicate that you wished to speak.

Victoria Borwick: No, I made my point in an intervention. Thank you, Mr Gray.

Mr James Gray (in the Chair): I see. You need to let me know that.

Victoria Borwick: I am sorry.

Mr James Gray (in the Chair): Mr Green and Ms Solloway, neither of you wrote to the Speaker; nor, indeed, had you been standing up. However, in a spirit of openness and cheerfulness, I call Chris Green.

5.10 pm

Chris Green (Bolton West) (Con): Thank you, Mr Gray. It is an honour to serve under your chairmanship this afternoon. I offer my congratulations to my hon. Friend the Member for Norwich North (Chloe Smith) on securing the debate on this important issue and on her work as chair of the all-party group on youth employment.

[Chris Green]

As the House will be aware, between June and August the employment rate was 73.6%, which is the highest since records began in 1971. In that same period, 3.92 million 16 to 24-year-olds were in work. That figure is up 66,000 in the past year.

There are many ways to get that all-important first job and gain the vital experience that can lead on to an exciting and rewarding career. While many young people find work through word of mouth, online adverts or speculative applications, we must recognise the important role of the local jobcentre, which is often the vital link between someone seeking their first job and potential employers.

The jobcentre's role is especially important for those who do not have the necessary support from family or friends that so many of us rely on. However, we do have to acknowledge that, in some cases, jobcentres are not sufficiently flexible to meet the needs of people who rely on their services. We must recognise that the support some people need extends beyond the point of getting and starting a job. Those initial few days and weeks in that first job can be incredibly daunting and that is when support from the jobcentre can be needed most. We need to ensure that the support jobcentres offer is more flexible to enable ongoing support from a work coach outside of normal working hours to reflect the needs of new employees.

I am pleased with the Government's youth obligation plans to require unemployed 18 to 21-year-olds to take an apprenticeship or do daily community work if they have not been in employment, education or training for six months. The proposals place emphasis on work and other experience, encouraging young people to develop in the discipline and routine of work and to add as many activities as possible to their CVs to improve their future prospects.

Looking back at my work history—I have not had the typical route into politics—I remember an early piece of advice that certainly served me well, though I am sure others here may not quite agree with it. It was, "Just get a job—any job. It doesn't matter what, because you just need the experience." I followed that advice and took a variety of low-paid temporary jobs that led to me working as a vehicle mechanic, in a picture frame factory and a bookies, then doing bar work and on to a career as an engineer in the mass spectrometry industry for nearly 20 years.

Each job I had provided a stepping stone and that much needed employer reference for the next job. Without that early experience, I would never have had an enjoyable career in industry and I would not be where I am now. It is vital that, regardless of circumstances and aspiration, young jobseekers receive good guidance from careers advisors in schools and jobcentres so that they are not excluded from today's competitive labour market.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): Has the hon. Gentleman considered the importance of support and guidance at school and mentoring afterwards not just for young people looking for jobs, but for those who want to start small businesses but may not have had that encouragement in the past?

Chris Green: I agree. I think most people in the Chamber would agree that further development is required in schools and in other ways to get young people that first experience so that they can develop the business that they have always dreamt about starting.

Richard Graham: My hon. Friend has given a striking example of a can-do spirit and attitude. In a sense, I think that divides the House between those on the Government side who want to see employers providing those opportunities for young people to show that they can succeed as he has and those on the Opposition side who often lean towards giving the young more benefits, because they are not capable of working or whatever. Does he agree that the key to getting more young people into work is seeing opportunities provided in precisely the way the Government have done with apprenticeships?

Chris Green: Apprenticeships are a key way to get experience and it is really important that there is a whole range of ways to get into apprenticeships and guidance for that.

I am delighted that the Government are continuing to support young people moving into work, allocating £1 billion to the youth contract and ensuring that apprenticeships for under-25s incur no national insurance costs for employers. In my constituency, youth unemployment was at 8% in May 2010. Fast-forward five years and it was at 3.9%. Further, since 2010, Bolton West has had an increase of more than 4,000 apprenticeships.

This week, I am interviewing for an apprentice for my own constituency office. Apprenticeships are a vital way to give young people a chance to earn a salary while getting real work experience. A great deal has been done, but there is still much more to do in the future.

5.16 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to speak in the debate. I congratulate the hon. Member for Norwich North (Chloe Smith) on presenting her case in such a full and confident way. For the record, those of us on the Opposition side of the House are equally confident in our young people and we want to see them do well. That is a fact: the hon. Member for Gloucester (Richard Graham) should be careful with his comments, because many of us feel quite aggrieved by them.

Many of the innocent victims of unemployment are young people, who are feeling the pinch just as much as anyone else. These austere times are difficult for our young people, so we have to help them. That is what we are about. We are all committed to that—on the Opposition side as well as on the Government side of the House. Young people need sustained help.

While the economy continues to recover, some of our young people are not yet feeling the benefits. The debate is about young jobseekers and the Department for Work and Pensions, so we are highlighting the issues of those not currently getting the help that they need.

I am conscious that the Minister has responsibility for England and Wales—not for Northern Ireland, because this is a devolved matter—but I want to make a few comments. In Northern Ireland, the unemployment rate for April to June was estimated at 6.5%, yet 20% of

young people were unemployed. Those are the facts for us in many parts of Northern Ireland. We have seen a decrease in the number of unemployed young people, but a large proportion of them are long-term unemployed, if I can say that about young people—if that is not an Irishism—and need an extra bit of help and assistance. I think the hon. Member for Norwich North made that point as well.

I am concerned about young people growing up in a nation where a fifth of them are out of work. We are trying to address that through further education courses that will prepare them for work. Of course, we can blame the economic conditions and say that the economy is rebalancing, but a fifth of young people are unemployed compared with just over 6% of people nationally. In Strangford, I have seen a decrease in unemployment, with the figure at about 4% now. The economy and other things are changing, so let us help those who need it.

We can point to examples in Europe and beyond of similar statistics. We can and do struggle with the global economy; there are some things that even the Minister cannot do, no matter how talented he may be, because of things that happen outside Great Britain that affect us at home. In my constituency, some of the growth industries include agrifood, construction, which is starting to turn again with houses being built, pharmaceuticals, insurance and light engineering. We have to address the issues affecting young people, however. Just the other day, I was given figures showing that a large number of young people are looking to leave Northern Ireland because the jobs there do not have the wage structure and prospects they would wish for. Opportunities further away are more attractive.

I am also concerned about young Protestant males—this was mentioned in a debate in another forum that I was at today—and those who do not achieve the educational standards they need; we must help them to get jobs. I suspect that that is a problem not just in Northern Ireland but in other parts of the United Kingdom—other Members will speak to that when appropriate. However, 20 years on from the first ceasefires we are still behind.

Today's news about the deceleration of the British economy, led by a downturn in the manufacturing sector, is causing concern. We seem to be losing our manufacturing sector across the whole United Kingdom. That concerns both those of us on the Opposition Benches and Government Members, as it should. Output in the manufacturing sector has fallen by some 0.9%, meaning fewer quality careers in that sector and consequently diminishing opportunities for our young jobseekers. I am not sure how the Minister can address that issue, but I would like to hear some ideas. The Government are going to roll out their new earn or learn scheme. Will he comment on that new initiative?

The Department for Employment and Learning in Northern Ireland has announced some 300 new places in education to prepare for jobs in engineering. We need good partnership between business, manufacturing and so on; those partnerships can lead to a strong economy—that is the change we are seeing. We need new apprenticeships as well, and we need those jobs for young men and young girls on an equal basis. Things are changing, but there is still much to be done. Let us continue to encourage our young people—that is what this debate has done—to strive for better. In turn, they will be able to have confidence in a safe future.

5.22 pm

Amanda Solloway (Derby North) (Con): I, too, congratulate my hon. Friend the Member for Norwich North (Chloe Smith) on securing this important debate. I also thank the YMCA for putting together this interesting and informative report. For many years, I have had close ties with the YMCA in my home city of Derby, and acted as a mentor in its initial pilot scheme. I know the value that that has added. I know from first-hand experience what fantastic work the YMCA does, as well as the challenges it faces when helping young people—not just in Derby, but across the country.

The YMCA report has highlighted concerns about levels of youth unemployment when compared to unemployment in other age groups, as well as issues young people face in finding work. Some of the cases in the report show that people have experienced disappointment and frustration. That is concerning, and we need to make sure that all young individuals are aware of the various ways in which they can be helped in finding work. I was particularly touched when reading about Beth in Derby, who said:

“Job centres look down on you and belittle you”.

That should not be the case. I am sure it is not always so, but her comment is worth mentioning.

I am, however, encouraged that the Government have introduced several new schemes aimed at improving job opportunities for young people. It is vital to give young people the skills and experience they require to meet the demands of a particular position, and those schemes provide them with the support they need to achieve their goals, often before they even get to the jobcentre.

In Derby, a scheme introduced by Enterprise for Education, or E4E, links local employers to local schools and helps young people to find careers that are suitable for them, through providing mock interviews and help with CV writing. The scheme ensures that there are work-ready young people entering the job market. Apprenticeships have also proven successful in Derby, with partnerships between local colleges and schools. Companies such as Rolls-Royce and Bombardier are leading the way locally. I am happy to report that the number of young people taking up apprenticeships continues to rise.

The recent announcement of the creation of 40 new apprenticeship places at a construction training academy in Derby is a perfect example, and is testimony to the Government's commitment to helping young people and addressing long-term youth unemployment. Through such schemes we are providing help and support to ensure that jobcentres are not the only option available.

Education and experience are two key considerations if we are going to improve job opportunities for our younger generation. People gain confidence from knowing that they have the required skills and qualifications and from having a clear picture of the work they want to find, meaning that young people entering their local jobcentre or applying online know that they are ready to work. However, we must take into account the recommendations from the YMCA to ensure that solutions are realistic, applicable and achievable, and that jobcentres focus on the needs and aspirations of those young people.

5.25 pm

Neil Gray (Airdrie and Shotts) (SNP): It is a pleasure to serve under your chairmanship, Mr Gray, and to have the opportunity to sum up on behalf of my party. I congratulate the hon. Member for Norwich North (Chloe Smith) on securing this debate and on what I thought was a fair and balanced speech. I admire her positivity, although her experiences and those of her constituents are not necessarily shared elsewhere.

I share the hon. Lady's respect for jobcentre staff. I will quote some of the findings of the YMCA that perhaps point to the idea that some of the issues being experienced arise from policy rather than staffing. A YMCA report points out that although hardship payments are available to sanctioned claimants, in practice

"YMCA know that in many cases claimants are not being made aware of the availability of such schemes".

The YMCA found that young people were not being given adequate information about sanctions, including support on how to avoid being sanctioned, explanations of why they have been sanctioned and practical advice on what to do once they have been. YMCA research on the effects of sanctions on vulnerable young people found that 84% had cut back on food as a result of being sanctioned. That is a troubling statistic.

My hon. Friend the Member for Lanark and Hamilton East (Angela Crawley) made an excellent contribution. Youth unemployment is indeed a tragedy, and we must recognise young people's potential to contribute to our society and economy. She pointed out the narrow-mindedness of pushing young people towards work through sanctions. We should believe in our young people. She drew on the example of free higher education in Scotland, which provides real opportunities for young people, and made it clear that higher education should be about ability to learn, not ability to pay. I completely agree with that sentiment.

As for the remarks of the hon. Member for Mid Derbyshire (Pauline Latham), I laud the fact that youth unemployment is dropping in some areas, but I am not sure that all those jobs will be in full-time, secure and well-paid work. So many new jobs in recent years have been insecure, low-paid zero-hours contracts. The Government must report on the quality of new jobs. I agree completely with the remarks of the hon. Member for Ealing Central and Acton (Dr Huq) on sanctions; I will say more on that shortly.

The hon. Member for Bolton West (Chris Green) pointed out that jobcentres are not sufficiently flexible to meet the needs of those relying on them for support, which I agree with absolutely. The hon. Member for Strangford (Jim Shannon) made, as ever, a thoughtful contribution. I agree that young people are not feeling the benefit of economic recovery as yet and are not feeling supported. Perhaps that is being worsened by the Welfare Reform and Work Bill being debated on the Floor of the House at the moment. The hon. Member for Derby North (Amanda Solloway) said that jobcentres are not the only route to work, pointing to education and apprenticeships. On that point I again echo the remarks of my hon. Friend the Member for Lanark and Hamilton East.

The debate has been useful and worth while, and in general very positive, but we must point to the facts as they are. The DWP is failing workers and jobseekers with its dangerous welfare reforms and sanctions regimes.

The reforms are already going to have a devastating effect on young people in general and will have the combined effect of hitting young jobseekers very hard. An increasing number of young homeless people are being sanctioned. Those who are vulnerable are being asked to comply with unrealistic conditions, resulting in sanctions that only deepen their disadvantage. I draw on the evidence already presented by the Joseph Rowntree Foundation, on the Trussell Trust report on food poverty from June 2014 and on the March 2015 Crisis report on homelessness, which says that the number of JSA sanctions has almost tripled from 2.5 sanctions per hundred claimants per month in the year ending 2001 to seven per hundred per month in the year ending 2014.

In conclusion, it is clear that something is going fundamentally wrong with how the DWP deals with young people seeking work. In my view and in the view of my colleagues, it is time to devolve to Scotland all social security functions and the resources to support that, so that we can plot a different path from the punitive and marginalising approach currently deployed by this Government.

Mr James Gray (in the Chair): It may be helpful for colleagues to know that the official time for the end of the debate, owing to injury time in a previous debate, is 5.53 pm, although I am told there will probably be a Division in the main Chamber at 5.45 pm.

5.31 pm

Nick Thomas-Symonds (Torfaen) (Lab): It is a pleasure to serve under your chairmanship, Mr Gray. I congratulate the hon. Member for Norwich North (Chloe Smith) on securing the debate and on her work as chair of the all-party group on youth employment. I particularly congratulate her on the digitally inclusive way in which she has approached the debate, which is to be welcomed. I agree with her comments about the personalisation of services needed at jobcentres and join her in commending Jobcentre Plus staff.

I congratulate the hon. Member for Lanark and Hamilton East (Angela Crawley), who spoke powerfully about the potential of our young people. The hon. Member for Mid Derbyshire (Pauline Latham) spoke very well about the benefits that come from having work. My hon. Friend the Member for Ealing Central and Acton (Dr Huq) spoke extremely well about the problems of zero-hours contracts and, indeed, of benefit sanctions. I suppose we must all hope that Oscar Wilde is wrong and that youth is not wasted on the young. I also congratulate the hon. Member for Bolton West (Chris Green), who spoke very well about the need for flexible support, the hon. Member for Strangford (Jim Shannon), who made a thoughtful contribution on the position of the long-term unemployed, and the hon. Member for Derby North (Amanda Solloway), who drew well on her local knowledge.

I make one comment about the final intervention from the hon. Member for Gloucester (Richard Graham). I reassure him that I stand here as the son of a steelworker, and I totally understand what the can-do spirit is. The former mining community in my constituency, which I grew up in, also totally understands the can-do spirit. I know he is usually constructive, but that last contribution was slightly out of kilter with the usual quality of his contributions.

Richard Graham: I am absolutely delighted to hear that the hon. Gentleman is so committed to a can-do spirit that is focused more on providing opportunities than on regretting reductions in benefits to young people. I hope he will join me in recognising the extraordinary achievements across constituencies in most of the country in reducing youth unemployment. In my constituency, it has gone from 1,000 people, when the Labour party left power, to 250 today. I hope he will recognise that that is the result of a can-do spirit by Government, constituents, businesses and others working together.

Nick Thomas-Symonds: We will always welcome reductions in unemployment. This week, we are talking about the changes to tax credits that are affecting 3.3 million working families and taking away £1,300 a year from them on average. I am sure the hon. Gentleman will agree that that is certainly not a can-do spirit—that is clobbering people who are in work. I certainly do not commend that, and I hope he will join me in condemning it.

Richard Graham: The hon. Gentleman should listen—

Nick Thomas-Symonds: The hon. Gentleman should perhaps listen to his own constituents and the families who are losing out.

The statistics make for sobering reading: 683,000 people between the age of 16 and 24 are still unemployed, and 138,000 of those have been unemployed for more than 12 months. As a percentage, it does not get any better: 14.8% of the economically active population is unemployed. Even if we take into account those in full-time education, the figure is still 13.2%.

Nobody should underestimate the potential problems of youth unemployment for a person's employability throughout their life. One of the contributors to the speech by the hon. Member for Norwich North made the point that young people want to get experience in order to get a job, but they cannot get a job and so cannot actually get the experience. If someone cannot get a job, there are also issues of not getting into the habit of working, not being able to develop skills and of feeling socially excluded from mainstream society. We have to tackle these issues. To do that, we need quality apprenticeships and quality work placements; in that sense, I commend to the Minister the approach taken by the Government in Wales.

Over the next three years, the Jobs Growth Wales programme will produce nearly 9,000 placements, each of which will be an initial six-month placement paid at or above the national minimum wage. I commend that strong, activist approach to the UK Government, because we really must not fail our generation of young people. If we do, it will be an intergenerational injustice.

5.36 pm

The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson): It is an absolute pleasure to serve under the chairmanship of my near neighbour. I congratulate my hon. Friend the Member for Norwich North (Chloe Smith) on securing the debate. I pay tribute to the fantastic work she has done through her Norwich for Jobs project and as chair of the APPG on youth employment. In fact, it would be an undersell to say she is a real champion of young people on a whole

range of issues. The number of Members from both sides of the House who have come to support this constructive and proactive debate is a good recognition of that. I am sure her APPG will be packed on 18 November with a whole host of new, eager Members of Parliament wishing to support her. I also congratulate her on the digital debate last night, which I cast my eye over during the multiple votes. Ninety seven engagements and more than 1 million people reached is fantastic. The core messages about a personalised approach, commitment both ways, resources and mentoring are important points that I will pick up on. It is a credit to her that those people chose to engage.

I want to put on record my thanks to my hon. Friends the Members for Dartford (Gareth Johnson) and for South Derbyshire (Heather Wheeler), and the hon. Member for Airdrie and Shotts (Neil Gray), for taking the time to pay credit to the hard work in their respective jobcentre networks. Jobcentre Plus staff right across the country do a huge amount of good work and are often not recognised for it. I was impressed by what my hon. Friend the Member for Mid Derbyshire (Pauline Latham) said about the Drop Inn centre. I want to put on record the appreciation of all Members here for the fantastic work that volunteers at that centre are doing. I am sure many of us have similar organisations in our constituencies, and they all make a big difference to people.

I pay tribute to my hon. Friend the Member for Bolton West (Chris Green), particularly for his point about careers advice, which I recognised. I remember saying at school that I fancied being a Member of Parliament in the future. They laughed and said, "You have no chance." He also mentioned speculative applications. When I ran my own business for 10 years, the majority of the jobs I offered—predominantly to young people—were on the back of speculative applications, because I was impressed that people had taken the time to do that. The hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) made an important point about Young Enterprise, which I have been a huge supporter of. I was proud to lead the campaign to get financial education into the national curriculum in the previous Parliament. It is one of the key building blocks for young people who want to start up a business and is something I certainly support.

We have made big progress on youth employment. We know that youth unemployment can have significant and long-lasting negative impacts on young people's life chances. The Government are committed to tackling youth unemployment, and we have a strong record so far. Over the past year, of all the EU countries, only the Netherlands has seen a larger rise than the UK in the number of young people in work. That is something we should celebrate. OECD figures show that 71% of non-students aged 20 to 24 in the UK are in work—the second highest number of the big EU economies, just behind Germany, and above the US and the EU average. Excluding those in full-time education, youth unemployment has fallen by over 200,000 since 2010 and is lower than before the recession, and 85% of all 16 to 24-year-olds are in work or full-time education. The employment rate of young people who have left full-time education has risen to its highest in over 10 years at 73.9%—hon. Members will be pleased to know that that is it for the stats for the remainder of the speech.

[Justin Tomlinson]

We want to go further—we can celebrate where we have got to, but all the speeches have highlighted the need to go further—and I am delighted with the announcement of the youth obligation, which is a positive step that builds on what we have done. As my hon. Friend the Member for Norwich North has said, we have made positive steps but we should go further. From April 2017, we are introducing the new youth obligation to support young people aged 18 to 21 on universal credit who find themselves out of work. Those young people will be given the support, skills and experience to motivate them into work, fulfil their potential and make a contribution to their community by getting on in work without slipping into a life on benefits. I think everybody across the House would support that.

Crucially, that will be from day one. Young people will participate in an intensive period of support, learning job search and interview techniques and doing structured work preparation. It is important for them to have that support from day one, while they still have that enthusiasm—it is about not allowing them to slip further away from securing meaningful work. After six months, they will be expected to apply for an apprenticeship or a traineeship, to gain work-based skills that employers value, or to go on a work placement to give them the skills they need to get on in work. Once fully implemented, we expect 400,000 young people a year to participate in the youth obligation, which will make a considerable difference to increasing youth employment further.

Many Members, including my hon. Friends the Members for Kensington (Victoria Borwick) and for Gloucester (Richard Graham) in particular, have highlighted the importance of apprenticeships. Again, we would all echo that: they are a valuable route into the world of work, providing experience and vital skills, and are an important part of our approach to youth employment. We have pledged to create a further 3 million new apprenticeships in England in this new Parliament. The jobcentres network will be an important part of helping to signpost, promote and encourage young people to take advantage of that, building on the 2.3 million starts in the last Parliament.

In addition to apprenticeships, we provide a range of employment programmes for young people to support them into work, including traineeships for young people who have not achieved a GCSE grade C or equivalent—so, a pre-apprenticeship—work experience for eligible unemployed young people or sector-based work academies, so each local community, as part of our devolution, can identify opportunities and look to match those as they come forward. On average, around 2,000 young benefit claimants are starting government work experience or the training element of a sector-based work academy every week. The evidence shows that that is making a difference.

The right hon. Member for Oxford East (Mr Smith) spoke about careers advice, which is an important point. We know that key to tackling youth unemployment is early intervention to ensure that young people get the help they need before they leave school, so that they can make a good transition between school and further learning or employment. That is why we are introducing Jobcentre Plus employment adviser support for schools and colleges. Working in partnership with the new Careers & Enterprise Company to build on the support

that is already available, Jobcentre Plus employment advisers will provide 12 to 17-year-olds at risk of not being in education, employment or training with the advice they need on the local labour market, employment opportunities and routes into work experience, traineeships and apprenticeships. It is about providing that career path. Those who are heading off to higher education have the UCAS process—they choose their course and there is a clear path. This change is about stepping in for those who will not go down that route. It provides a real focus, and I am delighted to see it being brought forward.

Last month, the Careers & Enterprise Company launched its enterprise adviser network programme to connect employees from firms of all sizes to schools, through a network of enterprise advisers drawn from business volunteers. The hon. Member for Lanark and Hamilton East (Angela Crawley) specifically mentioned a point about inspiring women into different roles. I went to see an organisation called Lady Geek in a school in London. It was looking to incentivise girls in particular to take up courses in information and communications technology, where women have only about 11% of the roles. Unsurprisingly, after a really interactive, fantastic demonstration, about 30 signed up do the GCSE straight away, so they will then go off to have brilliant careers.

My hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) talked about the need to target primary schools. That is the whole point of mentors. Most young people will be inspired at some point, and getting those mentors into all schools across the country to provide that inspiration is vital.

I also echo the comments that my hon. Friend the Member for Peterborough (Mr Jackson) made in praise the National Citizen Service. Of the things that the last Government introduced, I am probably proudest of that. It was introduced personally by the Prime Minister. Every summer, I spend many happy visits joining in and seeing children's complete transformation into young adults, in terms of their confidence, team skills and public speaking. They are eminently employable at the end of that process, and I am delighted that we have extended its reach further.

My hon. Friend the Member for Norwich North rightly highlighted the work of the YMCA report, and I pay tribute to my hon. Friend the Member for Derby North (Amanda Solloway) for her long-standing work with the YMCA. The YMCA has made some important recommendations, including, first, that each young person should be provided with a specialist youth work coach that remains consistent throughout the length of their claim. We have made changes so that they will have one work coach. That is incredibly important and it will make a difference.

Secondly, the YMCA recommended that each young person should be provided with the ability to participate in education or training lasting for more than 16 hours a week without their claim being affected. In certain circumstances, jobseeker's allowance or universal credit claimants can participate in training and still keep their benefit—for example, when they are on a sector-based work academy or traineeship. For those on JSA for six months, when their jobcentre adviser or work coach identifies a skills gap that is a barrier to their moving into work, they can attend full-time training for up to eight more weeks. A claimant can also be in training for up to 30 hours a week on universal credit. Again, that will make a huge difference.

Finally, the YMCA recommended that each young person should be provided with the opportunity to receive in-work support from their work coach or a designated mentor when they transition into employment. That is key. As a lot of Members have highlighted, these are often entry-level jobs that do not have the highest pay in some cases. I remember when I was young, my parents would push me—many of us would have been pushed when we were younger—but not everybody has that, so providing support once young people enter work is incredibly important. It is about identifying how they are doing and the challenges they may need to address, or reminding them just how well they are doing and talking to their supervisors and employers and saying, “Look, are there further opportunities to progress?” I think that is really key. We are testing how this will work, but I take a particular interest in it because—as I know from my background, the school I went to and things like that—this is probably the single thing that will make a big difference.

I also pay tribute to the Norwich for Jobs project, which my hon. Friend the Member for Norwich North talked about. It is an exemplary way of building partnerships. I had a Disability Confident event in my constituency last Friday, with hundreds of businesses coming along. Those do not have to be done by an MP; it can be local authorities, local enterprise partnerships or community groups. Businesses are willing to engage; we just need to make sure they know there are opportunities to do so.

In conclusion, this debate has been constructive and positive on all sides. There is a clear commitment to tackling youth unemployment, not only in our Department but across all Departments. To ensure that support for young people is joined-up, the cross-Government Earn or Learn taskforce has been set up, involving seven Departments and chaired by the Minister for the Cabinet Office and Paymaster General. The taskforce is determined to provide a coherent and joined-up landscape of intensive support from all Departments to tackle youth unemployment effectively and ensure that everyone can achieve their potential. I pay tribute again to my hon. Friend the Member for Norwich North for her ongoing work, and I very much hope she will engage in that taskforce. We can learn a huge amount not only from her personal work, but through that direct democracy—the ideas that have been fed in—and together we can make a real difference to young people, which we would all support.

Question put and agreed to.

Resolved,

That this House has considered young jobseekers and the Department for Work and Pensions.

5.48 pm

Sitting adjourned.

Written Statements

Tuesday 27 October 2015

BUSINESS, INNOVATION AND SKILLS

Enterprise Bill: Business Impact Target

The Minister for Small Business, Industry and Enterprise (Anna Soubry): My noble Friend the Under-Secretary of State for Business, Innovation and Skills (Baroness Neville-Rolfe) has today made the following statement.

The Enterprise Bill was introduced in this House on 16 September. It is a Bill that brings forward measures to support businesses to set up and grow. One of those measures extends the business impact target (BIT) to include the activities of statutory regulators. We will require those regulators to assess and report on the impact of their regulatory activities on business. It is intended that this measure will help contribute to this Government's commitment to reduce the regulatory burden on business by £10 billion over the life of this Parliament.

The Enterprise Bill will extend the BIT brought in by the Small Business Enterprise and Employment 2015 Act. This will ensure that statutory and non-statutory national regulators—undertaking regulatory activity that has an impact on business relating to matters reserved to UK Ministers—operate within a system where there is transparent reporting of the costs to business of their regulatory activities underpinned by statute.

The Bill itself does not specify which regulators are being brought into scope of the BIT; that will be set out in secondary legislation following a public consultation in early 2016. The Government are carefully considering the position of each regulator, and final decisions have yet to be made. However to assist the House in considering the clauses before it I am providing an indicative list of the bodies that are currently being considered for inclusion. This list is not definitive and the views of business, regulators and other respondents to the consultation will inform the legislation to be submitted to the House in 2016.

REGULATORS IN SCOPE OF BUSINESS IMPACT TARGET

Statutory (under consideration to be brought into scope under Enterprise Bill)

Architects Registration Board
 Assay Offices (Sheffield, Birmingham, London, Edinburgh)
 British Hallmarking Council
 Care Quality Commission
 Charity Commission for England and Wales
 Civil Aviation Authority
 Coal Authority
 Commissioners of Irish Lights (in relation to their regulatory activity in Northern Ireland)
 Registrar of Companies (England and Wales), Registrar of Companies (Scotland)
 Competition and Markets Authority
 Equality and Human Rights Commission
 Environment Agency
 Financial Conduct Authority
 Financial Reporting Council
 Food Standards Agency
 Forestry Commission
 Gambling Commission
 Gangmasters Licensing Authority

Groceries Code Adjudicator
 Health and Safety Executive
 Higher Education Funding Council for England
 Historic Buildings and Monuments Commission for England (Historic England)
 Homes and Communities Agency
 Human Fertilisation and Embryology Authority
 Human Tissue Authority
 Information Commissioner
 Marine Management Organisation
 Natural England
 Northern Lighthouse Board
 Oil and Gas Authority
 Office of Communications
 Office of the Immigration Services Commissioner
 Office for Fair Access
 Office for Nuclear Regulation
 Office for Standards in Education, Children's Services and Skills
 Office of Qualifications and Examinations Regulation
 Office of Rail and Road
 Office of the Regulator of Community Interest Companies
 Office of Gas and Electricity Markets
 Payment Systems Regulator
 Pensions Regulator
 Security Industry Authority
 Sports Grounds Safety Authority
 Traffic Commissioners for Great Britain
 Trinity House Lighthouse Services
 Water Services Regulation Authority

Regulators for further discussion (may be brought into scope under Enterprise Bill)

Professional bodies listed in schedule 3 to the Money Laundering Regulations 2007
 Bodies regulated by the Professional Standards Authority for Health and Social Care
 Monitor
 Farriers Registration Council

Non-statutory (for information only, already in scope under SBEE Act 2015)

Animal and Plant Health Agency
 Animals in Science Regulation Unit
 Claims Management Regulation Unit
 Drinking Water Inspectorate
 Driver and Vehicle Standards Agency
 DVLA
 Employment Agency Standards Inspectorate
 Fish Health Inspectorate, CEFAS
 Insolvency Service
 Intellectual Property Office
 Land Registry
 Maritime and Coastguard Agency
 Medicines and Healthcare Products Regulatory Agency
 National Measurement and Regulation Office
 Rural Payments Agency
 Vehicle Certification Agency
 Veterinary Medicines Directorate

DEFENCE**Military Support to Afghanistan****The Secretary of State for Defence (Michael Fallon):**

In January 2015 following 13 years of combat operations, NATO started its new non-combat train, advise and assist mission in Afghanistan. At the same time, the Afghan National Defence and Security Forces (ANDSF), which the UK and our NATO partners have played a key role in developing, assumed the lead for security in their country.

In their first fighting season since the drawdown of international combat troops, the ANDSF have been tested in parts of the country, but they have also shown themselves to be an increasingly professional, competent and dedicated fighting force.

The UK Government recognised it would take time for the ANDSF to develop into a fully fledged fighting force capable of providing complete security for the people of Afghanistan. We therefore made plans to review our commitment in light of its performance over the year and the overall security situation.

I would like to inform the House that we have now concluded that we should maintain the scale of the UK's current military mission in the country in 2016, to help build a secure and stable Afghanistan.

The scope and role of the UK mission are unchanged. We will continue to help develop Afghanistan's future military leaders through our work at the Afghan National Army Officer Academy, to build capacity within the Afghan security ministries, and to provide vital support to NATO operations in Kabul. Around 450 UK personnel will work in close co-ordination with our NATO allies and partners in the delivery of these important tasks.

This decision follows President Obama's announcement on 15 October that the United States is delaying the drawdown of US troops and will maintain its current force level in Afghanistan through most of next year. Both the US and our own decisions underline NATO's continued commitment to training and assisting Afghan forces as they grow stronger.

Finally, I wish to record my immense gratitude and admiration for all of our brave men and women who have served, or are currently serving, in Afghanistan. We will never forget the ultimate sacrifice made by each and every one of the 456 members of the armed forces who have died during operations in Afghanistan. Their sacrifice has helped to protect our country and our citizens from the threat of terrorism, as well as giving the people of Afghanistan the chance of a better future.

[HCWS273]

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