

**Monday  
18 January 2016**

**Volume 604  
No. 98**



**HOUSE OF COMMONS  
OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES**

**(HANSARD)**

**Monday 18 January 2016**



# House of Commons

*Monday 18 January 2016*

*The House met at half-past Two o'clock*

## PRAYERS

[MR SPEAKER *in the Chair*]

## Oral Answers to Questions

### DEFENCE

*The Secretary of State was asked—*

#### Defence and National Security (EU)

2. **Daniel Zeichner** (Cambridge) (Lab): What assessment he has made of the potential effect of UK withdrawal from the EU on defence and national security. [903050]

**The Parliamentary Under-Secretary of State for Defence (Mr Julian Brazier):** This Government believe we can and will succeed in reforming and renegotiating our relationship with the European Union. The cornerstone of our security, however, is NATO, while the EU plays a significant role in complementing NATO—for example, in imposing sanctions on Russia. Defence remains a sovereign issue.

**Daniel Zeichner:** The Prime Minister recently told us that he was

“in no doubt that for Britain the European question is not just a matter of economic security, but of national security too”.

Was he right or wrong?

**Mr Brazier:** The Prime Minister was quite right that our relationship with our European partners plays a very important role in defence.

**Dr Andrew Murrison** (South West Wiltshire) (Con): Will my hon. Friend remind the hon. Member for Cambridge (Daniel Zeichner) how many times, in the 10 years since its inception, that the EU battle groups have actually been deployed?

**Mr Brazier:** The EU battle groups have not yet been deployed. The EU does have five significant common security and defence policy missions at the moment, complementing areas where NATO has chosen not to become involved.

**Tom Brake** (Carshalton and Wallington) (LD): Will the Minister comment on the impact of UK withdrawal from the EU on the Anglo-French military relationship? He will be aware that many joint programmes are under way. Are they likely to be affected if the EU pulled out of the EU?

**Mr Brazier:** I see no reason why they should be.

**Johnny Mercer** (Plymouth, Moor View) (Con): The Minister will have seen in the press at the weekend that yet another veteran is struggling to access the care that she deserves. On top of the King's College report last week, does he agree that now is the time for the Government, after having put so much in, to undertake a radical reform and address the care required in the veterans sector?

**Mr Brazier:** I share my hon. Friend's concern in this area. He may wish to put a question on that to the excellent Under-Secretary of State for Defence, my hon. and gallant Friend the Member for Milton Keynes North (Mark Lancaster), who has responsibility for veterans, shortly.

**Mr Speaker:** Well, he cannot do so now. The operative word is “shortly”, but how shortly remains to be seen. That is not in the mind of the hon. Member for Plymouth, Moor View (Johnny Mercer), nor at the moment in mine.

**Martin John Docherty** (West Dunbartonshire) (SNP): Will the Minister advise the House what impact a Brit exit, if there is one this year or next, would have on our armed services personnel currently in operations with the European Union overseas?

**Mr Brazier:** As far as I can see, none.

**Mr Speaker:** Splendid pithiness.

**Mr David Nuttall** (Bury North) (Con): The Minister is quite right to remind the House that the cornerstone of our national security is our membership of NATO. Does he agree that if the British people vote to leave the European Union, as I hope they do, there is absolutely nothing to stop this country working with our European neighbours and co-operating on defence matters, should they choose to do so?

**Mr Brazier:** My hon. Friend is quite right. We all agree—in fact, both sides of the House used to agree—that the cornerstone of our defence is a nuclear-armed NATO. He is of course right in saying that, in any scenario, we will continue to co-operate with the other members of the EU, the majority of whom belong to NATO anyway.

**Toby Perkins** (Chesterfield) (Lab): I am glad to hear the Minister give his support to what the Prime Minister said about European co-operation. On that note, will he describe a single way in which less co-operation with our EU partners is going to increase our national security?

**Mr Brazier:** Nobody is suggesting less co-operation on defence matters with our European partners or anyone else.

**Toby Perkins:** It is all very well for the Minister to say that, but the Typhoon Eurofighter project is just one example of how working together with our European partners creates thousands of jobs, boosts exports and secures crucial sovereign capability. Will the Minister, who is supposed to be a member of a Government that are looking to boost the UK defence industry, give us an example of a single UK defence industry manufacturer that boosts the UK leaving the European Union at the moment?

**Mr Brazier:** The Typhoon, which the hon. Gentleman gives as an example of collaboration, was a collaboration between NATO countries. I am not sure that I fully followed the remainder of his question. It was something about defence manufacturers. Let us be clear: NATO, and not the EU, is the central plank of our defence policy.

### Military Assistance (Ukraine)

3. **Robert Neill** (Bromley and Chislehurst) (Con): What plans he has to increase military assistance to Ukraine. [903051]

**The Minister for the Armed Forces (Penny Mordaunt):** Our military training in Ukraine will continue throughout the year and we have plans to increase our footprint. I can announce today that we plan to gift a further 3,500 individual first aid kits to Ukraine's armed forces. Our gift responds to a specific request from Ukraine and will be delivered in the spring.

**Robert Neill:** Of course, when Ukraine gained independence, it voluntarily gave up the option of keeping nuclear weapons from the former Soviet Union. Aggression by Russia and destabilisation have been its sole reward. Following the NATO summit in Wales, British troops have been deployed in a training role in Ukraine. Will the Minister update us on the success in improving the training of the Ukrainian armed forces to make sure that they have a fair fight against Russian-backed aggression?

**Penny Mordaunt:** My hon. Friend is right to point out how our commitment to the continuous at-sea deterrence helps us to have influence. I assure him that we are on target for the training of 2,000 Ukrainian troops by the end of this financial year.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): I am sure that the first aid kits are very welcome in Ukraine, but if we are serious about supporting Ukraine, which is under such pressure from the pernicious regime of President Putin in Russia, surely we should be doing much more visible work for it. For instance, we could tighten the sanctions on Russia. That is what it does not like and what has proven to be successful. We should tighten the sanctions week by week, month by month.

**Penny Mordaunt:** The hon. Gentleman will be aware that that is what we are doing. We have argued for sanctions through our work with NATO. We are doing much more than supplying first aid kits. We are doing a huge amount of capacity building in those armed forces. We have given them a huge amount of equipment, particularly to protect them from the cold weather in which they are operating. They are very grateful for that. We stand ready to assist them further and I will be visiting the country shortly.

**Andrew Gwynne** (Denton and Reddish) (Lab): Ukraine has been on the frontline of the expansionist agenda of Putin's Russia, but it is not alone in that in eastern Europe. What assistance is the United Kingdom giving through NATO and the European Union to a number of countries, particularly the Baltic states, to combat the expansionism they face from Russia?

**Penny Mordaunt:** We do a huge amount of operational and practical work, such as on Baltic air policing. We have also been very active through our diplomatic channels, through both NATO and the EU, to hold Russia's feet to the fire on these issues. Progress is being made. There has been recent progress, with fewer violations of the ceasefire. We will continue to act both practically and diplomatically.

### Daesh

4. **Stephen Hammond** (Wimbledon) (Con): What assessment he has made of progress in the international campaign against Daesh. [903052]

12. **Tulip Siddiq** (Hampstead and Kilburn) (Lab): What assessment he has made of progress towards defeating ISIL. [903061]

**The Secretary of State for Defence (Michael Fallon):** I hope you will allow me, Mr Speaker, to formally welcome the new shadow Secretary of State and her team, and to regret the removal of their mainstream moderate predecessors, the hon. Members for Garston and Halewood (Maria Eagle) and for North Durham (Mr Jones).

In recent weeks, Kurdish forces have recaptured Sinjar and the Iraqi army is clearing the last pockets of Daesh resistance in Ramadi. In Syria, anti-Daesh forces have captured the Tishreen dam east of Raqqa. Air strikes, including by the UK, have inflicted significant damage on Daesh's illicit oil industry, reducing its revenues by about 10%.

**Stephen Hammond:** I am sure that the whole House will welcome what the Secretary of State said about the progress that has been made so far. Will he outline for the House whether any other measures are necessary to ensure that all members of the coalition intensify their efforts against Daesh?

**Michael Fallon:** On Wednesday I will meet my counterparts from Australia, Germany, France, Italy, the Netherlands and the United States to review the overall direction of the counter-Daesh campaign. We have made good headway in Iraq and Syria in recent weeks, but it is now time to discuss how to maximise the coalition effort and exploit the opportunities that arise from the setbacks that Daesh has suffered.

**Tulip Siddiq:** A major contributor to Daesh activities and capabilities on the ground is the foreign funding that it receives. Will the Secretary of State outline what measures the UK is taking to curb the foreign funding that Islamist groups such as Daesh receive? In particular, what pressure is he putting on Saudi Arabia and Qatar?

**Michael Fallon:** That issue is one of the keys to Daesh's survival, and it is important that we maximise our efforts to cut off its sources of revenue, including internal sources, such as its access to oil revenues and the taxes that it imposes inside Syria and Mosul, and external sources, such as the flows that the hon. Lady has described. We will discuss that issue in a wider meeting later on with all members of the coalition, including the countries that she mentioned.

**Mr Keith Simpson** (Broadland) (Con): The Secretary of State will be aware of suggestions that part of the way to constrain Daesh is to use back-door diplomacy. Does he agree with Canon Andrew White of Baghdad, who said in an interview:

“You can’t negotiate with them. I have never said that about another group of people. These are really so different, so extreme, so radical, so evil”?

Does that put into context the suggestion from the Leader of the Opposition?

**Michael Fallon:** Like my hon. Friend, I was surprised to hear the suggestion that somehow one could negotiate with Daesh, or even that Daesh has some “strong points”. The House will recall that those strong points include the beheading of opponents, burning prisoners alive, throwing gays off buildings, enslaving young women, murdering innocent British tourists in Tunisia, and slaughtering young people on a night out in Paris. I fail to see any particular attraction.

**Mr David Hanson** (Delyn) (Lab): For the benefit of the Secretary of State, I do not think that Daesh has any strong points, but I would argue with the Prime Minister’s central argument about there being 70,000 so-called freedom fighters ready to take on Daesh on the ground in Syria. On Tuesday at the Liaison Committee the Prime Minister still could not defend that figure. Can the Secretary of State do so today?

**Michael Fallon:** Yes I can because it is not my figure or that of the Prime Minister: it is an assessment produced by the Joint Intelligence Committee, independently of Ministers. I say gently that if the right hon. Gentleman does not think that there are that many freedom fighters in Syria, how does he think that the civil war has lasted for five years, given that the Syrian army is more than 200,000 strong? People have been fighting the Assad regime.

**Richard Drax** (South Dorset) (Con): Does my right hon. Friend agree that a significant assault by ground forces, preferably local troops, is the only way to deal with Daesh in the longer term?

**Michael Fallon:** Yes. In the end, Daesh will only be prised out of cities such as Mosul in Iraq or Raqqa in Syria by local forces. We have already seen some success in the recovery of Baiji and Ramadi in Iraq, and I hope eventually we will see such success in other cities along the Tigris and the Euphrates. In the fullness of time I hope we will see similar action in Raqqa, but that does not mean that we should not now be getting on with a full deployment of airstrikes to deal with the infrastructure that supports Daesh.

**Brendan O’Hara** (Argyll and Bute) (SNP): I, too, welcome the hon. Member for Islington South and Finsbury (Emily Thornberry) to her place and wish her well in her new post. I know that we are in agreement on important areas of defence, and I look forward to working constructively with her and her team over the coming years.

Does the Secretary of State agree with the Prime Minister, who told the Liaison Committee last week that in the case of civilian casualties,

“if people make allegations we must look at them”?

**Michael Fallon:** We do an assessment after every British strike of the damage that has been caused, and check very carefully whether there are likely to have been casualties. Of course, that is taken into account in planning and approving the strike in the first place. It so happens that, in the first year and a bit of operations, we are not aware of any civilian casualties so far in our strikes in Iraq or more recently in Syria, but they are military operations—we do everything possible to reduce the risk of civilian casualties, but it is not possible to eliminate it entirely.

**Brendan O’Hara:** I thank the Secretary of State for that answer, but can he therefore confirm that the Ministry of Defence will accept evidence of civilian deaths from other sources outwith UK military personnel and local friendly forces? Will he assure the House that the evidence from highly credible organisations such as the Syrian Observatory for Human Rights, Airwars and the White Helmets—groups that work on the ground and that are very often the first people on the scene—will be considered when calculating civilian deaths in future?

**Michael Fallon:** Let me assure the hon. Gentleman that we will look at any evidence brought forward in open source reporting by other organisations in the assessment we make of each of the strikes in which our aircraft are involved. I have replied directly to one of the organisations he mentions—Airwars—pointing out that there is no particular evidence to back up the assessment it made in that particular case.

**Mr Jonathan Djanogly** (Huntingdon) (Con): Will my right hon. Friend give the House an update on the military and non-military support that is now being provided to opposition fighters in Syria?

**Michael Fallon:** Along with other countries, we have been supplying non-lethal equipment to those fighters and we played a part in the initial training programme that was organised by the United States, and we remain ready to do so. In addition, we are working with those groups on a route to a political settlement in the talks that are now under way under the so-called Vienna process.

**Emily Thornberry** (Islington South and Finsbury) (Lab): I thank the Secretary of State and the hon. Member for Argyll and Bute (Brendan O’Hara) for their generous welcome to this job. The Secretary of State has the honour of having perhaps the best job in Westminster. Mine is the second best. Hopefully we will change roles fairly soon. He can be assured that difficult questions will be asked and that we hope to work with the Government where we can for the sake of the security of people in Britain.

Senior military personnel have repeatedly warned that the RAF has been at full stretch, and that was even before the air strikes on Daesh began in Syria. A squadron of F-35s has only just been ordered, but will not come into service for several years. In the meantime, the air campaign against Daesh will be dependent on 40-year-old aircraft. Can the Secretary of State tell us how long he believes the air campaign can safely be maintained? What would happen if a new threat emerged? Would the RAF have capacity for any operations further than those to which the Government have already committed?

**Michael Fallon:** I thank the hon. Lady for her initial remarks. I note her ambition to move from the Opposition side of the House to the Government side, which was presumably shared by the two previous shadow Defence Secretaries that I have so far come across. Let me just say to her gently that a defence policy of nuclear submarines with no nuclear weapons, that regards Daesh as having “strong points”, and that wants to end the Falkland islanders’ right to self-determination, may be Labour’s defence policy, but it will never be Britain’s defence policy.

In respect of the hon. Lady’s question, the RAF is deploying a range of aircraft on Operation Shader in the middle east, including modern Typhoons and unmanned aircraft alongside the Tornados to which she referred. I can confirm that the RAF is well able to sustain that effort.

### Successor Submarines

5. **Michael Fabricant** (Lichfield) (Con): What assessment he has made of the effect on UK security and the economy of building four Successor ballistic missile submarines for the nuclear deterrent; and if he will make a statement. [903053]

**The Minister for Defence Procurement (Mr Philip Dunne):** The nuclear deterrent is the cornerstone of the UK’s defence security policy. Maintaining continuous at-sea deterrence requires four ballistic nuclear submarines. The UK’s defence nuclear enterprise is gearing up to deliver the Successor replacement to the Vanguard class submarines. It will not only keep Britain safe but support over 30,000 jobs across the UK in England, Scotland, Wales and Northern Ireland. It makes a significant contribution to the UK economy.

**Michael Fabricant:** Thirty thousand jobs! I thank my hon. Friend for his answer. Notwithstanding proposals for nuclear missile boats or submarines without nuclear missiles, does he not accept that there are something like 17,000 nuclear warheads around the world, with some possibly threatening us? What is my hon. Friend’s assessment of the likely risk to national security should we not proceed with the four missile submarines?

**Mr Dunne:** My hon. Friend is quite right to highlight the importance of the deterrent to our national security. We have seen—I think he was referring to comments made in the past 24 hours—the most extraordinary contortion emerging from the champagne socialist salons of Islington. The idea of spending tens of billions of pounds to build but not arm a strategic deterrent betrays the new kind of politics from the Labour leadership: a lurch back to the discredited unilateralism of the 1970s and a breathtaking lack of understanding about how to keep this country safe, with consequent threats both to national security and to tens of thousands of jobs across the UK.

**Mr Kevan Jones** (North Durham) (Lab): Does the Minister agree that the issue is about not just the number of jobs involved in the Successor programme, but the high-skill nature of those jobs? Despite ill-informed comments from my own party at the weekend with regard to those jobs, does he also agree that we cannot simply turn them on and off like a tap when we need them?

**Mr Dunne:** I would like to add my tribute to the hon. Gentleman’s stalwart work, both on the Government Benches when he was a Defence Minister and on the Opposition Benches when he was a shadow Minister; it is a sorry state of affairs to see him sitting right at the back of the Back Benches today.

The hon. Gentleman is, of course, quite right to point out that this is a long-term endeavour: to design and build a nuclear-enabled submarine takes decades. This is a 35-year project from initial conception to commissioning. Those skills not only take a long time to develop; they cannot be switched on and off. They are at the very forefront of engineering capability in this country. Building a nuclear submarine is more difficult than sending a man to the moon.

19. [903068] **Byron Davies** (Gower) (Con): In the light of the astonishing comments made yesterday by the Leader of the Opposition on having a submarine-based nuclear deterrent without actually have any deterrent involved, does my hon. Friend agree that in an increasingly uncertain world it is crucial to continue the decades-long consensus held on our nuclear deterrent?

**Mr Dunne:** I am grateful to my hon. Friend for the considered way in which he made the point that this House is here to deliver national security to the United Kingdom as a whole. It is in all our interests to share a common objective to maintain, at the cornerstone of our defence, a continuous at-sea deterrence posture. We very much hope that, when it comes to a vote, colleagues from across the House will be able to recognise the consensus on this issue.

**Mrs Madeleine Moon** (Bridgend) (Lab): The replacement of the nuclear deterrent is, of course, a sovereign decision of the United Kingdom and its Parliament. However, deciding not to proceed would have repercussions across NATO. Will the Minister tell us what he feels the repercussions would be for NATO, and for Britain’s standing in NATO, should we decide not to go to maingate?

**Mr Dunne:** Our deterrent is a NATO asset, so the NATO alliance depends in part on our ability to make that asset available should the need arise. Our NATO allies are taking a very intense interest in the deliberations of this House and the hon. Lady is right to highlight that.

**Kevin Foster** (Torbay) (Con): Does the Minister agree that all NATO countries are part of the NATO nuclear alliance, which is based on the three members who are in possession of weapons; and that to spend all the money on a nuclear deterrent, but not actually have one at the end, would be the worst option of all?

**Mr Dunne:** I have already indicated that I think it is completely farcical to spend tens of billions of pounds on a weapon that can never be used and therefore can never fulfil its deterrent objective. I completely agree with my hon. Friend.

**Douglas Chapman** (Dunfermline and West Fife) (SNP): In what circumstances does the Minister intend to use the nuclear deterrent?

**Mr Dunne:** I think this gets to the heart of the confusion that lies at the centre of Scottish nationalist party policy. The deterrent has been in use every single day—and night—for the last 53 years.

### Flooding

6. **Jake Berry** (Rossendale and Darwen) (Con): What support the armed forces provided for the response to recent flooding (a) in Lancashire and (b) elsewhere. [903054]

**The Minister for the Armed Forces (Penny Mordaunt):** Approximately 1,700 soldiers were mobilised to support the flood response efforts in Lancashire, Cumbria and Yorkshire. Additional support was provided by an RAF Chinook helicopter, a Royal Navy search-and-rescue Sea King helicopter and the use for temporary accommodation of Victoria barracks in Scotland. This was a tri-service response and included both regular and reserve forces. I am sure the whole House will want to join me in paying tribute to the tremendous effort of our armed forces and for the support they provided, especially over Christmas and the new year.

**Jake Berry:** I associate myself with my hon. Friend's comments about giving support to our armed forces, who provided a fantastic response to the Boxing day floods in Lancashire. Will she explain what further steps are being taken to ensure that the armed forces are held at a heightened state of readiness in case we see a return of the floods later this winter?

**Penny Mordaunt:** I thank my hon. Friend for his kind words about our armed forces, which afford me an opportunity to thank the public, too, for the great efforts they made to express their gratitude—largely in calorific form, I understand—to all of our armed forces. I assure my hon. Friend that we remain engaged with other Government Departments and with our network of regional liaison teams with local authorities, which is something we do permanently. The UK stand-by battalion remains at high readiness and we are able to provide further support very quickly if the need arises.

**Rachael Maskell** (York Central) (Lab/Co-op): I witnessed for myself the crucial role that the services played during the floods over the Christmas period. Without their intervention, the situation would have been far more serious. The British Army and the rest of the forces were seen yet again at their best, despite being overstretched. In the light of the fact that the Army has been cut by 20,000 personnel in the last five years, that there is a 10.6% shortfall in the number of reservists, and that the civilian staff will be cut by 30% before the next election, will the Government explain how they can ensure being able to provide a comprehensive response to future national emergencies, let alone international crises?

**Penny Mordaunt:** I must correct the hon. Lady. It is not true that we have a shortfall in reservists; we are actually ahead of target in recruiting them. Close to 9,000 individuals have stepped forward in the last year alone, so we have a very strong pipeline in recruiting. We can give assurances to the British public up and down the country when such terrible events happen because we have taken the decision to invest in defence—in our kit and in our people—and keep our armed forces

strong. That is how to reassure people. As we saw over the Christmas period, we were able to generate enormous numbers of people when the need arose in short order. They did a terrific job, and I think any suggestion to the contrary fails to take account of the facts.

**Philip Davies** (Shipley) (Con): May I start by thanking you, Mr Speaker? The feedback from the Beckfoot school students who attended the session you ran last week in my constituency has been universally positive, and I am most grateful to you for that.

I ask the Minister to pass on my sincere thanks and those of my constituents to the armed forces for their magnificent support for my constituents during the recent flooding. They came over Christmas at very short notice to help out on a whole range of tasks. They were a lifeline to many of my constituents, and we would all like to place on the record our sincere thanks for everything they did for so many people at that difficult time.

**Penny Mordaunt:** I thank my hon. Friend for his kind words. They will have been heard by those who went to his constituency, but I will also pass them on.

### Soft Power

7. **Sir Edward Leigh** (Gainsborough) (Con): What steps he is taking to develop defence soft power and influence. [903056]

8. **David Warburton** (Somerton and Frome) (Con): What steps he is taking to develop defence soft power and influence. [903057]

**The Parliamentary Under-Secretary of State for Defence (Mr Julian Brazier):** The strategic defence and security review made defence engagement a funded, core MOD task. We are building our capacity to address global security concerns at source by influencing partner countries. This includes strengthening the defence attaché network and developing a professional defence engagement career stream, to attract the very best. Furthermore, each Army adaptable brigade is now aligned to a specific region for training and influence purposes.

**Sir Edward Leigh:** Will the Minister make a comment about increasing our security in the Baltic region in relation to soft power?

In the context of soft power, may I apologise on behalf of my right hon. Friend the Member for New Forest East (Dr Lewis), the Chair of the Defence Committee? My right hon. Friend cannot be here this afternoon because he is attending a memorial service for Lieutenant Commander David Balme, the hero who boarded U-110 during the war and got the code books and the Enigma machine out. They were then sent to Bletchley Park, which interests me because my parents met at Bletchley at that time. Lieutenant Commander Balme was a hero who probably shortened the war, and I hope that the Minister will pay tribute to him.

**Mr Brazier:** We are very conscious of the importance of the Baltics. Most of the ministerial team, including the Secretary of State and me, have been to visit them. My hon. Friend will be well aware of the air patrols and everything that we have done there, and of our programme of exercises.

As for Lieutenant Commander Balme, Churchill once famously said that the only campaign that kept him continuously awake at night was the convoy campaign in the western Atlantic. Without Bletchley Park, we would almost certainly have lost it.

**David Warburton:** As chair of the all-party group on the British Council, I am well aware of the importance of soft power. Does my hon. Friend agree that it is only through a continuing investment in both hard and soft power that we can continue to play a leading role in protecting the world order on which our security and prosperity very much depend?

**Mr Brazier:** My hon. Friend is quite right. We are sending training missions which are doing vital upstream work in a large number of countries, helping to deliver the environment that is needed to prevent future wars and conflicts.

**Diana Johnson** (Kingston upon Hull North) (Lab): What role does the Minister think human rights advisers have in developing our influence?

**Mr Brazier:** Human rights advisers do play a role. Specifically, the armed forces now contain a number of advisers who specialise in giving advice on gender matters, such as protecting women in conflict. One or two of them have put themselves very much in harm's way by giving advice in dangerous theatres.

**Kirsten Oswald** (East Renfrewshire) (SNP): Since taking office in 2010, the Prime Minister has overseen the granting of more than £5.6 billion-worth of military licences to Saudi Arabia. Does that mean that he is exercising soft power or hard power?

**Mr Brazier:** We have one of the strictest regimes in the world for controlling exports. I would say that exporting to a key ally at a dangerous time in the middle east was smart power.

#### Additional Reservists (Recruitment)

9. **Joan Ryan** (Enfield North) (Lab): What progress his Department has made towards meeting its targets for recruiting additional reservists. [903058]

**The Parliamentary Under-Secretary of State for Defence (Mr Julian Brazier):** Our programme to grow the reserve forces remains on track, and has reversed many years of decline. Central to that is an improved offer, including better training, equipment and remuneration, and an improved experience for reservists. A total of 8,640 people joined the volunteer reserve in the 12 months to 1 December, a 46% increase on the number who joined during the equivalent period a year ago. Trained strength has risen to 26,560, well ahead of target.

**Joan Ryan:** In fact, the Government are still nearly 8,000 short of their target number of trained reservists, and the shockingly poor recruitment figures have started to improve only since the Government raised the age limits, allowing some recruits to join until they are in their mid-50s. The Major Projects Authority has judged the plans "unachievable". Do the Government now accept that the Army has been cut too far and too fast?

**Mr Brazier:** I do not accept that. The Major Projects Authority report to which the hon. Lady referred is more than a year old, and the figure that she identified as the target—35,000 trained reservists—must be reached by April 2019. We are moving fast in that direction.

23. [903072] **Mr Richard Bacon** (South Norfolk) (Con): Given that the Self-build and Custom Housebuilding Act 2015 is now on the statute book, does my hon. Friend consider that one way to recruit additional reserves—and, indeed, other members of the armed forces—would be to create a help to build scheme, so that service families find it easier to obtain a piece of land and build a house?

**Mr Brazier:** I will pass my hon. Friend's ingenious idea to colleagues and we will look at it for him.

24. [903073] **Mary Glendon** (North Tyneside) (Lab): As the Government are still short of their target on trained reserves, does the Minister acknowledge the concerns raised by his hon. Friend the Member for Basildon and Billericay (Mr Baron), who has warned that these cuts are leading to severe capability gaps in our armed forces?

**Mr Brazier:** We had to take some painful decisions when we took over in 2010 as part of the coalition Government, because the country was spending £4 for every £3 coming in. After the reshaping, we have now moved to a position where, despite there still being some tough decisions to take, this country has committed to spending 2% on defence and to a large expansion of its equipment programme.

**Mark Pawsey** (Rugby) (Con): My hon. Friend will recall his visit in June last year to a newly established reserve unit at D Company 4 Para at Edward Street in Rugby. Is he as pleased as I am to note that that unit is already beyond its section strength? In the past six months, 12 new reservists have started in Rugby alone. Does this not show that the offer to reservists is attractive?

**Mr Brazier:** Yes, it does. It was a huge privilege to be there for what was actually the re-inauguration of reserve paratroopers in Rugby, and, even more so, to have the opportunity to meet an Arnhem veteran there.

17. [903066] **Mr Jim Cunningham** (Coventry South) (Lab): What impact have the changes to allowances and pay had on the reserves—and more importantly, on the regular forces?

**Mr Brazier:** The largest changes in pay have actually been to reservists, where we have introduced holiday pay for the first time. We have also introduced a pension for the first time; it was previously only available to those who mobilised. I think it is fair to say that the changes in the regular pay arrangements, which are basically a simplification, have also gone down well.

**Danny Kinahan** (South Antrim) (UUP): May I thank the Minister for the recruiting we are allowed to do in Northern Ireland? Just under 7% of the reserve forces are from Northern Ireland, which represents 3% of the population. Might the Minister look at recruiting more from Northern Ireland, so we can carry on being the backbone of the armed services?

**Mr Brazier:** Northern Ireland has always been an excellent recruiting ground for both regulars and reservists, and I am conscious also of the fact that, beyond the statistics, as the hon. Gentleman mentions, a higher proportion of people from Northern Ireland have been mobilised than from any other part of the UK.

### Nuclear Deterrent

10. **Mr David Jones** (Clwyd West) (Con): What recent representations he has received against replacing the independent nuclear deterrent. [903059]

**The Secretary of State for Defence (Michael Fallon):** My Department regularly receives representations covering a wide range of views on defence matters, including the replacement of the independent nuclear deterrent.

**Mr Jones:** North Korea recently announced that it had tested a hydrogen bomb and only yesterday boasted that it had the capacity to obliterate the United States. To what extent does my right hon. Friend think North Korea would be deterred in its nuclear ambition by the knowledge that somewhere below the surface of the East China sea an unarmed submarine was lurking?

**Michael Fallon:** First, let me strongly condemn the nuclear tests conducted by North Korea, which seriously threaten regional and international security. I can assure my right hon. Friend that this Government will not gamble with the long-term security of our citizens. We remain committed to maintaining an independent nuclear deterrent. The only thing a nuclear submarine without nuclear weapons is likely to deter is anybody who cares about our security from ever voting Labour again.

**John Woodcock** (Barrow and Furness) (Lab/Co-op): If the UK were to go down the route of decommissioning its warheads, in the so-called Japanese style, and then were to decide it needed to recommission them at some future point, is it the Government's assessment that it could do so and remain compatible with the non-proliferation treaty?

**Michael Fallon:** First, let me make it clear that Japan does not have nuclear-powered submarines and does not have nuclear weapons, so talk of some Japanese option is entirely farcical. So far as the hon. Gentleman's question is concerned, we have no intention of decommissioning.

### Nigerian Armed Forces (Training)

11. **Richard Fuller** (Bedford) (Con): What plans he has to increase training support to the Nigerian armed forces to help to tackle Boko Haram. [903060]

**The Minister for the Armed Forces (Penny Mordaunt):** We are fully committed to supporting Nigeria in its efforts to defeat Boko Haram. During his visit in December, the Secretary of State committed to a major increase in UK support to the Nigerian armed forces with the intent of more than doubling the number of British personnel deploying on training tasks in the coming year.

**Richard Fuller:** The strategic ties between the United Kingdom and Nigeria are of the first importance to our country. Will the Minister provide more details of the UK troop deployments she envisages over the next 12 months to assist Nigeria in combating terrorism?

**Penny Mordaunt:** We expect up to 300 military personnel to provide assistance over the forthcoming year, including 30 RAF personnel who have been deployed this month to deliver force protection and training to the Nigerian air force, and more than 35 personnel from the 2nd Battalion the Royal Anglian Regiment who will deploy later this month to train Nigerian personnel specifically to combat Boko Haram.

**Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): The Minister will be aware that Boko Haram operates not only in Nigeria but across the borders in the region. We have also seen Daesh and al-Qaeda-affiliated organisations coming down from the north. Given the horrific events in Burkina Faso over the weekend, will she tell us what support is being given to that country by the UK armed forces and what steps are being taken to co-ordinate action against Islamist violence across the region?

**Penny Mordaunt:** A huge effort is going on, not just from the UK but from our partners. We are doing a range of things, as well as maintaining bilateral relationships to build the capacity of those countries' own armed forces. We provide a huge amount of training, particularly on the issue of winning peace and security, as well as providing practical support. We keep all this under review, but a huge amount of work is being done.

### Homeless Veterans

13. **Will Quince** (Colchester) (Con): If he will make an assessment of the potential merits of using empty Ministry of Defence properties to house homeless veterans. [903062]

**The Parliamentary Under-Secretary of State for Defence (Mark Lancaster):** Ministry of Defence housing supports serving members of the armed forces and their families. A margin of unoccupied properties is retained, but housing that is no longer needed is released. We provide significant support to facilitate the transition to civilian life, and we have allocated £40 million from LIBOR fines to support projects providing veterans with accommodation, including £8.5 million for Mike Jackson House.

**Will Quince:** Colchester is a garrison town, and we currently have a number of MOD properties standing vacant. Will the Minister meet me to discuss how some of those properties could be used for temporary accommodation for military veterans?

**Mark Lancaster:** Approximately 10% of our service family accommodation is unoccupied, but we keep it at that level to ensure that we can cater for trickle postings and for people returning from overseas. I am not convinced that the use of service accommodation is a sustainable way of supporting veterans. However, there are a number of excellent projects around the country and I would be delighted to meet my hon. Friend to discuss how we might pursue them in Colchester.

20. [903069] **Dr Lisa Cameron** (East Kilbride, Strathaven and Lesmahagow) (SNP): Can the Minister advise the House on the Government's support strategy for homeless veterans with comorbid substance use or mental health problems? What more can be done?

**Mark Lancaster:** We continue to provide support for veterans, particularly with their mental health. We have invested an awful lot of money in recent years, but we accept that the job is certainly not done. There has been a rise in mental health problems, both in society and in the armed forces, and this is something that we keep under constant review and are determined to tackle.

**Kate Hollern** (Blackburn) (Lab): Of course it will be difficult for the Minister to respond to a question on supporting veterans, given that 30% of the MOD'S estate has been sold off. We are also concerned by the Government's intention to lay off 30% of the MOD'S civilian workforce, which could include significant job losses at Defence Equipment and Support. At the same time, spending on buying in outside expertise has rocketed to some 30% of the DE&S budget. Does the Minister accept that further lay-offs will not only drive up extortionate consultancy costs but exacerbate the skills shortage that the Public Accounts Committee has identified as a key reason for the increases in the cost of military equipment overall?

**Mark Lancaster:** No, I do not accept that, and I make absolutely no apology for continuing, as a result of our strategic defence and security review, to optimise our defence output.

### F-35 Programme

14. **Andrew Rosindell** (Romford) (Con): What discussions he has had with his US counterpart on the cost, operational capacity and reliability of the F-35 programme. [903063]

**The Minister for Defence Procurement (Mr Philip Dunne):** I had a successful bilateral meeting with Bob Work, the US Deputy Secretary of Defence, only last Friday, at which the F-35 programme came up. Aircraft costs are in line with estimates, operational capability is expanding and fleet reliability is improving as more aircraft come on stream and into the programme, and logistic support increases. The aircraft remains on schedule to meet our initial operating capability in December 2018.

**Andrew Rosindell:** I thank the Minister for his response. Will he reassure the House that he will not bring the current fleet of Tornado aircraft out of service until the F-35 has proven its operational reliability after several years of active service?

**Mr Dunne:** The outstanding air-to-ground capability of our Tornado squadrons is being steadily migrated on to the Typhoon platform initially. In November's SDSR, we secured considerable investment in the RAF combat jet fleets, including the extension of our Tornado squadrons' out-of-service date to 2018-19, an increase in our Typhoon fleet by two squadrons, and the extension of the Typhoon out-of-service date to 2040. In addition, we reaffirmed our commitment to acquiring a total of 138 F-35s during the life of the programme and buying more aircraft earlier, so that we have 24 F-35 Lightning IIs by 2023.

### Topical Questions

T1. [903039] **Caroline Ansell** (Eastbourne) (Con): If he will make a statement on his departmental responsibilities.

**The Secretary of State for Defence (Michael Fallon):** My priorities are our operations against Daesh, which I will be reviewing with my counterparts later this week, and the implementation of the SDSR decisions, in order to increase the size and power of our armed forces to keep Britain safe.

**Caroline Ansell:** I thank the Minister for his answer. With growing threats to our national security, I welcome this Government's commitment to defence spending. What impact will the SDSR have on the future size and power of our armed forces? He may recall that I serve as patron to the Military Preparation College, which has a base in my constituency, and so I have a keen interest in the next generation of servicemen and women.

**Michael Fallon:** I recall both that and my visit to my hon. Friend's constituency shortly before her election to this place. The commitment to increase the defence budget every year gives our armed forces certainty and stability. We are maintaining the size of the Army, and we are increasing the size of the Royal Navy, the RAF and the reserves. We will have more ships, more planes, more helicopters, more troops at readiness and better-equipped special forces to protect our people, to project our influence across the world and to promote our prosperity.

**Emily Thornberry** (Islington South and Finsbury) (Lab): In the past few days, reports of the difficulties faced by veterans suffering from Gulf war syndrome have reminded us how important it is that we recognise the extraordinary sacrifices made by our men and women in uniform. We must ensure that our service people are not only properly rewarded while they are serving, but looked after properly when they leave. What sort of message does the Minister think it sends that the Government have chosen to freeze war pensions at a time when the basic state pension is to be protected by a triple lock and is set to rise by 2.9% this year?

**The Parliamentary Under-Secretary of State for Defence (Mark Lancaster):** The Government actually have a very good record on supporting veterans. Unlike what happened under the previous Government, in recent years we have seen major investment in mental health, veterans' accommodation and veterans' hearing. We have seen multimillion-pound investments in supporting our veterans—that was never done under the previous Government.

T2. [903040] **John Glen** (Salisbury) (Con): I am sure the Minister will know that this year we are proud to mark the centenary of the Porton Down defence laboratory in my constituency. May I invite him to commend the work of Jonathan Lyle and his team, and to speculate on the challenges they may face in the next 100 years?

**The Minister for Defence Procurement (Mr Philip Dunne):** I am grateful to my hon. Friend for reminding the House that this year we do celebrate 100 years of the outstanding research effort at Porton Down, which was first established in response to the threat from chemical

weapons during the first world war. Last week, I reported to the House that we have just decided to make the Defence Science and Technology Laboratory an Executive agency, and I am looking forward to visiting next month, when I hope he will be able to join me to thank all the folk who do such a fantastic job there.

T6. [903045] **Carol Monaghan** (Glasgow North West) (SNP): The Brimstone missiles currently being dropped in Syria are estimated to cost in the region of £150,000 each. Given such a massive financial commitment, will the Minister assure the House that the costs of this campaign are being monitored and that a similar financial contribution will be made towards rebuilding Syria?

**Mr Dunne:** The hon. Lady is right to identify the fact that precision munitions are costly, but I can reassure her that we are keeping a very close watch on stockpiles and ensuring that we have sufficient missiles in stock to meet our requirements. As the Prime Minister said in this House during the Syria debate, it is absolutely the Government's intent to press for a rebuilding programme for Syria when this terrible civil war comes to an end.

T3. [903042] **Mark Garnier** (Wyre Forest) (Con): Cadet units across the country are keen to engage in target rifle shooting, and yet the rules surrounding transportation of rifles and ammunition make such participation all but impossible for schools and cadet units. Will the Secretary of State meet me and representatives of the National Rifle Association to discuss how we can get around those very difficult rules in a practical and safe manner?

**The Parliamentary Under-Secretary of State for Defence (Mr Julian Brazier):** I would be delighted to meet my hon. Friend and the National Rifle Association. I should say though that, although handling youngsters on a rifle range is very skilled business, we cannot find any evidence from any of the four service organisations that there is a particularly acute shortage in that regard, although some individual cases have been brought to my attention. None the less I would be delighted to have the meeting that he suggests.

**Conor McGinn** (St Helens North) (Lab): Commando Joe's works in more than 500 schools across the country, placing veterans in classrooms to share skills and experiences with young people. Despite robust evidence of the success of its work, its Government funding is due to end in March this year, placing the organisation in jeopardy. Will the Secretary of State take representations on that and look at what can be done to allow this hugely important work to continue?

**Mark Lancaster:** I would be delighted to meet the hon. Gentleman to discuss that matter and to see whether we can pursue it.

T4. [903043] **Wendy Morton** (Aldridge-Brownhills) (Con): Does the Secretary of State agree that any moves to weaken our commitment to an independent nuclear deterrent or to our leading role in NATO will make us less safe?

**Michael Fallon:** Absolutely. Our independent nuclear deterrent is the ultimate guarantee of our, and indeed of NATO's, security, and a necessary insurance in an increasingly dangerous and uncertain world. Our conventional and nuclear capabilities, underwritten by

our commitment to spend 2% of GDP on defence, support our leading role in NATO, which remains at the heart of our defence. This Government will not put our security at risk.

T7. [903046] **Jeff Smith** (Manchester, Withington) (Lab): The armed forces are facing serious personnel shortages in some of the most crucial specialist trades, including nuclear engineers and flight technicians. Given that a great deal of the expertise is in the Ministry of Defence's civilian workforce, which the Government plan to cut by 30%, will the Minister explain how the Government plan to ensure that operational capabilities are protected when those cuts go ahead?

**The Minister for the Armed Forces (Penny Mordaunt):** For particular pinch points in particular trades, there are ongoing programmes to ensure not only that we retain people, but that we recruit. We train up people, offer apprenticeships and allow people to move in from the private sector. Those principles are well established. We will also introduce into our armed forces more flexible working patterns to allow more of that to happen and to allow people to move from regular forces to reserve forces and into civilian contracts and then back into the armed forces. That is very much our direction of travel. For each trade, there is a particular plan, and that is going very well. In fact, this month we have started recruiting apprentices into nuclear engineering, with 35 starting this month.

T5. [903044] **Lucy Frazer** (South East Cambridgeshire) (Con): Will the Secretary of State explain what steps the Ministry of Defence is taking to release surplus land for housing? Will he also explain what progress the MOD has made in selling or renting the fire control centre at Waterbeach?

**Mark Lancaster:** As part of the Government's prosperity agenda, the MOD is committed to releasing land for 55,000 housing units in this Parliament. I am delighted to announce that the first 12 sites will contribute some £500 million of land receipts, which will be reinvested into defence, and will provide more than 15,000 potential housing units. I will place a full list of sites in the Library of the House, and I have written to the MPs concerned. I expect to be in a position before the end of this year to provide further details, including a full list of sites affected. With regard to my hon. and learned Friend's own constituency, I can confirm that the whole of the Waterbeach site has now been transferred to our civilian delivery partner.

**Patricia Gibson** (North Ayrshire and Arran) (SNP): Does the Secretary of State have any moral concerns about the sale of arms to Saudi Arabia, given its shocking record on human rights and the fact that Amnesty International and others have documented a clear risk of UK arms being used to breach international humanitarian law?

**Michael Fallon:** The United Kingdom has some of the strictest arms export criteria in the world, and where any of our arms are exported we are obviously concerned that their use should be in full compliance with international humanitarian law. That is something I discuss regularly with my counterpart, the deputy crown prince, the Defence Minister of Saudi Arabia, and my other colleagues.

T8. [903048] **Karl McCartney** (Lincoln) (Con): Can my right hon. Friend set out what support his Department is offering to soldiers and veterans who are still subject to legal claims purporting to relate to incidents that took place during the Iraq war?

**Michael Fallon:** We take very seriously our duty to provide support for people who may be facing proceedings arising from their past service. We pay for independent legal advice in all such cases. I am extremely concerned at the number of claims now being brought on an industrial scale and we are considering steps to stem that flow, with options including restricting legal aid, limiting the time in which claims can be brought, and limiting the territorial application of the rights of those claimants.

**Angela Smith** (Penistone and Stocksbridge) (Lab): I am convinced that Trident has a crucial role to play in the defence of our country, but the economic aspects are important as well and there is a huge group of workers throughout the country waiting with some anxiety to see whether or not Parliament is prepared to give final approval for the Successor programme. Will the Secretary of State give an assurance that he will not allow any unnecessary delay to get in the way of the need to bring the main gate proposals to the Floor of the House for debate and decision?

**Michael Fallon:** I can give the hon. Lady the assurance that she seeks. It takes more than 10 years to build one of those nuclear ballistic submarines and we need to get on and replace the existing Vanguard boats, which will become obsolescent towards the end of the 2020s. In the strategic defence review at the end of November we set out our commitment to replace all four boats, and I hope it will not be too long before Parliament is asked to endorse that commitment.

**Daniel Kawczynski** (Shrewsbury and Atcham) (Con): Despite his obvious differences with Russia over Crimea and Ukraine, will the Secretary of State give me an assurance that he will redouble efforts to engage with his Russian counterpart on fighting collaboratively against Daesh in Syria?

**Michael Fallon:** I am not currently engaged in any discussions with my Russian counterpart. The illegal annexation of Crimea in 2014 and Russia's continuing support to separatists in eastern Ukraine do not allow a return to normal engagement. However, in the interests of air and maritime safety, I have authorised MOD officials to undertake limited military-to-military engagement with the Russians to ensure that our own airspace is properly protected.

**Tom Blenkinsop** (Middlesbrough South and East Cleveland) (Lab): Dalzell plate mill, Clydebridge quenching mill, the heavy sections at Scunthorpe and also Sheffield

Forgemasters—the Secretary of State rightly said that the Government's position is to maintain an independent nuclear deterrent, but will it be using British steel?

**Mr Dunne:** The hon. Gentleman will be interested in the statement relating to Government measures in connection with British steel that will immediately follow this Question Time. Clearly, we are keen to ensure that British manufacturers have an opportunity to compete for defence contracts with significant steel components, and that will continue to be the case.

**Sir Gerald Howarth** (Aldershot) (Con): Last Thursday I had the great pleasure of accompanying my hon. Friend the Minister for Defence Procurement when he visited the UK Defence Solutions Centre at Farnborough in my constituency. May I salute this innovation by my hon. Friend? The centre is doing fantastic work in assessing Britain's defence needs as well as new technological opportunities, and in that context, will he give serious thought to continuing the Ministry of Defence's support for Zephyr, the high-altitude record holder, which has fantastic surveillance capability, the technology for which my great and late friend Chris Kelleher did so much to develop?

**Mr Dunne** *rose*—

**Mr Speaker:** The hon. Member for Aldershot (Sir Gerald Howarth) can now draw breath.

**Mr Dunne:** I am grateful to my hon. Friend for giving me the credit for establishing the UK Defence Solutions Centre, but I think it is only fair to the House, and indeed to my future career, if I place the credit where it is properly due: at the feet of my right hon. Friend the Secretary of State, in his former role. I enjoyed our visit to UKDSC last week. It is doing a great job in placing UK innovation at the heart of the defence industrial supply chain globally. I am sure that my hon. Friend will have noted that the strategic defence and security review referred to investing in a unique British capability for advanced high-altitude surveillance, which I know will be of interest to him.

**Steven Paterson** (Stirling) (SNP): How much do the Government currently estimate the replacement nuclear deterrent weapons system will cost, including the boats themselves, the missiles and the ongoing lifetime maintenance costs?

**Mr Dunne:** As we made crystal clear in the SDSR, we have recalculated the cost of manufacturing the four boats, which we now estimate will be £31 billion, and we have added a £10 billion contingency. We have no intention at this point of replacing the warheads; the decision on that will be taken later. Therefore, I urge the hon. Gentleman to focus on the £31 billion commitment for the submarines, plus the £10 billion contingency, as the cost that is relevant today.

## Steel Sector

3.36 pm

**The Minister for Small Business, Industry and Enterprise (Anna Soubry):** With permission, Mr Speaker, I will make a statement on the steel sector. It is with regret that I find myself having to update the House on further job losses. This morning, Tata Steel announced plans to make over 1,000 redundancies across its UK strip business as part of its continuing restructuring plans. The proposals involve 750 job losses at Port Talbot, 200 redundancies in support functions at Llanwern, and 100 redundancies at steel mills in Trostre, Corby and Hartlepool. This will be a difficult time for all the workers and their families, and our thoughts must be with them. Our immediate focus will be on helping any workers who lose their jobs back into employment as quickly as possible. We will also continue to support the steel industry.

Given the United Kingdom's devolution settlement, much of the support that can be offered in south Wales, both to the workers and to Tata Steel, will come from the Welsh Government, but the UK Government want to ensure that Port Talbot has a commercial and sustainable future. It is encouraging that the Welsh Government are to launch a taskforce this week—I believe that it is to meet for the first time on Wednesday—to support those affected by today's announcement. We have offered our support to the chair of the taskforce, Edwina Hart, and we will continue to work with the Welsh Government. I welcome the commitment that the First Minister made today to work closely with the UK Government. I am confident that the Welsh Government will accede to our request to play a full part in the taskforce. I can assure hon. Members that we are also working closely with the Secretary of State for Wales—he is there today, which is why he is not in the House.

It is important to remember that the fundamental problem facing our steel industry is the fall in world prices, caused by the over-production and under-consumption of steel. We know, for example, that the price of slab has almost halved over the past 12 months, and that Tata has been losing £1 million a day as a result of the slump in prices. All that the industry has asked for—this includes the unions—is a level playing field, and that is what we are achieving. The Government have been working closely with Tata to do all we can to ensure a sustainable future for Tata Steel in the United Kingdom, both at Port Talbot and at Scunthorpe. We have offered our assistance to Tata as it seeks to find a buyer for its long products division. It is encouraging that it has announced that Greybull Capital is its preferred bidder. We remain in close contact with Tata as its commercial negotiations continue. The Government stand ready to play our part to help secure Scunthorpe's long-term future.

Returning to today's announcement, the same offer is there for Port Talbot. Tata is currently working with consultants to develop a plan to address the near-term competitiveness of its business at Port Talbot. We and the Welsh Government are in regular dialogue with Tata. This dialogue includes my right hon. Friend the Business Secretary, as well as my officials and, of course, me. While the future of Port Talbot must be commercially led, we will help where we can within the parameters of state aid rules. I want to make it absolutely clear that,

in the words of the Prime Minister, we are unequivocal in saying that steel is a vital industry. This Government are determined that steel is produced not just at Scunthorpe but at Port Talbot, and that it has a sustainable future.

As I say, we are creating the level playing field that the industry has asked of us. It set out five asks when we had our steel summit back at the end of last year. On dealing with lower energy costs, in December we secured state aid approval to pay further compensation to energy-intensive industries, including steel, to include renewables policy costs. We have already paid about £60 million to the steel industry to help to mitigate the costs of existing energy policies. The new state approval will enable us now to extend the scope of compensation. It will go live tomorrow, enabling steel and other energy-intensive industries to apply. That will save the steel industry about £100 million over the financial year—roughly 30% of its energy bills—but we are going to go even further and exempt EIIs from most of these costs. Our support for these industries will save them hundreds of millions of pounds over the next five years.

The sector asked for flexibility over EU emissions regulations, and that is exactly what we have secured. Derogations for Port Talbot have already been agreed by Natural Resources Wales. The Environment Agency has accepted Tata Steel's proposals for derogations for improving emissions from Scunthorpe, subject to a current public consultation. Once approved, this will give it a further six years to improve emission levels from the coke ovens. Both of Tata Steel's major power plants have been included in the UK transitional plan that the UK has submitted to the European Union. This gives it until June 2020—a further four years—to meet the emission requirements. These actions will save the industry millions of pounds.

We have further updated and published, specifically and properly, new guidance about procurement, of which mention was made during Defence questions. We are the first country in the European Union to take advantage of and implement these new flexibilities, so social impact, job impact and staff safety can now be taken into account. In short, there is no excuse not to, and every reason to, buy British steel. Having just met the Aluminium Federation, I want to make it clear and put it on the record that those procurement rules include aluminium.

I have heard it said that the Government have blocked the reform of trade defence investigation, but they have not. I can assure the House that the Government have been acting decisively to safeguard the United Kingdom's steel interests in Europe. In July last year, and again in November, we voted in favour of anti-dumping measures on certain steel imports. The United Kingdom lobbied successfully in support of industry calls for an investigation into imports of reinforcing steel bar. I hope that we will have an announcement soon on the result of those actions under the excellent leadership of the Business Secretary. The European Commission has taken this forward swiftly, including responding quickly to industry requests to register imports. The United Kingdom secured an extraordinary meeting of the EU's Competitiveness Council and agreed faster action. Next month I will return to follow that up at a stakeholder conference where I will push for further progress.

The review of business rates in England will conclude this year. Of course, the Welsh Government, because this is devolved, have responsibility for business rates in Port Talbot and other parts of Tata's workings in Wales.

[Anna Soubry]

We have seen today that the steel industry remains subject to unprecedented global pressures. While the immediate causes of these are beyond the Government's control, I can assure the House that we continue to do all we can to help this industry, and we will stand by all the workers who face redundancy in south Wales and other parts of the United Kingdom.

3.44 pm

**Ms Angela Eagle** (Wallasey) (Lab): It is welcome that the Government have come to this House to make a statement on steel rather than having to be dragged here, as they have been on so many other occasions, by urgent questions tabled by the Opposition. It is disappointing, given the seriousness of the issue, that the Secretary of State has not seen fit to make the statement himself, but I welcome the Minister for Small Business, Industry and Enterprise to her place.

I welcome the Minister's intention to work closely with the Welsh Government to mitigate the effects of the job losses on local communities. I especially welcome the co-operation on business rates, but I note that the Government have taken no action on business rates in England.

Tata's announcement of 1,050 job losses across Port Talbot, Llanwern, Trostre, Corby and Hartlepool is devastating news for all the workers, their families and the close-knit communities affected. Our hearts go out to them. This latest bombshell comes on top of job losses at Tata's Newport plant last year, along with thousands of job losses across the sector in the UK, including the complete closure at Redcar.

At this time of crisis for the UK steel industry, all we seem to get from this Government is warm words but very little concrete action. In the three months since the Government convened the emergency steel summit last year, only one of the five asks raised with them has actually been delivered. Who would think that steel is the foundation of many of the UK's most important manufacturing sectors, including aerospace, defence, automotive and construction? The existential threats facing it show no sign of abating, and yet the Government have been asleep at the wheel. They have not been tough enough with the Chinese or active enough with the European Union. They have made no concessions on the business rate system, which actively penalises those who invest in expensive infrastructure to improve productivity, and there is no sign that their technical change to procurement rules is making any difference in the award of Government contracts to help our domestic industry.

When are we going to get effective action from this Government and not just warm words? Countries such as China are engaging in ruthlessly uncompetitive practices that are destroying our steel industry. My right hon. Friend the Leader of the Opposition raised that directly with President Xi when we met him in October, and we have raised it with the Chinese at subsequent meetings.

The slow response in the EU to the tsunami of cheap Chinese steel, which is snuffing out our industrial base, is a disgrace. I made that point in no uncertain terms at a high-level meeting with representatives of the Commission in Brussels last week. They need to take action now and this Government should be leading the charge to reform EU trade defence instruments, but they are actually resisting reform to speed them up.

This country desperately needs an industrial strategy so that our steel industry can survive and thrive. The Chancellor once declared that Britain would be

"carried aloft by the march of the makers."—[*Official Report*, 23 March 2011; Vol. 525, c. 966.]

But five years on there is a yawning gap between his rhetoric and the grim reality. Manufacturing exports have slumped and manufacturing output is still below its level of seven years ago. Whether on the deficit, debt, exports or manufacturing, the Chancellor has failed every test he set himself. Despite the fanfare and flurry of Government press releases, there is no substantive industrial strategy in sight. Is that any wonder when we have a Business Secretary who will not even let the phrase "industrial strategy" cross his lips? Because the Government will not do it, Labour will create an advisory board of experts from business, industry and the trade unions to lead work on the development of an industrial strategy for the UK.

What size of steel industry does the Minister regard as sustainable in the UK? When will the Government stop cosyng up to China and confront its role in dumping cheap steel on UK markets? Will the Minister assure this House that the question of market economy status for China will not be resolved until it stops dumping cheap steel in the UK?

Why are the Government blocking the modernisation of EU trade defence instruments, which would deal with unfair trade before, not after, the damage is done to our domestic producers? Although there was welcome progress on the UK's state aid application on the renewables obligation and feed-in tariffs, can the Minister confirm that until approval for its second application is received, it leaves some companies in the steel and other sectors without access to much needed compensation and still exposed to some 70% of climate change policy costs? When will there be any progress on business rates, which penalise new investment to increase productivity? When, in short, are the Government finally going to turn their warm words into real and urgent action to save our steel industry?

**Anna Soubry:** I am sorry the hon. Lady did not listen to what I said. While we are dealing with facts—actually, she was not dealing with facts—I remind the House that 68,000 people worked in the British steel industry in 1998; by 2010, that number had fallen to 33,000; and by 2014, it had risen to 35,000. It ill behoves Opposition Members, therefore, to lecture the Government about supporting the steel industry, which, I would contend, we have done more to support in the past few months than the last lot did in 13 years. It does not help anybody to make cheap political points—[*Laughter.*] It is so tempting, given the palpable nonsense coming from Labour.

The steel industry, including the unions, made five asks of us: energy costs—delivered; industrial emissions—delivered; procurement—delivered; dumping—delivered. [HON. MEMBERS: "What?"] In July, for the first time, we voted to protect our steel industry. Such was the surprise of others sitting round the table that the EU officials went back to the UK delegation to check they had heard correctly, because never before had we voted to protect our steel industry. We did it again in November, and we have supported rebar, so we have delivered on that.

I confess—because I like to be honest with the House—that only on business rates have we not delivered. The review continues, and I hope, when it is finished, the Chancellor can say he will help all those who invest in plant and machinery so they are not penalised with higher business rates, which does seem rather perverse. Those arguments and discussions continue. I suggest, however, that we have done a good job in protecting our steel industry, and will continue to do so. We are not a party that has a problem and just sets up a committee; we are a Government who deliver and meet the demands and asks.

If I may, I will quickly deal with the allegation that we have been cosy up to China. Not at all: the Prime Minister was very frank with President Xi when he came over, and made our position clear. The EU will make the decision on market economy status. Yes, there is a good argument for our wanting China to have it, but we have also made it clear that if a country wants to be part of the game, it has to play by the rules. That seems a sensible approach.

**Tom Pursglove** (Corby) (Con): People in Corby were concerned to hear the news about job losses this morning. My thoughts are with my constituents, and I will do everything I can to help all those affected. One question they have relates to Chinese dumping. What steps are Ministers taking to apply pressure on the EU to take the strongest possible line with the Chinese and to expedite these dumping investigations?

**Anna Soubry:** As I said, in July, and then again in November, we took that action for the first time. The Secretary of State went over to Brussels, and, as a result of his holding an emergency meeting, put pressure on the EU. We have already seen a big change in how China operates when it comes to dumping—it is not just from China, I should say; several other countries do it. China has taken action on rebar in a way not seen before, as a direct result of this Government's work to protect our steel industry.

**Stewart Hosie** (Dundee East) (SNP): I thank the Minister for her statement and for giving me early sight of it. May I say how terribly sad these redundancies are, following on from the announcements last year, including the mothballing of Dalzell and Clydebridge? For our part, our solidarity and thoughts are with all those who face an uncertain future, wherever they are.

I welcome what the Minister said on derogations and procurement. I reiterate the fact that we have an exceptionally difficult trading environment for steel production, which is partly driven by the 645 million tonnes of excess supply this year. However, Chinese steel exports alone are likely to exceed 100 million tonnes this year. In that context, the governmental talks with the European Commission are vital. Will the Minister press for fast-tracking the investigation into Chinese steel exports?

At home, all Governments must support the workers and communities affected by all the announcements. In Scotland, the primary focus is on finding a viable future for Dalzell and Clydebridge, for which I understand there are serious interested parties. Will the UK Government be as positive and as forthcoming as possible, within the rules that apply, in support of any viable buyers for any of the plants?

May I briefly ask the Minister two specific questions? She said a number of things on energy costs that I welcome, but will her Department keep that under very close review to make sure that, should that be insufficient and additional help can be provided, such help is given at the earliest possible opportunity?

Secondly—this mirrors the shadow Secretary of State's final point—the steel industry is vital, but it has suffered from the absence over decades of an industrial strategy. We discussed that in a debate last week. Will the Minister bring forward, or have her Government bring forward, a credible, coherent industrial and export strategy centred on steel at the earliest opportunity?

**Anna Soubry:** I thank the hon. Gentleman for his comments. It has absolutely been a pleasure to work with Fergus Ewing—I think that is the correct way to refer to him—with whom I have had such discussions. I of course fully back all efforts to sell Dalzell and Clydebridge, and I very much hope that a buyer can be found. Any support that the UK Government can give will be given.

The hon. Gentleman made good points about energy costs, but as he will know, the state aid rules are really strict when it comes to any support we give the steel industry. He talked about the future, but I would say this. One of the things we have done as a Government—this has never been done before—is to look at all the huge infrastructure projects that we are rightly putting together, at huge cost to the taxpayer. That includes HS2, for example. We have assessed the steel needs of all those projects, and we have given that assessment to the steel industry, so we are already doing that sort of work. We are looking not just at the next five, 10 or 15 years, but right the way down the track, if I may use that expression, at the sort of work the Government are doing to invest in our infrastructure, and we have put our steel requirements to the industry.

I know that this may sound a little emotional, but it is our absolute intention and we are absolutely determined that the steel used in HS2 will be made in this country. That is not just at Scunthorpe; we also want to ensure that there are blast furnaces in south Wales. That is our determination, and we are working towards it.

**John Redwood** (Wokingham) (Con): The Minister is right that the Government need to ensure that every penny of public money spent, directly or indirectly, on steel procurement should be spent on British steel. Is she now saying she has secured such changes in European law and rules that she can actually specify that all railway and construction steel paid for by Britain will be British? That is what I want.

**Anna Soubry:** I am amazed that my right hon. Friend, who I thought was a real free enterprise chap, takes such a view. [HON. MEMBERS: "Oh!"] That is a gentle chide. We are two good friends who agree on many things.

The most important point is that we have changed the procurement rules. We are the first ever country in the EU to take advantage of doing so. There is now absolutely no excuse for any Government contract not to include buying British steel and, indeed, other metals such as aluminium.

**Stephen Kinnock** (Aberavon) (Lab): I assure the Minister that the people of my constituency are listening carefully to what is being said today. I also assure her that there is palpable anger and frustration among my constituents. The claimed action on energy has still not been implemented. The claimed action on procurement amounts to so-called open advertising, while Hinkley Point has no British steel. The Government use the EU as an excuse for delay, while being China's chief cheerleader in Europe.

Is it not clear to the Minister that urgent action to sustain a steel industry in Britain is of the highest national priority? No more excuses, dodges or delays. Will the Government confirm here and now that they will not support market economy status for China? Will the Government immediately establish a strong, long-term steel strategy with Tata and the unions? If they do that, there is a future; if they do not, there will be a wasteland.

**Anna Soubry:** Of course, this is all about all those men and women who work at Tata at Port Talbot and their families. Our thoughts are with them today. I pay tribute to some of the work that the hon. Gentleman has done. I met the leader of Port Talbot port and I hope that we can continue that discussion, because there is much that can be done.

I say to the hon. Gentleman that it would really help if we all worked together on this, because we all agree. I am not going to say what he said about China and market economy status at all. There is a good argument that it should have that status. [*Interruption.*] Yes, there is a good argument, but as I say, China has to show us that if it is in the game, it plays by the rules. It will be for the EU to look at all the evidence before it makes its decision on that.

**Amanda Milling** (Cannock Chase) (Con): Chinese steel manufacturers are offering added-value services such as steel polishing and finishing free of charge, making the UK steel industry and our businesses less competitive. Will my right hon. Friend outline what steps the Government are taking to support UK businesses in offering those added-value services?

**Anna Soubry:** I strongly suspect that it is quite a long list, so I undertake to write to my hon. Friend in full with exactly the detail that she wants. This Government absolutely get and understand business. We support British business, wherever it may be.

**Jessica Morden** (Newport East) (Lab): The job losses that have been announced today are a huge blow to communities across south Wales. Workers in Llanwern in my constituency are directly affected, as are the workers who were seconded to Port Talbot when the hot strip mill in Newport was mothballed last year. We are thinking of those workers today. Steelworkers have made huge sacrifices over the years and have done everything they can to help the company during these particularly tough times. Can the Government say, with hand on heart, that they have done the same? Despite what the Minister has said today, the industry and the unions say that the action has been far too slow.

**Anna Soubry:** I am in danger of repeating all the things that I have said about what we have done. Where I agree absolutely with the hon. Lady is that we must not forget Llanwern and the huge impact that this news

will have. As she rightly says, it follows the mothballing last summer. I pay a huge tribute to all those who work in our steel industry. They are highly skilled, highly prized workers. I know that for many reasons, but I am always reminded of my visit to Redcar and of the whole workforce that worked at SSI. These are highly skilled people.

The final thing to say is that there is no debate about the fact that a large number of steelworkers have made considerable sacrifices. When I went to Scunthorpe, I met a group of workers who were represented beautifully and brilliantly by their excellent trade union leaders. It was striking that these men—the majority are men, so forgive me; it is striking that these men and women had taken pay cuts and made the ultimate sacrifices. This is a very sad day and that is not lost on us, but we are determined that steel will continue to be produced in south Wales and in Scunthorpe.

**Sir William Cash** (Stone) (Con): As one who was brought up in Sheffield, I ask the Minister whether she accepts that the deadly combination of EU energy law, EU subsidy law and EU dumping law means that, although the Government may want to achieve a solution to this problem, ultimately they cannot do so without leaving the European Union.

**Anna Soubry:** Here is a surprise: I do not agree with my hon. Friend's analysis, or his conclusions. When the Secretary of State went over to Brussels and led the charge, I found in the conversations that I had with my equivalent Ministers throughout the EU that we had all come together. I think that by working together, we can assure the future of the steel industry not just in our country, but throughout the European Union.

**Mr Speaker:** The Minister has just invited us to believe that Europe offers an equivalent to her. You learn something new every day. Scunthorpe was mentioned, so let us hear from the fella. I call Mr Nic Dakin.

**Nic Dakin** (Scunthorpe) (Lab): It is strange that Redcar did not meet the criteria for exceptional growth funds, but I am pleased the Minister has indicated that they will be used to assist the Greybull Capital interest in long products. The Foreign Secretary stood at that Dispatch Box and said that the Government will judge market economy status through "the prism of steel". Will the Minister confirm that there will be no drawing back from that position?

**Anna Soubry:** I always try to be honest and helpful to the hon. Gentleman. I did not hear that comment from the Foreign Secretary, but I assure the hon. Gentleman that I will take it up with him. As he knows, we are working hard to secure the future of the blast furnaces at Scunthorpe, and we are determined that British steel will continue to be made in this country and that it has a sustainable future.

**Mr David Jones** (Clwyd West) (Con): Today's announcement will be a bitter blow to all communities affected, not least Port Talbot where relations between the unions and the Tata management have been excellent. My right hon. Friend mentioned that the Government will be participating in the taskforce that is to be assembled to address this issue. Can she confirm that the Department

for Work and Pensions will be heavily involved so as to ensure, if at all possible, that those affected by redundancy will be redeployed?

**Anna Soubry:** I completely agree with my right hon. Friend and his analysis of the effects of these events throughout south Wales. It is not just the workers who face redundancy, because we know that this will have a huge impact on the local economy right the way through the supply chains. I assure him that we will work with the DWP in these circumstances, and it will send in almost emergency teams to start work now, before any compulsory redundancies are made. That work will be, and is being, done.

**Mr Adrian Bailey (West Bromwich West) (Lab/Co-op):** The Minister owned up to the failure to implement reform of business rates as part of the toxic package that the steel industry is confronting. Will she examine that issue and provide assurances that in advance of next year's business rates proposals, the Government will consider putting in place a special package to give some relief to this beleaguered industry?

**Anna Soubry:** I did not say that we had failed—we have a review going on and it has not come to any conclusion. The hon. Gentleman must remember that in Wales business rates are devolved, and it is up to the Welsh Government whether they want, or can, do anything to assist Tata. Of course we will do everything that we can to support our steel industry, but always within the unfortunate confines of the state aid rules.

**Mr Peter Bone (Wellingborough) (Con):** With all due respect, I do not think that the Minister answered the question from my hon. Friend the Member for Stone (Sir William Cash)—she just said that she disagreed with him. It seems to me clear that if we were not in the European Union, we could have acted differently and more quickly. Will she at least agree with that?

**Anna Soubry:** No, I am afraid I do not agree with that. I think we are better within a reformed European Union, and this is a good example of the benefits of our continuing membership of the EU.

**Jonathan Edwards (Carmarthen East and Dinefwr) (PC):** Port Talbot and Trostre are situated within an EU tier 1 assisted area. What consideration has the UK Government made of a holiday for employer national insurance contributions to help Tata reduce its employment costs?

**Anna Soubry:** That is exactly the sort of conversation that I am more than happy to have with—I nearly said my right hon. Friend, but the hon. Gentleman might take exception to that. I am more than happy to discuss that issue with him.

**James Morris (Halesowen and Rowley Regis) (Con):** Following the collapse of the Caparo group towards the end of last year across the west midlands and other parts of the country, the administrator PWC has been able to salvage a considerable amount of the business and secure local jobs, including in my constituency in Cradley Heath. Notwithstanding the action that the Minister has taken on steel, does she agree that serious

questions need to be answered about the financial management of the Caparo group that led to its collapse in the first place?

**Anna Soubry:** Quite simply, I would not know but, again, I am more than happy to have that discussion with my hon. Friend because, if that is right, it is a very serious matter.

**Anna Turley (Redcar) (Lab/Co-op):** The people of Redcar and Teesside are still dealing with the repercussions of the tragedy of the loss of our steel-making facilities and our 175-year history of steel making. They will send their solidarity and their thoughts to the people of Port Talbot, Llanwern and other areas that have lost their jobs in the past few days.

The Minister has again refused today to acknowledge the impact that market economy status for China will have—it will destroy the future of British steel making because, in a sense, it will facilitate Chinese dumping. She says she has sorted that and ticked the box, but that is not the case. I urge her to think again about market economy status for China.

**Anna Soubry:** I listen to the hon. Lady's arguments and it is always good to have that debate with her. I am not saying, "It's all sorted on dumping,"—[HON. MEMBERS: "Yes, you did!"] Well, we have ticked the box in terms of getting on and doing something about it, but no doubt the steel industry will raise more concerns. The industry raises its concerns with the EU but, for the first time—this is rich coming from the Opposition—we have voted in favour of taking that action, not just once but twice; and now we have rebar, so we are making good progress.

**Mr David Nuttall (Bury North) (Con):** Does my hon. Friend agree that UK companies that want to export their products need to source the cheapest steel they can if they are to be competitive in the world market, and that, realistically, the UK steel sector will always struggle in the long term if foreign competitors can produce steel cheaper than we can?

**Anna Soubry:** If I may say this to my hon. Friend, one absolutely striking thing about the British steel industry is the quality of the product. That is one of the main reasons why people want to buy British steel—they know it is the best in the world.

**Mr Pat McFadden (Wolverhampton South East) (Lab):** It is many years since the steelworks in my constituency closed. Some would say that the local economy has never fully recovered. My constituents therefore understand well the fear and worry that will exist in the community in south Wales and elsewhere in the country after the news today. Will the Minister be clear with the House on exactly where the Government stand on the question of market economy status for China and how it relates to anti-dumping rules?

**Anna Soubry:** The Prime Minister has spoken about the fact that we think it could be good for China to have market economy status, but the decision will be made by the European Union. We take the view—I am repeating myself, but this is important—that, for China to get that status, it must show that it will play by the rules and provide the evidence that it is playing by the rules.

**Jeremy Lefroy** (Stafford) (Con): My right hon. Friend is absolutely right about the quality of British steel, but the quality of some imports leaves much to be desired. What work is being done on steel quality standards so that British steel can flourish both domestically and in export markets?

**Anna Soubry**: A number of companies—I am thinking, for example, of Celsa, a Cardiff-based company that I met—are keen to make the point about whether or not imports are of the same quality. Yes, we have looked at the standards. Sadly, we have not always made progress, because an independent body makes those decisions. It is not the job of the Government—unfortunately, we have no influence over it—but my hon. Friend makes an important point. It is one we advance all the time.

**Christina Rees** (Neath) (Lab): Job losses at Port Talbot and Trostre are devastating for the people and communities in south-west Wales. Many of my constituents in Neath who work at Port Talbot and Trostre will suffer. I endorse the words of my hon. Friend the Member for Aberavon (Stephen Kinnock) and ask again what urgent action the Government will take to help, apart from offering warm words.

**Anna Soubry**: I am not going to go through all the things we have done again, but I assure the hon. Lady that we will work with the Welsh Government. We have asked to be part of their taskforce and I very much hope that they will have the UK Government as part of it—it is very important.

**Andrew Percy** (Brigg and Goole) (Con): I thank the Minister for all the work and support she is providing to all of us affected in Scunthorpe—it is really appreciated—and for her commitment to support the sale of the site to Greybull, which I and other local MPs will meet later this week. On the specific issue of support to those who have been affected by job losses thus far, £9 million has already come our way. One question that has come up at our local taskforce is: how much of that money can be used, and how flexibly, to support new jobs as well as current ones? If we make a representation to her on that, can she assure us of maximum flexibility so that the money can be used to create new jobs as well as supporting existing ones?

**Anna Soubry**: The short answer is yes—that will please you, Mr Speaker—but, as the hon. Member for Redcar (Anna Turley) knows, when I find out about any difficulties I do not mess about in getting them sorted. We do not want any nonsenses. My hon. Friend knows my door is always open, so we can sort things out.

**Nick Thomas-Symonds** (Torfaen) (Lab): The Minister has spoken about the state aid rules, yet the Italian Government have perfectly permissibly provided assistance to their steel industry on the basis that it constitutes environmental protection. My father worked in Llanwern steelworks for nearly 40 years and I know at first hand the sacrifices that so many steelworker families made over many years. Do they not deserve a Government who are willing to do so much more than this one?

**Anna Soubry**: I pay tribute to all those, including the grandfather of my hon. Friend the Member for Vale of Glamorgan (Alun Cairns) and, I think, my own great grandfather, who have worked in steelworks. None of

these things matter. The important thing is to make this absolutely clear. We know the great value of all steelworkers. The hon. Gentleman asked me a question that I have now completely forgotten. [HON. MEMBERS: “Italy.”] Italy—another huge myth. The Italian Government are in the process of selling their steel industry. We will see if there are any buyers.

**Mark Spencer** (Sherwood) (Con): I pay tribute to the Minister, as I am aware of the enormous personal effort she has put in to mitigate the impact of job losses. Will she reassure the House that the Government’s investment in retraining and reskilling workers will end up in the pockets of those workers, not of consultants or accountants?

**Anna Soubry**: Yes, absolutely. We know that in the past that has not always been the case. My hon. Friend and I come from coalfield areas, where there was always concern about whether taxpayers’ money in Government schemes was properly spent. I am hopeful—in fact, I am sure—that the money we made available for workers at Thoresby colliery will be properly spent. If it is not, I want to know about it and we will sort it out.

**Nick Smith** (Blaenau Gwent) (Lab): May I press the Minister? Will the Treasury find a way to provide the extra resources to the Welsh Government to reduce business rates at Tata? That would help to keep steel alive in south Wales.

**Anna Soubry**: They wanted that as part of their devolution settlement, of course. There is a good argument that if one gets what one asks for, one has to take the consequences. At the moment, however, no such request has been made. If a request is made, whatever it may be, we will always listen.

**Jason McCartney** (Colne Valley) (Con): When I walked through the Crossrail tunnels with the Transport Committee, the bosses stressed the high level of British procurement as part of the project. Does the Minister agree that we can win hearts and minds on the HS2 project, which is worth billions and billions of pounds, by putting British steel at its heart?

**Anna Soubry**: Yes, absolutely. We are all hugely proud of the fact that Crossrail, a fantastic multibillion-pound project, has been built with British steel—and that is because it is the best.

**Mrs Madeleine Moon** (Bridgend) (Lab): My constituency is next door to Aberavon. Many of my workforce travel into Aberavon on the A48 to work and have done so for many years. There is a real risk that the critical mass of the steelworks in Port Talbot will be endangered by the job losses. May we have an assurance from the Minister that there will at least be interim relief in business rates? That is the big issue that will make or break the viability of the works and the jobs there.

**Anna Soubry**: That is a good argument, but not one to put at my door. This matter is the responsibility of the Welsh Government, because, as the hon. Lady knows, it is devolved. There is other work we could do: we have been discussing with Tata for a long time whether the land is being best used, and there is a lot of work we can

do with the port to make it much more viable. We can look at other ways to ensure we make full use of the port by Port Talbot.

**Byron Davies (Gower) (Con):** Today is a sad day for the south Wales steel industry, particularly in Port Talbot. Many of its steelworkers live in my constituency. Over the weekend, there has been quite a lot of rhetoric from the First Minister of Wales about the responsibility for recovery lying at Westminster. There are many economic levers in Cardiff Bay that could be used, in particular business rates, which have just been mentioned. Does the Minister agree that the First Minister would be better off employing his time by ensuring that those levers are used, rather than by engaging in tribal politics?

**Anna Soubry:** I completely agree with my hon. Friend. This is not a time to play party politics; it is a time for everybody to come together and do the best thing by Britain's steel industry.

**Mr Kevan Jones (North Durham) (Lab):** The Minister just said that there is no excuse not to buy and every reason to buy British steel, so what discussions has she had with her colleagues in the MOD about procuring British steel for defence contracts? In particular, has she discussed the future of Sheffield Forgemasters, which is vital if we are to procure a new generation of nuclear submarines?

**Anna Soubry:** The short answers are yes and yes. The value of Sheffield Forgemasters is not lost on anybody, especially those concerned about the future of our defence sector.

**Richard Drax (South Dorset) (Con):** In an earlier answer, my right hon. Friend talked about playing by the rules and added that there was no reason why we could not use British steel. As I understand it, however, EU law means that my right hon. Friend cannot guarantee that. Is that not correct?

**Anna Soubry:** I do not think it is as simple as "cannot guarantee it". We live in a free market economy. That means that anybody must be free to buy from whomsoever they feel will give them the best deal. My point is that when it comes to this Government's own procurement rules and what can be done with taxpayers' money, we have made those rules such as to provide no excuse for anybody not to buy British steel—and because it is so good, there is every reason why they should.

**Mark Tami (Alyn and Deeside) (Lab):** Although the measures announced by the Government are welcome, they are very limited. Does the Minister not accept that unless we tackle the issue of Chinese dumping, the whole future of the whole UK industry is at threat, and that the clock is ticking—we do not have much time left?

**Anna Soubry:** That is important, but it does not provide the answer. The price of steel has plummeted not just because of worldwide over-production, but because consumption of steel has not even reached where it was before the crisis. It is not as simple as merely dealing with Chinese dumping.

**Paul Blomfield (Sheffield Central) (Lab):** The Minister talks tough on procurement. Why, then, under the terms of the contract struck between this Government and EDF, are UK companies capable of producing the large forgings for the Hinkley Point reactor not being given the opportunity even to tender for the work? What independent evaluation has her Department undertaken of EDF's assertion that there are no UK companies with the relevant experience?

**Anna Soubry:** My right hon. Friend the Secretary of State for Energy and Climate Change is hearing all of that, so she and I will discuss it and write to the hon. Gentleman.

**Rob Marris (Wolverhampton South West) (Lab):** I welcome the belated announcements of some support for the steel industry. When can we expect similar announcements of support for other parts of UK manufacturing?

**Anna Soubry:** As I say, the procurement rules apply not just to steel but to other metals. In fact, I think they apply to almost everything. I will need to go back and check all the way through that, but aluminium provides a very good example. Let us be absolutely clear: I am very proud of this Government's and the last Government's record. The fact that more than 2 million more people are in work—unfortunately, it is lost to most Labour Members—provides a proud record for this country.

**Angela Smith (Penistone and Stocksbridge) (Lab):** The Minister provided details of the updated procurement guidance and, as my hon. Friend the Member for North Durham (Mr Jones) pointed out, said that there was no excuse not to buy and every reason to buy British steel. Of course, the ability for the industry to do so is constrained by the fact that its range of capabilities has been lost and limited to a great degree over the last few decades. In other words, British steel does not make the range of components and specialised range of steel products that it did years ago. What, then, are the Government going to do to support the industry, as we propose with Forgemasters, to secure investment and develop a new range of capabilities? We will not see high UK content in our infrastructure projects until that issue is addressed.

**Anna Soubry:** The hon. Lady may have made a good point, but I think that what is most important is that, in the face of an unprecedented crisis affecting the whole steel industry throughout the world, the Government are absolutely determined to secure—and have already started working to secure—the long-term sustainability of the ability to produce steel, both in Scunthorpe and in south Wales. Members can chunter on about what other European Union countries are doing, but we have examined the evidence, and there is a lot of mythology. This country has taken the action that is needed, and is saying clearly to Tata and Greycor, "We will help you to secure this deal in any way we can", and to Tata at Port Talbot, "We will do everything we can to support you in your determination to continue to produce steel in south Wales."

**Wayne David (Caerphilly) (Lab):** On the issue of anti-dumping, at a European level, why have the United Kingdom Government led a blocking minority at the Council of Ministers to prevent trade reform?

**Anna Soubry:** I am afraid that I just do not accept that. The Secretary of State has led the charge. He went over to Brussels, and he set up an emergency committee to look specifically at the problems facing the steel industry. I think that we are doing the right thing.

**Stephen Doughty** (Cardiff South and Penarth) (Lab/Co-op): One of the most frustrating experiences for steelworkers in my constituency, throughout south Wales and throughout the United Kingdom, is knowing that the previous Government were warned again and again and again about the challenges facing the industry. The Minister has told us about the actions that she has taken in the last few months—many of which I welcome, as she knows—but can she say, hand on heart, that the previous steel Minister and the Chancellor did everything they could when they were warned again and again and again about the crisis?

**Anna Soubry:** Yes; and what I will say about my Department is “Thank goodness we have a Conservative Secretary of State.”

**Diana Johnson** (Kingston upon Hull North) (Lab): May I ask what the Minister’s assessment is of the optimum level for the strategic steel industry, especially in the light of her comments about wanting to use British steel for major UK infrastructure in the future?

**Anna Soubry:** As I said earlier, the Prime Minister has said that this is a vital industry, and we are absolutely determined to have a sustainable steel industry, producing steel in blast furnaces in Scunthorpe and south Wales.

**Tom Blenkinsop** (Middlesbrough South and East Cleveland) (Lab): Before Christmas, the OECD held a meeting about steel that the Chinese delegation refused

to attend. Obviously, every other country’s representatives wanted to talk specifically about Chinese dumping.

What is the Government’s position on Chinese market economy status? Are they in favour of it, whether inside or outside the European Union, and whether or not China signs up to the emissions trading system agreement that was signed in Paris? Will the Minister please tell us how on earth we will have a manufacturing sector at all by the autumn—when the European Union will make a decision on MES—if China is allowed to dump with such abandon in the absence of any proper control, whether in this place or in the European Union?

**Anna Soubry:** As I have said, MES is a matter for the European Union, and as I have also said, we are broadly in favour of it, but we have made very clear that China will only get it if it proves that it can play by the rules.

**Andrew Gwynne** (Denton and Reddish) (Lab): The Minister cannot have it both ways. Eventually, as surely as night follows day, global consumption will increase, demand will increase, and the price of steel will increase. What assessment has the Department made of the long-term impact, not only on UK competitiveness but on our own domestic economic strategy, of this vital industry being so badly depleted?

**Anna Soubry:** What we do know is that if the Labour party is ever in charge of our country’s economy again, it will take us back to the brink of bankruptcy, as it did last time.

**Mr Speaker:** I am most grateful to the Minister and to colleagues.

## Energy Bill [Lords]

### Second Reading

**Mr Speaker:** I remind the House that I have certified clause 79 of the Energy Bill (Lords) under Standing Order No. 83J in relation to England and Wales. I further remind the House that that does not, repeat not, affect proceedings in the debate on Second Reading, or, indeed, in Committee or on Report. After the Report stage, I will consider the Bill again for certification, and, if required, the Legislative Grand Committee will be asked to consent to certified provisions.

4.30 pm

**The Secretary of State for Energy and Climate Change (Amber Rudd):** I beg to move, That the Bill be now read a Second time.

This Government are focused on securing a better future for Britain. As the Chancellor set out to the House in his autumn statement:

“our job is to rebuild Britain...so that we leave to the next generation a stronger country than the one we inherited.”—[*Official Report*, 25 November 2015; Vol. 602, c. 1357.]

Achieving this vision for Britain means ensuring our energy security.

Our modern society simply could not function without the electricity, oil and gas we use to heat our homes, power our business and industry, and drive our transport system. The wellbeing of our economy and our citizens requires that the first priority of the Department of Energy and Climate Change should be energy security. But no responsible Government should take a risk on climate change either, because it is one of the greatest long-term threats to our economic security.

**Margaret Greenwood** (Wirral West) (Lab) *rose*—

**Amber Rudd:** I will give way to the hon. Lady.

**Mr Speaker:** Order. Before the hon. Member for Wirral West (Margaret Greenwood) intervenes, I should have said to the House, in case people are waiting with bated breath, not least an hon. Member from Brighton, that the amendment, although orderly, has not been selected. I wanted to release the hon. Member for Brighton, Pavilion (Caroline Lucas) from her misery before we proceeded further. We took the view that there was adequate opportunity for her to dilate on these important matters, and I feel sure that she will not disappoint us in that, or any other, regard.

**Margaret Greenwood:** Underground coal gasification is an issue of major concern in my constituency, because Cluff Natural Resources has been granted a licence for the Dee estuary, which runs along the side of the constituency. In the Secretary of State's speech of 18 November she announced the Government's welcome intention to close coal by 2025 and restrict its use by 2023, commenting that coal is the most carbon-intensive fossil fuel, damages air quality and is simply not sustainable in the longer term. As the Government are proposing—

**Madam Deputy Speaker (Natascha Engel):** Order. This is a very long intervention. If the hon. Lady could come to her question and finish, that would be great.

**Margaret Greenwood:** As the Government are proposing to end burning coal in coal-fired stations above ground, will the Secretary of State now clarify their position on underground coal gasification, which involves burning coal underground?

**Amber Rudd:** I urge the hon. Lady to participate in the consultation we will be having shortly about the timing of the ending of coal. That would be an ideal opportunity for her to make her point on behalf of her constituents.

The historic agreement in Paris in December is a significant step forward towards reducing, on a global scale, the emissions that cause climate change. For the first time, nearly 200 countries have made a commitment to act together and to be held accountable. This agreement will help protect not just our environment, but our national and economic security.

Our national progress has been good to date, with greenhouse gas emissions down around 30% since 1990. Between 2010 and 2014 the UK's greenhouse gas emissions fell by 15%, one of the biggest reductions in a single Parliament. Indeed, in 2014 we saw a reduction of 8%, the largest reduction measured in a single year. That is a fantastic achievement against the backdrop of an economy that grew at 2.9%. In June we will be setting the fifth carbon budget covering 2028 to 2032 and by the end of the year we will publish our new emissions reduction plan, on which we are already working with colleagues across Whitehall.

The emissions reduction plan will provide full details of our policy approach, but we already know where we will need to take more action: energy efficiency; a long-term framework for heat; emissions reduction in the industrial sector; and, of course, in transport, where progress has been slow. In all these areas we will need new thinking and we will work with academia and business to develop proper long-term plans.

**Sammy Wilson** (East Antrim) (DUP): Not being one who is too concerned about CO<sub>2</sub>, may I ask whether the Secretary of State can tell us how much of the reduction in our CO<sub>2</sub> emissions is due to the fact that we are exporting jobs to other parts of the world, as we have just heard in the statement on steel?

**Amber Rudd:** I hope that the hon. Gentleman will take some comfort from the Paris agreement. Although the UK has possibly the most ambitious climate change targets in the world, the Paris agreement will go some way towards addressing the competitive issue that he has raised because other countries are also taking on obligations to reduce their carbon emissions. I specifically highlight China in that regard, which is now part of a global agreement for the first time.

As part of our action, the Government are focused on seeing through a long-term plan for secure, clean and affordable energy supplies for generations to come. The Bill delivers key manifesto commitments to achieve that objective. Over the next Parliament, that means ensuring that we continue to support investment in UK energy sources, including in the North sea. It also means continuing to support the deployment of new renewables so that we meet our objective of producing 30% of our electricity from renewable sources by 2020.

**Tom Brake** (Carshalton and Wallington) (LD): If the Secretary of State still intends to scrap the onshore wind subsidy, will she tell us whether she intends to promote a more expensive form of renewable energy or simply to miss our renewable energy targets? Will she confirm that according to the Department of Energy and Climate Change's estimate of the annual savings as a result of her proposals on onshore wind subsidy, the savings in the lowest range will be just 30p a year?

**Amber Rudd:** The right hon. Gentleman asks me a false question. The fact is that we have to deliver on our manifesto commitments, which is why we will be ending onshore wind subsidies. However, we will still be making our target, which in 2012 we put at 11 to 13 GW by 2020. That is consistent with our progress on our renewable targets. In regard to the amount that will be saved through taking these actions, our lowest estimate is about £20 million a year and our highest is about £200 million a year. Those are significant sums, and I urge him not to discount them by making them sound quite so trivial.

**Caroline Lucas** (Brighton, Pavilion) (Green): Further to the point that has just been made by the hon. Member for East Antrim (Sammy Wilson), I do not agree with the way he put it but he made an important point, in a sense. The Minister is proudly talking about the way in which our emissions have come down, but if we take into account our consumption emissions—in other words, the emissions that are linked to our consumption patterns when we import things from places such as China—does she agree that our emissions have actually gone up? We must take some responsibility for those industries that we have outsourced to places like China while we enjoy the benefits of them here.

**Amber Rudd:** The hon. Lady should speak to the hon. Gentleman, who takes a slightly different view—

**Caroline Lucas:** But what is the answer?

**Amber Rudd:** I will come back to the hon. Lady and say that she, too, should take comfort from the Paris agreement, which will oblige all countries to take action in this important area.

The other activities we are taking on in order to deliver on our low carbon future is to press ahead with a new fleet of nuclear power stations. We are also encouraging new gas-fired power stations so that we can end the use of coal for electricity generation by 2025.

**Geraint Davies** (Swansea West) (Lab/Co-op): Does the Minister accept that only 2.5% of world energy is created by nuclear power? If that were to rise to 15%, uranium ore would run out within 10 years. Given that 80% of fossil fuels cannot be exploited without breaching our climate change targets, does she accept that she is simply not doing enough on renewables?

**Amber Rudd:** I urge the hon. Gentleman to think carefully about the importance of striking a balance. However important we think renewables are—and we do—we need also to have absolutely secure base-loads so that there is never any risk to energy security. That is why this Government are so committed to delivering on nuclear.

**John Redwood** (Wokingham) (Con): Before the debate today, I checked and discovered that 1% of our power is currently being generated from wind, 30% from coal and 42% from gas. Does that not show us that the Secretary of State is right not to rely on all these renewables, because if she did, all the lights would go off?

**Amber Rudd:** I thank my right hon. Friend for that helpful comment. He is indeed right: it is absolutely essential that we have a secure base load while we deliver on our renewable targets as well.

Simply meeting the targets we have set ourselves is not sufficient if we are to secure energy security and decarbonisation. We have to achieve this in the most cost-effective way. Subsidies should be temporary, not part of a permanent business model. New, clean technologies will be sustainable at the scale we need only if they are cheap enough. We need to strike the right balance between supporting new technologies and, as costs come down, being tough on subsidies to keep bills as low as possible. We can only expect bill payers to support low carbon power as long as costs are controlled.

The Energy Bill is intended to enact our manifesto commitments in two key ways: first, by continuing to support the development of North sea oil and gas by implementing the recommendations of the review by Sir Ian Wood to establish the Oil and Gas Authority as an independent regulator and steward; and, secondly, by acting to control the costs of renewable energy by ending new subsidies for onshore wind and providing local people with the final say on new applications.

**Several hon. Members rose—**

**Amber Rudd:** I am going to make some progress on those two things and then I will take a further intervention.

The North sea oil and gas industry is still of huge strategic and economic importance to the United Kingdom. It has been the UK's largest industrial investor for many decades, supporting hundreds of thousands of jobs, especially in Scotland. Since the 1970s, the industry has paid more than £300 billion in production taxes. In 2014, the UK continental shelf produced oil and gas equivalent to well over half the UK demand, but as the basin has matured, oil and gas has become more difficult and more expensive to access. That has been brought into sharp focus of late with the sudden and sustained fall in the oil price, which is putting considerable pressure on the industry to create a more competitive cost base and increase efficiency. As a result, 2014-15 saw falling revenues and falling investment—regrettably, we are also seeing job losses. In order to continue to attract investment and safeguard the future of this vital national asset, the Chancellor set out a significant package of tax reforms for the industry in the March 2015 Budget. We went further in the summer Budget, with measures expected to increase production by 15% by 2020. In the long term, a sustainable economic future for the North sea offshore industry will be achieved only if we can maximise oil and gas recovery. That is why the last Government set up the Wood review, and Sir Ian reported that with the right strategy in place, the recovery of North sea reserves can be boosted by an additional 3 billion to 4 billion barrels over the next 20 years.

**Callum McCaig** (Aberdeen South) (SNP): Production increased in the North sea last year, which is welcome news at a time when most news for the industry is relatively bleak. Does the Secretary of State agree that the industry is at a point where it requires sustained support from this Government, which will require fiscal measures from her Chancellor in the coming Budget?

**Amber Rudd:** The hon. Gentleman is, of course, absolutely right to say that great progress has been made in reducing the cost of production already, and part of the intention of this Bill is to make sure that we can deliver further on that. I share his view that we need to give as much support as possible, but it is too early for me to comment now on whether the Treasury will be able to give that support. I know that this Government are committed to making sure that we continue to support those jobs and the industry.

**Geraint Davies:** Does the Secretary of State accept that the reason we have the massive deflation in oil prices, other than Saudi over-consumption, is fracking? The latest evidence shows that 5% of methane from fracking goes into the atmosphere, and methane is 83% worse than carbon dioxide in effecting climate change. Will she therefore hold negotiations with the United States about reducing this methane emission and put the brakes on fracking, so that we can actually lift the price of oil and have a more sustainable future?

**Amber Rudd:** I make two points to the hon. Gentleman. First, the reasons for the fall in the oil price are multiple and complex. I will not analyse them here now, but there is not, as he suggests, just one cause. Secondly, the US has considerably reduced its emissions because of fracking, which of course we welcome.

Any oil and gas demand that we do not meet ourselves through domestic production has to be met by imports, at significant extra cost to the economy. Industry and government share the same ambitions and are working closely together to manage the remaining resources effectively and efficiently. As we progressively decarbonise our economy, we will continue to need oil and gas for many decades to come. It is far better that the jobs and revenue are in the UK, offsetting imports where we can. Maximising economic recovery from the UK continental shelf must be part of a balanced plan for a diverse and progressively lower-carbon mix.

This Bill will complete the work started in the previous Parliament to implement fully the Wood review. Key to Sir Ian's recommendations is the establishment of the Oil and Gas Authority as an independent regulator with a clear and focused mandate to maximise economic recovery of UK petroleum. Clauses 1 to 76 formally establish the OGA as an independent regulator and steward, which would take the form of a Government-owned company, transferring regulatory powers and functions to the OGA, and giving it new powers to support maximising economic recovery.

The OGA will take forward the principle of maximising economic recovery, set out in Part 1A of the Petroleum Act 1998, with powers taken in the Infrastructure Act 2015. In November, I launched a consultation on the strategy for maximising economic recovery of offshore UK petroleum, which is central to the OGA's future effectiveness. An amendment made in the other place, which we will

try to overturn, seeks to broaden the principal objective, greatly expanding the scope of the OGA's role and going far beyond the vision set out in the Wood review. In our view, and indeed in the view of the industry and the unions, diluting the focus of the OGA at this critical time is not the right way to proceed. The OGA should be focusing on maximising economic recovery, as that is what it has been set up to achieve. In the current difficult and challenging circumstances, nothing should distract from that vital task.

The OGA requires clarity on its objectives, and we intend to provide that. This Government are committed to the Climate Change Act 2008, and to our target to reduce emissions by 80% by 2050. We will see the Climate Change Act framework in practice this year when we set in law the fifth carbon budget. Amendments made in the other place seek to change how we count carbon for carbon budget purposes from the fifth budget onwards. Given that the work to set the fifth carbon budget is well under way, and has been for nearly a year, and although it is right to keep our accounting practices under review, now is not the right time to change. To do so now, this far into the process, would threaten serious delay. Therefore, we will seek to overturn those amendments.

Let me turn now to the delivery of the Government's manifesto commitments to end new subsidies for onshore wind and to ensure that local people have the final say on where onshore wind is built. On 18 June, I set out to the House our intention to close the renewables obligation for new onshore wind in Great Britain from 1 April 2016, with a grace period available to those projects which, as of 18 June 2015, already have planning consent, an offer of grid connection and access to land rights. The provisions we made in the Energy Bill to achieve that were removed in the other place, and will be reintroduced.

There is no ambiguity on this matter, as it is a manifesto commitment. We signalled our thinking on ending new public subsidies for onshore wind long before the last election and put it before the British people in black and white. There are long-established and well understood conventions with regard to manifesto commitments and we will stand firm on them.

Onshore wind has deployed successfully to date and is projected to meet the planned range of 11 to 13GW by 2020. Without action, there is a risk of deploying beyond this range, potentially adding more costs to consumer bills and squeezing out opportunities for other renewables, such as offshore wind, to mature and bring down their costs. We have engaged widely on the June proposals, including with devolved Administrations, supply chain, investors and developers. It is important that Northern Ireland closes the renewables obligation to onshore wind on terms equivalent to those of Great Britain.

**Sammy Wilson:** I thank the Minister for giving way again. Will she spell out the consequences for Northern Ireland should the Northern Ireland Executive decide to maintain the subsidies for longer than the period after 2016?

**Amber Rudd:** The hon. Gentleman raises an important point. It is my position that, if Northern Ireland chooses to provide additional support for onshore wind, the consumers in Northern Ireland, and not Great Britain, should bear the cost.

[Amber Rudd]

We must make strategic choices on where public money is directed, because we cannot afford to support every project and every technology regardless of its contribution to energy security, and regardless of the cost. We need to concentrate our support on where technology has the potential to deliver at the significant scale that we need for energy security and decarbonisation, and where, to be viable, we still need to see significant falls in costs for technology.

**Jeremy Lefroy** (Stafford) (Con): In that context, will my right hon. Friend clarify when the next contracts for difference round for these new advanced technologies will be held, and whether the widest possible range of those technologies will be suitable for that round?

**Amber Rudd:** My hon. Friend raises an important point. We have confirmed that there will be three new auctions for offshore wind. We are looking now at what would be included in that and the best way to drive down prices, because this Government are clear that that support will continue only as long as we continue to drive down prices, which is critical to looking after consumers.

**Jonathan Edwards** (Carmarthen East and Dinefwr) (PC): The Bill will transfer consenting decisions about onshore wind to local authorities. On a technical point, can the Secretary of State confirm that in the case of Wales power will be handed to Welsh local authorities, not the Welsh Government?

**Amber Rudd:** The hon. Gentleman raises two points. We have said that we are devolving to local communities and that we are ending new subsidies, so it would currently be unlikely for a new onshore wind project to go ahead, but we have agreed to discuss with developers the prospect of onshore wind without subsidy if it has local community support. In respect of Wales, I will discuss with the Welsh Government the best way to deliver on the hon. Gentleman's suggestion. Rest assured, the devolved Administrations are fully aware of the plans and now support them.

In pursuance of those strategic choices, we are pushing forward with proposals for low carbon base-load with a new fleet of nuclear power stations, and we are consulting on a closure date for coal and working to get new lower carbon gas-fired power stations built. Energy security must come first because it is the foundation of our future economic success, but that future must be low-carbon too, because climate change is one of the greatest long-term threats to our economic security. That low-carbon future cannot be achieved at any cost, because it is the hard-working families and businesses of Britain that are ultimately footing the bill.

4.51 pm

**Lisa Nandy** (Wigan) (Lab): North sea oil and gas production has helped us to fund our public services, such as the national health service, through the taxes it has generated which are worth hundreds of billions of pounds. It has improved our national security by reducing our dependence on imports from other countries. It has bettered our energy security by providing a reliable

supply of gas and oil, fuels that will continue to play an important role in our energy mix, particularly for heating and transport, as we become a lower carbon economy. Crucially, the North sea also sustains hundreds of thousands of skilled jobs in Scotland and the north-east of England and in world-class supply chain businesses right across the country.

For these reasons there has been a cross-party consensus for some considerable time that we should do everything we can to protect those jobs and to continue to maximise investment in our North sea oil and gas industry. The incredibly tough economic conditions faced by businesses operating in the waters off our shores because of the major fall in the price of oil only underlines the need for parties across this House to work together to get on and implement the recommendations of the independent review produced by Sir Ian Wood.

**James Cartlidge** (South Suffolk) (Con): The hon. Lady talks about the oil price. Does she agree with her hon. Friend the Member for Swansea West (Geraint Davies) that we should be trying to lobby the American Government to reduce shale output and increase the oil price?

**Lisa Nandy:** One of the most important things we can do to help boost jobs and skills in the North sea is to have a long-term plan. I will say more about that as I make progress.

**Sammy Wilson:** Does the shadow Minister agree that to a certain extent she is speaking with forked tongue? On the one hand she is saying that we have to decarbonise the economy, but on the other she is saying we have to increase the output of a carbon fuel—oil. Which is it? Does she want to decarbonise the economy or does she want people to buy oil?

**Lisa Nandy:** Perhaps I can help the hon. Gentleman with that, as it is one of the things that he obviously struggles to understand. As we move towards a clean economy—there is widespread agreement in all parts of the House that that is a journey we must take—we need to think, too, about where we get our energy from in the short to medium term. There is no question about this—it is a fact that we will need to rely on oil and gas in the short to medium term. Because of that, the question that we face on all sides of the House is whether we import that oil and gas or generate our own.

Our view is that this transition must be made with due care and attention to the jobs, skills and investment we need in this country. It must also be made with due care for our environment, our health and our safety. That is a difficult thing to achieve. I very much welcome the fact that we are having this debate, but it seems to me that pitting the interests of the industry we currently have in the North sea against our interests in transitioning to a clean economy will not get us very far at all.

**Geraint Davies:** Does my hon. Friend therefore agree that, with regard to the need to convert to renewables in the long run, one of the dangers of a very low oil price, other than restricting margins in the oil industry, is crowding out investment in renewables, and that therefore the cost-effectiveness of investing in renewables now should not be engaged by the current spot price of oil in the marketplace?

**Lisa Nandy:** My hon. Friend has made several comments, some of which I agree with and some of which I do not, but I think he is right to point out the very real problems created by the falling oil price, such as the economic conditions faced by businesses currently operating in the North sea. It is clearly in our national interests to move forward with the recommendations made by Sir Ian Wood. That is why we must move ahead with his proposals to establish the independence of the new Oil and Gas Authority, and why we support the Government's steps to progress that plan. As the North sea enters a new, mature phase and as investment flows into decommissioning offshore installations, I hope that Ministers will do everything in their power to ensure that that work is completed using the skills and expertise held by workers in the yards of Fife and the north-east of England.

**Christopher Pincher** (Tamworth) (Con): I commend the hon. Lady for her bipartisan approach to the Bill. She has talked about the Oil and Gas Authority, which of course will set fees for the services it provides, and the Secretary of State will be able to determine what those fees should be. Can the hon. Lady indicate at what level she thinks the Opposition would set those fees, and for how long?

**Lisa Nandy:** I am grateful to the hon. Gentleman for that question, which the Secretary of State will have heard. I am sure that either she or the Minister of State will attempt to respond to it later in the debate.

It is clear that there are still substantial remaining oil and gas reserves in the North sea, and future investment must absolutely not be limited to decommissioning activities. We remain the second largest producer of oil in Europe, after Norway. There are 300 fields currently in production, and it has been estimated that as many as 20 billion barrels of oil and gas remain to be exploited in UK waters. Much of that is understood to be in hundreds of small and marginal fields, which are much more difficult and expensive to exploit, so it is important that the newly independent Oil and Gas Authority is able to maximise investment in those fields if we are to seize that potential. That will require strong powers to encourage collaboration within the industry, resolve disputes between firms, and drive greater efficiencies to make further extraction viable, including consideration of costs.

**Jeremy Lefroy:** Does the hon. Lady also agree that it is not just a matter of extracting the remaining oil from around the United Kingdom but about the huge oil and gas support services industry, which does so much around the world, contributing to the balance of payments and to jobs in the United Kingdom?

**Lisa Nandy:** Yes, I agree. In particular, the ripple effect of what we do now in relation to North sea oil and gas will be felt not just directly by the workforce employed there, but by the UK workforce as a whole and around the world.

The Wood review also noted that carbon capture and storage has the potential to be of huge benefit.

**John Redwood:** Is not the awful truth at the moment that, with oil at \$29 a barrel, there will be practically no new investment in new projects in the North sea because it simply is not viable? What does the hon. Lady's plan suggest on that?

**Lisa Nandy:** We were keen to explore the future potential for the North sea for two reasons, one of which is the potential for the oil price to rise in future. While we have a rigged infrastructure worth a substantial amount of money still standing there, now is the time that we ought to explore the use to which we could put that infrastructure in the short term while trying to predict longer-term trends.

The fourth recommendation in the Wood review was that the Government need to work with industry to develop strategies in different areas, including for carbon capture and storage. Lord Deben, one of the Government's own chief advisers on energy policy, argued that

"it would be very odd to produce legislation that did not allow specifically for the transportation and storage of greenhouse gases."—[*Official Report, House of Lords*, 7 September 2015; Vol. 764, c. 1227.]

Lord Oxburgh, the former head of Shell, said:

"We need some kind of strategic framework within which private industry can operate in the CCS area."—[*Official Report, House of Lords*, 19 October 2015; Vol. 765, c. 483.]

They are absolutely right. Some of the infrastructure in the North sea could be used to create an entirely new maritime industry with very many new jobs. This would also help us to realise the commitments on climate change that the Prime Minister and the Secretary of State recently agreed, rightly, at the Paris summit.

**James Heappey** (Wells) (Con): While the shadow Secretary of State may indeed be correct that there is an opportunity for a new industry, does she not agree that to include it in this Bill would be to put an unnecessary burden on the industry at a time when it is challenged in an international market?

**Lisa Nandy:** The Wood review pointed to the need for the Oil and Gas Authority to be able to take a strategic view. It also pointed to the need for us collectively, including Government, to consider a long-term strategy for carbon capture and storage. In our view, unless the Oil and Gas Authority is tasked with considering the future of carbon capture and storage, it will not form part of the plan. As I said to the hon. Member for South Suffolk (James Cartledge), now is the time that we ought to be considering what the long-term future of the North sea is. That simply cannot afford to wait. We also believe very strongly that this should not come at the cost of jobs in the North sea in the immediate term. However, we should not let our urgent need for short-term solutions preclude longer-term thinking. In future, CCS could become a huge new North sea asset. That is why we propose that consideration be given to the opportunities that exist to use North sea infrastructure for CCS where that is economically viable.

Unfortunately, since the Bill was discussed by peers in the autumn, resulting in the one now before us, the Chancellor took the reckless decision to axe the £1 billion fund that he had promised to support new CCS projects during the course of this Parliament. That is one of the clearest examples yet of how this Government are damaging confidence among the people we need to invest in this country's energy system by once again chopping and changing energy policies without any notice. The mishandling of the Government's CCS programme means that the public will most likely pay, as companies understandably seek to recover costs relating to the

[Lisa Nandy]

CCS projects in Yorkshire and Scotland that they progressed in good faith but that will now not proceed. That is why I have written to the head of the National Audit Office to ask that he launch an investigation so that we can fully understand the cost to the public of the Chancellor's sudden decision. It is also why we will seek to amend the Bill to require the Secretary of State to bring forward a new carbon capture and storage strategy within a year.

There used to be consensus on this. The Prime Minister used to be a strong supporter of CCS too. Back in 2007, he said:

“even though in the UK we have the depleted oil and gas fields that are ideal for testing this technology, not a single pilot is yet taking place in Britain. We cannot afford this kind of delay.”

He was right then, and he is wrong now. The UN's Intergovernmental Panel on Climate Change has stated that if we do not have CCS on a global scale, we are likely to see the costs of achieving targets on climate change being double what they would be otherwise. These targets may even be put out of reach entirely.

**Jeremy Lefroy:** I am grateful to the hon. Lady for her generosity in giving way. Does she agree that there are a lot of opportunities for exporting CCS technology around the world and that they should be taken up?

**Lisa Nandy:** I do agree with the hon. Gentleman. There is also an opportunity for us to make sure that the British workforce benefit from the skills to be gained from investing in that technology, so that we can export around the world not just the technology but the skills and knowledge of our workforce. That short and medium-term investment would be for our long-term gain, and it is important that we see it as such.

Experts at the Energy Technologies Institute have estimated that, without CCS, by 2020 the costs of reaching our climate targets could be in the order of £40 billion to £50 billion a year more than if CCS were deployed. Ruling out technologies that can cut the cost of low-carbon transition is bad news for bill payers and for taxpayers.

**Mr David Anderson (Blaydon) (Lab):** Does my hon. Friend agree that the debate about CCS should not be happening today because it should have been concluded at least half a decade or even a decade ago? We led the world in clean-coal technology for decades, but that is no longer the case because of the actions of the Conservative party. We should be doing it now, not talking about it.

**Lisa Nandy:** I agree with my hon. Friend. I am not one who is keen to cast back into history to appoint blame, but what I will say to him and to the Secretary of State is that a 10-year promise was made not just to industries and companies, but to the communities that stood to benefit and to gain a huge amount from CCS. Given that the Government have announced £250 million of investment in a competition for nuclear small modular reactors, we seem to be creating a complete lack of confidence that any of the other schemes will proceed. Such decisions and the way in which they are taken damage our energy security, not just in the short term but in the long term. We have to give a signal that Britain is open for business, but the Chancellor's decision has done precisely the opposite.

That brings me to the part of the Bill relating to wind farms. There was once a time when the Prime Minister was so keen on wind turbines that he even put one on the roof of his house. Now his Government are trying to legislate to close a scheme that has successfully driven investment into the cheapest low-carbon energy source available. Wind farms already provide power to more than 8 million homes in Britain, and once again it will be energy bill payers who pay the price for the Government's short-term decision. The Institute for Public Policy Research has estimated that ruling out onshore wind farms and relying on other low-carbon technologies to achieve our energy targets could increase costs for bill payers to up to £3 billion through to 2030. There will also be a cost to jobs and growth in an important clean-energy industry.

There is one area on which we agree with the Government, and that is that wind farms should not be imposed on communities that do not want them. That is why we support the Government's proposals to put local authorities in charge of approvals for such projects. Yet the reality is that the Government are using the Bill to try to block wind farms even where they enjoy strong local support, and they are taking powers away from local authorities in relation to other areas.

**Graham Stuart (Beverley and Holderness) (Con):** I am glad that the Labour party has effected a U-turn, because I argued for years under a Labour Government that imposing wind farms on communities against their will would lead to a backlash and to the project being brought to a halt. That is what has happened, so it is a bit late for the hon. Lady to say that she wants to listen to local communities. If we had listened to local communities all along, we could have had more onshore wind turbines where they were desired, rather than the backlash that has resulted in the current situation.

**Lisa Nandy:** As the hon. Gentleman often reminded me when I served on his Select Committee, he is always right, and usually long before everybody else. We very much support the right of local communities to decide, but we do not understand why the Government do not. The real-time actions they are taking in this Bill will, in effect, block wind farms where there is strong local support for them. Moreover, the Government are taking exactly the opposite approach to fracking applications and seeking to deny local communities the right to decide what happens in their areas.

**Christopher Pincher:** My right hon. Friend the Member for Wokingham (John Redwood) has pointed out that now onshore wind generates 1% of generating capacity. At most, when the wind is blowing, it is 7% or 8%. What percentage of our generating capacity would the hon. Lady like wind to supply? If it is significantly more than 8%, how would it be done without imposing wind farms on areas that do not want them?

**Lisa Nandy:** First, the hon. Gentleman is wrong about the figures. Wind generates about 10% of our power. Secondly, there is no question but that we need to move towards a clean energy-driven economy. I think he accepts that case, as do two thirds of the British public, who said in a survey as recently as last September, in a poll of 2,000 adults conducted by ICM, that they would be very happy to have a wind farm operating within 2 miles of their house, if the local authority or community

had power over how it was operated. That is one reason I have told the Government we should not seek to block wind farms where they enjoy strong local support, and that we support the right of local communities to decide where they are based.

It looks as though the Chancellor has decided to sacrifice jobs and investment to win personal support from Back Benchers with a particular obsession with wind farms. It is unacceptable, and we will do what we can to defend wind energy from ideological attacks. The Conservative party manifesto said nothing about retrospectively shutting down this existing scheme—it was clear it would stop new subsidies for wind energy, but this is not a new subsidy; it is an existing one.

**Chris Heaton-Harris** (Daventry) (Con) *rose*—

**Lisa Nandy:** Now that I have wound him up sufficiently, I will happily give way to the hon. Gentleman.

**Chris Heaton-Harris:** The hon. Lady was being quite consensual, so would she associate herself with the remarks of the former leader of her party, the right hon. Member for Doncaster North (Edward Miliband), who said that blocking turbines in local communities would amount to antisocial behaviour?

**Lisa Nandy:** The key thing is that we take communities with us. We have to go to local communities and make the case for how we create jobs, provide energy stability, cut bills and take action on global warming. If we do not take communities with us, we will not do any of that. That is why, I say to Government Members, it is completely hypocritical to argue one thing in respect of wind farms and precisely the opposite when it comes to fracking applications. I hope the Secretary of State has heard me.

Nor does it make sense to claim that the change is about affordability, as Ministers have consistently argued, given that onshore wind farms are one of the cheapest options available to help us secure our power needs and that the Government are pressing ahead with much more expensive options. A Conservative Member asked about this earlier. The Secretary of State is yet to clarify—perhaps she can tell us today—whether subsidy-free onshore wind farms will be allowed to compete for contracts for difference. As with the Chancellor's decisions on solar energy and carbon capture and storage, this is yet another example of the Government chopping and changing their energy policy to the detriment of investment in jobs, growth and our energy security.

More than anything, the energy sector as a whole needs stability and confidence to get on and invest. I particularly recognise the urgency of supporting our North sea oil and gas industry and that peers have improved the Bill significantly since the Government introduced it. For those reasons, I will support it on Second Reading, but I hope Ministers will engage constructively with the debate and our amendments in the weeks ahead.

5.14 pm

**Nigel Adams** (Selby and Ainsty) (Con): It is a great pleasure to follow the hon. Member for Wigan (Lisa Nandy).

I rise to welcome the Bill. I particularly welcomed the original version, before noble Members got their hands on it and removed clause 60, which would have delivered on my party's clear commitment to the electorate before the general election. We promised no new subsidies for onshore wind farms and to give local communities the final say on onshore wind farm applications. A failure to deliver that promise in its entirety would be a failure to balance the interests of onshore wind developers with those of hard-working families in my constituency and right across the country. I also welcome the strengthening of the Oil and Gas Authority's powers to ensure that we make the most of our reserves.

Almost a year ago, I introduced the Onshore Wind Turbine Subsidies (Abolition) Bill. It had precisely the same objective as the original clause 60 of this Bill. I would like to think that my ten-minute rule Bill was a trailblazer for the Government's Bill. I introduced my Bill because if we are to subsidise renewable energy sources, it is essential to support technologies that will produce power when we need it, not just when the wind blows. Given that one man's subsidy is another man's tax, it is crucial to make sure that when we spend money, we do so wisely.

Onshore wind farms generate below 20% of their stated maximum output for 20 weeks a year, and below 10% for nine weeks a year. That means that wind farms are, in effect, failing to reach maximum output capacity for more than half the year. On average, they exceed 90% of their rated output for only 17 hours a year. There is also a very significant issue about whether those wind farms will be able to reach such heady peaks when they are actually needed. Worse still, Britain's wind farms are routinely paid large sums not to generate electricity—as much as £1 million each week in 2014. *[Interruption.]* Does the hon. Lady want to intervene?

**Caroline Lucas:** First, the issue about being paid money when the power is not actually used is not unique to renewable power. *[Interruption.]* I am not going to engage with someone intervening from a sedentary position. My second point is that the hon. Gentleman does not seem to have heard of batteries or interconnectors, and does not seem to recognise that Germany is moving into renewables massively. He is in another century, while the rest of us have moved on.

**Nigel Adams:** I am in a century that backs our constituents and wants an effective energy sector that produces power when we actually need it.

**Albert Owen** (Ynys Môn) (Lab): I hear what the hon. Gentleman says about renewables, but is he not really making a case for a balanced energy policy? In the summer, there is a need to switch off some generation because of low demand. It is very expensive to do that for gas or nuclear power stations and then to bring them back online. Wind is actually cheapest, and we need such an intermittent energy source as part of the mix.

**Nigel Adams:** The hon. Gentleman makes a fair point, or at least it would be fair if it was accurate, which unfortunately it is not. Wind has to be backed up by fossil fuels, which makes no sense whatsoever. We must take into consideration the full system cost of wind.

[Nigel Adams]

Such payments, which are described as constraint payments, ultimately end up on consumer bills, meaning that the public are in effect subsidising the UK wind industry not to produce electricity. One really could not make it up.

**John Redwood:** When we get our coldest days in winter, they are usually days of no cloud and practically no wind, but that is exactly when we need maximum power.

**Nigel Adams:** My right hon. Friend makes a perfectly sound point. That is the case today, for example. I will be more generous to the wind industry: I think that 1.11% of power today is being generated by wind. We all know what happened in November, but I will come on to that a little later. We are becoming more reliant on intermittent renewables.

**Andrew Percy (Brigg and Goole) (Con):** I live opposite a wind farm in my hon. Friend's constituency. I do not blame him for not preventing it, because it was before his time. Many of the people who are in favour of wind farms are not surrounded by them as people in my constituency are. On the issue of renewable energy and its intermittent nature, does he not agree that one form of generation that we should be promoting more and that we know very well in our area is biomass, which not only supports thousands of jobs at Drax power station, but is a source that we can turn on and off at will?

**Nigel Adams:** My hon. Friend and neighbour is absolutely right. I applaud the work that Drax power station has done and I look forward to biomass generation going ahead at Lynemouth, which is under new ownership. It is a much cleaner fuel than coal. Indeed, it reduces emissions by about 80%. I would like the Government to get behind more biomass. I am sure that they will have an explanation for why there might be three pots for offshore wind, but I would like biomass to be able to fight on an even keel with the other technologies.

There is increasing dependence on offshore wind and solar. The situation is getting worse, not better. The nuclear stations, when built, will form part of the solution, but they cannot react to changes in demand or failures in supply anything like fast enough to keep the lights on. They can provide only base-load power, which is important but is not the answer to the intermittency problem.

**George Kerevan (East Lothian) (SNP):** The hon. Gentleman lectures us on intermittency, but one of the most serious aspects of the intermittency in the UK is our ageing nuclear power plants, which go offline continuously, with catastrophic effects on supply.

**Nigel Adams:** The hon. Gentleman makes a fair point. That is why we need the new stations to be built a bit sooner. If previous Governments had been a bit braver, we might not be in the situation that we are in now.

In the circumstances, is it wise to phase out all the coal in the system before sufficient gas and biomass have been deployed to make up the difference? I ask the Minister to restate the Government's commitment that

coal will be phased out of the system only after sufficient biomass and gas generation have been brought forward to make up the loss.

**Graham Stuart:** Does my hon. Friend accept that if we are to get the dirtiest of fuels off the grid and clean our atmosphere, we have to state that as an objective, as the Government have rightly done, because only after that signal will the investment come forward to replace it? If it will not definitely be phased out, why will people definitely invest?

**Nigel Adams:** That is a fair point from my hon. Friend, but we certainly need bridging technologies, because we will have a gap in which we could see days like those we saw in early November.

**Andrew Percy:** Will my hon. Friend give way?

**Nigel Adams:** I feel as generous as Santa Claus today, Madam Deputy Speaker.

**Andrew Percy:** I thank my hon. Friend for giving way. First, although we are aware that coal is the dirtiest form of generation, it employs an awful lot of people in our area for one thing. Secondly, does he agree that the real concern is that losing Drax, Eggborough and Ferrybridge will put us in a position where the lights go off? Woe betide any Government who preside over the lights going off. We need certainty that losing coal will not lead to that.

**Nigel Adams:** I totally agree. That is another great advertisement for sustainable biomass. We have paid for these assets—the Central Electricity Generating Board built these power stations—so let us sweat them for more decades. Biomass is the answer in the short term. Who knows? There might be other technologies that we could be using at them, such as hydrogen power. I am sure that there are the brains out there to find a way to use that resource.

**Sammy Wilson:** Will the hon. Gentleman give way?

**Nigel Adams:** I will give way one more time if I am allowed, Madam Deputy Speaker.

**Sammy Wilson:** Does the hon. Gentleman accept that another reason for keeping coal generation is that it is the cheapest form of electricity generation at present? Our competitors, for example Germany, are building new coal stations. When it comes to retaining jobs in the United Kingdom, we have to be cognisant of that.

**Nigel Adams:** I agree with the hon. Gentleman. It is tragic that we have sped up the demise of coal in this country. He will be aware that the last remaining deep coalmine was in my constituency. Unfortunately, it closed at the back end of last year.

**Mr Anderson rose—**

**Nigel Adams:** I really need to move on, but I will give way to the hon. Gentleman because he is a grand fellow.

**Mr Anderson:** You're absolutely right I'm a grand fellow!

If we are to put public subsidies into trying to keep the lights on, why not subsidise the coal industry? As the hon. Gentleman said, we will continue burning coal, but it is not dirty British coal, it is from places such as China, Ukraine and Colombia, where hundreds or thousands of men are dying every month or year. It is morally wrong to burn that coal and put British miners on the dole. That is completely wrong.

**Nigel Adams:** The hon. Gentleman is absolutely right, and if he was here at the back end of last year when we debated the closure of Kellingley colliery, he will have heard me very much echo his sentiments.

At the end of 2015 there were already 490 operational wind farms in the UK with an install capacity of 8.3 GW. The Government estimate that in 2015-16, £850 million of direct support will go towards funding onshore wind farms. A fraction of that sum could deliver reliable, low-carbon, cost-effective renewable electricity that can react to changes in demand if it were diverted to more and reliable renewables, such as sustainably sourced biomass. I use the words “direct support” on purpose because the £850 million refers only to subsidies that are paid to those wind farms. The inherent failings of wind farms must be compensated by someone, which comes at a cost. If there is a risk that the wind will stop blowing, National Grid must ensure that it has sufficient capacity to mitigate that risk.

If a wind farm has a load factor of 30%, National Grid must make provision for generation for the other 70% of the time. If the new wind farm has to be built deep within our beautiful countryside, or out at sea where it is more expensive, National Grid has to pay for new transmission lines. That all comes at a cost, and those costs are paid by all generators, not just the wind farm developers that caused the problem. It is yet another hidden subsidy for wind power.

The notification of inadequate system margin that occurred on 4 November was a prime example of a problem caused by a lack of conventional capacity, because on that very still day, the wind was not blowing and it could not make up that capacity, despite all our investment in wind power. All generators—and ultimately all consumers—had to pay for balancing actions that National Grid had to take, at a cost of £2,500 per megawatt-hour. That is something like 50 times the usual cost of power and—at least in part—that was because when we needed our costly wind capacity, it simply was not available.

I warmly welcome the commitment made by the Minister last week when, in a written response to a parliamentary question from the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop), she promised that in the first half of 2016 the Government would publish research into those hidden costs, so that we can see the whole system costs of different renewable generation technologies, and that the findings will be used to inform policy decisions. I hope that is the first sign that future contracts for difference auctions will not simply unleash new waves of intermittent renewable technologies. More sensible, reliable renewable generation options are available to us, but the hangover from the previous Government and our coalition partner’s love affair with wind will suffocate those options unless we act.

Of course, the madness does not stop with the extra costs, because there is also a carbon problem. If a wind turbine has an availability of 30%, National Grid needs

either a vast number of other wind turbines spread all over the place in the hope that the wind will be blowing somewhere, or—this is more likely—a gas or coal station on standby to generate the rest of the time. We therefore subsidise a wind turbine to push fossil fuels off the grid, while simultaneously subsidising a fossil fuel power station to stay online and generate carbon dioxide for more than half the time when the wind is not blowing—you could not make it up, Madam Deputy Speaker. The same is true for offshore wind farms, albeit they have slightly higher availability.

In conclusion, I recognise that the Conservative Government cannot make up for the mistakes of the past with retrospective action. A deal is a deal, and existing onshore wind is here to stay. We cannot reverse the insane situation in which we banked our energy security on the vagaries of the weather, but we can put an end to the madness. We can stop all new investment in onshore wind, as we have promised to do, and we can think much more carefully about the case for investing in other intermittent technologies.

5.30 pm

**Callum McCaig** (Aberdeen South) (SNP): That was an interesting contribution from the hon. Member for Selby and Ainsty (Nigel Adams). It was full of problems but not many solutions—the solution being a balanced energy market that allows flexibility. Probably the only thing I agree with him on is biomass. I also agree that a deal is a deal, but it is a shame that that has not been applied to onshore wind investors who have had deals scuppered because the goalposts have been moved.

I welcome the opportunity to speak on Second Reading of the Bill. It is important that we have finally got round to discussing it. It is nearly two years since the review of the UK continental shelf by Sir Ian Wood, which made a number of recommendations. As we have heard, it commanded, and still by and large commands, cross-party support, although there are problems with the details. I and some in the oil and gas industry have had a degree of frustration that progress has not been as swift as it could have been in fully establishing the Oil and Gas Authority, but the delay in introducing the Bill and the uncertainty that that has caused, particularly in respect of the grace periods for onshore wind, has been much more unhelpful.

Broadly speaking, the OGA is up and running and working effectively. The OGA and its head, Andy Samuel, enjoy tremendous respect and credibility within the oil and gas industry. It is beholden on all hon. Members to commend the work that has been done in setting it up. The team that is in place is impressive and is doing very well. The Bill will give them the full armoury of powers they require to ensure that the UK continental shelf thrives.

Scottish National party Members very much support the plans for the OGA in the Bill but—this will come as no surprise to the Secretary of State—we are not so keen on the onshore wind aspects. I am not required to explain the importance of the oil and gas sector to hon. Members. As has been said, it has generated in excess of £300 billion in tax revenue; 45 billion barrels of oil have been extracted, and potentially up to 24 billion are left; and it supports 360,000 jobs, with 36,000 directly involved.

**Graham Stuart:** Does the hon. Gentleman agree on these two things: first, that while we are burning oil and gas, it might as well be our own; and, secondly, that saying we are subsidising oil and gas simply because we tax it slightly less is a false narrative?

**Callum McCaig:** I agree very much with the hon. Gentleman. It strikes me that there are certain parallels with the coal conversation moments ago. That situation could come to pass if we do not support the North sea. We need to transition away from oil and gas, but that will take some time given the economics at play. If we are using oil and gas—we will be doing so for the foreseeable future—it might as well be ours. We might as well get the economic benefit of it, and we should certainly use that economic benefit to try to diversify and invest in other areas. The hon. Gentleman made the point on subsidies. The oil and gas sector is taxed very highly, and more highly than any other sector of which I am aware. It is taxed less than it was, but we probably require it to be taxed less if we are to see the benefit of the industry in future.

The OGA is vital to that future and it is hugely important that it is put on a firm footing. It must be given the regulatory powers it requires and the ability to engage fully with industry on access to infrastructure, plans for investment and so on. I very much support the Government in ensuring that the OGA continues to have a laser-like focus on maximising economic recovery, which is fundamental to that purpose. Over the years, there have been umpteen changes to oil and gas. It is in the nature of the industry, with its huge capacity to generate income, that the goalposts have changed substantially during that time, but I plead with all hon. Members not to change the goalposts again. The industry has been working for two years towards proposals on maximising economic recovery, which have universal buy-in and require that the OGA's focus is not complicated.

**Sammy Wilson:** Does the hon. Gentleman accept that the focus must be on economic regeneration, rather than further regulation? The industry, especially at this time, cannot afford more costly regulation.

**Callum McCaig:** I disagree. The absence of a strong regulator is where there have been significant problems in the oil and gas industry, in particular with access to infrastructure. The inability to get two parties with competing commercial interests to agree a deal on access to oil and gas infrastructure—a pipeline, for example—has meant that investment decisions have not been implemented. The industry needs a regulator that is hard-touch where required. I very much hope that the threat of sanctions from the OGA will in itself be enough, and that they will not be required. The OGA probably recognises that itself. Issuing sanctions left, right and centre would suggest that its soft skills, its influence and the buy-in the Wood review has brought forward, are not working effectively enough. Where there is no compliance or buy-in to the idea of maximising economic recovery, and where disagreements about access to infrastructure are inhibiting investment, the regulator should go in—and go in hard—to ensure that what everyone is supposed to be working towards is delivered.

**David Mowat (Warrington South) (Con):** The hon. Gentleman mentions, correctly, the need for a laser-like focus on maximising economic recovery as the objective

of the Bill—and goodness knows we need it. Is it therefore his party's position that the amendment in the House of Lords on carbon capture and storage is not necessary at this point, because it could risk reducing that laser-like focus?

**Callum McCaig:** Yes. I am coming on to that point now. I have spoken about carbon capture and storage many times and I will continue to do so. We fully support that. However, there is a requirement, which the shadow Secretary of State talked about, to have the review and the strategy in place before it can be imposed as one of the principal objectives of the OGA. If we dilute the core functions of the OGA, we distract from that attention. We should remember that the OGA and the Wood review come from a time when oil was over \$100 a barrel. Those were the circumstances required to support the industry, which was going through difficult times, at a very high oil price. Those pressures are much higher today. I agree that we need to allow the OGA to bed in. Perhaps in future, once there is a strategy in place and it can be demonstrated that it has the support of the Government from both a financial and a strategic point of view, that might be something we want the OGA to do. At the moment, however, I think that is premature.

As I said, the Wood review comes from a time, two years' ago, when oil was \$110 or \$115 a barrel. It is now \$29 a barrel. The game has changed significantly. We have to accept that, while this is a vital step in supporting a vital industry, it will not be enough in and of itself. We need fiscal changes to the tax regime, particularly on incentives, and to review the tax level as a whole.

Immediately following the autumn statement, the Oil & Gas UK economics director, Mike Tholan, said:

"Since the last Budget, the oil price has declined further, and we must continue to do as much as we can to help boost confidence and encourage investment in the UK Continental Shelf. If the oil price continues to be lower for longer, there is little doubt that alongside industry's own concerted effort to improve its efficiency, we will need to work with Treasury on additional measures, including revisiting the current headline tax rate—consistent with the government's commitment to the sector's tax rate falling over time."

**James Cartledge:** This issue clearly has to be approached through partnership between the UK Government and the Scottish Government. That being so, and given that the Scottish Government are about to get new tax-raising powers and that this is currently a real crisis for the key UK and Scottish strategic economy, will it be the policy of the Scottish Government to use those powers to raise funds to support the industry, if need be?

**Callum McCaig:** Frankly, I am not sure how income tax could be used to boost the oil and gas industry, but if the hon. Gentleman has any concrete suggestions—*[Interruption.]* On my understanding of the Scotland Act 2012 and of the progress made on tax-raising powers, I do not see how the Scottish Government would have the ability to do anything that would materially affect the fiscal regime. If the hon. Gentleman wishes to join us in calls for corporation tax for oil and gas revenues to be devolved to Holyrood—or, indeed, for full fiscal autonomy—he would be more than welcome to do so. The suggestion that the minimal powers devolved to Scotland for raising tax revenues and achieving economic objectives such as boosting the business environment could in some way be used to boost the oil and gas sector is, at best, naive.

**John Redwood:** The UK Government are not currently collecting any special North sea tax revenues because the oil price is so depressed. I might agree with the hon. Gentleman if reforms were made in the future, but will he give us an impression of the industry's perspective in the area around his constituency on what will happen to jobs and investment at these oil price levels?

**Callum McCaig:** The oil industry is going through a difficult period, but there is a fair degree of resilience and optimism in these difficult times. A concerted effort is being made to show that it is not a sunset industry, and that it will work through what needs to be done. As was clear in the quote that I cited, the industry is making efforts to reduce costs. We in this Chamber can do nothing about the price of oil, but we can do something about the investment climate, which I think would be significantly enhanced with changes to the fiscal regime. Aberdeen is seeing job losses on a fairly sizeable scale, but it is probably still performing above average, and I certainly hope that it continues to do so.

The issue of tax revenues is not only about the supplementary charge in corporation tax or the petroleum revenue tax, because the full range of tax revenues needs to be factored in, including income tax, national insurance and the corporation tax paid by the supply companies. This is a major sector, and if we can invest in the skills and ensure that we bridge over what everyone agrees will be a temporary downturn in the oil price—how temporary is a matter on which I shall not speculate, because that could end up with my looking daft—that support will help.

Changing the tax regime would send a very powerful message to those looking at investment. If investment is not made in the UK continental shelf, because of the nature of the business the investment will be made in west Africa, Kazakhstan, Brazil or the gulf of Mexico. It is not a zero-sum game. Precisely because very little tax is being paid—unusually so—the Treasury is not banking on North sea oil to deal with what it needs to pay for, so it can afford to make the changes. The revenue forecasts for the next few years are low, and changing the regime now would make that viable. It would also send the clear message that this is a basin that is worth investing in. If there is investment, there are jobs, the skill base is maintained, and the supply chain is supported in a way that ensures that it can invest in and develop products not only for the North sea but for the global oil and gas industry, into which the United Kingdom supply chain—particularly around Aberdeen—is making great efforts to diversify.

I am very much in favour of the OGA's establishment as an independent regulator. I am sure that, as we enter the next stage, there will be discussions about the nuts and bolts, but we want it to happen, and happen very soon.

Let me now move on to the closure of the renewables obligation. [*Interruption.*] Excuse me?

**Mr Peter Lilley** (Hitchin and Harpenden) (Con): We thought that the hon. Gentleman was moving on to the closure of his speech.

**Callum McCaig:** I am sorry to disappoint the right hon. Gentleman. I will be brief, to a degree. I do not need to rehash the arguments about the closure of the

renewables obligation, which is disproportionately affecting Scotland, because 70% of the wind farms that are in the pipeline would be there. I know that the Government have said that they want to try to reintroduce the closure in order to meet a manifesto commitment, but I urge them not to do so. If they do, we shall oppose the move.

**Sammy Wilson:** Given that fuel poverty in Scotland has increased by two and a half times since 2002—from 13% of the population to 34%—how can the hon. Gentleman justify further subsidies for wind turbines, which are paid by consumers and most of the proceeds of which go to well-heeled large landowners?

**Callum McCaig:** I do not think that that is the solution to fuel poverty. I think that the solution to fuel poverty is to insulate homes, in which there is huge and disproportionate investment in Scotland, and to end poverty. We have made various suggestions about how to do that, but the fact is that fuel poverty does not exist in a vacuum; it exists in the environment of actual poverty.

Onshore wind is a cheap renewable, and the closure of the renewables obligation is set to save bill payers the princely sum of 30p. Moreover, it will produce up to 63 million tonnes more carbon dioxide.

**Nigel Adams:** Will the hon. Gentleman give way?

**Callum McCaig:** The hon. Gentleman's colleague seemed to want me to nip on a wee bit, but I am happy to take an intervention.

**Nigel Adams:** I am very grateful. I apologise to my right hon. Friend the Member for Hitchin and Harpenden (Mr Lilley), who is far more senior than I am.

The hon. Gentleman talks of how cheap onshore wind is as a renewable. Does he not accept that it must be backed up by fossil fuels, which are not so cheap? If the full system cost of onshore wind is taken into consideration, it is one of the least affordable renewable technologies that we have.

**Callum McCaig:** So we are backing up the cheap renewables with fossil fuels that are not so cheap, and the solution to that is to use the fossil fuels that are not so cheap all the time. That sum does not quite add up. I am not sure that I have worked out the equation.

We have been EVELed out of the changes in the planning regulations, but I would not have opposed them anyway. However, I think that what is good for the goose should be good for the gander, and that the policies should respect the different attitudes that exist in the different nations of the United Kingdom. We in Scotland would like onshore wind generation to continue, and we hope that there will be mechanisms to enable that to happen—which brings me neatly to the idea of a subsidy-free contract-for-difference mechanism that would provide the price stabilisation and allow a route to market for onshore wind, the cheapest form of renewable generation. I am sorry; I could not help it. That was there for the benefit of the hon. Member for Selby and Ainsty.

Finally, the emissions trading proposals would ban the Government from using carbon accounting through the European emissions trading scheme. I and my party are not opposed to that in principle, but would recognise

[*Callum McCaig*]

that we are probably a little premature in terms of agreeing that in advance of the fifth carbon budget.

**David Mowat:** In principle, that apparently is the position of the hon. Gentleman's party, because to leave the ETS, which is a Europe-wide system, seems an odd tack to take for a party that is always telling us how European it is. In particular, surely the way to fix this is to get a proper ETS, not one that has a price of carbon that is so low? That is the way forward, not by leaving it. Surely as good Europeans, that cannot be the SNP position.

**Callum McCaig:** I do not believe there was any suggestion to leave. I would not suggest we cannot use or do it, but, rather than looking to buy carbon emissions and the capacity off our dear friends on the continent, we should be looking to be the leader and to have that high ambition. We could be in a position not only to stop counting those emissions towards our own contributions, but sell some to others who may not be quite so good in dealing with it.

In closing, as I see it there are three aspects to this Bill: the Oil and Gas Authority, the onshore wind and the emissions trading. We at this stage support two out of three, and, as Meat Loaf said, "Two out of three ain't bad."

**Several hon. Members** *rose*—

**Madam Deputy Speaker (Natascha Engel):** Order. I am going to have to impose a 10-minute limit on Back-Bench speeches from now on, and we will see how we get on.

5.51 pm

**Mr Peter Lilley** (Hitchin and Harpenden) (Con): It is a great pleasure to follow the two previous speakers, my hon. Friend the Member for Selby and Ainsty (Nigel Adams), who made an extremely realistic speech, and the hon. Member for Aberdeen South (Callum McCaig), who I thought was amazingly complacent about the primary industry in his constituency, which is going to suffer very considerably for a considerable time from the run-down in the oil industry. It is amazing to me that the SNP can abort two potentially valuable industries in Scotland—underground coal gasification and fracking—which might have provided alternative jobs for the people in his constituency, and I hope he will look closely at that.

Wherever we are on the spectrum on global warming, from sceptical to alarmist, we can surely all agree on one thing: that we should try to achieve the targets to which we are committed for reducing CO<sub>2</sub> at the least cost to our constituents, because it is ultimately they who bear it either through their budgets or their jobs. So when my right hon. Friend the Secretary of State found that subsidies were proving unnecessarily generous to achieve our targets and we were achieving them ahead of time, so that without changing those targets she could reduce those subsidies, she assumed the whole House would be in universal agreement with what she was proposing; even I, for once, was on her side. But it was not so: there were calls from the green lobby and the Opposition to keep subsidies higher than necessary

for longer than necessary to achieve the targets to which we are committed, and key amendments in this Bill seem designed, likewise, to increase the costs of achieving our targets.

Clause 80 will not allow the use of the emissions trading scheme to achieve our targets, yet the whole purpose of the ETS is to ensure that those who can abate emissions at the lowest costs, do so. So by excluding the use of that, we are ensuring that higher costs are incurred to achieve a given abatement in emissions. Another amendment prolongs the subsidies for onshore wind for longer than needed, even though that is unnecessary. So I shall, unusually, be supporting the Front Bench in seeking to have both those amendments from the Upper House removed.

Above all, we have created a framework that commits us to load higher costs on UK consumers and businesses via the Climate Change Act 2008 and all its ramifications than any other country in Europe. Despite all that, we will ensure, because of the way the system works, that we do not reduce the amount of carbon dioxide emitted into the atmosphere by one molecule more than would be the case if we were doing the same as the rest of Europe.

Let me explain why that is so. At Paris all the countries of the world agreed to make commitments on what they were going to do in future to curb the growth of their CO<sub>2</sub> emissions. The only exceptions were the countries of Europe, who put in a total figure for the whole of Europe and are now to allocate that figure among the member states. Because we are committed to doing so much more than the average in Europe—indeed, than anybody else in Europe—all that does is to reduce the amount by which the other countries in Europe will have to reduce their emissions. So we have increased the burden of costs on British households and business, reduced the burden of costs incurred by our partners in Europe, and not reduced the emissions of CO<sub>2</sub> by a single molecule.

That is an extraordinary thing to achieve. It has puzzled me a for a long time how it is that we have a political class, particularly the green lobby that straddles both sides of the Gangway—

**Sammy Wilson:** Not universally.

**Mr Lilley:** Indeed, not universally on the Opposition Benches. It puzzles me that the political class is committed to such perverse policies. Then I found a possible hint of an explanation, when someone mentioned to me, Madam Deputy Speaker, a book that I am sure that, like me, you have not read but have heard about called "Forty Shades of Grey". It is apparently a mildly pornographic—

**Graham Stuart:** Fifty, not forty, I think.

**Mr Lilley:** It is apparently "Fifty Shades of Grey". [*Interruption.*] Have I any higher bids? I have not read it; I have not even read the title of it. However, the surprising popularity of that book demonstrated that sadomasochism, or the infliction of pain and the submission to pain, are far more widespread tastes than we had previously thought. It seems to me that in the political sphere there is a similar belief that it would be popular to inflict pain or submit to pain by green policies. We might say that what we are suffering from in this country is "Fifty shades of green".

The trouble is that Members who are committed to this doctrine measure the success of their policies not by what they will achieve, but by what they will cost, and not by how effectively they will reach a given destination, but by how onerous are the burdens they can place on Britain, British households and British business.

That pain is very significant. The Committee on Climate Change worked out the costs of climate change policies in 2014-15, and it came out at about £250 per household. [*Interruption.*] The right hon. Member for Doncaster North (Edward Miliband) may disagree with the Committee on Climate Change, which he helped set up; if so, please intervene—but of course he cannot sustain his position. That figure is set to double by 2020, to double again probably by 2030, and to double again by 2050. That is the direct effect on household budgets both through their energy bills and the cost of more expensive products because energy prices feed through to product costs.

There is also the cost on jobs. We have lost the aluminium industry already, and earlier today we were seeing the serious the impact of job losses in the steel industry. Of course, the basic reason why there are job losses in the steel industry is that there is a worldwide glut of supply, but the reason that falls excessively on this country is that our industrial energy costs are higher than those anywhere else in Europe. That is why we are suffering disproportionately at the moment. I am reliably informed by my right hon. Friend the Member for Wokingham (John Redwood) that we are importing bricks. I recently had lunch with a businessman who said that 7% of his output comes from the UK but that 28% of his energy costs were in this country.

**John Redwood:** Is it not the point that these green targets can bear down very heavily on our country without reducing carbon dioxide emissions at all, because these products are being made somewhere else and perhaps producing even more carbon dioxide?

**Mr Lilley:** My right hon. Friend is absolutely right. This is yet another example of the perverse effects of what we do. We impose costs on our own country, our own industries and our own households but we do not even achieve the objective of reducing carbon dioxide emissions. In fact, in these cases we probably marginally increase them.

My appeal to the House is that we start looking at this whole business in a rational way. Let us take all the targets to which we are committed as a given. Like the hon. Member for East Antrim (Sammy Wilson), I think they are unnecessary and unwise, but let us take them as a given and seek the least costly way of achieving them. Let us seek to achieve them in a way that will place the fewest burdens on British households and result in the fewest job losses and the least destruction of industry and output. Let us not measure our success by how much pain we can inflict and how much harm and burdens we can submit to, as we have done through the 50 shades of green up to now.

**Caroline Lucas:** Given that the right hon. Gentleman is apparently genuinely concerned about costs, why does he not extend that same analysis to nuclear energy? For example, Hinkley is going to put a massively greater strain on household budgets than renewables would do and it will not help us to get emissions down for at least a decade.

**Mr Lilley:** When the Energy and Climate Change Committee produced its report, I voted against that project precisely because I was worried that we were committing to an unnecessarily high cost, although I am not against nuclear in principle. I do not agree with the hon. Lady that it is much more costly than offshore wind. In fact, I think it is less costly. It is still unnecessarily costly, however, and we should therefore look again at options such as modular nuclear. If she were to put forward a motion to reduce the subsidies for offshore wind so that they were equal to those for onshore wind, I would happily second it. I would happily join her in that because I am genuinely in favour of reducing costs.

**Chris Heaton-Harris:** Madam Deputy Speaker, I am sure you would agree that my right hon. Friend's speech is spanning this out of the park. Does he agree that the way in which we have moved forward by introducing an element of the market into the mechanism of bidding for subsidy in our energy profile is the right way forward, and that the renewables obligation is the wrong way forward? I also support the Government.

**Mr Lilley:** I agree. It was very late in the day when we introduced that system, so at least we incurred the minimum cost of subsidy to achieve the given objective rather than just plucking out a number, which would inevitably have been high, given that civil servants always are rather generous with public money and set targets high, just so that they can say, "Oh look, we have achieved our quantitative solution, even if we have done so at unnecessary expense."

**Graham Stuart:** My right hon. Friend is making an entertaining speech. Offshore wind has a price of around £140 per MWh, but the industry expects to bring that down to around £100 by 2020, and by the time we have any nuclear power stations, it is pretty likely that it will be below the cost of nuclear and falling, whereas the cost of nuclear will be fixed for the entire time.

**Mr Lilley:** My hon. Friend is normally very rational, but on this occasion he is being irrational. He is suggesting we should invest in very expensive and currently inefficient products in the hope that the next generation of such products will be cheaper. However, other people would also be able to invest in those cheaper products and compete with us. If they are going to be cheaper in five years' time, we should wait five years and do it then.

6.4 pm

**Edward Miliband** (Doncaster North) (Lab): It is a privilege to follow the unique speech of the right hon. Member for Hitchin and Harpenden (Mr Lilley). I bow to his greater knowledge about 40 or 50 shades of grey—or green, for that matter. It is also fair to say that he has taken a consistent position on these issues. He was one of the three Members of this House—

**Mr Lilley:** Five.

**Edward Miliband:** I beg his pardon. He was one of the five Members who voted against the Climate Change Act 2008, which was supported right across the House. It will not surprise hon. Members to hear that I approach this subject from a slightly different perspective, and I want to focus on how the Bill can be improved. Given the scale of the challenge we face, the right question to

[Edward Miliband]

ask about any energy or climate Bill before the House is this: will it do everything necessary to meet our obligations and the requirements placed on us to take a leading role in tackling climate change? I believe that things can be done to the Bill to ensure that it does so.

This Bill is unlike many other Bills that have come before the House, in that a very important event has happened in between its being introduced in the other place and its Second Reading today. That event was the historic Paris climate change agreement. I paid tribute to the Secretary of State when she made her statement on the Paris agreement, and I do so again today for the incredible job that she has done.

My case to the House is that we need to reflect the high ambition of Paris in the Bill. In particular, I want to set out why the Government, in the light of the Paris commitment to a long-term global goal of zero emissions, should use this Bill to legislate for the same objective here in the UK. We need to legislate for zero emissions in law, with the date to be advised by the independent Climate Change Committee. I want to thank Members across the House whom I have talked to about these questions. They include Members on my Front Bench, the hon. Member for Brighton, Pavilion (Caroline Lucas), Liberal Democrat Members, Scottish National party Members and, indeed, the hon. Member for Beverley and Holderness (Graham Stuart), who plays an important role as the chair of GLOBE International, the international parliamentarians' committee. If other hon. Members want to know more about this subject, a paper has been published today by the organisation Sandbag, setting out the case. My case is threefold. It is about consistency between international agreements and domestic action; it is about the economic case; and it is about the effect we can have on other countries.

**Mr Lilley:** Given what I said earlier about the effect of our having commitments that are higher than those of the other countries in Europe, which simply reduces the amount to which they are committed under the Paris agreement, if the right hon. Gentleman wants to raise our target even higher, would he not be reducing to an even lower level the amounts by which those countries would have to reduce their emissions in order to reach the EU global total?

**Edward Miliband:** No, because the EU target is set on the basis of effort-sharing between different countries, and we are one of the most important countries contributing to that effort-sharing: the more we do, the higher the EU target can be. That is part of being in the European Union and playing our role in raising these objectives.

My first case for acting relates to consistency between international agreements and domestic action. When I set a target of 80% by 2050 in the Climate Change Act, that was agreed on a cross-party basis and we were at the most radical end of the spectrum. That target was formulated to give us a fighting chance of keeping global warming below 2°C. However, Paris has crucially moved the world on from that. Paris sets a twofold objective: to try to keep global warming below 1.5°C, given that we are already at 1°, and, crucially, to achieve the long-term goal of zero emissions.

**John Redwood:** As someone who did not vote for the right hon. Gentleman's climate change legislation, may I ask him what role he thinks the Act has played in the tragic job losses in the steel and other high-energy-burning industries in Britain?

**Edward Miliband:** It is totally simplistic to say that the Climate Change Act has led to that. It is a result of a whole series of decisions that the Government have had to make. As the right hon. Gentleman and the right hon. Member for Hitchin and Harpenden will remember, Lord Stern's report made the crucial point that the cost of not acting on climate change will be greater than the cost of acting. Just look at the floods that we have seen in the last couple of months! We are going to have a lot more of that—coming soon to a constituency near you! I am sorry to accuse the right hon. Member for Wokingham (John Redwood) of sticking his head in the sand, but that is exactly what we are doing if we say that we do not need to act, that everything will be okay and that we should just carry on with business as usual. To be fair to the Secretary of State, who might not thank me for saying this, I do not think she believes that that is what we should do. She is on the right side of this argument. Of course we have to do it at the lowest cost we can, but let us not pretend that somehow this problem does not exist—we are seeing its effects all around the world, and if we do not act, we are going to have a lot more of them.

**Andrew Percy:** Although I agree with much of what my neighbour said about climate change, the perception, which seems also to be partly the truth, is that in trying to act in this country we have simply exported a lot of our emissions overseas and we are now importing steel which is dirtier than that which would be produced here. That is what steelworkers in my constituency, who are facing job losses, are saying.

**Edward Miliband:** The carbon price floor was introduced by this Government—or, rather, this Government when they were in coalition. The point is not to deny that transition needs to take place; the point is we have to do it in the right way, and I do not disagree with that.

I now wish to carry on making my case. If we support zero emissions globally—that is what the Secretary of State has done—the logical position is that we must also support it domestically. We set a target of an 80% reduction, but it does not make sense to have 80% as the target when we know from the science and from the global agreement that we will eventually have to get to zero emissions.

The second part of my case is based on economics, and I wish to make the following comments to Conservative Members in particular. They will worry that my proposal sounds as though it is going to raise costs, but quite the opposite is true. I ask them to listen to some of the business voices who are saying that they want us to set a clear target for zero emissions. Why are they saying this? It is because certainty is the friend of business in this area and uncertainty its enemy. Richard Branson has said that a net zero emissions goal simply makes “good business” as it

“will drive innovation, grow jobs, build prosperity”.

He is joined by many other business leaders in making that case. Just as it is the right thing to do for business, so, too, is it the right thing for government. We are

going to have to make decisions on infrastructure now which will have implications for 20, 30, 40 years hence. It is right to make those decisions on the basis of what we will eventually have to achieve, albeit in the second half of the century, because we know that we will have to get there.

Thirdly, and finally, my case goes beyond our borders. The Paris agreement is a great one, but its biggest weakness is that if we look at the aggregate of the different commitments made by different countries, we see that although the aspiration may be to limit warming to less than 1.5°, when we add them up they seem to be more like 3°-worth of commitments. Some might ask what difference the UK can make, as it represents only 1% of global emissions. They might ask why our acting has an impact. I say to the House that it does have an impact. The Climate Change Act—I give credit to the Conservative party because it supported this and actually pushed the then Government to do this—had an impact, not only in Britain but around the world. When the Secretary of State went to the Paris negotiations and urged others to take action, they were not able to say to her, “You are pretending you care about these things and want to legislate for them, but actually you are not taking action in your own domestic legislation.” We did do that.

**David Mowat** *rose*—

**Edward Miliband:** I am not going to give way, because I would lose my time if I did so.

I say to the House, and to those who are sceptical about action having been taken, that the 2015 global climate legislation study looks at climate change legislation in 99 countries and talks about the speed of response following the UK’s Climate Change Act. My threefold case is that we need to have consistency between domestic and international action; that there is an economic case for doing this; and that we have an impact on other countries if we act.

I wish to deal with two other points that might be made to me about why my approach is a bad idea. The first is that we should stick to our existing targets and not worry about having more ambition. People might say, “Why do we need more ambition when we have this framework already in place?” By doing so, they are sticking their heads in the sand, because if we have to get to zero emissions, we should start that process now. It is a hard task, but it is a feasible one and we need to know that we should get there. My case is a pragmatic one. I am not saying, “Pluck out of the air a date on which to get to zero emissions.” I am not simply saying we should get there in 2050, as some business leaders have urged. I am saying that we should get the independent experts—the Committee on Climate Change—to look at these issues and advise government on when we should put this into UK domestic law.

The second point, which I think has been made in interventions, is that somehow we are going far too far ahead of other countries—that this is us being far too far out in front. The simple point to make about that is that more than 190 countries have now signed up to this zero emissions goal in the Paris agreement. Every country is theoretically signed up to this goal, so the question is: are we actually going to do it? Is this goal just warm words? Is this just us pretending that we are going to act but not really following it through?

In conclusion, I hope the Government will come forward with an amendment such as I have been outlining. If they do not, I want to work with people across this House to seek to make it happen. The Government can support this measure, so I hope they will table an amendment, either in Committee or on Report. It would build on the momentum of the Paris agreement, it is in the best cross-party traditions of the Climate Change Act, and it would send a powerful signal around the world and in Britain about our determination to act. Above all, it would increase our ability to tackle dangerous climate change. Notwithstanding the contribution from the right hon. Member for Hitchin and Harpenden, this is something that unites the vast majority of Members across this House. I therefore hope the Government will give this suggestion the consideration it deserves.

6.16 pm

**Graham Stuart** (Beverley and Holderness) (Con): It is a great pleasure to follow the right hon. Member for Doncaster North (Edward Miliband), my right hon. Friend the Member for Hitchin and Harpenden (Mr Lilley) and other colleagues who have spoken today. I do not think any more memorable phrase will come into the debate than the “50 shades of green” used by my right hon. Friend. As so often in this area of debate, people dispute the numbers, as he did with his initial “40 shades” effort.

The thread of agreement among everyone who has spoken so far, including my hon. Friend the Member for Selby and Ainsty (Nigel Adams), my right hon. Friend and others, is that if we are setting out to fulfil the requirements of the Climate Change Act, we must do so in the lowest-cost way. My right hon. Friend was right to point out that, given the burden sharing throughout Europe, there is an issue about our taking further steps. Would that simply provide greater slack elsewhere? People may or may not share his scepticism about the whole arena, but none of us would want our making progress to mean that someone else slacks as a result. Therefore, having a joined-up approach is a sensible part of delivering what we all want and doing so at the lowest possible cost, and that is worthy of further investigation.

Where I do not think my right hon. Friend is right is in suggesting that this is purely an exercise in sadomasochism. After all, the Committee on Climate Change’s brief is to fulfil that which was passed in this House, albeit without his support: an 80% reduction in emissions by 2050. If we read the Committee’s fifth carbon report, which was recently published, we see that its whole premise is to try to work out a pathway to get us there at the lowest possible cost. That is one reason why I welcome the reset of the policy by the new Government and our new Ministers. They are not stepping away from the Climate Change Act, although some of my hon. Friends might wish that they were. On the contrary, they are saying that they want to look at how best to make sure we have a policy framework that incentivises activity to meet the outcomes that we all want.

I know from discussions with the Minister of State, Department of Energy and Climate Change, my hon. Friend the Member for South Northamptonshire (Andrea Leadsom), who is nodding in my direction, that one renewables issue we face—this picks up on the point made by my hon. Friend the Member for Selby and Ainsty—is

[Graham Stuart]

dealing with intermittency. One way of dealing with that is to develop storage. Have we had sufficient investment and created a framework that has incentivised enough focus on storage while we were also incentivising investment in things such as wind? The answer has to be no. We must therefore try to ensure that we get a framework that captures all the elements that we need in order to create a rational response, so that even if my right hon. Friend the Member for Hitchin and Harpenden does not entirely agree, he can see a more rational thread running through the policy in order that we can deliver.

The Secretary of State played a leading role in the negotiations in Paris, and Britain was at the table, helping to create a more ambitious deal.

**David Mowat:** My hon. Friend mentions Paris. I wish to understand, perhaps from the perspective of GLOBE—the Global Legislators Organisation—why the EU's intended nationally determined contribution submitted at Paris implied a degree of reduction in emissions that is half the rate of the UK's. Why has the EU decided not to follow us with the Climate Change Act, and apparently to be so tight around it? Does it know something that we do not?

**Graham Stuart:** My hon. Friend often carries around with him the list of the emissions reductions of European countries since 1990. He points out—

**David Mowat:** Austria.

**Graham Stuart:** Indeed, Austria is my hon. Friend's favourite *bête noire*. He points out that the contribution of many countries that like to talk about this topic but not deliver on it is pretty woeful, which goes back to my earlier point about the need for a joined-up approach to ensure that we genuinely deliver collectively the outcomes that we desire. Thanks in part to the efforts of my right hon. Friend the Secretary of State, EU ambitions were raised, but they did not go as far as the UK would have liked. In 2008, with cross-party support, we unilaterally decided on a pathway for this country, which was 80% reductions by 2050.

**Dr Daniel Poulter** (Central Suffolk and North Ipswich) (Con): I agree with much of what my hon. Friend is saying, but does he also agree that where the UK leads, as was outlined by the former Leader of the Opposition, very often other countries in the EU follow? Currently, Sweden is considering implementing its own climate change Act based on UK legislation.

**Graham Stuart:** My hon. Friend is right, but it is important not to exaggerate that, because it will quite rightly be picked up by colleagues, who will point out that something as all-encompassing, as specific and as road-mapped as our Climate Change Act has probably never been passed in another country in the world, and it is coming up for eight years since that Act was passed into law.

It is worth saying a little on the context, as we are seeing turning points. It is not correct to say that we are solely, in this sadomasochistic way, inflicting pain on ourselves while others entirely deny themselves these

pleasures. According to Bloomberg New Energy Finance, last year, despite the fall in oil and gas prices, there was record investment in clean power, with an increase to \$329 billion. In other words, the regulatory and legal framework has been set up across the world, and the GLOBE organisation, of which I am chair and in which I declare an interest, has, I hope, played a part in helping to create those frameworks around the world.

Chinese renewables investment last year hit \$111 billion, which was an increase of 17%, while the US investment in renewables went up 7.5% to \$56 billion. However, to return to the point of my hon. Friend the Member for Warrington South (David Mowat), Europe saw the lowest level of investment in renewables last year since 2006. Therefore, while we may be delivering, Europe is not entirely doing what one might hope that it would.

On the subject of onshore wind, may I welcome the Government's commitment to look at the whole system cost of renewables? My understanding is that onshore wind is currently our cheapest renewable, but there are issues around the back-up that is required. What we need to have is an objective assessment of the cost, so that we can make a proper judgment of the benefits of one form of clean energy versus another—for instance against biomass, which my hon. Friend the Member for Selby and Ainsty was so keen to champion. Until we have that clarity over the real costs, it is hard to create the framework and the incentives that we need to bring on the cleanest possible transformation at the lowest possible cost.

On the issue of zero emissions, I just wanted to follow on from what the right hon. Member for Doncaster North said. He is right. If we are to deliver 2° let alone 1.5°, we will need to move to what sounds like a slightly fantastical idea of zero emissions. If we can entirely decarbonise the power system and then use that power in other systems, we will start to move towards the ability to eradicate most of our carbon. We still need other ways to change our systems—and we have time to develop these—so that any storage we have offsets the emissions that are not avoidable. There will always be emissions in a developed and industrialised world, but what we can do is net that to zero. It is important to make that point in case any people at home think that we are dealing in science fiction rather than reality. Given the progress in technology that we have seen over recent years, it is credible to believe that we can move to zero emissions. If, given modern science, 1.5° will be achieved, such a rate will be necessary.

The Government are doing a reset. By June this year, they will legislate on the fifth carbon budget, which covers the distant years of 2028 to 2032. By the end of the year, they will produce a strategy to deliver that, which is welcome. What we need is something much more coherent than the renewables obligation system. We need something that uses auctions, which delivers, as the Secretary of State has said, a market driving out costs in which the Government are out of the way to the maximum extent that they can be. In the meantime, why are we investing in expensive energies such as offshore wind? It is because they would not be viably invested in otherwise. None the less, that investment is driving the costs down. I say to those who are more sceptical on this matter to look at how prices have come down in solar and in onshore wind and how they are coming down in offshore wind. Whatever the current eddies in

investor confidence, going forward with these particular Ministers who are committed both to delivering our climate obligations and to doing so at the lowest cost and in the most coherent manner is exactly the right position for us to be in. I am delighted to say that I will be supporting this Bill tonight.

6.26 pm

**Julie Elliott** (Sunderland Central) (Lab): It is a pleasure to follow the hon. Member for Beverley and Holderness (Graham Stuart), who made a number of points with which I agree, and my right hon. Friend the Member for Doncaster North (Edward Miliband), who continues to make such a contribution to this debate. I also wish to place on record my thanks to the Secretary of State, who is no longer in her place, for the excellent job that she did in Paris—I am sure that those comments will be passed on to her—on behalf of us all. We are all delighted with the outcome of the Paris talks.

This is a wide-ranging Bill, but I wish to focus my short contribution on the renewables element, particularly the removal of the renewables obligation for onshore wind, and how that is impacting on investment in the north-east of England. I am fully aware of the Government's concerns about the financial integrity of the levy control framework, and indeed I share those concerns. We need a fully funded, functioning levy control framework to fund clean energy developments. As the framework is funded by bill payers, it is absolutely crucial that we protect it and ensure value for money, but this Bill does not do that. The impact assessment demonstrates that, in the Government's central scenario, this policy is projected to save bill payers 30p. In terms of the levy control framework, again in the Government's central scenario, this policy is projected to save £20 million out of a budget in 2021 of £7.9 billion. This measure does not appear to be protecting bill payers at all. Rather, it seems drafted for the purpose of appeasing climate change sceptics.

Last week, the Prime Minister reiterated his commitment to decarbonising at the lowest cost to the consumer, and for that he has my support, but his Secretary of State is going about things in an odd way. The Government remain committed to the EU renewable energy directive, for which the UK must source 20% of its energy needs from renewable sources by 2020. We also have a fixed budget for clean energy in the levy control framework. Will the Minister explain how, given a fixed renewables target and a fixed budget, replacing the cheapest renewable electricity technology, which is onshore wind, with more expensive technologies, such as offshore wind, can possibly lead to lower bills for consumers and maintain the financial integrity of the levy control framework?

In its July 2015 report, the Office for Budget Responsibility forecast a £1.6 billion overspend for the levy control framework in 2021, owing to higher take-up under feed-in tariffs and the RO, greater capacity from offshore wind, and lower wholesale electricity prices resulting from the lower than forecast gas prices and the freezing of the carbon price floor. No one is blaming the Government for not anticipating this remarkable fall in global energy prices, but in their efforts to restrain this potential overspend, the Government are doing serious damage to the UK's clean energy future and to the investment we need to encourage in low-carbon generation.

**Conor McGinn** (St Helens North) (Lab): The Bill cuts subsidies for onshore wind, but companies such as Solar King in my constituency will be hit by a double whammy, with cuts to the feed-in tariff and the proposal to increase VAT for residential solar. Does my hon. Friend agree that it is very difficult for any renewable energy business or investor to trust this Government, given their betrayal of the sector?

**Julie Elliott**: I totally agree with that. The impact on the solar energy businesses in this country has been dramatic.

Let me give a specific example, which is relevant to my constituents in Sunderland and also speaks to the way in which this Government's policies have suffocated the growth in clean energy generation and the jobs that go with it. Nissan in Sunderland recently wrote to the Secretary of State for Energy and Climate Change regarding a £3 million investment it wished to make in extending a wind farm on its site—a letter to which, I understand, Nissan has not yet received a reply. The aim of the project is to generate more, and cleaner, energy on site, so that less needs to be procured from outside. But the Government's 18 June announcement on the renewables obligation and onshore wind has placed this development in serious jeopardy.

Under current proposals, Nissan's investment will not go ahead because it had not secured planning permission or a grid connection agreement by the time of the announcement. Nissan has been working with the Department for Business, Innovation and Skills, and had an application for exceptional regional growth fund money accepted. However, a condition of this funding is that work cannot commence on a project, such as planning applications or grid connection negotiations, until the support application has been determined. In Nissan's own words, it finds itself in a "Catch-22 position"—under the terms of the regional growth fund it is unable to seek the necessary approvals before the cut-off date, and the continuation of the exceptional regional growth fund programme was not confirmed until after the 2015 general election. The business case and regional growth fund application were based on eligibility under the renewables obligation. Without this, the development cannot go ahead.

My hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson), in whose constituency the Nissan plant is based, raised this matter at Prime Minister's questions last week. The Prime Minister answered in general terms and did not address the specific point, yet this is the sort of project the Government should be encouraging, not suffocating. The fact that that project, which is on a brownfield site, for a major company that wants to reduce its carbon footprint, enhance the UK's energy security and support an onshore wind industry that now employs 19,000 people may now not go ahead should be evidence of a policy that is not serving the best interests of this country. I ask the Secretary of State to engage with Nissan at the earliest possible opportunity, if she has not already done so, so that a sensible outcome can be achieved.

It is such confused and counterproductive policy making that many find so frustrating. The independent Committee on Climate Change has stated that the Government policy has created a "stop-start investment profile" which has hindered cost reduction and industry

[Julie Elliott]

development. This has been compounded by retrospective changes, like the one to the renewables obligation in this Bill. It therefore comes as no surprise that the UK has fallen down the global league tables for energy investment. EY's respected global rankings show that under this Government, the UK has fallen from fourth in the world in November 2013 to 11th. EY singled out the UK Government for a lack of clarity and

“death by a thousand cuts”,

with

“misguided short-term politics obstructing long-term policy . . . in a vacuum, with no rationale or clear intent.”

What does that vacuum look like in real terms? It looks like cheap, clean onshore wind and solar subsidies being cut, while developers are being incentivised to install diesel generators, second only to coal in carbon intensity, on their sites. One thousand such generators have been installed in the past 18 months because current Government policy has led to such narrow margins this winter. This was not what energy policy should lead to in the second decade of the 21st century.

That vacuum looks like UK solar capacity falling 30% year on year in 2015 despite a global upward trend. It looks like clean energy developers losing their exemption from the climate change levy. It looks like the abolition of the zero carbon homes standard, and the green deal being axed due to uncompetitive high interest rates. It looks like mothballing carbon capture and storage in the UK, despite the knowledge of the fact that CCS is not an option but a necessity for decarbonisation, particularly for energy-intensive industries. It looks like pernicious planning interventions, with claims that power is being devolved to local communities, followed, as we saw in the previous Parliament, by unprecedented intervention from Whitehall by the right hon. Member for Brentwood and Ongar (Sir Eric Pickles).

I hope the Secretary of State will look again at the proposal from Nissan, and at what it is doing more generally in relation to clean energy. No one has a monopoly on wisdom, but in the face of opposition from clean energy developers, with the Government's own independent Committee on Climate Change detailing its fears, when global consultancies show the UK falling down the global league tables, and when the Government's own impact assessment discredits their argument about money saving, perhaps it is time for them to reconsider some of their policies.

**Several hon. Members** *rose*—

**Madam Deputy Speaker (Mrs Eleanor Laing):** Order. We have plenty of time for this debate but a very large number of Members wish to speak, so I am afraid I have to reduce the time limit to nine minutes.

6.36 pm

**Julian Sturdy** (York Outer) (Con): It is a privilege to take part in this debate and to follow so many incisive contributions.

I welcome this wide-ranging Bill, first, for the support it provides to our oil and gas industry, which is suffering greatly, as many have said, from the fall in global oil prices. As we have heard across the Chamber,

Members know well that the industry makes a substantial contribution to our energy security, employment and overall economic wellbeing, so the establishment of a new arm's length body charged with regulating the sector is an important step in the right direction.

I shall focus my contribution on part 5 of the Bill, which will deliver on our manifesto commitment to end new public subsidies for onshore wind and give local communities the final say on planning applications. I speak as a Member who has joined many communities in my constituency fighting plans for entirely inappropriate wind turbines in Copmanthorpe, Wheldrake, Upper and Nether Poppleton, Murton and Kexby, to name but a few. Every single time it was the developers who were trying to impose their turbines on local communities, who simply did not want them. This was entirely unacceptable and I am pleased that every one of those applications was rejected by the local authority.

We need to end the current system whereby developers pocket the lucrative taxpayer-funded subsidies, and communities are stuck with turbines in their local neighbourhood and suffer the problems that accompany them. It is only right that local communities, not politicians in this Chamber, have the final say over whether planning permission for a new windfarm is granted. I am pleased that the Opposition Front-Bench team has accepted that. Only 18 months ago, the Labour-run council in York was proposing to encircle our great cathedral city with up to 40 wind turbines. Thankfully, the Labour council that instigated this insane project lost office in last year's local elections. That was only to be expected, given that the common-sense wishes of local residents were completely ignored.

As my hon. Friend the Member for Selby and Ainsty (Nigel Adams) mentioned, any visitor to the picturesque countryside across north Yorkshire and the neighbouring east riding can appreciate that the area has taken more than its fair share of wind farms. The cruel irony is that ultimately they are being funded, at least in part, by the very local communities that are so deeply opposed to them. As such, I am delighted that the Secretary of State has grasped the nettle and pushed for the early closure of the renewables obligation scheme, an endeavour in which she has the full support of the overwhelming majority of my constituents.

It is a great shame that, when talking about energy, all too often we overlook the energy trilemma: the need to ensure that our energy is affordable, secure and environmentally friendly. All too often we focus on the final consideration—the need to decarbonise—when more needs to be done to push down the cost of household bills and increase capacity. Any Government who pay lip service to our future energy security are playing Russian roulette with our country's future. We need a balanced energy mix to deliver that security, as Opposition Members have said. Without action, funds for otherwise uneconomic wind turbines are sadly draining resources away from other, less-intrusive forms of renewable energy that could play a key role in our future energy security.

**Graham Stuart:** I certainly agree with my hon. Friend on the need to give communities the final say on any wind turbines in their area, but does he agree with me that we need to ensure that wind turbines that do have local support are in no way disadvantaged compared

with other forms of energy generation, for example if they need to get involved in the CfD mechanism? They must be on a par with other forms of generation, so long as the local community have a say on whether they are built?

**Julian Sturdy:** I entirely agree with my hon. Friend; it is very important that this is community-led. There are places where there will be community support for onshore wind, and that must be seen through. I would go one step further—this is probably where I disagree with Ministers—because I think that the same should apply to fracking as well.

Offshore wind in the North sea has the potential to generate far more renewable energy than onshore wind farms, and in a way that does not harm our countryside. However, as the Secretary of State mentioned, further investment is needed in other exciting areas of renewable energy generation, so that we can decarbonise our energy network in a way that delivers lower bills and improves energy security. Tidal energy is one of the many types of renewable energy that are yet to be exploited on an industrial scale, as wind and solar energy have been in recent years.

**Stephen Kinnock (Aberavon) (Lab):** I am very pleased to hear what I think is the hon. Gentleman's support for tidal energy. Therefore, I seek his views on the fact that the Government seem to be continuously prevaricating over granting approval for the Swansea Bay tidal lagoon project in my constituency, which would generate huge amounts of clean energy and create thousands of jobs, including—consider the job losses that have been announced today—in the steel industry. Why, then, are they taking so long to give an answer on proposals made by the tidal lagoon team?

**Julian Sturdy:** I thank the hon. Gentleman for his intervention. Perhaps the Minister will be able to answer that directly when she responds to the debate. In essence, I support the Swansea Bay scheme. I very much hope that the Energy and Climate Change Committee, of which I am a member, can visit the scheme and look at it in more detail. Sadly, the Chair of our Committee is not here, but a number of other members are. That is something that we should push for. It would be a groundbreaking move that could trail-blaze in other areas of tidal generation.

It is essential that taxpayer-funded subsidies accommodate bids from all sectors in the renewables industry so that we can support the green technologies of the future. I would welcome an assurance from the Minister that this will be a relevant consideration in the awarding of future support to the renewables industry. With the right framework in place, we could become a world leader in tidal energy, as I have mentioned, which would help us in our efforts to maintain a diverse energy mix and ensure security of supply.

Only by embracing the potential technological enhancements of today can we realise the bold commitments we made for tomorrow at the recent Paris summit. Ultimately, we need a more dynamic and secure energy mix that focuses on jobs, investment and local communities. The whole point of public subsidy is not to become dependent upon taxpayers' money, but to help new industries stand on their own two feet. It is therefore only right that we now turn our attention to

supporting other potential forms of renewable energy that remain in their infancy and enforce our manifesto commitment accordingly.

It is essential that we listen to our constituents' concerns about the relentless spread of onshore wind farms. Local people should always be at the heart of the decision-making process. It is therefore wrong that our manifesto commitment has so far been blocked in the other place by those who are unelected and, ultimately, are unaccountable to the people whom we in this Chamber serve. We must not shirk our responsibilities or go back on the commitments on which the Government were elected. Frankly, people are fed up with so many wind farms being built in their backyards, with their own hard-earned taxpayers' money and without their say.

More must be done to support other forms of renewable energy that remain in their infancy. That is the only way in which we can have a broad-based renewables strategy while decarbonising our economy and ensuring an affordable and secure energy supply.

6.46 pm

**Albert Owen (Ynys Môn) (Lab):** It is a pleasure to follow the hon. Member for York Outer (Julian Sturdy). I know his area well, and I agree with some of the things he said. Few people would oppose a new regulatory body for our oil and gas industry in the North sea. One of my first jobs was on a tanker in the North sea, and I remember that the highly regulated Norwegian sector seemed to be growing in leaps and bounds, so I do not see regulation as a huge hindrance for the British sector. Similarly, nobody could disagree with maximising economic recovery, as the Government say they are doing through the Bill.

However, high energy prices are hurting our industry. Given the announcements we have heard today on the steel industry and the situation facing colleagues in Port Talbot, it is worth reflecting on some of the things that the Secretary of State said. She said that the Government were cutting back on the cost of energy. Actually, they are just fixing the mess they made in 2011, because it was this Government who brought in the carbon price floor that hampered many of our energy-intensive industries. That was an Osborne tax made by this Government, and it has caused the problems we see today. I do not want to dwell on that; I just want to see a little consistency from the Government and a clear path.

I represent a constituency that has plans for new nuclear and for a biomass plant and that has potential for tidal energy. Indeed, it has been dubbed the "energy island." I believe that it is a microcosm for UK policy. However, we must have that energy mix if we are to have a sensible policy for the future. If businesses are to invest, we need the continuity and stability that they are crying out for. I have said on a number of occasions in this House that I am pro-nuclear, pro-renewables and pro-energy efficiency, and I see no contradiction in that, because in order to get the balance right we need the full suite of technologies available for the future.

I believe that the Government have missed many opportunities in this Bill. I will deal briefly with part 4. I agree that local communities should not be ridden over roughshod when it comes to planning applications by developers. I think that is sensible. However, I think that the Government have their sights on the wrong targets when they talk about reducing bills by cutting so-called

[Albert Owen]

green taxes, because the biggest contribution to bills after oil and gas prices are transmission and distribution. There is nothing in this Bill, or in this Government's energy policy, to deal with that. Twenty-five per cent. of household bills and business bills are for distribution and transmission costs, and yet—we hear talk about “the market delivering”—we have district monopolies in distribution and a national monopoly in transmission. National Grid does not act in the national interest: it acts in the interest of the shareholders of National Grid. That is wrong. In the previous Parliament, the Energy Act 2013 gave extra powers to National Grid by making it the systems operator so that it decides where new builds are going to happen and then provides the transmission in a non-competitive way. The Government need to look at that if they are serious about giving value to money to customers rather than fiddling around with the green areas that have been agreed just to get headlines in the Tory newspapers, as with onshore wind.

There was early onshore wind capacity in my area, but it has now grown to a stage where we need to build more. I agree with the Government on that. There used to be consensus on these policies. When my right hon. Friend the Member for Doncaster North (Edward Miliband) was Secretary of State, and then the coalition Government came in and Charles Hendry was Energy Minister, there was continuity on policies. That has been lost, and we now have a very piecemeal energy policy that many people believe—I think they are right to say this—has been driven by the Treasury. We have had the Osborne tax and the hands-on approach, and DECC officials and Ministers do not have the leeway to develop a coherent energy policy. This Bill was an opportunity for us to have a coherent energy policy on which to move forward.

I welcome the Government's talk about nuclear new build, because my constituency will benefit from it. A fortnight ago, I went to the closure of Wylfa A in my constituency. Over 44 years of generation, high-quality jobs were provided. Few people in few industries could say that they have jobs for life, but nuclear provides that. We therefore need this long-term base-load, and I very much welcome it. The Wylfa Newydd—New Wylfa—project in my constituency started in 2007-08; it is taking a long time. That is why we need renewables facilities that can be built without these long lead times, to provide the necessary balance. We need flexibility in generation because in a warm winter or a hot summer technologies have to be switched off. Onshore wind provides that flexibility in many ways, as does offshore wind. I saw that in operation when I was a member of the DECC Committee. We visited wind farms that are switched off in the summer so that essential maintenance can be done. A nuclear power station will not be switched off because it cannot be brought back on without adding extra costs. We need this flexibility, and this Bill does not in any way provide that.

The Government talk about honouring a commitment, but I am afraid they have form on that. When solar power was immediately switched off, just like that, there was a real impact on jobs in the creative industries as well as in the solar industry itself. We saw jobs lost in Wrexham and inward investment stop because of that

policy. Yes, we need to taper off solar, and the previous Labour Government had a policy to do that, but the manner in which this Government did it impacted negatively on business. I fear that the same thing will happen with wind power. Many of the companies that have invested in wind power have broad portfolios with not just wind power but gas and various other energy mixes, and they are worried about which sector is next. They want stability, and this Government are not providing it. The Bill is a missed opportunity. We need to get back to a coherent energy policy with a consensus whereby we plan for 30 to 40 years, not for five-year electoral cycles.

6.54 pm

**Chris Heaton-Harris** (Daventry) (Con): It is a pleasure to follow the hon. Member for Ynys Môn (Albert Owen). I am not the expert that he is on these matters. I will focus on the bit of the Bill that is most controversial in this place—the removal of subsidies for the renewables obligation for onshore wind.

I will sketch out my own personal journey on this subject. I was a bit of a “greenie” when I was first elected to the European Parliament back in 1999, and I enjoyed working with the hon. Member for Brighton, Pavilion (Caroline Lucas) on certain things. It confused the hell out of her, but it did not do me any harm, and we actually had some interesting areas of agreement on policy. In 2001, though, I met a young gentleman called Bjørn Lomborg, and my journey to the light side has continued since then. Between then and 2010, I was interested in energy but did not really pay it much attention. As a Member of the European Parliament there are some big issues to talk about, but one does not look at individual policy areas in the way that one does when one becomes a constituency Member of Parliament representing, as I do, 72,500 people in the beautiful constituency of Daventry.

When I came here, I had one majorly controversial onshore wind farm development in my constituency, and I thought that I would do what everybody else in this place would do. I met the developer and representatives of the industry from the British Wind Energy Association, as it was then, to talk through the problems that my constituents had with their development. When that organisation later morphed into RenewableUK, I still spoke to it about how to include communities in decisions—how to incentivise them to take onshore wind in their area by working with them, perhaps even giving them some sort of rebate on their energy bills, so that they felt they were attached to local energy production for consumption in their areas. I have to say—and I am pretty sure that history will prove me right—that the wind industry decided to ignore all my counsel.

Bringing this forward to the present day, I suggest that how the onshore wind industry has treated communities up and down this country has done untold damage to how people see renewables in total as part of our energy provision. There is history to this that goes back further than the 2015 general election.

**Graham Stuart:** I am not saying that there is not a moral responsibility on businesses, but they will usually act in the way that they are incentivised to act, and it is up to us to create frameworks that get them to behave in the right way. The previous Labour Government's refusal

to listen on giving a voice to local communities meant that developers felt there was little point in engaging with and listening to the local community and just went to appeal to get the decision overturned. The then Government's refusal to listen has led to hostility in many communities, including mine, towards the wind industry.

**Chris Heaton-Harris:** I agree, mostly, with my hon. Friend. That is why I welcome the tone of the hon. Member for Wigan (Lisa Nandy) when she said that her party would now recognise the views of local communities on these matters and consider how they could be engaged.

I had to learn this for myself first hand with regard to an onshore wind development in the beautiful village of Kelmash—along the A14, just down from the M1 junction—where a number of 126.5-metre turbines are currently being erected. I thought, as my constituents did, that if we formed a good local campaign with everything going for us, we could win the campaign and stop a proposed development being established on what was, in most people's judgment, an inappropriate site—a grade 1 listed site. That view was borne out by the planning inspector. Because the local council did the right thing and turned the application down, the developer appealed. The gentleman from the planning inspectorate in Bristol came to visit and made a stunning, groundbreaking statement that changed how I dealt with these issues and culminated in the pledge on onshore wind that I am so proud of in the Conservative party manifesto that saw us into government.

The planning inspector said all the things that the local community had been saying about the development being on an inappropriate site and about it being damaging to local communities, and gave a whole host of reasons why he should not approve it, but he then went on to say that national policy trumped all this, and therefore, "You are having this onshore wind development no matter what you would like."

**Albert Owen:** Does the hon. Gentleman agree that the same logic should apply—local authorities and local communities should have a greater say—when National Grid comes up with a plan to connect a new generation of pylons to the grid? Does he agree that the Government should devolve that responsibility to local authorities?

**Chris Heaton-Harris:** I would not go quite that far, because I do not know the context in which the hon. Gentleman phrases his question. However, I would always argue in favour of local communities having way more say in developments. In fact, we should go even further and take the same approach as the French, whereby local communities are massively incentivised to get involved in taking on developments that are deemed unpopular elsewhere. Indeed, they choose to get involved: they have local campaigns for what would be very unpopular planning decisions in the United Kingdom, because they understand that they will be to their benefit.

I decided that I had to do my bit to try to change national policy, so I walked around the Lobbies of this place and found 100 other Members who felt similarly aggrieved about the way in which planning and onshore wind had been developed. I got them to sign a letter to the Prime Minister on how we should change things. I also noticed that, in 2011-12, we were already hitting

our 2020 targets for onshore wind development capacity. Logic would suggest, therefore, that the subsidy we were giving to onshore wind was too high. The number of developments was such that we were going to shoot past the target without any trouble whatsoever.

The subsidy was too high and local people felt that they were being ignored. I would also argue that wind farms produce expensive energy, which puts people into fuel poverty and has contributed to energy prices going skyward at a time when the cost of energy is beginning to fall. We can never forget fuel poverty or the fact that our industry needs cheap energy to compete internationally, but let us put those points to one side for a moment. If we make an argument to local people about the need for an onshore wind development on their patch when they know that the targets have been hit, that they will pay extra through their bills for the privilege, that they will not get anything from it and that developers are rubbing their noses in it, we end up with a bunch of very angry people whose idea of what democracy should look and feel like is disturbed to the greatest extent possible.

Over time, I was delighted to be able to persuade, cajole, elbow, nudge and force my own political party into changing our planning guidance. However, that did not have too much of an effect until—as the hon. Member for Sunderland Central (Julie Elliott), who is not in her place, said—the former Secretary of State for Communities and Local Government reminded the planning authorities of exactly what he meant in his policy statements by calling in a number of developments at appeal stage and making the rulings himself.

We then went further and said in our manifesto that we would cut new subsidies for onshore wind, but that was not good enough for me: I had had enough of these people and how they dealt with my constituents, so I wanted to deal with them retrospectively. In the energy chapter of the manifesto, it was generous of the Prime Minister to take on my well-registered and well-documented concerns and my ideas about how we should progress, and to state that there would be no new subsidies for onshore wind.

Anybody who drives up the M1 and comes to the gateway to my constituency, where the M1 meets the M6 and the A14, will see 126.5-metre-high turbines—I think we are going to get 102 of them—in a very small radius. My constituents are annoyed by the noise and worried about health concerns. They cannot sell their houses as quickly as they would like and there are all sorts of other problems, but they want to know that that will not happen to other people locally and nationally. I was therefore proud to sell that part of the Conservative party manifesto in the 2015 general election campaign.

There were some who tried to argue that that was not what the Conservative party meant in its manifesto and that we were saying something completely different—that we were talking not about existing wind subsidy or the renewables obligation, but about new subsidy. Those people were dancing on the head of a pin and that only upsets people in my constituency and, indeed, everywhere else, because it feeds the perception that politicians do not tell the truth or deliver manifesto commitments. Opposition parties would do a lot better than to argue against individual elements, because the language we used was absolutely black and white and it was sold to everybody as such.

**Matthew Pennycook** (Greenwich and Woolwich) (Lab): I do not want to cut off the hon. Gentleman as he comes to a conclusion, but if it was so patently obvious to everyone that that was the precise meaning of the manifesto commitment, why was industry taken by surprise?

**Chris Heaton-Harris:** Industry was certainly not taken by surprise—absolutely not. It knew exactly what was coming its way. I think the hon. Gentleman will find that that is why it campaigned so aggressively with his party. I am afraid I have to stop there, but I want to send a message to those at the other end of the corridor that they should watch and learn about democracy before they start impinging on decisions we put in our manifesto.

7.6 pm

**Matthew Pennycook** (Greenwich and Woolwich) (Lab): It is a pleasure to take part in this debate and to follow some very thoughtful contributions. I would like to single out those of the hon. Member for Beverley and Holderness (Graham Stuart), the right hon. Member for Hitchin and Harpenden (Mr Lilley) and my right hon. Friend the Member for Doncaster North (Edward Miliband). As Members might expect, I did not agree with everything they said, but they were none the less serious and thoughtful contributions.

When this Bill first came before peers in the other place, it was a rather meagre piece of proposed legislation that focused almost entirely on fossil fuel extraction. It was amended considerably in Committee and, although it is still pretty thin gruel in many respects, at least it now has some regard to the ways in which current industrial activities and investment might be made compatible with a low-carbon energy future.

As has been said, the Bill is mostly concerned with the establishment of the Oil and Gas Authority. How that arrangement adapts to a world of plunging revenues from offshore oil and gas remains to be seen, but there is broad consensus in the House, with notable exceptions, on the need to implement the findings of the Wood review. There is also a robust case, in terms of economics and energy security, for using the resources of the North sea continental shelf to reduce our dependence on foreign imports during the transition to a decarbonised energy system.

It was disappointing that the Secretary of State dug in her heels with regard to carbon capture and storage, because I welcome the amendments that would expand the principal objective of the UK's maximising economic recovery strategy to incorporate a regard for CCS development. The precise wording of the relevant clauses will need to be revisited in Committee to ensure that the industry has the necessary flexibility and that jobs and investment are protected, but CCS presents a real opportunity for the North sea oil and gas industry to utilise its technical expertise and skills in a way that will give it a sustainable future for decades to come. That opportunity will not be realised, however, unless we get clarity about the Government's ambitions for CCS and a strategy to achieve those ambitions. At the moment, all we have is muddle.

In 2007, the Prime Minister said in a speech at Chongqing University that a Conservative Government would "strain every sinew to create viable and affordable"

CCS technology, yet eight years on we have a Conservative Chancellor recklessly cutting the funding allocated to help bring forward commercial-scale CCS just weeks

before many companies were expected to submit their bids. The abrupt end to funding support for CCS is not an aberration, but is indicative of this Government's cavalier approach to the energy sector as a whole. That approach was evident in the most controversial aspect of the Bill that originally came before noble Lords in the other place, namely the decision to close the renewables obligation a year earlier than had originally been legislated for in the Energy Act 2013.

I agree with the point, which many hon. Members have made, about the need for local consent when it comes to onshore wind, but noble Lords removed clause 66 on Report, through an Opposition amendment, and they were right to do so, because the early closure of the RO was yet another example of policy making on the hoof from the Government. The measure's stated objective was to save customers money, but, as we have heard, in the Government's own central scenario, in many cases that will mean as little as 30p, and we know that the cost savings are unlikely to materialise, because we are not on course to meet our EU renewables target.

Given the notable lack of progress in decarbonising heat and transport, and of meaningful cross-departmental working to make up lost ground, we will be forced to go further, under the current targets, on renewable electricity. In those circumstances, it is entirely counterproductive to make life more difficult for the cheapest form of renewable energy available. It strikes me that the decision has much more to do with the politics of appeasing Conservative Back Benchers and with the Government's interpretation of the levy control framework as a fixed-budget envelope—it was never intended to operate in that way. The decision clearly signals that the Government have abandoned their previous commitment to a technology-neutral approach to energy policy at a time when the overriding priority, as hon. Members have said, must be decarbonising at the lowest possible cost.

Despite the nebulous wording of the Government's manifesto commitment, they clearly feel they have a mandate to reinsert clause 66, or a version of it, in Committee. If they do, as the Minister said they would, I would urge them to reconsider the impact of the RO's closure on projects that have local consent and in which people have invested in good faith and on smaller generators, and to work to incorporate truly equitable grace periods into the Bill.

**Graham Stuart:** The hon. Gentleman said that the saving would be very small, but the number of turbines affected would also be extraordinarily small, would it not? Should we not keep this in perspective?

**Matthew Pennycook:** It might be small, but I hope the hon. Gentleman would agree that projects in which people have invested in good faith and which have local consent should be allowed to proceed, instead of being penalised by the early closure of a scheme that had a fixed end point—2017—in legislation anyway.

The way the Government have handled the matter of the RO has been hugely damaging and undermined the industry's trust in the Government's word. Last January, the industry was told that its investments were safe and that no changes to the rules were proposed, but six months later, despite there being no clear signal in the Conservative manifesto, the Government attempted to do just that.

**Chris Heaton-Harris:** I understand the hon. Gentleman's point entirely, but I have just read a press release, dated 29 April 2015, from RenewableUK, that reads:

"Despite these facts, onshore wind projects are under threat from misguided Tory and UKIP policies aimed at stifling their development"—

blah, blah, blah. It was lobbying against a manifesto commitment that he says it did not know about.

**Matthew Pennycook:** We will have to disagree. I would assume it was lobbying against the closure of new investment in onshore wind, not against a retrospective change to commitments already made.

This is no way to treat investors or to ensure that the UK remains an attractive place for overseas investment. In all the months I have sat as a member of the Energy and Climate Change Select Committee, I have not heard one expert witness make the case for indefinite subsidy for onshore wind or any other renewable technology. What many have argued for, often powerfully, is a stable and secure policy environment and a graduated reduction of subsidy. They know that to do otherwise would risk jobs, damage investor confidence and cut the legs from under technologies that we know are delivering—by driving down prices. Those technologies, particularly solar and wind, are great British success stories, and I have heard the Minister describe them as such many times. However, those success stories, at least in the short term, now have a much more uncertain future.

I will finish by touching briefly on what the Bill does not contain. As I have made clear, parts of the Bill are sensible and other parts, when they came before peers, were removed with good reason and should not be reinserted without considered thought or appropriate safeguards; but there are also notable omissions. There is nothing about storage. It is deeply regrettable that the Bill is completely silent on the need to reduce energy demand. If ever there was a chance to make energy efficiency an infrastructure priority, which it needs to be if we are to solve the trilemma and meet our emissions targets, this was it. It is sad that the Bill, which could have done so much more, does not do so, as it stands.

Given the energy challenge that faces our country and the ambition required to realise the full promise of the historic climate agreement reached in Paris, there is a great deal of room for improvement in the Bill. I hope that in Committee we will find some way to address many of its deficiencies.

7.15 pm

**Rishi Sunak (Richmond (Yorks)) (Con):** It is a privilege to follow so many well-informed contributions in a debate that I am sure everybody would agree has been characterised by good humour and moderation on both sides.

Too often we hear that the interests of British business are somehow at odds with those of working people and strong public services, but that sentiment flies in the face of the facts. In 2012, Britain's oil and gas industry paid enough into our public coffers to fund every GP surgery and every accident and emergency unit in the UK. Even in today's depressed oil market, the industry pays enough tax to bankroll MI5, with change to spare. Meanwhile, across our country, the oil and gas industry employs 375,000 people—equivalent, almost, to the entire

population of Teesside. For 30 years, this great industry has supported jobs and our public services, but today it is suffering and needs our help. When Sir Ian Wood first published his report on the future of the UK continental shelf, Brent crude was trading at \$110 a barrel. Last year, when the bill was first read in the other place, the price had halved to \$60. Today, it is under \$30 a barrel—a 70% drop. As Unite's regional industrial officer said:

"Approximately 65,000 jobs have been lost...this is affecting workers, their families and the economy as a whole".

By creating a new regulatory body and giving it enhanced powers and strong industry funding, the House can ensure that we realise the potential of a great national asset. We have harvested 42 billion barrels of oil equivalent from the North sea, but the further prize is the 24 billion more that lie undiscovered. Yet, in the last two years, we have only discovered 150 million barrels—just 0.6% of this vast, untapped opportunity. The new Oil and Gas Authority can help to reverse this decline. Today, there are more than 300 operators in the North sea, often small, often interdependent. Sir Ian Wood's review found more than 20 instances, in the last three years alone, where operators' inability to collaborate on shared access to infrastructure, such as shipping and pipelines, had led to higher costs, delays and stranded assets.

The many new powers the Bill gives the OGA will help it bring parties together to resolve disputes quickly, ensure assets are used more efficiently and increase transparency. Our goal must be to send a clear and unequivocal message to the world that, far from declining, the North sea is an industry poised for growth and innovation. In order to do that, however, the OGA must have a single driving focus: to maximise economic recovery. To dilute this clear, simple mandate, however well intentioned, would put at risk the jobs, investment and tax revenues that Britain needs. For an industry already in deep crisis, this is a risk we cannot afford to take.

Vital as it is to safeguard the livelihoods of our energy workers, however, it is equally important that we protect those who heat their homes with that energy. In closing the renewables obligation to onshore wind projects one year early, we can save bill payers hundreds of millions of pounds while still meeting our renewables targets. In the last Parliament, the then Secretary of State announced that between 11 and 13 GW of onshore wind power would be required for the UK to meet its 2020 renewables commitments. It is clear that we now have enough capacity in the pipeline to deliver that, so the fact that the renewables obligation will close early is not a change of direction, but simply reaching our destination earlier than planned.

Furthermore, one of the most basic principles of sound public finance is that subsidies should not become a permanent feature of an industry's financing. That is the road to corporate welfare. Subsidies cost money—bill payers' and taxpayers' money—and should be limited specifically to immature technologies to help them to become competitive in the market. Onshore wind is clearly now a mature industry, and according to the UK Energy Research Centre, levelised costs for wind have been reasonably flat for more than a decade. By ending the renewables obligation for onshore wind, we can divert our scarce resources for subsidies to less mature technologies, help them to realise their promise and deliver our renewables commitments.

[Rishi Sunak]

In conclusion, what a good energy policy demands above all is balance between affordability for Britain's households, security for the future of British industry and sustainability for the next generation. In its original form, the Bill does all three, and I commend that vision to the House.

7.21 pm

**Jonathan Reynolds** (Stalybridge and Hyde) (Lab/Co-op): It is a pleasure to follow the hon. Member for Richmond (Yorks) (Rishi Sunak), although I cannot say that I will be quite so enthusiastic about the Bill, and the other hon. Members who have spoken on Second Reading.

Having recently returned unexpectedly to the Back Benches, it was with considerable excitement that I saw we would have the Second Reading of the Energy Bill today. Frankly, that was before I realised we would be talking about sado-masochism in an energy debate, which I must say is a first for me and an interesting development in matters of this kind. With a different electoral outcome at the general election, I would have hoped to be one of the people presenting a different energy Bill today—one from a Labour Government. Although we may have different views on this Bill, there is no doubt that the UK certainly needs an energy Bill. Many policy questions need a direction and many energy issues require some political leadership. Because of that, I must say I find this Bill quite disappointing. A fairer title would be the “offshore oil and gas Bill that does some quite harmful things to the renewables industry.”

By any measure, I am not opposed to the oil and gas provisions we have talked about. We should do all we can to protect the industry, which has been vital for the UK. The Wood review was a good piece of work and made many sensible and impartial recommendations. However, we must acknowledge the reality about the supply and demand prevailing in the international commodity market, especially for oil.

With oil at \$30 a barrel, we cannot deny that there will be an impact on investment in the North sea. In many ways, we should take two notable things from that. First, to follow the logic of successful energy policy across the world, divesting and getting more into low-carbon generation will reduce demand for oil, which will be reflected in its price. Secondly, we cannot mention the oil price without remarking how silly it has made the SNP Members' economic case for independence appear. It is a matter for them, but it should not go unmentioned. That deals with the entirety of one section of the Bill.

The section of the Bill on renewables is equally straightforward in that, except for the local consent provisions, we should not do it. I understand from the many times I have attended energy debates in the House what the general feeling of Conservative Members is about the wind industry. I would simply say that when we talk about this, whatever the personal positions that may come into it, we should not try to introduce personal facts, because some of the things said today are simply untrue. The figure for the contribution of UK wind to our electricity mix during the past 24 hours is 5%, not 1%. That information is very easy for anyone to obtain from their smart phone. It is equivalent to the contribution of biomass and, frankly, it is about a quarter of the contribution of our entire nuclear fleet, so it is not insignificant.

Constraint payments are a feature of any electricity system, which is a system that requires supply and demand. The best way for any hon. Member to see that for themselves is to go to the control centre, which is quite a fascinating place to visit. Constraint payments apply to every form of generation, and they go disproportionately—the numbers are much greater—to fossil fuels than to renewables. It is simply not the case that that feature applies just to our renewables sector.

The main point I want to raise on the provisions for onshore wind is that although financial support should of course be tapered out as the industry matures, ending it for what are seen as arbitrary or political reasons based on Conservative Back Benchers' prejudices will damage not only that industry but all energy investment. I have been in the Chamber so many times to hear Conservative Members say, “We don't like wind. We need some solar farms. The price of solar is coming down, and it looks great.” A few months later, the same people are back saying, “Actually, I don't like solar farms now. Let's talk about marine technology and tidal generation.” The fact is that if they undermine investor confidence in one sector, they will undermine it across the board.

It is true that there has been a set of long-standing opponents of wind energy in the Conservative party, and the industry might reasonably have been expected to anticipate that. I would say that there must be due regard to sunken costs, and amendments were made in the Lords that reflected the need to protect investor confidence, but they have been disregarded by the Government. For much of the time, especially when we talked about the price freeze proposed by Labour during the last Parliament, “investor confidence” were buzzwords for Conservative MPs. Frankly, in looking at such provisions, they seem to have deserted such a case. It must be acknowledged as factually true that if the cheapest form of renewable energy is scrapped, bills will increase. It is hypocritical to have one set of provisions for renewable energy and a completely separate set of provisions for fracking: if one set is good for one sector, it has to apply to all of them. That is the kind of inconsistency or incoherence that many people find frustrating.

Having dealt with those two parts of the Bill, I cannot help but use the rest of my speech to lament the issues and the sectors that have been missed, and to lament the missed opportunity that the Bill represents. The first such issue, which my hon. Friend the Member for Greenwich and Woolwich (Matthew Pennycook) mentioned, is energy efficiency. The Government's record on energy efficiency is frankly abysmal. It has cost thousands of jobs, made fuel poverty worse, made bills worse and has hindered our ability to tackle climate change. Whatever form of generation people favour—there are cases for different forms and there is certainly a need for a mix covering almost everything—such generation will be expensive, and I would say that not getting the most efficient use of the energy we already have is a scandal. In our access talks when we were in opposition, we looked at all kinds of things—from short-term measures we could bring in to emergency legislation to extend some obligations on energy companies—because we are going to need the jobs we have lost if we are to have any hope of hitting our targets and keeping bills low.

The second missed opportunity is carbon capture and storage technology, which, broadly, is essential to any of our plans. We know that it works, and the UK

could be a world leader in it. Frankly, it is worth a punt: we should put some money into it. But we are all left wondering whether any financial support at all will be available from the Government for carbon capture and storage. This is not just about electricity, but a principal means by which we can decarbonise industry. It seems tragic for the Government to have retreated from that area.

The third missed opportunity is decentralisation. The comments on that by the hon. Member for Daventry (Chris Heaton-Harris) were extremely thoughtful. There is a need to decentralise and diversify the benefits and costs of energy subsidies, as well as where they are put, to make the situation more equitable and to deal with the issue of local opposition to planning new energy infrastructure. My own political party—not the Labour party, but the Co-operative, by which I am dually sponsored—has a fine record of being consistent and actively campaigning for that.

If we want communities to host electricity generation closer to their homes than has been the case historically because of the system we have used, we must find ways to bring them in and for them to see some benefit from it. Some of the hon. Gentleman's comments were a little harsh, because some developers offer, for example, substantial reductions on energy bills for people who host nearby onshore wind. We should, however, look at ways in which to diversify the ownership structure of many such developments, as has happened on the continent. As he rightly said, if local communities feel that they are receiving a benefit, they will pay greater heed to the need for such developments close to them.

The last thing I want to mention is low-carbon heat. I try to get it into all debates, because if we are talking about hitting our targets or about trying to tackle climate change, heat is as important as electricity. Frankly, big political decisions need to be made during this Parliament if the UK is to make any progress whatsoever in this field. I still believe that we are nowhere near making such decisions, but we cannot wait much longer before starting that process.

In conclusion, the Bill has many worthy provisions, but it does not feel in any way as if it tries to meet the challenges in the UK energy market today. There is a sense that that is no longer a priority for the Government, when it should be a major one, not just because of the international climate change agreement that we made in Paris, but because of jobs and energy security in the UK. The right policies are available—policies that would simultaneously cut bills, tackle fuel poverty and cut emissions. My hope is for a much greater level of ambition from this Government and subsequent Governments.

7.30 pm

**Oliver Dowden** (Hertsmere) (Con): With your permission, Madam Deputy Speaker, I will speak briefly about the provisions in the Bill that relate to onshore wind generation. Many Members have mentioned that the provisions in the original Bill reflected Conservative manifesto commitments. However, as my hon. Friend the Member for Daventry (Chris Heaton-Harris) said, they had a much longer genesis. Having played a small part in the formulation of the policy during my time in Downing Street, I think it is important to understand the wider background to this debate.

As my hon. Friend said, the policy reflects a long period of campaigning. I pay tribute to the work that he and other Members of Parliament did before I entered the House to bring the policy to fruition. The policy also reflects the work of my right hon. Friend the Member for South Holland and The Deepings (Mr Hayes), the former Energy Minister, who played a large part in persuading the Prime Minister to take it forward when we were in coalition.

The policy reflects three principles. The first is local consultation—the idea that local people should have a say in decisions that affect them.

**Lisa Nandy:** I just want to highlight the inconsistency between the principle that local people should have a say, which the hon. Gentleman has set out, and the Government's approach to decisions about fracking.

**Oliver Dowden:** I have great sympathy with the argument that local people should have a say, whatever the circumstances. Indeed, my constituency has faced a terrible situation with the Radlett rail freight terminal, in which local decision making has been overridden by national planning policy. I know that adverse sentiments persist for a very long time after such decisions so, wherever possible, one should give priority to local feeling.

As my hon. Friend the Member for Beverley and Holderness (Graham Stuart) said, a lot of the anger about onshore wind farms has come about because local people have not had their say. That is why they have become the cause of such political contention, which was not the case previously. Local communities feel that wind farms have been forced upon them when it has patently been against their interests.

The second principle that the policy reflects is economic viability. There has been much debate about the exact amount of subsidy, but there is clearly large public subsidy for onshore wind. Whether the figure is £20 million or, at the higher end, £270 million, it is still money that is being paid by individual energy consumers, and those individual energy consumers are the least able to pay it. Since every consumer pays pretty much the same amount of subsidy, aside from variations in the size of their house, the impact on the poorest members of society is far greater than on the richest. It surprises me that Opposition Members do not take into account the regressive effect of subsidies on individual energy bills.

The third principle, which is one that we do not talk about enough in this House, is the value of the landscape, the general wellbeing of people who live in beautiful places and the need to preserve those beautiful places. Many of the most beautiful parts of this country have been defiled by ghastly, ugly, enormous wind farms that nobody has consented to. *[Interruption.]* Opposition Members mention fracking from a sedentary position. A fracking station tends to be a small building and most of the work is done underground. The ghastly great wind farms are often dozens of feet high and block the landscape for miles around. It is not a sensible comparison.

The important point is that if Members are arguing that we should protect our environment in the long run—I agree that we must do so if we believe the scientists that there is a threat, and I have to accept the overwhelming balance of evidence—why should we destroy what we so love in the short term by failing to conserve some of the most beautiful parts of this country?

[*Oliver Dowden*]

The important point about these principles is that one cannot take one individual element, as Opposition Members have tried to do. One cannot say, “We agree with giving local people a say on the planning element, but we disagree with the removal of the subsidy.” The two are part of a coherent policy that has been developed over a number of years in opposition and then in government. Most importantly, those policies have been voted for. They were clearly flagged in the Conservative party manifesto and the Conservative party won a majority. The extraordinary thing is that the people who were defeated in that election—principally the Liberal Democrats—have used their superior force in the other place to defeat the elected will of this Chamber.

**James Heappey:** Will my hon. Friend join me in expressing astonishment that the Liberal Democrats have chosen not to attend this debate at all? It is about three hours since their one representative left the Chamber.

**Oliver Dowden:** I agree with my hon. Friend entirely. From being a party that long advocated the abolition of the other place and its replacement with an elected Chamber, the Liberal Democrats seem to have become the party of the unelected other place who seek to impose their will on this democratically elected place.

I wish to address the idea that these measures are somehow extreme. That is quite extraordinary when one looks at the amount of onshore wind we already have. We are on track to generate 30% of our energy from renewables. Renewable energy capacity has trebled under the coalition Government and this Conservative Government. At the moment, there is Government subsidy worth £800 million for renewable onshore wind, with 490 farms and 4,751 turbines. Onshore wind farms already account for a large part of the energy mix in this country. They have an important part to play, but they really should not play a dominant part. That is why it is important that we start to scale back the level of subsidy that is given to them so that we have a balance between different renewable technologies.

Onshore wind has many flaws. We have heard that it is not reliable and often requires large amounts of back-up. It is often in the wrong place, far distant from the industry that requires the energy. That means that further pylons and other forms of transmission are required to get it from where it is generated to where it is needed, which further adds to the subsidy that is required. It is often against the wishes of the local community.

In conclusion, I argue that the Government’s policy is a reasonable proposition. It has the support of the British people, as reflected in the general election. We should resist attempts by unelected Members of the other House to force a view that is not shared by the British people on this place. I urge Members to support all the measures outlined in the Conservative manifesto when they are reintroduced by Ministers, as I hope they will be.

7.38 pm

**Mary Creagh** (Wakefield) (Lab): It is a pleasure to follow such interesting and thoughtful speeches from my hon. Friends the Members for Stalybridge and Hyde (Jonathan Reynolds) and for Greenwich and Woolwich (Matthew Pennycook), who talked about the poverty of

ambition in the Bill. It is also a pleasure to follow the hon. Member for Hertsmere (Oliver Dowden), who talked about the regressive nature of fuel subsidies. One thing that he did not talk about was the regressive nature of fuel poverty, which is something that I will talk about in my speech.

I will begin with the big picture. A couple of months ago, scientists declared that we are now living in the Anthropocene age. That is something that we will all have to learn to spell and pronounce properly. I hope that I have spelled and pronounced it properly, although I am sure that *Hansard* will step in if it is badly spelled. It basically means that humanity’s impact on the Earth’s atmosphere, oceans and wildlife has created a new geological epoch. The challenge for our age is how we eradicate fuel poverty and lower carbon emissions to keep global warming well below the 2° increase agreed at Paris, while ensuring that we reach the sustainable development goals that were agreed in New York a couple of months earlier. We must protect our planet and pass it on in a good condition to our children and grandchildren.

We take our warm homes and electricity supply for granted. I remember—as, I am sure, do other right hon. and hon. Members of a certain age—scrapping the ice off the inside of my bedroom window as a child. That was a common feature in my home in Coventry, and the discovery of North sea oil and gas transformed this country’s energy infrastructure and meant that families such as mine were able to have heated bedrooms instead of just a gas-bar heater. That has changed people’s lives immeasurably for the better, so today I will talk about warm homes, the importance of low bills, and green energy—I have perhaps a different trilemma to some Conservative Members.

Energy must be affordable, and when we were in government we understood that. We invested £20 billion in the decent home standard, making people’s homes warm and weatherproof. We installed 1 million new central heating systems, rewired 740,000 homes, and helped a further 2 million homes through the Warm Front scheme. That stands in sharp contrast to the 16,000 homes that have been retrofitted since 2013 under this Government’s Green Deal. Such things have a very real impact on people’s lives—there were more than 40,000 excess winter deaths among old people last year.

Five years ago in Wakefield, I discovered that Derwent Road and Windermere Road—both built from prefab homes—were not connected to the national grid and there was no possibility of a gas connection. I conducted a survey in 2009 with my colleague, Councillor Margaret Isherwood, and we discovered that the average fuel bill there was £2,000 pounds a year. We fought for those homes to be connected to the national grid, and we got Government help to warm up that cold spot, together with the local housing association, Wakefield District Housing, and Community Energy Solutions. Those were some of the 1,000 homes in Flanshaw, in a western area of the city, that were connected to the grid. One resident from those roads came to a recent surgery, and described her joy and how much she enjoyed seeing all the little gas boilers and their condensing pipes puffing out steam during the recent cold snap. We take such things for granted, but if someone has been paying £2,000 to heat what is essentially a metal home, that change makes a

real difference. Each home that was insulated and had a new central heating system saved 2.6 tonnes of carbon every year. Warm, well-insulated homes make an impact in the virtuous circle of reducing our carbon emissions.

Sadly, Wakefield still has nearly 4,000 households in fuel poverty, and nationally bills have risen from an average of £500 a year in 2010, to £606 in 2015. The Government's advice for people to switch tariff is simply not enough. Most people have to go online to switch, but the people that we are talking about do not have the landline, computers or computer skills to switch. I know that colleagues across the House have held switch sessions so that people can come in and switch tariff, but often the lowest fuel bills are internet-only and paperless, and people simply do not trust them. I for one will never switch to an internet-only bill—hashtag “just saying”—or banking, or anything like that.

Briefly, I want to mention the Government's record, and particularly solar subsidies that have now been reduced by 87%. Plans to sell off the Green Investment Bank were criticised by the Environmental Audit Committee, on which I sit, for risking the bank's unique green identity. The Government have cancelled proposals for carbon capture and storage technology, which could have been a huge new industry in Scotland and Yorkshire. People in Yorkshire were ready to bring in subsidy from the EU and to use the subsidy that the Government offered. That cancellation will have a massive impact on the creation of new jobs in Yorkshire and Scotland, and we must quickly come up with a new CCS strategy to ensure that we do not miss out on opportunities from that new technology.

The Bill also scraps support for onshore wind—one of the cheapest low-carbon energy options—and that will have a big impact on business confidence and inward investment. Figures from Bloomberg New Energy Finance published today forecast that over the next five years investment in renewable energy could “fall off a cliff”. The hon. Member for Beverley and Holderness (Graham Stuart) spoke about the big investment, but the world in 2016 is a more uncertain place for such investment. Bloomberg predicts that the country will lose at least 1 GW of renewable energy generation because of the early closure of the renewables obligation, which is not good news. As with solar feed-in tariffs, the Government are changing energy policy with very little notice, and that damages investor confidence and puts at risk jobs and our energy security.

Hundreds of those jobs, particularly in the solar industry, are in Wakefield. Kingspan Renewables has its main manufacturing plant in my constituency and employs 140 people. Crompton Solar also wrote to me five years ago with the first proposed changes to the feed-in tariffs. It is an electrical engineering company that manufactures excellent inverters that are used in solar installations, and it is based in the city. I want those high-skilled jobs at Crompton and Kingspan in Wakefield to be safeguarded and secured for the future.

The Government's programme on smart meters is behind schedule and behind time. They have tasked energy suppliers with installing those smart meters by 2020, but will the Minister consider using that installation as a way of educating householders about the dangers of carbon monoxide poisoning? More than 200 people a year go to hospital with suspected carbon monoxide poisoning, and around 40 of those people die. We have

a once-in-a-generation chance of going into people's homes. People should wear the carbon monoxide monitors so that staff are not at risk, but they should have that opportunity to educate people about any difficulties with their boilers. At a conference that I hosted on carbon monoxide poisoning in November, that was one concrete area that we wanted the Minister to consider.

In conclusion, our energy policy should focus on the trilemma of warm homes, low bills, and green energy. The Government's track record in all those areas has been chequered, and they need to stop changing the goalposts on green energy. All changes reduce and affect our ability to meet our climate change targets. They affect families, businesses and growth, and we must live up to our past record as a leading player, not just on the big picture of climate change, but on green energy investment and tackling fuel poverty.

7.47 pm

**James Cartlidge** (South Suffolk) (Con): It is a privilege to speak about this Bill and to be asked to serve on the Bill Committee, as well as to follow so many excellent contributions, especially from my right hon. Friend the Member for Hitchin and Harpenden (Mr Lilley), and my hon. Friend the Member for Hertsmere (Oliver Dowden), who made a passionate defence of the beautiful English countryside.

It is also an honour to follow the hon. Member for Wakefield (Mary Creagh), although I will not attempt to spell or pronounce the age that she said we live in. She spoke a lot about fuel poverty, but I cannot think of a single measure to help my constituents tackle fuel poverty that even begins to compare with the fact that, with so many people heating their homes with oil tanks, it is now 60% cheaper to fill those tanks than it was a year ago. The same goes for petrol and diesel, although the percentage falls are not as steep. I welcome that fall in oil and diesel prices, particularly for our hauliers who have been so hard hit of late. I was intrigued to hear the hon. Member for Swansea West (Geraint Davies) call on those on the Labour Front Bench to lobby the American Government to curtail shale production, so that we can increase oil prices. I would be interested to know what the leader of the Labour party thinks about that policy.

Oil prices are key, and the most important part of this Bill is that it establishes the Oil and Gas Authority in what is clearly a time of crisis for the industry. Hon. Members have mentioned the cost of oil falling to \$29 a barrel. In fact, according to the internet, today it fell to as low as \$27.70, and Ladbrokes are now offering odds of 10:11 on its falling to below \$25 in the coming weeks, and 10:1 on oil being below \$10 a barrel—incredible prices.

As several hon. Members have said, 65,000 jobs have been lost in the oil sector since the beginning of 2014. It is a difficult time for the industry, but there are roughly 24 billion barrels of oil left in the North sea, which one day will not sell for tuppence ha'penny. We need an effective regulator, because that can bring stability and encourage investment.

I have no expertise or background in the industry—my background is as a director of a small business that was regulated by the Financial Services Authority and is now regulated by the Financial Conduct Authority. It is fair to say that the FSA was not a brilliant regulator—it

[James Cartlidge]

failed fundamentally—but it is incredibly important that there is now a trusted regulator in the sector. I am sure it will be the same in the oil and gas industry. Oil & Gas UK has said:

“We believe the OGA is a critical catalyst for the work being undertaken to sustain offshore oil and gas activity and the associated employment in the sector, and its tools and capabilities should remain focussed solely on this task”.

I have one other point to mention on oil and gas. I am glad the hon. Member for Aberdeen South (Callum McCaig) is back in his place. When I intervened on him earlier and asked what the SNP could do, he suggested that it was naive to think that the Scottish Government should try to do anything about the crisis. It is a UK crisis, but it is hitting Scotland hard, particularly his constituency.

**Callum McCaig:** That is not a fair assessment of what I said. In response to the hon. Gentleman’s suggestion that the Scottish Government should use their new fiscal powers to support the oil and gas industry, I said that I did not see that as manageable, and that to think otherwise would be naive. Support is being provided by the Scottish Government and is being well received.

**James Cartlidge:** The Scottish Government will have the power to raise tax. They can do that and say to the Chancellor, “We are extremely worried about the crisis hitting our countrymen and countrywomen. We will contribute to a fund to reduce the tax rates on North sea oil.” What is so controversial or naive about that? We had all that passion from the SNP at the referendum about Scotland. Now that we have a crisis in Scotland, what are the SNP Government doing about it? They have a duty to pull their finger out, put their hand in their pocket and step up to the breach.

On the subject of devolution, we also have devolution in England. I have a question for my Front-Bench colleagues. There is an important measure in the Bill on planning and onshore wind. The result of the Bill is that power will go to local people, but I ask the Minister what will happen if a combined Suffolk and Norfolk authority has strategic economic powers. Will that take over the planning powers that will be devolved to local authorities under the measure in the Bill? That is a question about the impact of the measure and English devolution.

As in other constituencies, there have been significant cases in my constituency. In the run-up to the general election, there was a major case of a wind turbine in Pannington farm in Wherstead, near the famous “Jimmy’s Farm” of BBC TV fame. I am pleased to say that it was soundly rejected by Babergh District Council, with great support from the affected communities of Pinewood, Belstead and Wherstead in the northern part of my constituency bordering Ipswich. Of course, those communities will very much welcome the measures in the Bill.

On the subject of planning, several hon. Members, including the hon. Member for Wigan (Lisa Nandy), asked this question: if communities have a say in onshore wind, why should the same not apply to fracking? I see the point they make, but that planning currently rests with the minerals planning authority of the higher

authority—in Lancashire, that meant Lancashire County Council. As a result of the time that it is taking, I understand that the decision will eventually go to the Secretary of State. [Interruption.] Is the hon. Lady trying to intervene?

**Lisa Nandy:** I wanted to make the point that Wigan rests within Greater Manchester.

**James Cartlidge:** I did not say that it did not; I was talking about Lancashire, which obviously has an extremely important fracking issue at the moment.

My position is that fracking is clearly incredibly controversial. The point is that, because of some of the stuff coming out in the media—warnings of terrible things that could happen—I do not see how a district council in that climate would ever approve a fracking application, and yet that industry potential offers so much. We at least have to give it a go. Indeed, shale production could create up to 74,000 jobs, many in areas of high unemployment. It has to be said that it is easier for the MP for South Suffolk to support it—east Anglia apparently has no shale deposits—but we have to recognise the different context. Renewables is a developed industry and shale has not got going. We have exploratory drilling but no commercial drilling. We at least need to give it a chance to get commercial drilling going to see what impact it has in reality, so that we can get away from some of the hysteria and examine the potential. It could be a vital economic resource for this country.

**Lisa Nandy:** I am sorry to detain the hon. Gentleman on this matter, but is he really arguing—I cannot honestly believe he is—that, because fracking is incredibly controversial, communities should be denied a voice? Surely that is a reason why communities should be given a say.

**James Cartlidge:** That is the point I am making. If there is a lot of hysteria about a sector, it can be very difficult to achieve a rational, objective decision. Let us not forget that the whole point of planning applications is that they must be considered in a semi-judicial and balanced fashion. That might not be possible—that is just a statement of fact—and yet, strategically, we need that industry. That is my view. I know it is divisive and that not all hon. Members share that view. As I have said, if I were an MP in Lancashire and had the problems that some of my hon. Friends have had, it would be difficult to cope with that pressure, but there is no doubt that shale has huge strategic potential.

**Simon Hoare (North Dorset) (Con):** Does my hon. Friend share my view that, with the plummeting price of oil and while the oil price is as low as it is, there is no way that the OPEC countries will allow another country to develop a commercial fracking enterprise, and therefore that the costs associated with the planning process, land acquisition and so on will not present a sufficient dividend on the investment to support a UK fracking sector?

**James Cartlidge:** That is a very interesting question and I am not sure I am qualified to comment. I saw in some of the City commentaries today the first predictions of US shale production falling in response to the price of oil and predictions that they will go lower.

**James Heapey:** Be that as it may—US shale production might be about to fall—but the US has not yet started to export what it has. When it does, it will undoubtedly have a big impact on the liquefied natural gas markets both in Europe and the far east.

**James Cartlidge:** I hope that that is the case. The point I was about to make is that there is no doubt that US shale has had the single biggest impact on the falling oil price, although it is not the only factor—there are many factors. I am grateful for that because the economic impact will be huge. Many in the other place said in that debate that, because the oil price was so low and energy prices were falling, we should use the opportunity to introduce new charges for renewables or whatever. First of all, we know those prices will not be temporary. Secondly, energy prices are low but there are other, negative impacts of the energy crisis, such as loss of jobs, lack of confidence and the up and down in the stock market. In effect, falling energy prices are an automatic economic stabiliser—they relieve economic pressure and help the economy to keep growing, supporting the consumer and so on.

I support the Bill because I believe it will give stability and a future to an industry that is struggling. That is the single most important part of the Bill. I also support the measures on the renewables obligation. I look forward to going through it thoroughly in Committee.

7.58 pm

**Stephen Kinnock (Aberavon) (Lab):** It is a pleasure to speak after so many engaging and insightful contributions. As we meet today, it is easy to forget that it is almost 10 years since the Prime Minister, who was then Leader of the Opposition, decided it was time to hug a husky, and five years since he declared his determination to lead the greenest Government ever. As soon as he had walked down Downing Street and made his way through the rose garden, and once he was out of the earshot of the right hon. Member for Sheffield, Hallam (Mr Clegg), what did he do? He instructed his advisers to “cut the green crap”. I say that not to imply that the Prime Minister and his party were lacking in sincerity—of course they were not—but because it shows the undeniable truth that talking is easy but action is hard.

We saw that today in the Government’s failure to act to support the steel industry and jobs in my constituency, and we see it on climate change. Warm words will not stop global warming; only concrete action will. The connection between how we tackle climate change and how and where we get our energy is self-evident. It was for that reason that the Department of Energy and Climate Change was set up and why the Climate Change Act 2008 committed to reducing emissions by 80% by 2050. Alongside the Act was a detailed plan for moving to a low-carbon economy. Today, however, the Government are enthusiastically dismantling it, injecting as much uncertainty and instability into the energy sector as possible.

When I worked at the World Economic Forum, I was privy to the thoughts of CEOs and leaders of some of the world’s biggest companies. I have to say that most of those people got it. They would simply tell me, “Look, our business is not sustainable if our planet is not sustainable.” It is not just the case that business and the private sector could or should be partners in sustainability;

the truth is that the business community desperately wants and needs to partner government on green growth. Like me, they have seen the reports that unchecked climate change threatens at least \$4.2 trillion of assets around the world. They know that a sustainable business needs a sustainable planet.

I have seen the revolutionary capacity of private sector actors in attaining public goals—but that requires support from government. Part of that government support must be about creating an environment of certainty. Business can only mobilise and invest its intellectual and financial capital in green energy if it can have some sense of certainty—if it can be sure that the floor will not be pulled up from underneath it overnight. It is on this, and with the Bill in particular, that the Government are failing. Already the Government have decided effectively to block the solar industry from any certainty over the feed-in tariffs that it will receive once projects are finished. Now we see greater uncertainty being injected into the issue of carbon capture and storage and wind farms with the early closure of the renewable obligation.

Onshore wind is one of the most cost-effective and low carbon energy sources available to us in the UK, so the Government’s decision retrospectively to close the existing subsidy scheme, which was not in the Conservative manifesto, is an example of the Government’s reckless chopping and changing of energy policy. It should be particularly worrying for the following reasons. First, it will cost jobs. Hundreds of highly skilled workers will be laid off because of the Government’s mismanagement of clean energy subsidies. Secondly, the Government claim that ending solar and wind support will save households 80p on their annual bill, but most of the savings will be offset by hand-outs they have announced to more expensive energy projects, such as Hinkley Point B. The Government’s approach is inconsistent: stripping support for clean energy—for the cheapest energy we have—just when it is on the verge of reaching parity with non-renewables, while announcing new subsidies for the most expensive forms of energy. That is not about a fair market, but about ideology.

Thirdly, all this has been done with almost no notice, so it will totally wreck investor confidence. I have to ask the Secretary of State to put herself in the position of an investor in the energy market. Faced with the choice of investing in the UK or the US, where renewables investment has doubled under President Obama, where would she choose? Faced with the choice of investing in the UK or Germany, which has seen renewables rise from 6% of the energy sector in 2000 to almost a third of the sector by 2014, where would she choose?

**David Mowat:** The hon. Gentleman mentions Germany. He is right that there are more renewables there than in the UK. It is also a fact that in Germany carbon emissions per capita are one third higher than in the UK and one third more per unit of GDP because of its reliance on coal. Does he not accept that the Government have a responsibility to decarbonise as cheaply as possible? There was a terrible announcement today in his constituency. The cost of electricity for making strip products in Port Talbot is double the price for an equivalent company in Germany. Does he not accept that part of what Government must do is mitigate that?

**Stephen Kinnock:** I absolutely accept there have to be exemptions for energy-intensive industries. The steel industry has needed the energy-intensive industry compensation package for over four years. The Chancellor recognised the need for that in 2011 and it has taken until now to get it sorted. One reason for that is that we are expending so much political capital in Europe trying to negotiate a Brexit, but that is another case altogether.

Does the Secretary of State really think that investors are going to choose the UK, where one could be liable to see governmental and regulatory support wiped away overnight with no warning, or choose to invest in an environment of ever-increasing certainty? In fact, would she not consider investing in emerging markets, such as China, which is now investing more in clean energy than the whole of Europe combined, or in India, which is planning a fivefold increase in its clean energy investment by 2020, instead of putting money in an uncertain British market? We must be clear: the uncertainty will affect not only the renewable sectors explicitly covered by the changes; there will be contagion elsewhere from this assault on investor certainty.

On today of all days, I feel the need to talk about a specific example of where the Government's failure to act decisively to support sustainable energy and create certainty for investors is costing our country dear: the Swansea Bay tidal lagoon. As hon. Members will be aware, Tata Steel announced over 1,000 redundancies today, with 750 of them at the Port Talbot plant in my constituency.

**Mr Lilley:** I can scarcely believe that I would hear such a clear example of sadomasochism: an hon. Member representing a steel constituency calling for the highest-cost energy in the western world to go ahead. That can only make the problem of the jobs of his workers even worse. I just cannot imagine how he stands any chance of being re-elected.

**Stephen Kinnock:** I thank the right hon. Gentleman for his excellent advice. I will leave the last bit of his intervention for my constituents to decide. As I explained to the hon. Member for Warrington South (David Mowat), there is a need for a compensation package for energy-intensive industries. As I have mentioned many, many times in interventions and speeches on the steel industry, the Government's foot-dragging on the compensation package is a major reason why we are seeing the crippling of the steel industry. It has been too little, too late.

This happened because of the Government's failure to act against the dumping of subsidised Chinese steel, the failure to produce a long-term industrial strategy for steel, and warm words backed up with no concrete action on procurement and energy. The priorities for my constituents are preventing further job losses and Government action to support retraining and transition for those made redundant. The Swansea Bay tidal lagoon project is an opportunity for both job creation and support to the steel industry, because steel turbines would be at the heart of the lagoon project. The Government, however, have dodged and delayed the decision. Every missed deadline sets the project back. Every day or week of delay costs months or years—and it costs jobs. The Swansea Bay tidal lagoon would be the first of its kind in the world and shows how important it is for the Government to act decisively and create

certainty. My constituents urge the Secretary of State to take urgent and decisive action to support the project. We have been let down by the Government too many times, today being a prime example. It is about time the Government took action, so I would appreciate a specific answer from the Secretary of State about the tidal lagoon project in her wind-up.

It is not just on the tidal lagoon and the arbitrary scrapping of the renewables obligation that the Government are failing. The decision to axe the carbon capture and storage programme, just when Britain is on the brink of securing major investment from the private sector, puts the entire future of UK CCS at risk. CCS technology not only offers the chance of decarbonisation and of transforming non-renewable energy into something that can be made part of a viable sustainable energy mix, it supports jobs. But, again, we see a Government who are unable to create an environment of certainty for investors, employees and our country, and so our energy security is put at risk, as is the future of our planet. There can be no doubt about it: the Government's actions are being noted around the world. The Prime Minister will parade his signature of the Paris accord, but colleagues around the world, as well as in this Chamber, see him slashing vital support for clean energy.

The UK's reputation as a world leader on climate change is under threat, and we now face an uphill battle to meet our legally binding EU renewable energy targets. We should ask: what is the theme running through all this? It is of a Government and a party driven by the politics of now. That is why in 2005 we saw "hug a husky" and in 2010 the pledge to be the greenest Government ever; that is why we saw the ditching of the green deal when those pesky Liberal Democrats had left the Cabinet table; and it is why today we see an end to support for wind, solar and CCS. Government Members have had too many complaints at their local association meetings. Government Ministers have been too preoccupied with expensive nuclear projects and cosying up to China. The Government—or Mr Lynton Crosby—do not feel green issues and the environment are fashionable any more, and the internal politics of the Conservative party pushes them again back to their comfort ground and away from a commitment to a sustainable future.

The climate challenge cannot be met by the politics of now. It cannot be met by short-term thinking and internal party management. The Conservative party claims to be the party of entrepreneurs. I say it is about time it started acting like it, with an entrepreneurial state willing to collaborate and work with the support of all those in the private sector who want to build a sustainable future. There has to be a collaborative approach between business and Government. At the heart of that, there has to be an environment of certainty. That is how we will secure investment and how we will secure jobs. Most importantly of all, it is how we will secure a sustainable future.

I implore the Government today to rethink and to go back and pay heed to those saying stop. They should stop destroying investor confidence, stop the uncertainty and start supporting a sustainable energy market and future.

8.10 pm

**John Redwood** (Wokingham) (Con): I remind the House that I offer business advice to an industrial and investment management company.

With oil at \$28 a barrel, the North sea and its supporting investments face a very damaging threat. None of us can know whether in the near future OPEC might change its policy and suddenly reduce capacity to put the price up; and none of us can know exactly when enough capacity will be closed elsewhere in the world where there are exposed investments and very high costs to get supply back into line with demand and to get the oil price higher. All we can do at the moment is try to manage what we have. Today, we have a very low oil price by recent historical standards, and it has completely undermined the business model and the investment case for many parts of the industry.

I am delighted that the Secretary of State has pledged strongly that she sees the North sea as a fundamental part of Britain's energy requirements in the future and a fundamental part of our whole industrial base, as indeed it is. The North sea has not just spawned substantial energy reserves and large tax revenues for us, but enabled the growth of a large number of highly skilled and technical jobs, with talented people working in a large number of companies.

The Scottish Nationalists are saying, "Let us review oil taxation again and have lower rates going forward." At the moment, as there is no revenue coming into the Treasury from North sea taxes because the oil price is so low and the investments so damaged, I am quite relaxed about that advice, and I am sure that my right hon. Friend the Chancellor will be thinking very carefully about how he can support my right hon. Friend the Secretary of State for Energy and Climate Change going forward with more investment. I have to warn Members that even if he were exceedingly generous about future rates of North sea taxation, it is not going to be enough to make a difference against the background of oil costing \$28 a barrel.

What we are now battling for is not the revenues we used to get from North sea oil taxes. What we are now battling for is the very substantial income tax revenues that we have been getting, as the United Kingdom and as Scotland, from the very highly paid jobs in the Aberdeen area and the other supporting areas for the North sea. If we are not careful, \$28 a barrel oil will lose a large number of those jobs—some have already gone—and flatten the incomes of many others. It will mean a very big hole in the Scottish income tax revenues on top of the damage done to the United Kingdom/Scottish revenues from the oil itself. That is why I hope that the Treasury and my right hon. Friend the Secretary of State will work with the industry to come up with any kind of scheme to give us a chance of reinvesting. We need to use the best extraction techniques and the best modern technologies. Of course we need the industry to work on its cost base, but that will require something very major.

My right hon. Friend the Secretary of State is also right that security of supply must be her single most important consideration. She is trying to balance security with costs and green issues, but I think she is right to regard security as fundamental. If there are tensions, the Government must surely put security of supply before all other considerations.

I notice that we are beginning to rely rather more in our policy on interconnectors. Let me provide a word of warning: they may provide a short-term solution, but to interconnect our supply to the continent of Europe—

a continent very short of its own indigenous energy resources—does not necessarily make us more secure. Bearing in mind the importance of Russian gas throughout our continent, particularly the further east we go, I do not wish my country to be geared in the long term to an energy-short continent dependent on Russian good will. I think our security of supply must rest on indigenous UK energy resources—renewable and carbon-based in the right balance, but above all coming from generation sources that provide continuous and flexible supply.

I fully support the Bill in its wind provisions. I am a long-standing critic of wind, which I think is far too expensive. The main reason for it being far too expensive—let us be clear on the Conservative Benches, if not elsewhere in the House—is that we cannot rely on wind, requiring the building of two lots of power generation in order to be secure. There is the wind, which works sometimes, but 100% cover is necessary in many cases via other types of generation in case the wind does not blow. Given that the wind has a habit of not blowing when it is really cold and when industry might need quite a lot of energy, it is important to have that further back-up.

That brings me to the second most important proposition that my right hon. Friend has to handle, which is cost. We all witnessed an extremely sad announcement earlier today—one of a series of sad announcements about our steel industry. The Minister chided me when she said that if I believed in markets why would I want British investment projects to be buying British steel? Let me reassure Ministers that I always buy a British-made car because I live in this country. My salary here is paid from the taxes paid by people who go to work in my country, so I think it only courteous to buy some of its more expensive products when I have the money to be able to afford a car. Similarly, I like to holiday in England because it adds to the jollity of nations and provides circulation of the salary I am paid here.

I have always been someone who believes that if we live in a society or a political community, we should accept mutual obligations. I thus strongly believe that when we are voting on huge sums of money to go into very large investment programmes that have a large steel component, we should go to the next stage and say, "By the way, we want competitive British steel to be at the core." We should be able to lay that down as a requirement. There would still be competition between the different British producers to keep them honest, but we should surely want to use our public money in that way.

Our problem on cost is that because we have so much wind in the system and we have to provide alternatives and back-up on top, the cost of our energy has become very high, which is undermining the industrial policy that my right hon. Friend the Chancellor set out in the previous Parliament seeking the march of the makers. We will get the march of the makers on the scale we want only if we offer cheap energy. Our energy needs to be cheaper than Germany's, not dearer. It needs to be competitive with that in China and the United States of America, whereas it is far from competitive at the moment.

Modern industry is very energy intensive. It is not just the so-called energy-intensive industries that might attract some subsidy; the general process industry is energy intensive as well because it is highly automated

[John Redwood]

and the grunt is now provided by electricity-driven machinery, not by human hands and arms. We need to understand that one of the core elements of any successful industrial policy must be cheap energy, so I wish my right hon. Friend every success in trying to bring together those three different components of her policy to put more emphasis on cheaper energy. To do that, we need to end these large onshore wind subsidies. To do that, we need a new generation of electricity plant that has cost as one of its main considerations. That may well be gas plant, but it will have to operate for considerable lengths of time in order to get the proper economies of scale.

The danger of the system we have inherited is that it makes sure that we pay as much as possible for energy at any given time. If very dear energy is available as wind energy, we have to run with that, which makes the cheaper energy dearer, because the base-load cannot be run any more, so the costs of switching on and off become rather large.

Three cheers for the Bill; I fully support it. Three cheers for the Secretary of State, but for goodness' sake let us not rely on foreign supply and let us not rely on wind. Let us have some decent reliable base-load electricity at a price industry can afford.

8.18 pm

**Philip Boswell** (Coatbridge, Chryston and Bellshill) (SNP): It is a pleasure to follow the right hon. Member for Wokingham (John Redwood). In their manifesto for the 2015 general election, the Conservatives undertook to “meet our climate change commitments, cutting carbon emissions as cheaply as possible, to save you money.”

Although I welcome action towards achieving this goal, and particularly the introduction of the OGA, recent action seems at odds with the climate change agenda. While I agree with the Secretary of State when she says that this is one of the biggest challenges facing this generation, with the advances in technology, clean renewable energy can be less expensive to the consumer than traditional carbon-based energy.

**Mr Lilley:** Is the hon. Gentleman saying that renewables are cheaper? If renewables are cheaper, they do not need subsidies. Discuss.

**Philip Boswell:** The £92.50 strike price at double the current rate for Hinkley C, guaranteed for 35 years, is a case in point. As for alternatives that might be cheaper in future, one possibility is compressed air energy storage, allied to the admittedly intermittent nature of wind power.

I could also tell the right hon. Gentleman about advances in technology in the context of the carbon capture projects in Scotland and Yorkshire. Before coming to this place, I was fortunate enough to work in the energy sector for 13 years, and for some time I was Shell's contract leader for the carbon capture project. I moved it from the coal-fired power station at Longannet to the Peterhead gas-fired power station, so I understand all too well what “advances in technology” means.

When we were talking about the amine process—before the rug was pulled from under our collective feet—we likened the technology to that of the mobile phones of

the 1980s; the right hon. Gentleman is not young enough not to know about those clunky phones. The process would have captured 90% of emissions. Given the advances in technology, were we to retain and develop that process, the figure could rise to 92%, 94% or 96%, with ever-reducing costs. This was a missed opportunity: that is the point that I was making.

Creating market incentives to achieve the two-pronged goal of cheaper and cleaner energy requires a reworking of the United Kingdom Government's involvement in the energy sector, and a rethinking of their relationship with energy. In the Bill, the Government propose to close the renewables obligation to new onshore wind projects from April 2016, a year earlier than originally planned. Given that the RO is the only current mechanism that enables large-scale onshore wind to enter the power market, the proposed closure poses a significant threat to the future of the onshore wind sector and the United Kingdom's growing green manufacturing, export and investment potential, while increasing the difficulty and costs associated with meeting the challenging decarbonisation targets.

In the House of Lords, the Government proposed a number of grace periods designed to allow projects that had already committed significant investment on the basis of an expectation to deliver before April 2017 to proceed. Peers rejected the clauses on the RO closure, calling for the Government to respond more fully to the substantive concerns expressed by industry about the closure and the grace periods. I support that position. Investors and developers need clarity from Parliament on the future of the renewables obligation. Without that certainty, investors will be unable to proceed with projects that were expected to be delivered on the basis of RO grace periods. The Government must also explain how new onshore wind projects will in future be able to access and compete in the market for low-carbon power.

**John Redwood:** Will the hon. Gentleman give way?

**Philip Boswell:** No, I will make some progress.

Without such a route to market, the Government risk increasing the cost of meeting our long-term carbon reduction targets.

The deployment of onshore wind has greatly helped to keep the cost of decarbonisation down, while creating business opportunities for UK firms. The onshore wind industry has grown significantly in recent years, and now supports some 19,000 jobs. In 2015, the 8.5 GW of operational onshore capacity in the UK met nearly 6% of the UK's electricity demand.

**John Redwood:** Why, then, was there such a high import component in the wind equipment that we needed, mainly from Germany?

**Philip Boswell:** We need to invest in research and development to establish that. R and D is another shortfall on the part of this Government and others, which is why we lag behind in respect of wind technology. We are well advanced with North sea and sub-sea technology, because we had the conditions that encouraged research and development, but since that time this Government and its predecessors have failed to do the same for wind.

Scotland in particular has embraced the benefits of onshore wind, with over 5 GW of operational projects, and the country is home to around 70% of the onshore wind projects that are currently in the UK planning system. Onshore wind has been the driving force behind the fact that renewables now account for nearly half Scotland's gross electricity consumption. It is also the cheapest source of renewable energy, and it will soon compete with conventional forms of power generation. According to the Committee on Climate Change, the full cost of onshore wind projects will be

“similar to that of gas generation in 2020 (e.g. £85/MWh). In practice, some of the best sites could be considerably cheaper and costs should continue to fall”

as efficiencies increase.

The Bill's impact assessment states that the Government aim to achieve 11.6 GW of operational onshore wind by 2020, and that currently 10.4 GW is operational or under construction, leaving a further 1.2 GW to come forward before RO closure in April, or in the grace periods that the Government propose. It also states that there is 2.9 GW of onshore capacity with planning approval awaiting construction which could have come forward under the RO. That means that up to 1.7 GW of capacity will be lost under the Government's plans. That amount of onshore wind capacity would generate about 3.8 terawatt hours of electricity, which is equivalent to the annual power needs of more than 900,000 homes. Closing the renewables obligation without explaining how further onshore wind can access the market poses the risk that the UK will fall further behind on our 2020 renewable energy targets, and that the cost of continued decarbonising of the energy system will increase.

The central estimate in the Government's impact assessment is that early closure of the RO would reduce annual household bills by 30p per year. While the Government and industry must ensure that we minimise the bill impacts of achieving our renewable energy and carbon reduction target, the potential impact of RO closure on the onshore wind sector and on wider energy investor sentiment could increase the overall cost of investment in our energy infrastructure. Moreover, unless a route to market for new onshore wind projects is set out, consumers could face higher bills, because the UK must rely more heavily on more expensive generation technologies as we seek to cut carbon from the power sector into the 2020s. The £92.50 strike price for nuclear generation at Hinkley C, guaranteed for 35 years, is an example of that.

The latest edition of the EY renewable energy country attractiveness index, which was mentioned earlier, now puts the UK at No. 11. For the first time, it has fallen outside the top 10, and it has fallen from its position as No. 5 in February 2014. Indeed, industry and business groups, including the CBI, have been warning of the damaging effect that short-term changes in the framework for renewable and low-carbon technologies are having on the UK's ability to attract investment into our energy infrastructure more widely. Moreover, a recent EY survey of lenders in the onshore wind sector found that more than half of those who responded were not prepared to lend until the Bill had received Royal Assent, largely owing to the current political and regulatory concerns about the RO and the lack of guidance on the process and timing of the Energy Bill's amendment in Parliament.

As a leaked letter from the Energy Secretary acknowledged in November 2015, the UK is not on track to meet its 2020 renewable energy target covering the use of renewables in electricity, heat and transport. Of the three sectors, only renewable electricity is on track at present. The overall shortfall—estimated at 50 TWh—is made up of under-delivery in heat and transport. Increasing the share of electricity sourced from renewables is a cost-effective method by which the UK could seek to make up at least some of the shortfall, and has the benefit of involving established industries with a track record of delivering significant capacity over relatively short periods. The lack of clarity for renewables projects in both the RO and its replacement, the contract for difference, means that Scotland is also now at risk of not meeting its own 2020 target to generate the equivalent of 100% of its annual demand for power from renewables by 2020.

In conclusion, I thank those Members who have contributed to this critically important debate, and while I welcome the Government's energy market reform, as it is an essential step in achieving clean, cheap, and secure energy, I have serious concerns about the ways in which the UK Government have enacted it, particularly in regard to onshore wind, carbon capture, the retention of core oil and gas infrastructure, the green investment bank and solar energy.

The closure of the RO a year early has been a huge blow for small, independent developers, whose projects have now potentially been compromised. Amendments introducing a robust grace period scheme must be introduced in Committee. The UK Government's backpedalling on the closure date of the RO has created uncertainty among investors.

I look forward to hearing proposals from the UK Government as to how these issues will be addressed and urge all involved to expedite the implementation of this Bill as quickly as is reasonably possible. The energy industry in the UK has been undermined by the Government's continuous moving of the goalposts and needs legislative stability to attract and retain finance, and to bring back much needed investor confidence that is essential to the success of this industry.

8.30 pm

**Simon Hoare** (North Dorset) (Con): It is a great pleasure to follow the hon. Member for Coatbridge, Chryston and Bellshill (Philip Boswell), who readily admits—although with undue modesty—that he has a huge wealth of knowledge about the British energy sector. That said, I cannot be alone on the Government Benches in being slightly surprised at the sanguine—I was going to say “relaxed”—nature of the SNP with regard to its trumpeting of the bona fides of renewables when one of Scotland's largest industry sectors and employers is in such crisis. I am sure that commentators and others in the hon. Gentleman's constituency and elsewhere will note this.

It is a pleasure to speak in support of the Second Reading of this Bill. Those of us who look for what could be described as a golden thread to run through UK energy policy probably look in vain, because, as we have heard in many speeches, it has broken down into many sectors, all trying to generate one particular commodity, but looking to different modes of generation in order to achieve it. The Government have to wrestle between

[Simon Hoare]

tensions which other Members have referenced. There is tension in cost-effectiveness for large-scale users in industry as well for domestic users, and in trying to reduce demand through energy efficiency in new build and the type of refit that the hon. Member for Wakefield (Mary Creagh) was talking about to try to address climate change, and to ensure, as my right hon. Friend the Member for Wokingham (John Redwood) made clear, energy security. Security of supply has to be absolutely at the top of the tree. I believe that the Government and the Department wrestle with those often competing tensions on a daily basis, but clearly have security of supply at the top of their agenda as well, which is to be welcomed.

A number of hon. Members have spoken about fuel poverty, and I share that concern. That is why I trumpet the huge reduction in the oil price. For a constituency such as mine, which has well below the average annual take-home pay, low oil prices for domestic heating are a godsend. I do not think there is a single house in North Dorset that has access to mains gas, so most of us will be looking to oil heating. Therefore, that is rather good news.

On the specifics of the Bill, it is good news that we seem to have bipartisan support for the creation of the Oil and Gas Authority, and I welcome its creation. There are, however, some notable points that could be focused upon. The fact that in the Bill the Secretary of State retains the environmental regulatory functions, notwithstanding the creation of the OGA, is important. Those environment regulations should be dealt with by democratically accountable people, as we have seen with regard to fracking.

I also welcome the fact that the OGA will have access to company meetings and to data acquisition and retention, and will have a role to play in dispute resolutions as well as imposing sanctions. I welcome the proposed changes to fees and charges to ensure that the OGA's costs are far more closely linked to those who will benefit from its services and functions.

I hope that the Scottish National party will support the Government's stance on carbon capture and storage when we come to debate the Bill in Committee. An amendment that was proposed and agreed to in the other place by another unholy alliance—Labour and Liberal Democrat peers—will only place a further burden on the industry, particularly but not exclusively those operating in the North sea, by requiring them to keep in place and up to scratch certain facilities that they might consider redundant and wish to decommission. That would only add to their costs. I hope that we will be able to reach agreement on that.

Following the vote in the other place on tax credits, I suggest that the Lords are skating on incredibly thin ice by voting against something that was clearly stated in our manifesto, which was endorsed as recently as May 2015. I pay tribute to the work that my hon. Friend the Member for Daventry (Chris Heaton-Harris) has done on onshore wind. Our proposals on those changes were clearly set out in the manifesto. I welcome the Bill's proposed changes to the planning regime that will result in such developments being determined by local planning authorities, irrespective of the amount of power to be generated.

I share the view expressed earlier by the shadow Secretary of State, the hon. Member for Wigan (Lisa Nandy), who is currently engaged in conversation with the Leader of the Opposition's representative on Earth. The hon. Lady is still not listening to me. I am trying to agree with her, but she is engrossed in conversation with the hon. Member for Norwich South (Clive Lewis). I agree with her point about the presumption of a principle of greater community consultation and involvement in determining planning applications for fracking. That would be a sensible conclusion.

When the Minister of State, Department of Energy and Climate Change, my hon. Friend the Member for South Northamptonshire (Andrea Leadsom) considers the planning aspects of the Bill further, may I urge her to have a detailed conversation with her colleagues in the Department for Communities and Local Government about the national planning policy framework? In my life prior to becoming a Member of Parliament, I saw too many instances of an inspector and/or planning officers saying, "Yes, yes, we hear all the arguments and we understand that this is an area of outstanding natural beauty, but the presumption of planning policy set by the Government is that in principle this development should go ahead."

I do not expect my hon. Friend the Minister to be acquainted with chapter and verse of the national planning policy framework, but the second bullet point in paragraph 97 states that local authorities are mandated to "design their policies to maximise renewable and low carbon energy development while ensuring that adverse impacts are addressed satisfactorily".

Paragraph 98 goes on to state that a local authority is expected to approve an application "if its impacts are (or can be made) acceptable."

I think the NPPF might need some tweaking to better reflect the Minister's welcome ambitions with regard to planning.

This has been an interesting debate, and a lot of people have spoken forcefully. I hope that as the Bill proceeds through Committee, Report and Third Reading, it will take head-on the arguments deployed in the other place and shred them, because the basis for those arguments is very shaky indeed. I understand that I am to serve on the Energy Bill Committee, and I look forward to playing my role to ensure that my constituents in North Dorset and every constituent in this country, whether north or south of the border, can have reliable, secure energy that is cost effective to them and reliable to the Exchequer.

8.38 pm

**Caroline Lucas** (Brighton, Pavilion) (Green): I am grateful for the opportunity to contribute to this important debate. I want to focus my brief comments on three areas: the overall aims of the Bill; carbon capture and storage, given the Lords' activity on that issue; and the Paris outcome, and why there is a strong economic and employment case, not just an environmental one, for going back to the drawing board with this legislation.

When the Energy Bill was first published, it appeared to be competing for an award for the least fit-for-purpose legislation of the year, and I have to say that competition for that award is strong. Some positive amendments have been made in the Lords, and since the Bill was first

introduced we have had the Paris climate conference, but the overall picture remains unchanged. At a time when we should be speeding up the deployment of renewable energy, getting serious about energy efficiency and working out how to leave the vast majority of fossil fuels in the ground, the Bill takes us in precisely the opposite direction. That is why I tabled a reasoned amendment to completely oppose it.

The bulk of the Bill takes forward the oil and gas industry's Wood review wish list. It continues the delivery of the strategy to maximise the economic recovery of oil and gas, which, quite shockingly, is made into a legal duty in the Infrastructure Act 2015. Were it not for the Lords amendments, the Bill would also be hammering a nail in the coffin of the UK's onshore wind industry. The early closure of the renewables obligation for onshore wind undermines investment, destroys jobs and flies in the face of ministerial rhetoric on cost, especially compared with the eye-watering subsidies for new nuclear power. Moreover, this ideological attack on onshore wind will crush the aspirations of many local people and businesses to harness wind power for their own benefit. The Bill is also unfit for purpose because of what it leaves out. It contains nothing on energy efficiency, fuel poverty, community ownership or maximising the economic energy security and employment contribution of home-grown renewables.

As I said, the Lords made a number of welcome improvements to all parts of the Bill, and I particularly welcome clause 80's moves towards honest accounting of the UK's carbon reductions, making sure that UK emission reductions count only when they happen here, rather than relying on the EU emissions trading scheme as an excuse to carry on polluting. The global carbon budget is so small that there is no room for free riders, least of all rich European countries such as those in the EU.

A lot of debate in the Lords was about carbon capture and storage, and there are new clauses on that, too. The fossil fuel industry is desperate for CCS as its get-out-of-jail-free card, but not only is CCS hugely expensive, uneconomic and largely unproven, it does not stand up to scrutiny, against either the speed or scale of the carbon reductions needed. To colleagues who may disagree on this, I recommend a Carbon Tracker 2013 report showing that even if CCS were deployed in line with an idealised scenario by 2050, it would only extend fossil fuel carbon budgets by 4% of total global reserves. Nor am I aware of any serious suggestions that CCS could even come on line before 2030, by which point the global carbon budget may already be used up—even that timescale is subject to a long list of “ifs”. If politicians fail to heed the climate science and if our actions continue to fail to measure up to our words, not only will we perpetuate widespread disillusionment and disengagement with politics, but more citizens—students, grandparents, social workers and scientists—will be putting their bodies on the line and taking peaceful direct action to keep fossil fuels in the ground. This Bill demonstrates why they have my support.

Carbon is not the only reason to keep fossil fuels in the ground and go all out for renewables instead, and it is not the only reason why this Energy Bill is completely unfit for purpose—there are strong economic and employment arguments, too. Let me end by looking again at what the Paris climate agreement should mean

for the UK's energy policy. The conclusion from Paris is, unquestionably, a diplomatic triumph, and if the UK is serious about keeping well below a 2° goal, let alone making our fair contribution to the 1.5° goal, which is a matter of life and death for many countries, there are major implications for energy policy. It is important to emphasise that the response, including from business, has in many respects been positive. An increasing number of businesses are recognising the need and advantage of shifting to post-carbon economics. As James Murray, editor of *Business Green*, wrote recently:

“From the tech billionaire's multi-billion dollar R&D commitments to the states and cities detailing plans to cut emissions by a level equivalent to the total current emissions of China. From the development banks unleashing billions of dollars of new climate funding to the various sector alliances promising to accelerate the development of solar power, green buildings, zero emission vehicles, and various other clean technologies. From the Financial Stability Board's climate risk disclosure commitment to multinational firms sourcing all their power from renewables. It is increasingly clear the shift in corporate engagement with climate change that has been gathering pace for the past decade is finally starting to come of age.”

We have also had the entrepreneurs' call to climate action, a joint statement from 121 chief executive officers with international operations issued in the run-up to the climate talks. They made an incredibly powerful point that the technology and the business models already exist for

“100% fossil free solutions, as opposed to a slightly better version of an already existing polluting alternative.”

That is the direction of travel and it is recognised by many businesses, yet this Government are lagging far behind and this Energy Bill appears blind even to the economic case. To make the Paris agreement meaningful, the Government have to do more than simply restate their commitment to the Climate Change Act, important though that is, and parrot out past achievements. There is a very big difference between meeting existing targets and being on track to deliver future commitments, and Ministers should stop conflating the two.

There are some red lines for a post-Paris Energy Bill, which include provision to get to 100% renewable energy by 2050 at the latest for the UK, and for keeping the vast majority of fossil fuels in the ground. Should this Bill proceed, I look forward to working with Members across the House to change its direction. At this stage, it falls short of those red lines. The Paris agreement provides an even stronger case to refuse to give this Energy Bill a Second Reading. We should reject it in its entirety and demand that the Government go back to the drawing board.

8.45 pm

**David Mowat** (Warrington South) (Con): It is a pleasure to follow the hon. Member for Brighton, Pavilion (Caroline Lucas). It will not surprise the House to learn that there was not one paragraph in her remarks with which I agreed. [*Interruption.*] I am sure that she will wear my words proudly like a badge of honour.

We should remember why we are all here tonight, because, with a few exceptions, we have not really addressed the main purpose of this Bill, which was to implement the Wood review. That is why the Bill was initially introduced. That review, compiled by Sir Ian Wood, was very necessary as it looked to create a more participative and sharing environment in the North sea

[David Mowat]

over the last decades of its life. At the time, the life of the North sea looked longer than it does now. We should recall that, over the past two decades, this country has had two world-class industries—banking, and oil and gas. The latter has been centred in Aberdeen and has made a massive contribution to the Exchequer, to jobs and to our prosperity. The situation that it finds itself in now—I think the House is a little sanguine about this—is worse than some of the speeches have implied.

Right now, the operating costs—not the development costs or the exploration costs—in the North sea are round about \$28 to \$30 a barrel. That is where the world oil price is now, which implies that, unless something changes, not only will we not develop new oilfields, but we will struggle at current oil prices to keep operating the platforms we already have and our current activities. It behoves this House to sort that out and do what it can. I do not think that the Wood review will make a big enough difference to make a big enough impact, but let us remember that there are 475 installations in the North sea that have to be decommissioned in the next few decades, 10,000 km of pipeline and 5,000 wells. The industry employs nearly 400,000 people, and it does not employ them all in Aberdeen. When I knock on doors in Warrington and speak to people, I ask where they are working. The answer is often that they work offshore or in some part of the supply chain. Every Member here will find that many of their constituents work in highly paid jobs in the North sea. It therefore behoves us to get this right.

We are trying to create a facilitative environment. In the future, for example, when Shell wants to abandon a platform, or no longer use a pipeline that might be useful to Total, it will be prevented from doing so because people will be looking at the bigger picture and trying to maximise the whole basin. That has to be a sensible target, as is the central objective of the Bill, which is the maximisation of economic recovery. That is why I really regret the fact that the Labour party has sought to change that in the Lords, with this point on carbon capture and storage. It is not that we do not agree with CCS, or that it is not important, but, to use the good phrase the hon. Member for Aberdeen South (Callum McCaig) used earlier, we need to have a laser-like focus on the objective of keeping that industry and those 400,000 highly paid jobs in existence for as long as possible. That is why the amendment is wrong; it is not because we do not believe in CCS. [Interruption.] If the shadow Secretary of State wants to intervene on me, she should please do so.

**Lisa Nandy:** I say to the hon. Gentleman that that is precisely why we need a long-term and a short-term strategy. We should not be seeking to pitch one against the other, which is why we will be seeking to amend this Bill to ensure that, where economically viable, those options will be considered.

**David Mowat:** I just go back to this point: how many objectives can we give a new agency such as this? The North sea is not that far from being unviable. We need to put our shoulders to the wheel in this House to come up not with caveats but with a practical set of solutions that were set out in the Wood review.

**Dr Poulter:** My hon. Friend makes some important points. Does he agree that the challenges he has outlined in relation to the long-term viability of North sea oil and gas are further highlighted by the Iranian nuclear deal that has been signed, and the fact that that supply of oil will be coming on to the global market when prices are already depressed?

**David Mowat:** My hon. Friend is right. That development was probably already discounted in the market. Nevertheless, more oil will, of course, put the price down. Like the hon. Member for Coatbridge, Chryston and Bellshill (Philip Boswell), I worked in the oil industry for a period of my life. During that time a phrase that was often used was that the solution to low oil prices is low oil prices. At some point there will be a market reaction, but it is a long way off. My hon. Friend is right—the Iranian thing does not look helpful.

I have two points on this part of the Bill. The first is one that the SNP may agree with. The new authority is to be based, apparently, in Aberdeen and London. I do not understand why any of it has to be in London. I leave it at that. We have a need in this country to have everything in London. If anything needs to be only in Aberdeen, it is the new authority.

The second point is whether the new authority is going to have issues with US competition law. I do not fully understand that, but my experience is that there could not even be a meeting between US oil companies in the same room without lawyers involved, because of their incredible concern about US anti-trust laws. I wonder how the authority will deal with that, but no doubt somebody cleverer than I am has thought about that.

We have spoken about CCS. Clause 80 is an interesting amendment proposed by the Opposition in the House of Lords. That clause says, broadly, that we should no longer take credits from the EU emissions trading scheme as part of the process. If we step back and think about that, it is the Opposition saying that they do not want a European solution to cap and trade. I made this point earlier and I think I am right. It is true that the European ETS system is useless; that is a different problem. It is completely useless because the European Parliament would not increase the cost of carbon as we have, for example, but that is no reason to give up on a European solution. It seems odd that the two more pro-European parties in this House—I think it is fair to say that—want to go away from a European solution to sort out emissions.

**Caroline Lucas:** Will the hon. Gentleman give way?

**David Mowat:** I have taken two interventions and time is not on our side.

The two Opposition parties want to ignore the fact that what the world desperately needs—this might be a point on which the hon. Lady would agree—is a cost of carbon in the system somewhere. If there was a cost of carbon, the investment decisions right across the world would be affected in the same way—that is what the ETS was supposed to deliver—and we would be in better shape. It is a little odd that the Opposition take that view.

I shall not speak at length on the wind point. Others in the House feel more strongly about it than I do and I have spoken about it previously. It is clear that it was in

the manifesto and we need to do what we are committed to do. The wind point goes to the core of one of the issues in the climate change debate—the continuing confusion between renewables and decarbonisation. I have heard speeches today in which Members said that other countries are building renewables more quickly than we are, even though their carbon output is vastly more than ours. Germany is an example, but there are many others. We need to be focused with laser-like efficiency on decarbonisation. That brings in CCS, nuclear and other technologies which the focus on renewables has damaged.

On Paris, the hon. Member for Aberavon (Stephen Kinnock), who is no longer in his place, made a speech that I found strange in parts. I say to the whole house—I make this point every time—that the European commitment on the rate of decarbonisation, which it put forward in Paris in its intended nationally determined contribution, and of which we were a part, implies a rate of decarbonisation that is half that which the Climate Change Act 2008 requires us to achieve. Now, it may well be that those countries do not yet realise that we are leading them. It may well be that they have not yet cottoned on to the fact that they are slower than us. Or it may be that they desperately want to protect their Port Talbots, their Motherwells and their Redcars, in a way that has not reached the consciousness of this House to the same extent.

I will finish with a point about jobs. We often hear how many jobs are at risk in solar and wind as a result of changing subsidy regimes, and of course that is regrettable, although I do not know the extent to which those numbers are true. However, it is wrong to say that higher electricity prices do not also cost jobs. It is not just about giving relief to energy-intensive industries. If we in this country expect to have a march of the makers—to use that phrase—and for that to be based on an energy regime in which our manufacturers are paying up to 50% more than manufacturers not in China, or even in the US and Singapore, but in France, Germany and Holland, it is going to be tough. I think that Members of this House need to respect the Government's duty to balance cost with decarbonisation and all that goes with it.

**Several hon. Members** *rose*—

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Order. I am going to have to drop the time limit to seven minutes, but hopefully I will not have to drop it again.

8.56 pm

**Ben Howlett (Bath) (Con):** It is a great privilege to follow my hon. Friend the Member for Warrington South (David Mowat). He is modest, but his expertise in this area serves only to embarrass me by highlighting my lack of it. However, I am a passionate supporter of climate change action. I join other hon. Members in congratulating the Secretary of State on her work in Paris a few weeks ago. It does not necessarily support the campaign that I am helping with to remain in the European Union, and it is a great shame that the EU did not follow where she was leading. I want to focus on two key aspects of the Bill and explain my concerns, and those of my constituents, and seek further reassurances from the Minister. I thank Ministers for answering some of these concerns over the past few weeks.

As oil prices around the globe tumble, the Bill is obviously timely, as other Members have said. Workers across the UK who rely on this industry are starting to struggle, so we should be supporting them as much as possible. That is why I was a little shocked to hear the earlier comments from the hon. Member for Aberdeen South (Callum McCaig) about not necessarily supporting his constituents in the best way possible, as echoed by my hon. Friend the Member for North Dorset (Simon Hoare). Companies are also seen not to be passing on these cost reductions at the petrol pumps, which the debate has not focused on so far. I hope that the Secretary of State will join the call from me and other Members for the cost reductions to be passed on to the consumer.

First, I welcome the formal establishment of the Oil and Gas Authority as an independent regulator. Like many of my constituents who have contacted me on the issue, I fear that the regulatory framework has not been helpful enough. As the hon. Member for Blaydon (Mr Anderson) said earlier—he is no longer in his place—the Labour party did little in 13 years in government to improve regulation. That is why I congratulate this Government on drafting the Bill. The creation of one independent regulator to oversee the whole sector is a positive step, ensuring that it grows and develops in the best interests of the nation's health.

I am particularly pleased that the OGA will be able to consider and make recommendations to resolve certain disputes. As the Wood review suggested, that is necessary to guide the industry and ensure that one of the most crucial sectors is protected from major disagreements. Where there are disputes that have the potential to put the successful recovery of the oil and gas industry at risk, it is crucial that there is an independent body that can take action. As the OGA can choose to get involved in a dispute even without having the incident directly referred to it, it can take steps to mitigate any risk and resolve the issue. Looking forward, once the independent regulator is set up, I am keen for it to take greater control over the potential energy production industries. I hope that the Minister can assure the House that an independent body taking a holistic approach across the sector can ensure effective regulation of these new industries.

On the provisions relating to onshore wind, as I have said in the House before, I am a strong advocate of renewable energy—for me, it is where we should be focusing our attention. These sources of energy will ultimately save our environment, as other Members have said. Climate change exists, and we need to ensure that we are taking the essential steps to help reduce our reliance on fossil fuels. Despite the fact that I want a greater reliance on renewable energy, I understand the Government's reasoned decision to remove the subsidy for onshore wind. Combating climate change is essential, but it must be done logically. To this end, it is essential that in tight fiscal times developments are not relying on subsidies to survive and can instead develop into their own viable, successful entities.

**Caroline Lucas:** The hon. Gentleman is talking about a logical approach to energy. Why is it logical to lock ourselves into extremely high subsidies for nuclear for the next 30 years and not give a few more years of subsidy to renewables, which is all they would need to become commercially viable?

**Ben Howlett:** Particularly as we have Hinkley Point, which will benefit the economy of Somerset, only a couple of miles away from Bath, I believe that the long-term impact of the nuclear industry on the UK economy will be vastly felt in the pockets of the consumer. The hon. Lady missed that point in her speech.

We already have enough onshore wind in the pipeline to meet our 2020 aim. It is interesting that only a tiny proportion of the constituents who have contacted me about the Bill have identified that the sector is projected to propose that more onshore wind farms can actually be achieved. Given the number of studies showing that onshore wind production produces fewer kilowatt hours of energy than offshore wind and a wide range of other forms of renewable energy production, would not this money be better spent on other renewable technology rather than wasting it on projects that will never be delivered? I would like the funds previously earmarked for onshore wind subsidies to be channelled towards alternative renewable energy that could be supported by an investment injection. In the west of England, renewable energy is emerging as one of the key new economies, and it is contributing to the national economy as well. I hope that the Minister can reassure the House on both those aspects of the Bill.

I am pleased that the Government have listened to the Wood review. However, I agree with hon. Members who need assurances from the Minister that the Government consider that we should be focusing on climate change as one of the most important areas affecting our planet today, and recognise the need to invest in our renewable energy sector sustainably, productively and effectively.

9.2 pm

**James Heapey (Wells) (Con):** The bishop will be delighted that the Members for Bath and Wells should speak so soon one after the other.

It is an honour to rise to speak in this debate, not least in my capacity as a member of the Energy and Climate Change Committee. The Bill is relatively limited in scope, but the energy challenge faced by the Government generally is significant. For too long, the energy policy of previous Governments has focused exclusively on climate change and not on the cost to consumers and on energy security. I therefore applaud the current Front-Bench team for their work on rebalancing that so that all parts of the energy trilemma receive equal prominence.

As we transition from mostly carbon generation to carbon-free generation, it is important to recognise that, while that is absolutely the target of this Government, we must employ technologies of some sort—gas and biomass seem the most obvious—to bridge the gap until the renewables sector is fully ready to stand alone to meet the needs of this nation. We cannot risk the lights going out by jumping to that too soon. I entirely agree with the Government that coal's race is run. However, it is important to understand that an enthusiasm for gas generation, biomass and any other bridging technology that we employ is not mutually exclusive from continuing to promote and invest in other renewable technologies that are available.

Much has been made of the reductions in subsidies to the solar industry, but members of the Committee have been struck by the fact that other things hamper the industry just as much, not least the European Union's insistence that British consumers pay more to Chinese

producers of photovoltaic cells for their solar installations, which results in price inflation. There is also an insistence that VAT is charged on solar cells, as if they were a home improvement rather than necessary energy generation. As we have heard, tidal, wave and offshore wind offer opportunities, although there is a clear challenge in making sure that those technologies are cost-effective before they can be employed and charged to the bill payer.

Onshore wind forms a big part of the Bill and I make no apology for having been involved in some successful campaigns to keep wind turbines off the Mendips and the Somerset levels. The Conservative party—now the Government—made a manifesto commitment to deliver a reduction in onshore wind, so I urge the Government to reinstate the original clause 66 so that we in this elected Chamber of Parliament can vote on our manifesto pledge without the intrusion of the Liberal Democrats, who seem to have abandoned this Chamber altogether and are instead using the Lords to do whatever it is that they have left to do.

I encourage my Front-Bench colleagues to be similarly enthusiastic about pushing on with the development of large-scale storage; the digitisation of our energy system, particularly the roll-out of smart meters; and the decarbonisation of the transport system. I think that every member of the Committee has been struck by the collegiate way in which the Secretary of State has dealt with her colleagues in the Department for Transport, even though they might not be running at her desired pace.

The green technology about which I have a reservation is carbon capture and storage. Undoubtedly, the technology is exciting and the Government have invested £130 million in research into it, but the reality is that it is simply too expensive to push on with at present. To require our oil and gas industry to maintain spent wells in the North sea for the purposes of carbon capture and storage would be a wholly unnecessary complication for and, indeed, additional burden on the industry at a time when it is struggling enormously. I therefore hope that clause 8 will be removed.

Ditto clause 80, where the House of Lords has been most unhelpful in adjusting the carbon trading legislation. It would make no sense for us to account for the totality of our carbon emissions when, under the EU trading scheme, anything that we do not use will simply be used by another country. We would make no saving whatsoever in carbon emissions by employing clause 80 as drafted by the other place.

I want to conclude by speaking briefly about security of supply, the reinvigoration of the oil and gas industry in the North sea, which I applaud, and my reservations about the onshore oil and gas industry. Both the Secretary of State and the Minister have been very kind in working with me to deal with the concerns of my constituents and to help me to fully understand what recent legislation will mean for them. There is an inconsistency, however, whereby the localism that we advocate so strongly for wind turbines is not being extended to fracking and gasification, so I hope there might be some scope for incorporating that.

None the less, I think that our push for a fracking industry may be premature, given that there is already a surfeit of liquefied natural gas on the European and Asian markets. A significant amount is also being stored in the United States, which is awaiting the opportunity

to export it, and that will serve the European market further. Moreover, the Iranian rapprochement gives an opportunity for even more oil and gas to flow.

**Graham Stuart:** How does my hon. Friend square his argument? He is in favour of maximising returns from the North sea but cannot see the same argument for maximising gas on land, to keep money here and avoid handing it to a foreign regime.

**James Heapey:** I square it simply by having a profound concern for how the industry might affect the areas in which it is sited. Some areas will have a geology and a community that support it, and that is for them to determine, but my plea is that Ministers extend to fracking the same localism as we advocate so strongly for wind.

To conclude, the Lords amendments are unhelpful, so I would be grateful if Ministers could strike them out and bring back the original Bill. More than anything, however, it is important that the Bill makes quick progress from here onwards. The delay is causing great uncertainty, which is having an impact, in particular, on our oil and gas industry, which can ill afford it at this moment. If the Government can restore clause 66 and remove clauses 8 and 80, they will have my full support thereafter.

9.10 pm

**Matt Warman** (Boston and Skegness) (Con): It is an honour to follow my hon. Friend the Member for Wells (James Heapey).

There is a remote chance that either you, Mr Deputy Speaker, or my hon. Friend have not yet booked your summer holiday to the fine resort of Skegness. If you have not, I know that the booking is imminent. As everybody knows, a visit to Skegness is a bracing experience. When you arrive, Mr Deputy Speaker, you will be able to look out, while enjoying the finest fish and chips in the country, on to one of the finest skylines in the country, dotted with a few offshore wind turbines. In a couple of years, you might be able to look out on to many more wind turbines, if the Triton Knoll project goes ahead. When originally proposed, it was on course to be the largest offshore wind development in the world. On my behalf and that of many tourists, I say that this view demonstrates that we can have economically successful offshore power generation that is not entirely unpleasant to look at and works well for everyone.

That said, Mr Deputy Speaker, the journey to Skegness offers a sad indictment of what happens when energy policies go wrong, because you might find yourself driving past, on the beautifully resurfaced A52, grade 1 agricultural land studded with solar panels. The finest land in the country, thanks to a broken subsidy market, is better used for solar panels than for growing the finest crops that Lincolnshire so often provides. We see in Lincolnshire what happens when these sorts of policies go wrong.

**Victoria Atkins** (Louth and Horncastle) (Con): I am grateful to my hon. Friend and neighbour for giving way. If one chose to approach Skegness from the north, rather than the direction he suggests, one would be unfortunate enough to see a great many onshore wind farms. On a swift calculation, I counted six wind farms, with well in excess of 40 wind turbines, that scar the

local landscape and have been paid for by subsidies. I am sure he will join me in asking whether that is the best use of land in my constituency.

**Matt Warman:** Indeed. Bearing in mind the scars on the landscape, I would advise you to take a different route on holiday to Skegness, Mr Deputy Speaker.

**Mr Deputy Speaker (Mr Lindsay Hoyle):** It is Mrs Hoyle you need to convince, not me.

**Matt Warman:** I trust you refer only to the route, rather than the destination, which I know is a fixture.

My hon. Friend the Member for Louth and Horncastle (Victoria Atkins) makes a fair point: these developments emphasise why it is only right we give local communities a greater say over onshore wind farms.

On a subject even more serious than your holiday, Mr Deputy Speaker, I wish to make one major point about the Bill. The establishment of a regulator providing genuine certainty over the coming years will be the single greatest thing the Government can do to try, I hope, to put the oil and gas industry on a more sustainable footing. We know that, in the past 10 days alone, the oil crisis has been one of the many issues that have wiped £113 billion off the FTSE market. We know that the number of people employed in the oil and gas industry has fallen from 440,000 to 375,000. We know that, in the last financial year, the Treasury has received the lowest level of taxation from oil and gas in 20 years. More than ever, we now know that a stable regulator will provide the stable footing that the industry desperately needs.

The right hon. Member for Doncaster North (Edward Miliband) said that

“certainty is the friend of business”,

and the shadow Secretary of State said that we need to provide a stable environment if we are to encourage growth in an industry that employs many people now, and will, I hope, employ many more in future. As has been said, there is therefore cross-party support for much of the Bill. I hope that that will continue, and that some of the uncertainties introduced to the regulator’s role by amendments in the other place will be removed so that the regulator has a set of clear and very stable objectives to allow it to improve the position of an industry that this country needs to be stable. As hon. Members have said, as we rely more and more on interconnectors, we must make sure, when Europe does not have the energy reserves that we are lucky to enjoy in this country, that we are not in the unfortunate position of exporting some of that energy, rather than ensuring our own stable supply.

Apart from referring to your newly sorted holiday, Mr Deputy Speaker, I conclude simply by saying that I hope the Bill will provide the certainty that the oil industry needs to grow for the future, rather than continuing to suffer from the terrible situation that threatens it and which indicates that even the strictures in the Wood review may yet need further revision to safeguard the industry better for the future.

9.17 pm

**Peter Aldous** (Waveney) (Con): I should point out at the outset that I am the chairman of the all-party group on offshore oil and gas, and that the industry is a significant employer in my Waveney constituency,

[Peter Aldous]

with Lowestoft and its port being an important service centre. I am also a partner in a family farm that has a solar farm, but I will not comment specifically on such technology this evening.

Most of the Bill focuses on the Oil and Gas Authority, so I will concentrate my comments on the offshore oil and gas industry on the UK continental shelf. The Bill also contains provisions on onshore wind farms, about which I will say a few words. It is right that all such planning applications should be determined locally, regardless of their size. Local communities and local planning authorities know their areas best, and planning decisions should rest with them.

The Government should remove support for onshore wind and, indeed, other renewable technologies openly and transparently. Investors need to see a clear and smooth pathway to a point in time when there will be no subsidy. That best attracts investment, creates secure long-term jobs and reduces costs to the consumer in the long term.

The oil and gas industry on the UKCS faces very serious challenges. It is fighting for its very existence. The livelihoods of tens of thousands of people are on the line. Some 75,000 jobs have gone in the past 15 months. That is primarily due to the dramatic collapse in oil prices. An example of the problems facing the industry is that, at the beginning of the year, the combined market value of 112 publicly traded oil companies—the entirety of Britain's listed oil and gas industry, excluding Shell, BP and BG—was, at £7 billion, the same as that of Marks & Spencer. Two years ago, one of those companies, Tullow Oil, was worth more than M&S on its own.

The UK offshore oil and gas industry still has a vital role to play over the next 30 years. First, as the Secretary of State has stated, energy security is the No. 1 priority. Maximising the production of oil and gas at home will reduce our dependence on imports. Secondly, while 42 billion barrels of oil equivalent have been produced from the UKCS, there are known reserves of 20 billion barrels of oil and gas to be recovered from our offshore waters. As she set out in her resetting speech, gas has a key role to play in powering our future economy.

**Mr Angus Brendan MacNeil** (Na h-Eileanan an Iar) (SNP): I wanted to be here earlier for this very good debate, but unfortunately my travel arrangements got in the way. The hon. Gentleman mentioned oil reserves. Does he lament the loss of carbon capture and storage for the enhanced recovery of oil reserves, as the maximisation of that would have added further to our energy security?

**Peter Aldous:** The Bill, in its original form, was right to concentrate exclusively on maximising the economic recovery of oil and gas in the North sea. I regard carbon capture and storage as an important technology that has a future in the UK energy mix, but it is not yet mature. We need to home in on the challenges facing the oil and gas industry.

The Secretary of State's resetting speech set out a potentially exciting future for offshore wind. This industry has the potential to bring exciting opportunities to my area. The offshore oil and gas industry has an important

role to play in the transition to a low-carbon economy. Its supply chain is broadly the same as that of the offshore wind industry.

We have heard about the importance of setting up the Oil and Gas Authority and endorsing the Wood proposals so that we can move forward. I will not go over that, but in the time remaining to me I will comment on what else the Government need to do within the framework laid down by Sir Ian to help and support the industry at this crucial time.

In the March Budget last year, the Government brought forward a package of fiscal measures to support the industry and encourage investment and exploration. As the hon. Member for Aberdeen South (Callum McCaig) has mooted, we need to look closely at those measures again. We should look to reduce the supplementary charge and the petroleum revenue tax still further or, I suggest, get rid of them altogether. We should also consider providing more funding for seismic surveys, which will be the very lifeblood of the industry going forward.

Secondly, in line with Sir Ian's recommendations, there is an urgent need to commence work on regional plans. I want a regional plan to be started as soon as possible for the southern North sea, where there are still significant gas reserves.

Thirdly, although the North sea is a mature basin in many respects, we are embarking on a final chapter of oil and gas recovery there, which is, in many ways, a new venture, built on a cornerstone of co-operation, collaboration and consolidation. In the past, innovating, investing in technology and reducing costs have been done by the big oil companies. I suggest that we look at what has happened with the catapult industry of offshore wind, in which the Government have led the way.

In conclusion, we need to get on with it. Time is of the essence. The approach that Sir Ian has advocated is in the best interests of energy security. It will give the jobs on which the industry depends the best chance of a secure future in what are very uncertain times. Moreover, it will give the UK offshore oil and gas industry the real prospect of an Indian summer.

9.24 pm

**Luke Hall** (Thornbury and Yate) (Con): I am delighted to speak in this important debate, not least because I follow many excellent speeches from Members from both sides of the House, and especially my hon. Friend the Member for Beverley and Holderness (Graham Stuart), who chaired the GLOBE conference so ably in Paris in December. I have also now managed to make my holiday plans. When driving up the beautiful A52, which has been freshly resurfaced, I will have some of the most beautiful fish and chips in the country and look over the Boston and Skegness skyline—I hope my hon. Friend will join me on my holiday. I attended the conference in Paris in December, and I extend my congratulations to the Secretary of State for her leadership during that conference. She did an excellent job.

I wish to speak about clause 79 and how it relates to my constituency in south Gloucestershire. The clause sits alongside changes made last year by the Department for Communities and Local Government to transfer decision-making powers from the Secretary of State to local authorities, allowing them to become the primary

decision makers for planning applications for onshore wind farms in England and Wales. That pledge in our manifesto to decentralise decision making on new community developments such as onshore wind farms, and to give the green light to a project only if supported by local residents, was welcomed and supported by the vast majority of my constituents. This issue is close to the heart of many in my constituency. In Thornbury, Yate and the surrounding towns and rural villages, we have seen significant expansion and development in recent years, including applications for onshore wind farms across south Gloucestershire. Development continues to be one of the burning issues for rural communities in my constituency.

One concern that gets raised time and again is that local people feel their concerns are not heard during the planning process. Indeed, a number of people said that no matter what they did, they felt that their voices were being ignored. There are many examples of local community groups in my constituency opposing wind farm developments, including several examples across south Gloucestershire. Those include an application for two 130-metre wind turbines on a farm in Olveston, although because it lay on the green belt, thankfully it was protected. In 2013, an application for a 37-metre turbine on Wapley Road—which I and many of my neighbours see from our kitchen windows—was refused because it sat within the green belt and there were a large number of local objections. However, that decision was appealed and overturned, against the express wishes of local people. The further devolution of powers in the Bill is an extremely welcome additional protection to allow communities to have more say over their local area. I am a passionate advocate of local people being given the right to appeal.

**Mr MacNeil:** What the hon. Gentleman says about communities is important. I come from an area where many communities want wind farms. Would he support communities that want wind farms and the Government not taking away the mechanism to enable that to happen?

**Luke Hall:** If the hon. Gentleman's constituents want to support wind farms, I am delighted that he will hopefully support any further measures that will allow people a greater say. People in south Gloucestershire continue to come to me and say that they are frustrated by applications such as those for 37-metre wind turbines being allowed or overturned against the wishes of the community.

I have campaigned time and again for a community right of appeal, and it is especially concerning that decisions could be taken contrary to an existing or pending neighbourhood plan, especially when that conflicts with the local development objectives of a community. I am therefore delighted that clause 79 of the Bill addresses that imbalance, as that will help to reassure local people in south Gloucestershire of the Government's commitment to devolving power and including people in the planning process.

I am also reassured to hear that provisions in the Bill will ensure that onshore wind farm applications will be granted only in an area already outlined as suitable for wind energy development in the neighbourhood plan, and following a consultation in which the concerns of the local community have been addressed.

**Glyn Davies (Montgomeryshire) (Con):** May I draw my hon. Friend's attention to my constituency, which is one of the most beautiful in the country—perhaps those who do not wish to go to Skegness should go there? My constituency has the prospect for perhaps 500 turbines, and 40 miles of cable, and the scale of what is happening is outrageous—

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Mr Davies, you know you cannot make speeches. We want short interventions.

**Luke Hall:** It sounds like the second half of my holiday plans have been made, so I thank my hon. Friend.

The formal establishment of the Oil and Gas Authority as an independent regulator is a welcome step forward. I see it in the context of the Government's target of combating climate change in a cost-effective manner. That approach can be taken alongside action in local communities. Volunteers in Thornberry run an effective community composting site, encouraging local composting, which takes wagons off the road and helps to reduce carbon emissions. Just today I have called on South Gloucestershire Council to continue to support that scheme.

The Government support renewable technology standing on its own two feet rather than encouraging it to rely on subsidies. I wholly endorse the further devolution of power to local communities. I will support the Bill this evening.

9.30 pm

**Suella Fernandes (Fareham) (Con):** Providing affordable, reliable and sustainable energy is a key commitment of this Government, because climate change poses a threat not just to the environment, but to poverty eradication abroad and economic prosperity at home. The global deal secured at Paris last year goes far in tackling that threat head-on. I commend the Secretary of State for all her efforts in securing that historic agreement.

UK energy usage fell by 18% between 2000 and 2014, and yet domestic energy bills almost doubled during that time, driven largely by gas prices. Since 1990, the proportion of the UK's electricity generating from renewables has increased by about 19%, which is good news and encouraging for the renewable energy sector.

At this point, I must mention Fareham and the role it is playing in keeping the lights on. IFA2, an electricity interconnector between France and the UK, is due to be connected at Chilling near Warsash on the south coast in Fareham, with a convertor station at the Daedalus site in Gosport. IFA2 will provide the capability to export or import more than 1,000 MW of power and provides three important benefits, the first of which is in relation to affordability. By giving Great Britain access to the European electricity market, IFA2 will help to create downward pressure on wholesale energy prices. Our wholesale energy price is forecast to be higher than the price in France for many years to come, but it is estimated that, with each 1,000 MW of new interconnector capacity, there is the potential to reduce wholesale prices here by about 2%.

Secondly, interconnection will give us access to a wider range of electricity generation sources, increasing our supply from elsewhere, which will only assist our

[*Suella Fernandes*]

energy security. Lastly, on sustainability, IFA2 will help to manage the fact that not all electricity sources can generate consistently and predictably, and that electricity cannot be stored efficiently on a large scale. IFA2 will help to forge a lower-carbon economy in Great Britain and Europe.

I am proud that the Government have committed to meeting their objectives on cutting carbon emissions and continue to make progress towards the UK's 2020 renewable energy targets. The renewable electricity programme aims to deliver 30% of the UK's electricity demand from renewables by 2020, and we are on course to achieve that objective. Renewables already make up almost 20% of our electricity generation, and there is a strong pipeline to deliver the rest.

As we decarbonise, it is imperative that we manage the costs to consumers. Although renewable energy costs have been coming down, subsidies still form part of people's energy bills. As the share of renewables in the mix grows, so the impact gets proportionally larger. That is why the Government's priority to bring about the transition of our carbon generation as cost-effectively and as securely as possible reflect their approach to fairness and sustainability. The levy control framework covering the period up to 2020-21 is one of the tools that will help to achieve that—it limits the impact of support for low-carbon electricity on consumer bills. We have a responsibility to manage support schemes efficiently within the levy-controlled framework to ensure we maintain public support for the action we are taking to bring down carbon emissions and combat climate change. Government support is designed to help technologies stand on their own two feet, not to encourage dependency on subsidy.

We therefore need to take tough decisions on which projects to subsidise. Onshore wind has been deployed successfully to date and is an important part of the energy mix. In 2014, onshore wind made up approximately 5% of electricity generation, supported by £800 million of subsidy. At the end of April 2015, there were 490 operational onshore wind farms in the UK, comprising 4,751 turbines in total. The wind farms have an installed capacity of 8.3 GW, which is enough to power 4.5 million homes. It is projected that we will require between 11 GW and 13 GW of electricity provided by onshore wind by 2020 to meet our objectives. We have enough wind in the pipeline, including projects that have planning permission, to meet that requirement comfortably.

This is the right approach, because otherwise we could end up with more onshore wind than we can afford. That would lead, ultimately, to higher bills for consumers, or to other renewable technology, such as offshore wind, losing out on support. The Government now need to refocus investment on less mature technologies. I am proud that we are acting on our manifesto commitment. The Bill has my full support.

9.36 pm

**Dr Alan Whitehead** (Southampton, Test) (Lab): We have had a wide-ranging debate on the Bill. Indeed, it has been so wide-ranging that in some instances I forgot there was a Bill in front of us. I was pleased to hear from the hon. Member for Waveney (Peter Aldous) who, in a

thoughtful contribution, kept us on track. I intend to talk about the Bill in my closing remarks, as well as about what various hon. Members who did address it had to say.

My hon. Friend the Member for Greenwich and Woolwich (Matthew Pennycook) spoke about the original Bill being thin gruel, improved by amendments in another place. He is exactly right. My hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) dispelled some of the myths and inaccuracies of some of the anti-renewables contributors tonight. He was also right about the missing parts and the ambition of the Bill, as was my hon. Friend the Member for Wakefield (Mary Creagh), who reminded us, in the light of our move to an Anthropocene age, of the ambition we need to have for our energy policy, in particular in relation to fuel poverty and energy efficiency.

The hon. Member for Brighton, Pavilion (Caroline Lucas) appeared to suggest that the best idea we could take was to close down the North sea. That is not something I buy into. Since we know gas and oil will be with us for some time, albeit in reduced amounts relative to the overall energy mix and more concentrated in transport and heating, it is better that it is sourced from a secure resource in the North sea than bought in from across the world. The North sea is a great sustainer of jobs, industry and supply line for the UK, as we have heard from a number of hon. Members. It is right we look to gain the best out of it for those jobs and that industry and for the security of the UK. It is not an either/or. It is right that we should pay full attention to the climate change commitments we have made. Labour will be seeking to strengthen some of the commitments as part of the Bill. The creation of the OGA to secure the best outcomes for the next phases in North sea development is an essential plank of Sir Ian Wood's report. We fully support its creation as a free-standing body with powers to develop and co-ordinate the industry.

The North sea is, as Sir Ian Wood states, a mature resource. While we inevitably strain to know knowns and known unknowns, a number of authorities estimate that the North sea is up to 80% exploited already. Future finds and future fields will be small, possibly increasingly difficult to exploit, and will require support from existing infrastructure to ensure that production is logistically and economically possible. Increasingly, production will be underpinned from now on by co-operation and sharing of resources. One of the OGA's particular tasks will be to ensure that this works equitably and effectively—a point underlined by the hon. Member for Richmond (Yorks) (Rishi Sunak), who in his contribution quoted a reminder from his local Unite official about the importance of jobs and security in his region.

There must be concerns about current responses to the low price of oil and their effect on longer-term considerations of the future development of the North sea. BP has just announced further job losses in the North sea that may well impact on maintenance work, safety and operation, and readiness for exploration, which reminds us of the sort of short-termism that, if the OGA works well, it can tackle effectively. Through the MER—maximising economic recovery—consultations, we need to see that the OGA really has suitable powers to sustain the UK offshore skills space and that phrases such as “cost reduction” are about efficiency and operation, not just code words for stripping back safety and imposing longer shift patterns and cuts to pay and conditions.

In thinking about the future of the North sea, it is right that we take care to ensure that what is there in the form of infrastructure—both in structures and skills—is used to best advantage. That is not a theoretical point about future exploration; it is a very practical point about present realities. According to Oil & Gas UK, there are currently some 300 finds that have not been exploited further, some dating back 10 or so years. That is due not only to the current low oil price but to difficulties with infrastructure, and since the bulk of those fields are below 50 million barrels of oil equivalent, they are unlikely to sustain infrastructure connections by themselves.

The OGA has some powers in the Bill to ensure that decommissioning is thought about, and that platforms and pipelines are not just taken away and disposed of in a rush to develop what some might see as a new industry for the North sea—important though that is. That thought carries over to what could be a very important future for the North sea as a repository for carbon dioxide sequestered as part of the carbon capture and storage process. This is not just for the UK, because the capacity and extent of potentially available strata for deposit mean that the North sea could be Europe's depository of choice in the future. An elegant underpinning of the need for a carbon capture strategy came from my hon. Friend the Member for Greenwich and Woolwich.

The fact that the Government very unwisely scrapped the UK's plans to get ahead of most of the world in CCS at scale technology does not mean that CCS will not come or that it is needed any less for future energy and intensive industry production. It just means that we will be buying someone else's technology more slowly at a greater cost, but the least we can do now is to ensure that the storage end of the process is secured in one of the best places in the world to undertake such activity and, on the back of it, to develop jobs, supply chains and income in parallel with the continuation of that mature field—and possibly at some stage even securing crossover between what is happening with oil recovery and the storage of CO<sub>2</sub>.

I do not agree with the hon. Member for Aberdeen South (Callum McCaig), who said that these two issues, though connected, should be proceeded with separately. They are completely connected in respect of how the North sea will work now and for the future, so it is important to take careful note of what CCS has to offer the North sea in the longer term. We will therefore be pressing in Committee to secure a better overview of CCS by the OGA, and indeed to ensure that for the future the Government have a full strategy for dealing with CCS both in the North sea and across the country.

We will not divide the House tonight because some of the work to improve the Bill, which comes to us from the other place, has already been done. We shall seek in Committee to maintain those improvements, particularly in the part that deals with renewables and low-carbon energy, most notably in the Government's clear intention—it is yet not with us as the Bill goes into Committee—to close the renewables obligation for offshore wind early. I am reminded of the strong contribution from my hon. Friend the Member for Sunderland Central (Julie Elliott), who told us just how wrong-headed a decision that looks to be.

I am afraid that the agenda that we have seen over the past few months—one of downgrading options for renewables in order to pursue a gas-based strategy overall

—is at the heart of this particular issue. We say that there is, and should not be, a contradiction between supporting the continuing secure supply of the gas and oil that we will need for the foreseeable future and the development of renewable energy as a key component of the United Kingdom's energy mix.

The hon. Members for Selby and Ainsty (Nigel Adams), for Daventry (Chris Heaton-Harris) and for Hertsmere (Oliver Dowden), who talked about subsidies for renewables, should be reminded that all energy is in effect now subsidised in one way or another. Indeed, we have just completed an exercise that subsidises gas, coal and nuclear generators to the tune of £940 million in one year—just to be there, not to produce anything. Perhaps that puts the figures for renewables subsidies that we have heard today into context.

In Committee, we will seek to defend the present status of the Bill without early closure of the renewables obligation, and will remind ourselves that we are talking about an existing subsidy rather than a new one. We will also seek, by means of new clauses, to clarify Britain's longer-term low-carbon energy targets.

**Mr Lilley:** Will the hon. Gentleman give way?

**Dr Whitehead:** I am afraid that I have no time to take interventions.

My right hon. Friend the Member for Doncaster North (Edward Miliband) gave a clear and lucid indication of his wish to go further, and to table amendments in an attempt to underpin those longer-term targets. I detected strong support for that position on the part of the hon. Member for Beverley and Holderness (Graham Stuart).

We have an opportunity to forge, in a spirit of joint endeavour across the House, a key piece of legislation that will provide security and a clear way ahead for energy investors and operators, and for Britain's energy workforce. My hon. Friends the Members for Aberavon (Stephen Kinnock) and for Ynys Môn (Albert Owen) reminded us of the need for coherence, long-term planning and stability in energy policy. We all know that that clear way ahead will be necessary for the health and prosperity of Britain's future energy activities, and for clarity about the future direction of our country towards a low-carbon economy. Let us hope that, in Committee, the Government will recognise that compromise and discussion on both sides provide a joint opportunity to make that vision a reality, and that the Committee stage will produce a Bill that truly represents the interests of the whole House and moves us towards a low-carbon economy that will take account of our oil and gas in the context of that wider ambition.

9.48 pm

**The Minister of State, Department of Energy and Climate Change (Andrea Leadson):** It is a great pleasure to sum up a debate to which there have been many contributions, to which I shall try to do justice, on subjects ranging from oil and gas and wind to carbon budgets and climate change. It has been fascinating. I am glad that the hon. Members for Wigan (Lisa Nandy) and for Southampton, Test (Dr Whitehead) welcome the work that is being done to give more powers to the Oil and Gas Authority. I have a great deal of respect for, in particular, the hon. Member for Wigan, who takes a

[*Andrea Leadsom*]

commercial approach to the issue. I am also glad to note that the Opposition spokesmen are keen for progress to be made in this regard.

I should point out to all Opposition Members that carbon capture and storage is part of the OGA's mandate. The OGA issues carbon dioxide storage site licences, approves carbon dioxide storage permit applications, and approves the termination of storage site licences. In addition, when there are synergies between the oil and gas and CCS industries, we expect them to be exploited. For example, the OGA is considering the role of CCS in the technology and decommissioning strategies that they are developing. I hope that that gives all Opposition Members some comfort.

**Kirsty Blackman** (Aberdeen North) (SNP): With the continuing job losses and increasing gloom in Aberdeen, I welcome the shift in rhetoric from Members on the Government Benches. Will the Minister reassure me that the UK Government will do as much as possible to support Aberdeen to continue to be as productive as possible for as long as possible?

**Andrea Leadsom:** I can assure the hon. Lady that that is exactly what this Energy Bill is all about, and I will come on to the comments made by her hon. Friends. To finish off my remarks to the Opposition Front Benchers, this closure of the onshore wind subsidy is a very clear Conservative manifesto commitment. No ifs and no buts; it is a very clear commitment. The then Minister with responsibility for energy, my right hon. Friend the Member for West Suffolk (Matthew Hancock), told the House of Commons on 6 March 2015:

“We have made it absolutely clear that we will remove onshore wind subsidies in the future, and that the current 10% that is in the pipeline for onshore wind is plenty.”—[*Official Report*, 6 March 2015; Vol. 593, c. 1227-28.]

This is a clear manifesto commitment.

I am glad that the Members who spoke for the SNP, the hon. Members for Aberdeen South (Callum McCaig) and for Coatbridge, Chryston and Bellshill (Philip Boswell), support the establishment of the OGA. I know that they want to see, as do I and the hon. Member for Aberdeen North (Kirsty Blackman), a thriving industry for home-grown oil and gas that supports the 375,000 jobs that we are looking to sustain. With their help, we will continue to do everything we can to support that, and we hope to be able to count on it. They have raised the issue of a subsidy-free CfD, and I can assure them that my Department is looking very closely at that.

The Government are totally focused on seeing through a long-term plan for secure, clean and affordable energy supplies for generations to come. As we set out in our manifesto, we will cut emissions as cost-effectively as possible while upgrading and expanding both base-load and intermittent sources of energy generation. That means ensuring we continue to support investment in UK energy sources, including supporting the North sea. It also means continuing to support the deployment of new renewables, but we have to achieve this in the most cost-effective way; we have to get the right balance between supporting new technology while then, as costs come down, being tough on subsidies to keep bills as low as possible. However, as we progressively decarbonise

our economy, we will continue to need oil and gas for many decades to come, as so many Members have pointed out, and it is far better that the jobs and revenue are in the UK, reducing, where possible, our dependence on imports.

The Energy Bill is intended to enact our manifesto commitments in two key ways. The first is by continuing to support the development of North sea oil and gas by establishing the OGA as an independent regulator and steward. A number of Members have spoken very clearly on this area. My right hon. Friend the Member for Wokingham (John Redwood), and my hon. Friends the Members for Warrington South (David Mowat), for Waveney (Peter Aldous), for Wells (James Heapey), for Richmond (Yorks) (Rishi Sunak) and for Boston and Skegness (Matt Warman) all spoke very knowledgeably about the vital importance of doing everything we can to sustain the North sea, not just for now but for the long-term future, recognising that we must cut the cost to consumers as far as possible, which means not continuing with subsidies for those technologies that are now well developed. My hon. Friend the Member for South Suffolk (James Cartledge) specifically pointed out how lower oil prices right now are helping consumers, and I take this opportunity from the Dispatch Box to call on energy companies again to pass on that drop in oil prices wherever possible.

The hon. Member for Brighton, Pavilion (Caroline Lucas) made a somewhat extraordinary contribution. She effectively rejects the Energy Bill in its entirety and seems to want it to be a pick-and-mix Bill that covers absolutely every aspect of energy policy. I want to be very clear: what we are seeking to do is establish the OGA properly and implement our manifesto pledges on onshore wind. I had hoped that, for once, she would be pleased that, combined with the superb result to which my right hon. Friend the Secretary of State contributed in Paris, we are now absolutely focused on decarbonising at the lowest possible price to consumers, with all the implications that that has.

**Caroline Lucas:** I cannot allow the Minister to keep getting away with telling us that she is committed to reducing prices in a way that helps consumers when she is still locking us into nuclear, with its huge subsidies that ordinary consumers are going to have to pay. Her hypocrisy and double standards on this are absolutely shocking, and if people in here do not know that, the people outside do.

**Andrea Leadsom:** Well, I don't know where to start! I completely disagree with the hon. Lady.

We are acting to control the costs of renewable energy by ending new subsidies for onshore wind and providing local people with the final say on new applications. Members who spoke about renewables included my right hon. Friend the Member for Hitchin and Harpenden (Mr Lilley), who gave us a spanking good speech on the importance of keeping costs lower for consumers, and my hon. Friend the Member for Beverley and Holderness (Graham Stuart), who rightly raised the need to deal with intermittency. I can tell him that, since 2012, my Department has invested £18 million in innovative support for energy storage.

The hon. Members for Sunderland Central (Julie Elliott) and for Greenwich and Woolwich (Matthew Pennycook) again criticised the early closure of onshore

wind subsidies. I find it extraordinary that Labour Members seem to equate the deployment of renewables with decarbonisation. That is simply not the case. They fail to recognise that fuel poverty and endless renewables subsidies go hand in hand. They need to recognise that.

**Graham Stuart:** The hon. Member for Brighton, Pavilion (Caroline Lucas) asked where to start. We need to start by getting rid of the most noxious of the current fuels, which is coal. Does my hon. Friend the Minister agree that if other Governments followed our example in replacing coal with gas and then with other technologies as they develop, it would make a bigger contribution than almost anything else?

**Andrea Leadsom:** My hon. Friend is absolutely right. We are the first developed country to talk about getting rid of coal and moving to gas, which will be the best thing we can do for decarbonisation in the near term.

My hon. Friend the Member for York Outer (Julian Sturdy) spoke up strongly for the right of communities to decide on the location of wind farms. I want to pay a real personal tribute to my hon. Friend the Member for Daventry (Chris Heaton-Harris), who has done much to support communities and had a big impact on our policy relating to our manifesto commitment on onshore wind. I was glad to hear my hon. Friends the Members for Hertsmere (Oliver Dowden) and for Thornbury and Yate (Luke Hall) highlight the plight of the bill payer as a result of the renewables obligation subsidy. On this we have a clear manifesto commitment to get costs down.

The right hon. Member for Doncaster North (Edward Miliband) is owed a great deal of gratitude from Members across the Chamber for his personal work and commitment to the climate change agenda. He made a proposal for a zero carbon emissions strategy, with the Climate Change Committee deciding on the appropriate date, but as things stand, we are committed to meeting our legally binding commitments for 2050, and that is where our focus lies. I am sorry to disappoint him on that.

The hon. Members for Stalybridge and Hyde (Jonathan Reynolds) and for Aberavon (Stephen Kinnock) criticised the Government for not being green, but I can tell them that, since 2010, we have reduced the UK's greenhouse gas emissions by 15%, which is the biggest reduction in a single Parliament. We are over-delivering against our first three carbon budgets, and according to the Climate Action Network, the UK is the second best country in the world for tackling climate change, second only to Denmark. This Government have done so much! My hon. Friends the Members for North Dorset (Simon Hoare) and for Bath (Ben Howlett) pointed out that the Opposition did not equate subsidies with fuel poverty, but they need to do so. They need to understand that the more we subsidise technologies, the more we add to fuel poverty.

In finishing, I wish to pay tribute to my hon. Friend the Member for Fareham (Suella Fernandes), who gave a knowledgeable and supportive speech on the importance of supporting both the OGA and our manifesto commitments. I am grateful to all hon. Members for their contributions, and I commend this Bill to the House.

*Question put and agreed to.*

*Bill accordingly read a Second time.*

## ENERGY BILL [LORDS] (PROGRAMME)

*Motion made, and Question put forthwith (Standing Order No. 83A(7)),*

That the following provisions shall apply to the Energy Bill [Lords]:

### *Committal*

(1) The Bill shall be committed to a Public Bill Committee.

### *Proceedings in Public Bill Committee*

(2) Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 9 February 2016.

(3) The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

### *Proceedings on Consideration and up to and including Third Reading*

(4) Proceedings on Consideration and proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.

(5) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

(6) Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and up to and including Third Reading.

### *Other proceedings*

(7) Any other proceedings on the Bill (including any proceedings on consideration of any message from the Lords) may be programmed.—(*Charlie Elphicke.*)

*Question agreed to.*

## ENERGY BILL [LORDS] (MONEY)

*Queen's recommendation signified.*

*Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),*

That, for the purposes of any Act resulting from the Energy Bill [Lords], it is expedient to authorise the payment out of money provided by Parliament of:

(a) expenditure incurred under or by virtue of the Act by the Secretary of State; and

(b) any increase attributable to the Act in the sums payable under any other Act out of money so provided.—(*Charlie Elphicke.*)

*Question agreed to.*

## ENERGY BILL [LORDS] (WAYS AND MEANS)

*Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),*

That, for the purposes of any Act resulting from the Energy Bill [Lords], it is expedient to authorise:

(1) the charging of fees;

(2) the imposition of a levy under the Act;

(3) the imposition of financial penalties under the Act;

(4) the increase of charges in connection with trading schemes; and

(5) the payment of sums into the Consolidated Fund.—(*Charlie Elphicke.*)

*Question agreed to.*

## Business without Debate

### DELEGATED LEGISLATION

*Motion made, and Question put forthwith (Standing Order No. 118(6)),*

#### BETTING, GAMING AND LOTTERIES

That the draft Legislative Reform (Exempt Lotteries) Order 2016, which was laid before this House on 9 November 2015, be approved.—(*Charlie Elphicke.*)

*Question agreed to.*

#### BUSINESS OF THE HOUSE

*Ordered,*

That at the sitting on Wednesday 20 January, the provisions of Standing Order No. 16 (Proceedings under an Act or on European Union documents) shall not apply to the Motions in the name of Secretary Theresa May relating to the draft Proceeds of Crime Act 2002 (Cash Searches: Code of Practice) Order 2016, the draft Proceeds of Crime Act 2002 (Search, Seizure and Detention of Property: Code of Practice) (England and Wales) (No. 2) Order 2016, the draft Proceeds of Crime Act 2002 (Search, Seizure and Detention of Property: Code of Practice) (Northern Ireland) Order 2016 and the draft Proceeds of Crime Act 2002 (Investigations: Code of Practice) (England and Wales and Northern Ireland) Order 2016 and the Motion in the name of the Solicitor General relating to the draft Proceeds of Crime Act 2002 (Investigative Powers of Prosecutors: Code of Practice) (England and Wales and Northern Ireland) Order 2016; the Speaker shall put the Questions necessary to dispose of those Motions not later than three hours after the commencement of proceedings on the first of those Motions; and proceedings on those Motions may continue, though opposed, after the moment of interruption.—(*Charlie Elphicke.*)

### Cambridgeshire CCG and UnitingCare Partnership

*Motion made, and Question proposed,* That this House do now adjourn.—(*Charlie Elphicke.*)

10.1 pm

**Daniel Zeichner** (Cambridge) (Lab): I thank you, Mr Speaker, for allowing the House the opportunity to consider the extraordinary collapse, after just eight months, of one of the biggest tendering exercises conducted in the NHS: the £800 million contract between UnitingCare Partnership and Cambridgeshire and Peterborough clinical commissioning group.

Two weeks ago, I spent a morning out with an ambulance crew working from the ambulance station on the Addenbrooke's site outside Cambridge. I saw the NHS at its best: top-quality care, provided quickly; people in pain and discomfort treated with dignity and respect; a swift, seamless transfer into hospital; and fantastic, caring, committed staff, on ambulances and in hospital. It was our NHS at its best and we should be proud of it.

When health leaders in Cambridgeshire said they wanted to create an integrated service for older people that would focus on prevention, it was a worthy aim, albeit polluted by the need for a competitive tender, insisted upon by the Health and Social Care Act 2012. When the contract was finally signed with NHS providers, it should have been the start of a new way to provide care, so what went wrong? That is what I want to quiz the Minister on tonight, because the failure of this contract matters way beyond Cambridgeshire, and it has rightly attracted national attention. A recent editorial from the *Health Service Journal* said:

“When a five year contract of this size and this importance to some of the most vulnerable people in society fails, it is not enough to shrug and walk away. As NHS England develops capitated, outcomes based contracts for national rollout, it is important to understand and explain what has gone wrong in Cambridgeshire so the lessons can benefit the health service as a whole.”

It is right.

This is a long and complicated story, which some of us have followed closely over many years. You will be glad to hear, Mr Speaker, that I will give an abbreviated account, but I must pay tribute to some of the campaigners who spent many, many months at meetings across Cambridgeshire questioning and challenging: my friend and colleague, Huw Jones; Steve Sweeney, then of the GMB; Jo Rust; Tracey Lambert and Martin Booth from Unison; and many, many others. We always knew something was not right and, sadly, we were proved to be correct.

I believe the story really begins back in 2012, when the future of Cambridgeshire Community Services NHS Trust, which had itself only a few years earlier been separated from the predecessor to the CCG, was thrown into doubt when it failed in its bid to become a foundation trust. Under Government guidance at the time, through the Trust Development Authority, trusts that were not foundation trusts faced being wound up. That was a foolish policy and, as so often, it was later rescinded, but given that this was happening when the infamous 2012 Act was under massive discussion, the real possibility was raised that many care staff would be transferred to private providers. That did not happen, because Cambridgeshire County Council, which many staff had originally worked for, took many of them back, but the consequence was a disintegration of services—the very

opposite of what was needed. Integrated teams were ripped apart—an act of vandalism that set care back. The Trust Development Authority, the body overseeing this early-stage debacle, remains the line of accountability for NHS trusts. Those trusts are now being merged, in their regulatory function if not statutorily, into Monitor, which is yet another Executive non-departmental public body of the Department of Health.

It is worth noting in passing that, since the time it was denied foundation trust status, causing the disintegration of care, Cambridgeshire Community Services has gone on to be named as the best community trust to work for by the *Health Service Journal*, and is now doing very well, albeit by working mainly with others outside Cambridgeshire.

Against that backdrop, and because of the 2012 Act taken through Parliament by the then local MP and Secretary of State for Health, the Cambridgeshire and Peterborough clinical commissioning group, in wanting to move to a new model of outcomes-based care, was forced in 2013 to put health services for older people out to tender. The process attracted national attention and was very controversial locally, mainly because of its focus on trying to attract private providers. Shrouded in commercial confidentiality, rumours abounded. Many organisations expressed interest including Virgin Care, Care UK, Circle, Capita and UnitedHealth and more.

Over many months, campaigners and I sat through numerous CCG board meetings and what were described as public consultation meetings where we were assured that all was well and that the many concerns we raised were unjustified. It was announced that the three final bidders for the contract to lead the services were Care for Life, UnitingCare Partnership and Virgin Care. Eventually, in October 2014, it was announced that the five-year outsourcing contract to run older people's healthcare and adult community care was to be awarded to the UnitingCare Partnership, which was not a private bidder but an NHS consortium of Cambridgeshire and Peterborough NHS Foundation Trust and Cambridge University Hospitals NHS Foundation Trust. The five-year contract was worth £800 million and covered: urgent care for adults aged 65 and over, including in-patient and A&E services; mental health services for people aged 65 and over; adult community services for people aged 18 and over, including district nursing and rehabilitation services; and health services to support the care of people aged 65 and over. It is one of the biggest contracts the NHS has ever tendered.

The partnership started delivering services last April, and regular updates were issued outlining how the new services would work. We now know that, behind the scenes, much wrangling over costs was going on, but that was withheld from public gaze. Then came the bombshell. After eight months, and just one month of the new system operating fully, a joint statement was issued by Cambridgeshire and Peterborough CCG and UnitingCare. Not much detail was given, other than an assurance that services would continue, that patients should be reassured but also that the provider and the commissioner had agreed that

“the current arrangement is no longer financially sustainable.”

The contracts that had been established were to be honoured by the CCG, and patients and carers were promised that services would go on as usual and would not be disrupted. It was also said that it would try to retain the new model of integrated service delivery.

Let us briefly review some of the damage. We still do not really know how much the procurement process cost, but on the public side it was certainly millions, and probably at least as much again for private providers working up failed bids—doubtless to be recouped from somewhere else in the NHS later.

Let me turn now to the impact on staff. Back when Cambridgeshire Community Services failed in its bid for foundation status, a transition steering group was established to oversee the future of thousands of its staff. Teams were ripped apart and, with the new contract, more than 2,000 staff were transferred to Cambridgeshire and Peterborough Foundation Trust and Cambridgeshire County Council.

That was a massive task for the Cambridgeshire Community Services Trust, distracting it from other work. There was huge uncertainty and stress for staff over the future of their jobs. Throughout the entire process, across the NHS in Cambridgeshire, senior managers and local health service leaders were spending large amounts of time on all of this. Was it really time well spent, when last year we saw so many major hospitals repeatedly in crisis?

I have said nothing so far about the strategic projects team. What was its role? Many would ask, “Who are they?” To many who follow these things, the STP is, in effect, the pro-privatisation arm of NHS England, and it played a key role throughout this process. Its website tells us that the team specialises in competitive procurement, the re-design of patient pathways via an integrated care model, change management, service reconfiguration and integration, trust development and culture change.

The STP is part of NHS England. We are told by Lord Prior of Brampton, the Minister responsible for NHS productivity, that in its investigation into the collapse of the contract, NHS England will examine the strategic projects team's role, and will also consider how similar contracts will be managed and assured in future. So it is NHS England that will investigate its own strategic projects team—a hopeless conflict of interest. That is not good enough. We need a genuinely independent and transparent review.

People are right to ask questions about the strategic projects team. Its list of interventions reads like a roll-call of recent NHS disasters: not just this project, but the private hospital saga at Hinchingsbrooke in Cambridgeshire, and the failed tendering process for the George Eliot hospital in Warwickshire, among others. Its website leaves one in no doubt about its leading role in the Cambridgeshire older people's tendering process. It says:

“SPT delivered an open procurement process on behalf of the CCG”.

It delivered—no room for doubt there. On 8 October 2014, when UnitingCare was announced as the preferred bidder, the SPT was again trumpeting its key role. On 12 November, when it was announced that UnitingCare would operate as a limited liability company, the SPT was there again, and it is worth quoting from the press release still on its website to get a sense of just how central it was:

“Andrew Macpherson, Managing Director of the Strategic Projects Team that managed the procurement on behalf of the CCG said: ‘The Strategic Projects Team are once again proud to have supported courageous leadership in the NHS.’”

The SPT may call it courageous; others might describe it rather differently.

[Daniel Zeichner]

Let us be clear—it is the SPT, very much part of NHS England, that has been calling the shots. On the decision to set up UnitingCare as a limited liability company, it was approved by Monitor, the strategic projects team and NHS England at the time, yet all knew that that meant that there would be no room for flexibility, and no room for losses in years 1 and 2, when the model explicitly expected extra cost at the beginning, in expectation of savings later. Looked at from the outside, it is hard to see how that could ever have worked, so why did Monitor, the special projects team and NHS England give the go-ahead? Did none of them spot the potential VAT problems introduced by a limited liability partnership?

Having given a brief outline, let me come to the further questions that I hope the Minister will be able to help us with. First, on the flurry of investigations being announced, although it is right that individual organisations will want to look at their role, there is a danger not only of duplication but of exactly the kind of fragmentation that has caused such problems already. Given the conflict of interest within NHS England that I have already described, would it not be better to have a genuinely independent review carried out by the National Audit Office—a review in which we could all have confidence?

The Minister should surely be able to tell us about the role played by his Department and by Ministers, at two key moments in particular. When it was clear in October/November 2014 that there was insufficient information on costs to agree a final contract, why was the process not delayed until that had been sorted out? Did Ministers know? What exactly was the rush to achieve implementation for April 2015, coincidentally perhaps just weeks ahead of the general election? And what role did Ministers play in the final decision to end the contract in December 2015? There were clearly detailed discussions going on with NHS England and Monitor about how much was needed to keep the contract running. The figure seems to have been about £10 million, a lot of money, but given that killing the contract may well have cost more, it was certainly worth considering. What was the ministerial involvement at that point? Were Ministers consulted? Who made the decision to let the contract collapse?

Looking forward, which is what matters most, patients have been assured that services will be maintained. That may well be true in the short term, but what next? Will the outcomes model be pursued, just with UnitingCare taken out of the equation? Does the CCG have the capacity, and if it does why did we go through that ludicrous tendering process? This has been a sorry saga. It seems that everyone agrees that our NHS and our care services need to be integrated, but years of fragmentation make it extremely hard to achieve.

This was a well intentioned attempt to deal with the perverse incentives that shackle our health and care services, and we need to find out what went wrong. We have dedicated, hard-working staff who want to provide the best care possible to our citizens. We need to find a way of making it possible for them to do that. In my view that means an end to contractualised market models, and a move to a genuinely integrated public system, an NHS solution based not on competition but on collaboration; an NHS solution that patients desperately need, and that staff, I am sure, would cheer.

10.15 pm

**The Parliamentary Under-Secretary of State for Life Sciences (George Freeman):** I congratulate the hon. Member for Cambridge (Daniel Zeichner) on securing the debate and thank the Members who are present, including my hon. and learned Friend the Member for North East Hertfordshire (Sir Oliver Heald)—I know that he has an interest in the matter—for attending. I also pay tribute to all those working on the frontline in the NHS in East Anglia, particularly at this time of year, when pressures are at their greatest.

As the hon. Gentleman has described, the contract between Cambridgeshire and Peterborough CCG and UnitingCare Partnership has very recently been terminated. I need to say right away that NHS England has launched an investigation into the circumstances surrounding the contract. Its terms of reference are to establish, from a commissioner perspective, the key facts and root causes behind the collapse of the contract in order to draw out any recommendations and lessons to be learned. I understand that the CCG is also undertaking a review, as is right and proper.

We should let the NHS complete that process. I hope that nothing I say today can be taken as an assumption that Ministers have in any way prejudged the outcome of that process. Clearly there are different views about what has happened, and I want to wait for the reports of the reviews before deciding what, if anything, needs to be done, either by the NHS or by the Government. Once the reports are published, Ministers will be briefed on their conclusions. I am happy to invite the hon. Gentleman to that meeting, although I cannot say today exactly when it will take place. I know that he is in regular contact with his local NHS, and I encourage him to keep that up.

The core scope of services in the contract with UnitingCare was acute unplanned hospital care for older people—those 65 and over—older people's mental health services, older people and adult community services and a range of supporting voluntary sector services. The underlying principle was to create an integrated care pathway between all these services. The UnitingCare service model was designed by local clinicians during the procurement process and had a high degree of local health and social care support. Its detail and assumptions were subsequently ratified by two independent auditors. It was designed to: join up services around the patient and reduce service fragmentation; to focus on better outcomes for patients and carers, rather than activity levels; to invest in out-of-hospital services in order to better address the needs of a rapidly ageing and growing population; and to deliver £170 million of savings to the local health economy by 2020 by reducing inappropriate emergency admissions to hospital and inappropriate A&E attendances.

UnitingCare began introducing those new services with an investment of £5.4 million over the first six months of the financial year. They included a number of important local improvements, such as: care based around neighbourhoods, with 17 neighbourhood teams working closely with GPs; access to specialist services, with neighbourhood teams and the support of four integrated care teams to offer more specialist care; a 24/7 helpline, called OneCall; urgent care and support, with joint emergency teams to assess and treat people most at risk of admission to hospital; health and wellbeing,

with voluntary organisations working together; a single view of the patient record, called OneView, providing professionals with a summary of all information about a person's health; and a health analytics service to target interventions at those most at risk of admission.

To achieve those improvements, a contract was needed between the provider and the CCG. The main components of the contract were: a new framework for improving outcomes; a new contracting approach to align incentives in a better way; a five-year contract term; and a new lead provider, UnitingCare. It was therefore a high-value contract; it had a total value of around £800 million. Having taken legal advice, the CCG went to open procurement, using a standard three-stage process—pre-qualification, an invitation to submit outline solutions, and an invitation to submit final solutions. The CCG prospectus set out the CCG budget and the evaluation criteria. It was a contract entered into in good faith. This included submitting bids within the CCG budget. The CCG budget incorporated forecast population growth, an acuity factor, and QIPP—quality, innovation, productivity and prevention—savings for each year.

In 2014, there was in some quarters, as the hon. Gentleman said, concern that the process was “stealth privatisation”. Clearly no one, on any objective criteria, would agree that that was the case; it was merely, as he said, a service reconfiguration placed with a not-for-profit company set up by local health providers. The boards of Cambridge University Hospitals NHS Foundation Trust and Cambridgeshire and Peterborough NHS Foundation Trust held the firm belief that only by introducing radical change led by the NHS would the local health economy under the CCG become viable for patients, staff and the respective trusts across the region. For that reason, they decided to submit a joint bid and, following commercial and legal advice, opted to create a limited liability partnership to fulfil the role of prime vendor, as required by the CCG.

The CUHFT and CPFT consortium was appointed as preferred bidder at the end of September 2014. In October, it formed UnitingCare LLP to hold the contract. The strategic projects team was appointed as procurement adviser to the CCG through a competitive process and its role was to manage the procurement process. The strategic projects team is a specialist unit hosted by the Arden and Greater East Midlands commissioning support unit, which has substantial experience in managing complex procurements. The CCG also appointed legal advisers, Wragge Lawrence Graham, and financial advisers, Deloitte, to support the procurement process.

Much information about the costs of the current services, staffing details and timescales could not be provided by the CCG to UnitingCare until it was at preferred bidder stage. As a result, UnitingCare's bid was heavily caveated and based on assumptions. To illustrate this point, at the time of preferred bidder award status, there were 71 outstanding clarification questions from the procurement process. The contract signed between the CCG and UnitingCare also included several protection clauses to be utilised in the event of the financial distress of either party. Subsequent to contract signature, additional clauses were agreed that allowed for the rapid exit of the contract in the event of the financial destabilisation of either party. With these protections in place, trust boards, the CCG and Monitor

allowed the contract to be signed in November 2014 and for the necessary mobilisation activities to facilitate service commencement on 1 April 2015.

There were clear improvements in patient care. For example, in November 2015 emergency admissions for over-65s reduced by just short of 8% compared with the previous year and by 9% when taking into account population growth; admissions of more than two days' duration for people over the age of 65 reduced by 14%; and A&E attendance reduced by 3.2% when taking into account population growth. However, in December the contract was terminated by mutual agreement.

**Lucy Frazer** (South East Cambridgeshire) (Con): As my hon. Friend says, there were advantages to this project and it produced good outcomes. If it is a good concept, will the Department of Health support the services that so need to be provided?

**George Freeman**: My hon. and learned Friend makes an excellent point. The service is currently being continued, albeit by the CCG rather than through the company that was created for the purpose. As she says, the reforms that were put in place were the right reforms. Indeed, they were led by local clinicians and designed with that in mind.

**Sir Oliver Heald** (North East Hertfordshire) (Con): In Royston we have the Royston NHS and social care hub, which will include beds as well as other services. Does my hon. Friend agree that there is no reason at this stage for people to become anxious that the difficulty with the contract will lead to any change in the quality of services that are planned for the future?

**George Freeman**: That is right. As both questions have highlighted, the change in the care pathway is being pursued by the CCG and there is no reason for patients—the users of the system—to fear any dramatic change to the service. The remaining issue is the residual issue of how the contract came to be put in place. The dispute between the parties is about their different conceptions of the financial and contractual situation. I do not want to prejudge the investigations, but the service reforms will continue.

The final decision to terminate was taken after extensive discussions between the CCG, UnitingCare, Cambridge University Hospitals NHS Foundation Trust, Cambridge and Peterborough NHS Foundation Trust, NHS England and Monitor. Prior to escalation to NHS England and Monitor, the CCG, CUH and CPFT worked hard to try to reach a resolution locally.

**Daniel Zeichner**: Could the Minister enlighten me on the role played by Ministers in that final decision? Did they know it was happening? Who ultimately terminated the contract?

**George Freeman**: As I will come on to say, due process was followed in the correct way. One of the reasons for listing all these acronyms is so that the hon. Gentleman can be reassured that the right bodies carried out their due diligence. I do not believe that there was any reason for Ministers to be concerned at any point until the dispute between the parties became clear. Indeed, the reforms had been generated locally by clinicians

[George Freeman]

and an accountable CCG led by clinicians. As the questions I have been asked have illustrated, the reforms were and remain very sensible. This is a better care pathway, with improved outcomes.

The issue is contractual and relates to a dispute between the parties about liabilities in the contract. As I have said, I do not want to prejudge the ongoing investigations, the point of which is to work out what should have been done differently. I can absolutely reassure the hon. Gentleman and the House that we are hungry to learn any lessons from that commissioning experience. We need novel commissioning. We need commissioners around the country to look into different ways of commissioning the reforms to our integration of health and care, and lessons need to be learned when it goes wrong. I emphasise that this was a contract between the parties. As I have said, the Department is looking forward to the reviews and wants to hear the lessons that others can learn.

The CCG has now taken over all relevant contracts with providers that were previously held by UnitingCare, to ensure that there is no service disruption to patients and carers. In addition, the CCG and CPFT, which employ the majority of the affected staff, have worked closely together to ensure that frontline staff are clear that, while the contractual model has now changed, the service model remains in place.

Of course, I agree with hon. Members that it is a matter of extreme concern that the new arrangements lasted barely six months. That is not ideal. We need to

work out how the parties got it wrong and what mistakes were made. There are questions for the reviews to address. For instance, there is the question of why, given full procurement and assurance of the process, the result fell so far short in practice, along with other associated questions.

To describe modern commissioning as back-door privatisation is wilfully to misrepresent what is going on. These are clinician-led improvements to the care pathways, and I do not believe that most service users would consider it privatisation. We are talking about two public sector organisations coming together to form a company for the purposes of jointly commissioning care pathway innovation put together by clinicians in the local CCG. If Labour considers that privatisation, it has a serious problem, because most people would consider it enlightened commissioning for modern care pathways. This is a contract issue. The parties to the contract did not get it right, and we are keen to understand why and what can be done to make sure it does not happen again. I want those answers as much as the hon. Gentleman, and I repeat my invitation, to him and other hon. Members with an interest, to meet in due course to learn the lessons and make sure that the benefits of commissioning for integration go ahead without the contractual errors that have bedevilled this project.

*Question put and agreed to.*

10.30 pm

*House adjourned.*

# Westminster Hall

Monday 18 January 2016

[SIR ROGER GALE *in the Chair*]

## Donald Trump

4.30 pm

**Paul Flynn** (Newport West) (Lab): I beg to move,

That this House has considered e-petitions 114003 and 114907 relating to the exclusion of Donald Trump from the UK.

It is always a pleasure to serve under your chairmanship, Sir Roger. I thank the Petitions Committee, which under its inspired Chair, my hon. Friend the Member for Warrington North (Helen Jones), has allowed me to introduce the debate on these two petitions. This is a bit of an occasion, because the first petition has been signed by more people than any other in this Parliament. It has 573,971 signatures, and its title is “Block Donald J Trump from UK entry”. The second petition is titled “Don’t ban Trump from the United Kingdom”. That petition is curious. It has 42,898 signatures, but 30,000 signatures were removed because they were thought to be suspect and coming from one source. Anyone who is trying to rig the system should be aware that they will be found out.

The text of the first petition reads:

“The signatories believe Donald J Trump should be banned from UK entry. The UK has banned entry to many individuals for hate speech. The same principles should apply to everyone who wishes to enter the UK. If the United Kingdom is to continue applying the ‘unacceptable behaviour’ criteria to those who wish to enter its borders, it must be fairly applied to the rich as well as poor, and the weak as well as powerful.”

The text of the other petition states that

“we shouldn’t be banning people for their opinions on domestic actions in a US political race that doesn’t concern us. But more importantly if he does actually win the nomination, and then goes on to win the presidency. We then have to work with a man who we banned from our country in the first place... Lets mind our own business.”

The Government’s response to both petitions, which was not entirely helpful, said that

“the Government does not routinely comment on individual immigration and exclusion decisions... Exclusion powers are very serious and are not used lightly... The Prime Minister has made clear that he completely disagrees with Donald Trump’s remarks. The Home Secretary has said that Donald Trump’s remarks in relation to Muslims are divisive, unhelpful and wrong. The Government recognises the strength of feeling against... the marginalisation amongst those we endeavour to protect.”

The Government do not directly answer questions on those who are banned, but they did publish a list of 20 people who were denied entry to the United Kingdom between 2008 and 2009. I will not mention their names—I do not want to give them extra notoriety—but I will give some idea of the sort of people who have been banned. The first was a leader of a violent gang that beat migrants and posted films of the attacks on the internet. The gang leader was considered to be engaging in unacceptable behaviour by fomenting serious criminal activity and seeking to provoke others to serious criminal acts. Another was described as a preacher considered to be engaging in unacceptable behaviour by fomenting terrorist violence in furtherance of his political beliefs.

Another was considered to be engaged in unacceptable behaviour by seeking to provoke others to serious criminal acts. A fourth was a Muslim writer and public speaker from India. He was excluded from the United Kingdom because he had made anti-Jewish statements, thus fostering hatred among others. Those examples are entirely typical of the kind of people who are excluded.

We should say that the situation with Mr Donald Trump does not correspond with those cases, which are far more serious and presented an immediate threat of violence. The petitioners claim that violent attacks have been committed in Boston and elsewhere by people who quoted Donald Trump. It is alleged that one attacked a Hispanic person and one attacked a Mexican. That is what the petitioners are basing their points on.

One case does correspond with the situation with Donald Trump. Geert Wilders is a Dutch person who was seen to be fomenting hatred against Muslims and to be guilty of homophobia. He was banned by the Home Secretary in 2009. Mr Wilders appealed to the court and won. The result was that he was allowed into the country, and the publicity and attention that he gained for his Islamophobia and his film were multiplied a hundredfold by the ban. We should bear that in mind.

**Keith Vaz** (Leicester East) (Lab): I congratulate my hon. Friend on securing and leading this debate. Does he share my concern about the number of cases—the cases have come to light since Mr Trump’s comments, but were not because of them—of British Muslims being refused admission to the United States of America? Does my hon. Friend agree that, whenever that happens and whether the people are Muslims or not, there should be a clear indication of why they have been refused admission?

**Paul Flynn:** The figures are worrying, but we are still in a position where the President of America is Barack Obama. I am sure that he would look with equal disapproval at those cases, but they need to be investigated. It is certainly of considerable concern, and Mr Wilders’ case is of great significance to us.

The creator of the main petition said:

“Freedom of any kind comes with responsibility; this includes free speech. Freedom of speech is not the freedom to engage in hate. Words can wound and can be a rallying cry to violence... The reality of hate speech’s ability to incite violent acts is why the UK’s laws have stopped some 80 individuals from entering the UK to date.”

The petitioner quotes certain violent acts that have taken place in America, which they put down to Mr Trump’s intervention.

The way in which this debate has been reported throughout the world has created an enormous amount of attention, and we want to make it clear that it is no attempt to disrespect in any way Americans or the American state. Our cultures have melded together over the years, getting ever closer. This is the country that sacrificed more of its sons and daughters in the cause of creating democracy in other countries than any other nation on Earth. This is the land of Barack Obama, Martin Luther King and Abraham Lincoln.

**Dr Rupa Huq** (Ealing Central and Acton) (Lab): Does my hon. Friend not agree that the fact that it is Martin Luther King day today makes it even more

[*Dr Rupa Huq*]

bizarre that this hate figure is preaching these ridiculous things that we should reject?

**Paul Flynn:** It is a significant day. Martin Luther King was a great man who left a great legacy behind. We should look at what we are doing in this case and what we are doing in pursuing a cause that would expel the—

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

**Paul Flynn:** Yes, of course.

**Dr Murrison:** I appreciate the balanced way in which the hon. Gentleman is presenting his argument. The election of his party leader has shown that remarkable things happen in politics. We have to be alive to the possibility that this ridiculous individual—that is, Mr Trump—may be elected as President of the United States. In that event, would such a ban be overturned? Were it not, that would be one almighty snub to the American citizens to whom the hon. Gentleman has been referring.

**Paul Flynn:** I am sure that is absolutely right. Our great difficulty is that showing disrespect for Mr Trump might be interpreted by his supporters and others in America as showing disrespect to the American nation, but that is not what we are doing. One individual is involved. If we attack this one man, we are in danger of fixing on him a halo of victimhood. We give him the role of martyrdom, which can seem to be an advantage among those who support him. The line will go out: “Here are these foreigners interfering and telling us what to do.” It would be a grave error if we allowed that situation to arise and if our deliberations today seemed anti-American.

Various people have said we should not discuss this issue, but it is difficult to ignore a vox pop that is so thunderous and the signatures of 500,000 people. The purpose of the Petitions Committee is to say that it is not only MPs, parties, Governments and Opposition who decide the agenda here in Parliament, but the public, and the public are speaking in a very loud voice indeed. Our best plan is not to give Mr Trump the accolade of martyrdom. We may already be in error by giving him far too much attention by way of this petition, but he has said some remarkable things that have caused a great deal of upset.

**Richard Drax** (South Dorset) (Con): I, too, congratulate the hon. Gentleman on the balanced way in which he is conducting this debate. It seems that anyone who offends anyone—and we all do it, almost on a daily basis, sometimes unknowingly—

**Kwasi Kwarteng** (Spelthorne) (Con): Well, you do.

**Richard Drax:** I do all the time, apparently. [*Laughter.*] Debate can be immediately shut down and that is a danger to democracy. Debates on a range of things have been shut down in this country, and people get labelled as xenophobes, right wing or left wing. Let us hear the debate and, if it is unreasonable, ignore it.

**Paul Flynn:** That is right. Petitioners have drawn to our attention how Mr Trump mocked a man for his disability in a cruel way. He described the people of Mexico as rapists and drug abusers. He made degrading remarks about women. More recently he suggested that Muslims not be allowed into his country, which is an extraordinary and extremely dangerous thing to say. We are faced with the most dangerous position between the nations in my lifetime, and I can clearly remember the start of the second world war. In the world today we have al-Qaeda, Daesh and other similar groups, spread throughout a score of countries. They want to divide the world between Christians and Muslims. They have a mad plan that one day there will be a war between Christians and Muslims, and the Muslims will win and will establish a caliphate throughout the world.

The most alarming thing is what is happening with our young people in this country, in my constituency and elsewhere. The groups have an almost irresistible appeal to adolescents. They say, “Come and join us; we can right ancient wrongs. You can take part in a battle. You can have a wife or a husband. You can have a great adventure serving your religion with the possibility of martyrdom followed by eternal bliss.” That is the kind of seduction that has been used by many cults over the years. Sadly, hundreds of our young people are falling for it. If we react to terrorist attacks by joining in wars and battles, the world will be in a very dangerous place. Although we have no right to inform Americans who they should elect as leader, we look forward with some trepidation to a future when difficult decisions have to be taken. Will they be taken by a person who is seen to be impulsive and not well informed, and who has been accused of racist views?

**Tommy Sheppard** (Edinburgh East) (SNP): The hon. Gentleman is coming down on one side of the argument to say that Mr Trump should not be banned from entering this country. Are we not in a unique position here? I cannot think, in my lifetime, of another senior politician in America or anywhere else wishing the Government of their country to deny our citizens in the United Kingdom free international movement because of their religion. If the hon. Gentleman is to take the position that he seems to be taking, may I ask him: what would be an appropriate response by this country to the United States of America to protect the people we represent?

**Sir Roger Gale** (in the Chair): Order. A significant number of Members wish to contribute to the debate. I must ask at this stage that any interventions be very brief.

**Paul Flynn:** I think it is premature—we have had an intervention on this before—but if that was to happen, it would of course be an outrage. It would certainly be contrary to all American history—the words written on the Statue of Liberty—and a denial of the best in America’s history and its hospitality to those who wish to live in her country.

I would urge the alternative of inviting Mr Trump here. I would be delighted if he could show us where the so-called no-go areas for police are in this country—I have never been able to find one. It would be a pleasure to take him down to Brixton and show him the rich

mixture of races and creeds that are living happily together there. Perhaps it would be interesting to have a chat about why in America there are more people killed by shotguns every day than are killed every year in this country. The Leader of the Opposition has suggested a trip to Islington around the mosques and possibly a meeting with his wife, who I understand is from Mexico. I am sure they would have a very interesting conversation. I believe we should greet the extreme things that Mr Trump says with our own reasonableness and hospitality. We should greet him with courtesy if he comes here, but we should not build him up by our attacks.

In conclusion, another great Republican said in 1990:

“Democrats and Republicans...I salute you. And on your behalf, as well as the behalf of this entire country, I now lift my pen to sign this Americans with Disabilities Act and say: Let the shameful wall of exclusion finally come tumbling down.”

Those are the words of President Bush. It was absolutely right that that Act, for those who are disabled, led to similar Acts in nations throughout the world. We should look to what we are seeing from Donald Trump at the moment and confront his words of prejudice, his lack of knowledge and intolerance. We should greet him with a welcoming hand of friendship, knowledge and truth, and then perhaps more shameful walls of prejudice will come tumbling down.

**Several hon. Members** *rose*—

**Sir Roger Gale (in the Chair):** Order. Given how many hon. Members rose to speak, I am proposing to impose immediately a time limit of six minutes. If hon. Members are willing to adhere to that, we may be able to get most if not all Members who wish to speak into the debate.

I do not normally do this from the Chair, but given the number of Members who are seeking to catch my eye it might be helpful for me to read out who indicated before the debate that they wish to be called to speak. From the Opposition Benches I have on the list Tulip Siddiq, Gavin Robinson, Naz Shah, Tasmina Ahmed-Sheikh, Keith Vaz, Corri Wilson, Jack Dromey and Gavin Newlands. From the Government Benches I have Paul Scully, Sir Edward Leigh, Tom Tugendhat, Victoria Atkins, Steve Double, Lucy Frazer, Philip Davies, Simon Hoare and Kwasi Kwarteng. Those who are not on my list at this point—in other words those who did not indicate in writing that they wished to speak—may choose to seek to intervene rather than to be called. I call Paul Scully.

4.50 pm

**Paul Scully (Sutton and Cheam) (Con):** Thank you, Sir Roger. I congratulate the hon. Member for Newport West (Paul Flynn), a fellow member of the Petitions Committee, on leading the debate. I was keen to participate not only because of the substance of the debate, but to echo the sentiments he expressed about why the Committee decided to hold it. The issue has caught the media's eye, and some people have been concerned about our discussions. For any petition of more than 100,000 signatures, the mechanism is in place for us at least to seek to allow the public to have a voice in this place, whether through a Select Committee, in a wider debate that is already ongoing, or in the research that we carry out—for example, the Committee is looking at research into brain tumours.

In this instance, as has been the case on several other occasions, it is appropriate for us to give members of the public a voice in Westminster Hall. Donald Trump's favourite UK columnist, Katie Hopkins, was on John Pienaar's radio programme on Sunday and asked why we were not debating other matters, such as the immigration petition that has received a number of signatures. She claimed that it was down to us being politically correct. It was nothing of the sort. We held a debate on immigration, which I led, back in October, as a result of a petition that was worded in a very similar manner. It was more appropriate to push on with this debate. Wherever possible, we do not want to duplicate work. The hon. Member for Newport West forgot to mention one petition that we should roll up with the others. As of this morning, 75 people had signed a petition inviting Donald Trump to address Parliament. Perhaps we might want to consider that.

It is important that members of the public who are watching the debate understand that it is not going to result in a vote. It is not for us to decide whether Donald Trump should or should not be allowed into the country. It is for my right hon. Friend the Home Secretary to decide whether any visit that he might make is conducive to the public good. Nevertheless, the debate allows us to have our say, and I am sure that the Home Secretary will be listening. There are examples of when people have been excluded from this country. I have heard of a number of cases in which people have been excluded for incitement or for hatred; I have never heard of someone being excluded for stupidity, and I am not sure that we should start now.

I totally agree that we should not be focusing on one man. Over the course of the debate, I would like us to look at the wider issues surrounding this matter and how they affect the UK: immigration, global security, and the positive contributions made to this country by people with Muslim faith, whether they were born in this country or have come here and added to our economy, culture and community.

**James Berry (Kingston and Surbiton) (Con):** Is my hon. Friend aware that the second most popular petition on the website, with 457,000 signatures, is one with the title “Stop all immigration and close the UK borders until ISIS is defeated”? Does not that motion show why it is important to challenge views such as Donald Trump's in a robust, evidence-based and democratic way?

**Paul Scully:** Absolutely. My hon. Friend makes a really important point. That wording is very similar to the one for the debate I led in October. There are a lot of petitions out there with quite inciteful and clumsily worded approaches. There is a fear of immigration and for global security. I suspect that Donald Trump's words were borne out of his own fears, although as an aspirant leader he should be leading the way towards a clearer understanding of this issue. It is not acceptable for him to say, “We need to stop immigration of this sort until we understand what is going on.” That is not acceptable for an aspirant world leader.

We know the benefits of controlled immigration in this country. As the son of someone who was born in Burma—I am half Anglo-Indian—I have seen the benefits of good immigration, when people contribute to this country, make no claims on social services and have

[Paul Scully]

incredible aspirations for education and hard work. But mass, uncontrolled immigration puts a lot of pressure on services and infrastructure and puts a lot of concern into people's minds. I suspect that, like America, the UK feels that, hence the number of signatories to the petition, but we need to tackle it in a very different way.

We need to speak about the positive contributions made to business investment, to science and medical procedures, and to culture. Many Members will know that I do quite a lot of work with the British curry industry in my role as chair of the all-party group on the curry catering industry. That one industry alone is worth £3.5 billion to £4 billion to this country's economy, depending on who one speaks to. It employs 100,000 people and affects a number more. We all enjoy a curry, and it would be bad for the UK economy if the industry continued to struggle. That is just one small industry. Let us look at the medical industry and business as a whole and at immigrants' input to this country.

On global security, we need to look at the Government's counter-extremism and counter-terrorism strategies. Those are far more clever, positive and practical ways to approach the issues than the impractical suggestion simply to close the country to people from one faith. How would someone determine people of one faith? Would they put a badge on them? Would they record them on a database? Although he has not gone quite as far as suggesting putting a badge on people, Donald Trump has not excluded keeping people on a database, which is an extraordinary route to go down.

We have very limited time, so I will bring my remarks to a close. I hope that over the course of the debate we will be able to concentrate on practical ways that this country can tackle immigration and community cohesion, rather than worrying about the ego of one man.

4.57 pm

**Tulip Siddiq** (Hampstead and Kilburn) (Lab): The arguments over why we are having this debate have already been articulated by the speakers who came before me—my hon. Friend the Member for Newport West (Paul Flynn) and the hon. Member for Sutton and Cheam (Paul Scully). I want to discuss why this online petition, which has been signed by 3,000 of my constituents in Hampstead and Kilburn, has evoked such emotion. Is it because Donald Trump's comments have tarnished the entire Muslim community with the views of a small group of extremists whose views ordinary Muslims absolutely condemn? Is it because the world's largest economy might be excluding the world's second largest religious community—more than 1.6 billion people? Or is it because people in this country are proud of the long history we have of welcoming immigrants, refugees and asylum seekers?

People often say that the public are apathetic about politics. This petition, signed by nearly 600,000 people, shows that when people feel a sense of justice—when they feel that we need to stop a poisonous, corrosive man from entering our country—they will act in good conscience. We are not talking about just any man. This is a man with an extremely high profile who has been involved in the American show-business industry for years—a man who is now interviewing for the most

important job in the world. His words are not comical. His words are not funny. His words are poisonous and risk inflaming tensions between vulnerable communities. Let me make one thing clear: we have legislation in our country to ensure that we do not let people who are not conducive to the public good enter. My hon. Friend outlined some of the people the Home Office has banned from entering this country.

**Mr Adam Holloway** (Gravesham) (Con): You are talking about a candidate for the presidency of the United States. It is up to the American people to decide whether his views are objectionable, not you guys.

**Sir Roger Gale (in the Chair)**: Order. The hon. Gentleman has been in the House long enough to know that he has to address the Chamber through the Chair. I have no view on this matter whatever, as he will appreciate.

**Tulip Siddiq**: I think the question has been answered for the hon. Gentleman.

I looked at the cases of the 84 hate preachers who have not been allowed into the country. I want to highlight the case of a female blogger—I will not name her, but hon. Members are welcome to look her up—who was banned from entering our country. I looked at the rhetoric she used. Her crime was to equate the views of the entire Muslim population with those of a handful of extremists. The Home Office spokesperson said that she was not allowed into the country because:

“We condemn all those whose behaviours and views run counter to our shared values and will not stand for extremism in any form.”

Her views and those of Donald Trump, who thinks that Muslims are all the same, are strikingly similar. They use very similar words. Will we apply our legislation equally to everyone or will we make exceptions for billionaire politicians, even when their words clearly fall short of the Home Office guidance?

**Philip Davies** (Shipley) (Con): The hon. Lady said that she does not want any exceptions, but I have heard large number of my constituents make similar remarks to those of Donald Trump. She may disagree with them, but lots of my constituents agree with what Donald Trump said, whether I like it or not. Does she think that they should be expelled from the country as a result of their views? If not, what is the difference?

**Tulip Siddiq**: The hon. Gentleman should think carefully about what he just said. That is not the same as our deciding not to let into the country someone whose views fall short of the Home Office guidance.

My hon. Friend the Member for Newport West outlined Donald Trump's views about Mexicans and black people. Do not forget that Donald Trump ran a dog-whistle campaign to see Barack Obama's birth certificate to find out whether the President of America is really American. Imagine what would happen if, in the mother of Parliaments, my colleagues decided to question ethnic minority MPs about whether they are really British.

**Dr Huq**: Is my hon. Friend aware that people find that individual repellent because he is not only racist but homophobic and misogynistic?

**Tulip Siddiq:** I thank my hon. Friend for her intervention.

When Megyn Kelly asked Donald Trump on Fox News to explain why he called some women

“‘fat pigs’, ‘dogs’, ‘slobs’ and ‘disgusting animals’”,

he replied,

“What I say is what I say.”

Is that the kind of man we want in our country?

I thoroughly anticipate the rebuttal that we cannot exclude people merely because they offend us or because we do not like them, but as politicians we have to make difficult decisions. We have to decide when freedom of speech compromises public safety. We are worried about our constituents’ safety. The Centre for the Study of Hate and Extremism pointed out that anti-Muslim crime has increased in line with the rhetoric that Donald Trump used in the last three months of 2015. My hon. Friend the Member for Newport West mentioned the homeless Hispanic man who was beaten up by two brothers from south Boston. When they beat him up, they broke his nose and urinated on him. The police report said that one of them justified the act by saying:

“Donald Trump was right—all these illegals need to be deported.”

Donald Trump’s words stoke and inflame hate crime.

**Steve Double** (St Austell and Newquay) (Con): I am interested in the point that the hon. Lady seems to be making. To make sure I have understood her correctly, is she laying all the responsibility for the increase in hate crime against Muslims at Donald Trump’s door? Does she not believe that acts of terrorism, such as those in Paris, contributed to it?

**Tulip Siddiq:** Of course, I do not lay all the blame for the increase in hate crime at Donald Trump’s door, but there is a correlation between the words he uses and the increase in hate crime. The point is that his words lead to real crime and violence. That is where I draw the line on freedom of speech.

**Richard Drax:** I do not mean to undermine the hon. Lady’s argument, but many things incite violence. For example, parliamentary regulations can incite violence: policemen have been attacked, and one had his head chopped off. That is not to say that we should shut down debate. All kinds of things incite violence—always by totally irresponsible people.

**Tulip Siddiq:** I do not have much time, so I will wrap up by saying that I draw the line on freedom of speech when it leads to violent ideology being imported, which is what I feel is happening. We have legislation in place to protect the people of Britain from such individuals. It has been used previously to prevent other people from coming into the country, and the same rules should apply to Donald Trump, which is why I feel he should not be given a visa to visit the multicultural country that we are so proud of.

5.6 pm

**Sir Edward Leigh** (Gainsborough) (Con): The hon. Member for Hampstead and Kilburn (Tulip Siddiq) was quoted this morning—I think in *The Daily Telegraph*—as saying she was going to “trash” Donald Trump this afternoon. I am not sure he is going to be terribly worried about this debate.

I respect the hon. Member for Newport West (Paul Flynn) for the measured way in which he introduced the debate. It will be of no surprise that I oppose the ban. First, it just gives Donald Trump publicity. Actually, this debate is the only item about British politics in the US press at the moment. They are not talking about Corbynmania, Brexit or anything else; they are talking about this debate. Why feed the machine? We saw what happened with Geert Wilders. Did that do any good? I do not think so. The hon. Gentleman made that point in his measured speech.

Secondly, a ban would offend free speech. In a free country, people have a right to offend others. I introduced an amendment to section 5 of the Public Order Act 1986 to make that clear. I offend people in this House all the time; it is my right to do so.

Thirdly, the United States is a friendly country that came to our rescue twice in two world wars. This man may conceivably become President of our most important ally. Fourthly, we cannot translate American politics to UK politics, which is completely different. I was in a debate earlier this year on full fiscal autonomy for Scotland, and the Labour spokesman described me as an extreme right winger—God forbid. My amendment was supported by the shadow Chancellor when he was a Back Bencher; whether he is an extreme right winger, I do not know. As it happens, I am strongly in favour of gun control; I voted consistently against bombing Syria and invading Iraq; I am strongly in favour of the NHS, which I use exclusively; and I oppose capital punishment—would I survive in the Republican party? Nevertheless, I am told that I am an extreme right winger. US and UK politics are completely different, and it would be a great mistake to try to translate them.

Petitions such as this are a bit of good fun, but if the Government were to act on this one—God forbid—they would be playing into Mr Trump’s hands. His style of politics is to stoke controversy by saying outrageous things. Lavishing him with attention, even if our intent is to condemn or deride, is falling into the trap he set for us. His continuing popularity among voters—we may not like it, but he is popular—is evidence of that. We must be wary of lowering ourselves to demagoguery in fighting demagogues.

We all lament the divisiveness of politics, which seem particularly divisive in the United States when viewed from afar, from our side of the pond. Does a debate such as this really help? Would banning Mr Trump, which would be even worse, really help? Most of us in this room oppose Mr Trump for demonising his opponents. If we ban him from the country, are we not in danger of doing the same?

Like it or not, Mr Trump is also a contender to be the Head of State of arguably the most powerful country on the planet, a country which is a vital ally of ours. We have welcomed to this country Saudi and Chinese leaders, not to mention Mr Ceausescu, whose crimes are far worse than anything Mr Trump can dream up. These people do not just talk about violence; they practise violence on an extreme scale, but we have welcomed them to our country. I am a firm believer in free speech, which is a cause I have supported with such unlikely bedfellows as the National Secular Society and the Christian Institute. If we allow free speech only for those with whom we already agree, is that free speech at all? The solution is dialogue, not deeper division.

[Sir Edward Leigh]

Let me end by saying that this is also an attempt to shut down an honest debate about immigration. As soon as one mentions immigration, one is labelled a right winger or a racist. That is not the way to solve the problem of integration. The Prime Minister wrote a fantastic article in *The Times* today, making the worthwhile and good point that our Muslim friends must learn from previous waves of immigrants, particularly the Jews of the 19th century, who have chosen to integrate fully in our society. Here are some of the prominent immigrants and children of immigrants, all intensely and identifiably British, all of whom arrived long before Britain's post-war immigration waves: Hans Holbein, George Frederick Handel, Frederick William Herschel, Isaac and Benjamin Disraeli, Christina Rossetti, Gustav Holst, Augustus Pugin, Louis of Battenberg and his son Louis Mountbatten, Hilaire Belloc, Joseph Conrad, George Louis du Maurier, Winston Churchill, Leo Amery, T.S. Eliot, Lewis Namier, Learie Constantine, Alexander Korda, Emeric Pressburger, Nikolaus Pevsner, Isaiah Berlin, Geoffrey Elton, the two Michael Howards, and Solly Zuckerman. The list illustrates a fundamental point: although those figures immensely enhanced British life, they did not make their adopted nation cosmopolitan; their adopted nation made these cosmopolitans British, and we should be proud of them.

5.12 pm

**Gavin Robinson** (Belfast East) (DUP): I appreciate the opportunity to contribute so early, Sir Roger. When considering my remarks for this debate, I thought that I would be in conflict with the hon. Member for Newport West (Paul Flynn), but I am pleased to say that that is not the case. However, I want to make one point about exclusion to him, the hon. Member for Sutton and Cheam (Paul Scully) and the Petitions Committee. When I log on as a Northern Ireland Member and try to access the Committee's online map, Northern Ireland does not exist. If there is an issue of exclusion, I hope that that can be addressed when the licensing is sorted out with Ordnance Survey.

I am also concerned and apprehensive that the right hon. Member for Chelmsford (Sir Simon Burns) is present. He is the chief parliamentary proponent of Hillary Clinton. I wonder whether an intervention will be made to the detriment of Donald Trump.

I never thought I would say it, but I agree wholeheartedly with that dreadful right winger the hon. Member for Gainsborough (Sir Edward Leigh). In this debate, it is important that we consider the principles of democracy and of firm and thorough debate. We should stand robustly by our strong, well-principled position, and not run from fear or opposition or the contrary arguments that others may make, be they in this country or abroad.

Members present will know of Lynton Crosby, the political adviser and analyst, who has talked about the dead cat on the table theory. The idea is that, if one is losing an argument or not being referred to at all, throw a dead cat on the table and people will notice. They will stop and the direction of political discourse will change. That is exactly what Donald Trump is doing. It is not a one-off initiative; it marks his campaign entirely. He throws a dead cat on the table, people stop considering what they were considering and stop doing what they were doing. They listen to him and take him seriously.

There will be those today—the hon. Member for Hampstead and Kilburn (Tulip Siddiq) has done so already—who support Donald Trump's exclusion. I want to see Donald Trump come to this country and be grilled either by Members of Parliament, by Andrew Neil or one of this country's great interrogators in public discourse. I want them to challenge him. I want him to get a sense of the fury and the frustration caused by his xenophobic remarks. Let him leave this country feeling that there are better principles than what he has outlined so far. We as a country should be proud of our values, which we would like to see throughout the world. Confront him. Challenge him and confound him into recognising that what he outlines may get headlines and may change the nature of political discourse in the United States or across the world, but it is bad policy and would change the nature, image and reputation of the United States irrevocably from that created by the founding fathers and by those who have built up so much over the past three centuries.

Moving on, the Leader of the Opposition indicates that it would be appropriate to open back channels with Daesh, yet we have members of the same party saying that we should exclude somebody who has erred politically, but who is not a terrorist. For what should we open back channels with Daesh? To negotiate reasonably with somebody who would consider that negotiation in the context of whether to murder someone's wife or rape her first before cutting off her head?

The same Leader of the Opposition and the shadow Chancellor gave succour to terrorists in our United Kingdom over the past 30 years. They supported the IRA murdering citizens in Northern Ireland and murdering our countrymen. To put into context what the hon. Member for Hampstead and Kilburn would have us believe, she thinks it would be appropriate to ban somebody who has erred in political ideology, but who has not erred in law. This person has not promoted terrorism or extremism to the extent that lives have been lost and communities have been damaged or destroyed.

**Tulip Siddiq:** Does the hon. Gentleman think that this country's legislation should be applied equally to everyone?

**Gavin Robinson:** I think that it does. However, I am setting clear blue water between the support given by the hon. Lady's leader in years gone by for terrorists who have destroyed, maimed and killed, and somebody who is a ridiculous xenophobe, but who we do not need to promote any further. That is my point.

Some might take a hypocritical stance, such as those north of the border from where we now sit, who are still very much part of our United Kingdom. They lauded and applauded Donald Trump. They invited him to their country, appointed him as an ambassador and regaled him with civic support and adoration because of brass tacks.

**Ms Tasmina Ahmed-Sheikh** (Ochil and South Perthshire) (SNP): I am obliged to the hon. Gentleman for giving way. Is he suggesting that somebody had a crystal ball and could predict that this individual would conceivably make comments condemning an entire religion?

**Gavin Robinson:** I am grateful for the hon. Lady's intervention. If I ever criticise someone, some party or something in this place, I will always allow the right to respond, but a crystal ball was unnecessary. Donald Trump's involvement in the "birther" scandal around Barack Obama's lineage—was he born in Hawaii or in Kenya? Is he a Christian or is he a Muslim?—was ridiculous and happened not nine months ago, but in 2008 or 2009. They did not need a crystal ball. They just needed to know who they were working with. When his wife divorced him some 25 years ago, she took the opportunity to say that her much-loved former husband used to lie in bed at night and read the works of Adolf Hitler. We do not need a crystal ball to recognise that the person we are dealing with is not only a successful businessman, but a buffoon, and he has the dangerous capability of saying the most obscene or insensitive things to attract attention. None of that should be news, but we will not avoid the hypocrisy around it.

You have given me an additional minute, it seems, Sir Roger, because of the interventions, and I am grateful. However, my party and I as an individual cannot support the exclusion of Donald Trump from this country—bring him here, let us have the opportunity to challenge him and let him go home with his tail between his legs, recognising that the principles that he espouses no longer reflect this country, the United States of America or the aspirations that we should all seek to promote internationally.

5.20 pm

**Tom Tugendhat** (Tonbridge and Malling) (Con): It is a great pleasure to serve under your chairmanship, Sir Roger.

I find myself standing here and, for the first time ever, agreeing wholeheartedly with the hon. Member for Newport West (Paul Flynn). None of us can be as surprised about that as I am, but I was even more surprised to hear him warmly quoting the words of President Bush—admittedly, President Bush the father and not the son.

Today is one of the times this year when we will mark the 500th anniversary of a book called "Utopia", by Saint Thomas More, who was tried and executed not so far from this place. In it he envisaged a new future and a new ideal, writing from his heart about the liberties of thought and faith that he hoped what he called Englishmen—those whom Mr Hannan refers to as the "Anglosphere"—would express across the globe. Yet today a report has come out showing that the liberties Thomas More hoped for and desired are in trouble.

An online journal called "Spiked" has gone around various universities and found that freedom of speech is being challenged. In our colleges, so-called "safe spaces", which might also be known as "spaces of censorship", now cover some 39% of universities. That is a threat to freedom of thought not only in those universities. We can see that this debate is being covered by many of our friends from the fourth estate, and it is worth remembering that they, too, are part of the democratic process. Although we who stand here and speak in the Chamber might sometimes not like it, their role in holding us to account is equally as important as our role to speak the truth.

With that cry for freedom and liberty, I speak in favour of considering the motion, but rejecting exclusion, because liberty is not something that we can take in portion or in part. It comes as one and as a whole.

As the first amendment to the US constitution makes clear, freedom of expression is essential for a free people. That is why, although I may not like what has been said and although I am absolutely sure that I would not support it, it is no place for me or this House to criticise a man running for elected office in a foreign country. We might not wish him here, we might not like him here, but we should not vote against his ability to speak or his right to travel when we, too, value the same rights of liberty.

**Anne McLaughlin** (Glasgow North East) (SNP) *rose*—

**Tom Tugendhat:** Are you looking to intervene?

**Sir Roger Gale (in the Chair):** No, I am not. I call Anne McLaughlin.

**Anne McLaughlin:** To be clear, did the hon. Gentleman say that it was not our place to criticise? Surely that would be a curtailment of freedom of speech for those of us who are opposed to what Donald Trump said. I am pretty sure that the hon. Gentleman said that we do not have the right to criticise.

**Tom Tugendhat:** The hon. Lady is quite right: we have the right to criticise. However, I do not think that we should exercise that right on people who are running for elected office in foreign countries. It is for the American people to judge Donald Trump and to hold him to account. It is bad politics and bad judgment to intervene in the electoral processes of other countries and I would wish to do it as little as possible.

**Tulip Siddiq:** The London mayoral candidate from the Labour party, my right hon. Friend the Member for Tooting (Sadiq Khan), is of Muslim origin. Under Donald Trump, he would not be allowed to travel to America. Will the hon. Gentleman comment on that?

**Tom Tugendhat:** I am delighted to comment on that, on the grounds that the United States makes wonderful provision for the balance of powers. The hon. Lady's failure to understand that the President of the United States is neither a sovereign nor a despot, but is balanced by Congress and the courts, is a failure to understand the United States. Despite—let's face it—having had one or two incumbents of the White House who might not have been Mensa candidates, the country has yet succeeded all the way through to today as a bastion of liberty and of economic success.

Today is also Martin Luther King Day and it is worth remembering that he, too, relied on those rights and freedoms. He, too, relied on those rights while he was campaigning to desegregate the University of Alabama. When those students bravely marched in on 11 June 1963, the prevailing opinion was that they should shut up and that their right to freedom of speech should be curtailed. I think that Donald Trump is crazy and has no valid points to make, but I will not be the one to silence his voice.

When I think about what more we should do, I say that we should stand aside and wait for an American to come forward as the great Joseph Welch, the chief counsel for the US army, did. In the 1954 trials, he looked at Senator McCarthy and asked, "Have you no

[Tom Tugendhat]

shame, sir? At long last, have you left no sense of decency?" For someone to say that to Trump is surely better than for us to legislate on the freedom of expression or of travel of a citizen of that great country, the United States.

5.26 pm

**Naz Shah** (Bradford West) (Lab): I congratulate my hon. Friend the Member for Newport West (Paul Flynn) on leading the debate.

I will start by quoting Martin Luther King, because he deserves much more recognition today than does Donald Trump:

"Our lives begin to end the day we become silent about things that matter."

Therefore, I welcome this discussion and I am grateful to the petitioners, who wanted us to raise our voices and to have the debate.

I want to share two things with the Chamber. I had an interesting lunch earlier with a number of people, including Rick Stengel, the US Under Secretary for Public Diplomacy and Public Affairs. In our conversation—I said that I had to get back for this Donald Trump debate—we agreed that Donald Trump was no more than a demagogue, who panders to people's fears, rather than their strengths. I should know, because the people of Bradford West helped me to get rid of one in the general election—so it is not the first time that I have dealt with a demagogue.

I want to point out several things. I really value this debate and accept that the subject is emotive. I understand and respect the views of my colleagues who say that we should ban this person for inciting hatred—I agree. However, as the Member of Parliament for Bradford West, I would give an open invitation to Donald Trump to visit my constituency. I would take him to the synagogue, the church and the mosque and I would invite him for a curry—we are the curry capital of Britain. I would welcome him, then have a conversation with him and challenge him about his views.

**Kwasi Kwarteng** (Spelthorne) (Con): Will the hon. Lady give way?

**Naz Shah:** I will make my point first. I would invite Donald Trump to join us in feeding the homeless at the InTouch Foundation, a Muslim charity that feeds homeless people in the city of Bradford. I would invite him to meet the Muslim volunteers who help at Human Appeal (International), a foundation based in a colleague's constituency, and all those people who work together on issues that affect us as a country and as people, regardless of our race, gender, ethnicity or religion. That is what I would show to him.

**Kwasi Kwarteng:** I am a little confused. The hon. Lady said that she agreed with the ban, but at the same time she wants to invite him to her constituency. I do not see how that would work.

**Naz Shah:** I respect the views of my colleagues, but I do not agree with an overall ban. I would invite Donald Trump to Bradford West. I also think that the curries are better in Bradford West, but there we go.

There is an issue for me about challenging that narrative. In the name of democracy, it is important for us to challenge the hatred speech that comes out of Donald Trump's mouth. By the same token, I stand here as a proud British Muslim woman, and he would like me to be banned from America. I would not get a visa but my Islam and, as I understand it, Surah 41, verse 34 teach me—this is not word for word, but what I take from my Koran—that goodness is better than evil. If someone does bad, you do good in return. I will not allow the rhetoric of badness into my life and my heart or those of my constituents. I will challenge that with goodness, because hatred breeds hate and that is not something that I will tolerate.

Given that it is Martin Luther King day, I leave everyone with his words:

"I have decided to stick with love. Hate is too great a burden to bear."

5.30 pm

**Victoria Atkins** (Louth and Horncastle) (Con): It is a pleasure to serve under your chairmanship, Sir Roger. I must make a declaration: I am the only Member of Parliament who can claim to represent the good people of New York—New York in Lincolnshire. When those seeking religious sanctuary in the 1600s reached the shores of what we now know as the United States of America, that tiny hamlet in my constituency lent its name to a patch of land that grew to be one of the greatest cities on the planet. The good people of the original New York—all 150 or so of them—wear that honour lightly.

**Sir Edward Leigh:** Ted Cruz has launched a vicious attack on the people of New York, saying they are cosmopolitan—[*Laughter*—]so I hope my hon. Friend will stand up for the people of New York. Will she note, as I have, having looked at the map, that not a single person from Lincolnshire has signed the petition to ban Donald Trump?

**Victoria Atkins:** My hon. Friend reaches my point before me. I promise to deal with New York values at the end of my speech.

I turn, as I must, to Mr Trump. His comments about Muslims are wrong. His policy to close borders, if he is elected as President, is bonkers. If he met one or two of my constituents in one of the many excellent pubs in my constituency, they may well tell him that he is a wazzock for dealing with the issue in that way. I sense that my constituents, whether in New York or Tetney, in Minting or Mablethorpe, feel that their values are more than robust enough to survive anything that Mr Trump may say. We in Lincolnshire—in fact, we in the United Kingdom—should have enough confidence in our values to allow him to say whatever he wants in New York, New York, or in New York, Lincolnshire, or anywhere else in the world, because our British values are stronger than some among us here today appear to fear.

**Anne McLaughlin:** Does the hon. Lady understand that it is all very well for us to say, "We feel strong and we can withstand this, so you can criticise and offend and we will stand up to you," but she and I are not Muslims living in a country where Islamophobia is already rising? Comments such as his, from someone who has such influence over so many people and is getting so much media exposure, can only harm not

people like us, but those on the streets who feel vulnerable. They do not feel as strong as she and her constituents claim to feel.

**Victoria Atkins:** I can only give the hon. Lady reassurance. As someone who used to prosecute criminals for a living before I came to this place, any defendant who tried that on in court would get very short shrift from me and, I am sure, from the jury. We must not allow people who behave in such a disgraceful way—criminals who beat up other people on the basis of their religion or beliefs—to remove themselves from that by blaming someone on a different continent. If they beat up a Muslim on the streets of Britain, that is their responsibility and no one else's.

One of the values that best sums up our country is the freedom to exchange thoughts and ideas within the law—the freedom to persuade or rebut; the freedom to inspire or eviscerate in argument; the freedom to speak; and the freedom to listen. That freedom is not always comfortable. Indeed, my hon. Friends the Members for South Dorset (Richard Drax) and for Tonbridge and Malling (Tom Tugendhat) referred to the rising problem in some of our universities about allowing free speech and providing safe spaces for it, for fear that people may be offended, but the freedom of speech must mean that we will sometimes be offended. It means allowing those whose views we hold to be unedifying to speak their minds. Crucially, it also means the freedom to reply—to say, “No, Donald Trump, you are wrong, and you are wrong for the following reasons.” That freedom was hard won over centuries and it must be defended jealously, because it goes to the essence of democracy and the rule of law.

Opposition Members may rely on the argument of consistency—indeed, one Member said, “So-and-so has been excluded, so Mr Trump must be excluded.” Let us remind ourselves of the threshold that must be met for that to happen. The Home Secretary must conclude that the person's presence in the United Kingdom is not conducive to the public good.

The House of Commons Library helpfully provided a briefing paper for the debate, which gives 14 examples of people who had been excluded by Labour Home Secretaries by May 2009. Of those, 10 were considered to be engaging in “unacceptable behaviour” by seeking to foment, justify or glorify terrorist violence. Nine were considered to be engaging in unacceptable behaviour in order to provoke others to commit terrorist acts or serious crimes. Five were considered to be fostering hatred that might lead to inter-community violence in the UK and one had spent 30 years in prison for killing four soldiers and a four-year-old girl.

I ask a simple question of those who would ban Donald Trump: are they really saying that his conduct, no matter how offensive it may be, meets those criteria? If Donald Trump poses any question for us as a country, the answer is not to fuel his publicity by talking about banning him—incidentally, this debate is doing that nicely—but to rebut his arguments. The answer is to challenge him in a robust, democratic argument on why he is wrong about the contribution of American and British Muslims to this country.

**Tulip Siddiq:** The hon. Lady cites 14 cases of people who have been banned. Has she considered the 84 hate preachers who are banned? If so, she will see that there

is a striking resemblance between what was said by Donald Trump and by two bloggers who were banned two years ago by the Conservative Home Secretary. Will she comment on whether the same should apply to Donald Trump?

**Victoria Atkins:** Forgive me, but I have already answered that. The House of Commons Library paper, as I think most people would accept, is a neutral document and those were its examples. I used every single one of the 14 examples given, and they are in a very different category from what Donald Trump has said on this issue and many others.

Finally, I will deal with the point raised by my neighbour, my hon. Friend the Member for Gainsborough (Sir Edward Leigh). In a recent Republican debate, Ted Cruz accused Donald Trump of having New York values. Both of them would be enriched by the values of my constituents in New York and beyond, who are hard-working, generous and welcoming. They may be rather bemused that we are fuelling that man's publicity machine by having the debate at all.

5.39 pm

**Ms Tasmina Ahmed-Sheikh** (Ochil and South Perthshire) (SNP): It is indeed a pleasure to serve under your chairmanship, Sir Roger. Donald Trump's comments that he would ban Muslim men, women and children from the USA, if he were to be elected as President, were almost universally condemned as racist and offensive. I welcome the condemnation that his statement received from all parts of the House and, indeed, in this debate. I also welcome the fact that Members of the public have decided that this issue is serious and merits parliamentary scrutiny, which is why we are having this debate.

In making his announcement and subsequent remarks, Mr Trump condemns a whole religion because of the actions of a terrorist death cult. He also speaks in derogatory terms about women, people with disabilities and Mexicans—the list is never-ending. He is not just wrong; his comments are dangerous, and his views must be tackled seriously.

**Mr David Nuttall** (Bury North) (Con): Does the hon. Lady not think that Mr Trump might well be making these comments because he not only thinks they are true, but wants lots of publicity to help his election campaign?

**Ms Ahmed-Sheikh:** It is not for us to try to get into Donald Trump's mind. However, it is important for Members here to understand what it is like for Muslims in this country when people take comments made by those such as Mr Trump as expressing genuine concerns about those of us who practise the Muslim faith. That is a very uncomfortable place to be in, and I hope the hon. Gentleman accepts my personal experience in that respect.

Mr Trump condemns my family. In a similar vein, in the ridiculous situation he has created, he condemns the political editor of Sky News, the chief executive of Tate and Lyle, and some of our greatest Olympians. He condemns the leaders of Bahrain, the United Arab Emirates and Jordan for the actions of the very terrorists they are working together to overcome in Iraq and Syria. He does that because we are all Muslims—that, for him, is the one and only common denominator.

[Ms Ahmed-Sheikh]

Rather than combatting the serious issue of international terrorism, Trump's statements have bolstered the twisted narrative promoted by the terrorist cult Daesh and others, which pits the west against the Muslim faith. He has fuelled racial tensions across the world, while undermining the national security of the US and the UK. Indeed, in the words of Pentagon spokesman Peter Cook at the time Mr Trump made his statement:

"anything that bolsters ISIL's narrative and pits the United States against the Muslim faith is certainly not only contrary to our values but contrary to our national security".

Donald Trump threatens not only the national security of our friends in the USA, but our security. Since her appointment in 2010, the Home Secretary has banned hundreds of individuals from the UK. Quite correctly, her job is to protect public safety and to promote our security. She has already explicitly excluded 84 people for hate speech, and she should make Donald Trump No. 85. Using the powers vested in her, she has excluded serious criminals, far-right extremists and homophobic extremists, and the same rules should be applied consistently and equally to all—if we agree they should exist, they should exist for that very reason. We have a responsibility to ensure peace and security, and we should ensure that whoever enters or leaves our country is treated in the same way.

I am proud that the Scottish Government have taken a lead by removing Trump's status as a GlobalScot ambassador. As for questions about hypocrisy, it is important for me to confirm that that status was bestowed on him by a former Labour Administration, so let any myth about that be dispelled now. However, the same point applies: no genuine person could possibly have envisaged that this man would make such horrendous comments.

The UK Government now need to demonstrate their commitment to promoting religious harmony by applying their own rules consistently in this case. I understand the argument made by some that we should educate Mr Trump and that we should invite him here to see for himself how to build bridges with the Muslim community, rather than putting up barriers. This is a man who seeks to be President of the United States of America, and we think we need to educate him. We should be very worried if a man lacking such education seeks to lead a nation.

**Alex Chalk** (Cheltenham) (Con): The hon. Lady is making a powerful speech, but may I suggest that this is actually about buffoonery? Ultimately, buffoonery should be met not with the blunt instrument of a ban, but with the classic British response of ridicule.

**Ms Ahmed-Sheikh**: It is within the gift of the British state to deal with Mr Trump in the same manner it has dealt with other people. The hon. Gentleman referred to Mr Trump's buffoonery, but his remarks condemn an entire religion—one that I practise. It may be difficult to understand how that affects people, but it does—Mr Trump is talking about me, my family and my children.

It is worthy of note, however, that Mr Trump's policy would make it impossible for me or other Muslim friends of America to travel to his country to make the same case that we are making here. Parliament can be extremely proud of the improving record of strong

Muslim MPs being elected to both sides of the House to represent their constituents' interests. However, Mr Trump would ban new Members such as the hon. Members for Ealing Central and Acton (Dr Huq), for Hampstead and Kilburn (Tulip Siddiq), for Wealden (Nusrat Ghani), for Bradford West (Naz Shah) and for Bradford East (Imran Hussain) from entering the USA and making their case there.

I have heard others say that applying the rules consistently in Mr Trump's case would only add to his notoriety and raise his profile. Anyone who has followed the race for the Republican nomination for President will know that lack of profile is not an issue for Mr Trump. The American people have an important decision to make this year about who they want to lead their country. I am sure they will make the right choice, and it is their choice to make.

Last week, Mr Trump added insult to injury by stating that he will withdraw his investment in two Scottish golf courses if he is subject to the same travel restrictions he advocates for others. However, contrary to his own assertions, he is bad for business. It is already clear that the Royal and Ancient will not include Turnberry on the Open rota while it is still owned by Trump, costing the local economy dearly. Furthermore, Mr Trump's work actively to undermine a vital offshore renewables investment in the North sea may have serious repercussions for Scotland's development as a world leader in that emerging technology.

Donald Trump has provided succour to terrorists and promoted racial hatred on both sides of the Atlantic. Of course, he has a right to be wrong, but his statements are dangerous, and they threaten our public safety and national security. We cannot have laws that are applied differently, depending on people's income, public profile, religion or colour. What does that say about us? Our rules and laws must be applied consistently to all. I call on the Home Secretary to apply her judgment consistently in this case, and I look forward to hearing the Minister's response. For her to do anything else would be unprincipled and quite simply wrong.

5.47 pm

**Steve Double** (St Austell and Newquay) (Con): It is a pleasure to serve under your chairmanship, Sir Roger, and to participate in the debate. I, too, am a member of the Petitions Committee, and I am delighted that we brought the debate to the House today. That is not because the Committee held a particular view, but because we felt that it was right, given the number of people who signed the petition, to air these important issues.

Like the hundreds of thousands of people who signed the petition, and no doubt millions of others across the country, I condemn wholeheartedly the comments Mr Trump made about not only Muslims, but Mexicans, women, people with disabilities and other minority groups. However, the question whether we should ban him from this country is interesting and important, and we need to address it head on.

This country has a long and strong tradition of free speech. Although, sadly, that principle and some of those freedoms have been eroded recently, we are still a country that welcomes debate and embraces a variety of views. If we were to go down the road of banning Mr Trump because we find his views objectionable or

even offensive, where would we draw the line? There are many people with equally intolerant views—some come to this country and some, as we have heard, already live here. Are we to ban them because we do not like the things they say or we disagree with them?

The issue at stake is how our society handles people with different views from us when we find those views strongly objectionable or offensive—the issue of free speech. I believe it is about when someone crosses a line to incite others to acts of violence—to criminal acts. That is the line that I believe must be drawn, and at which we differentiate. I do not believe that Donald Trump has crossed that line. He may do it another time, and then we might need to reconsider, but I do not believe he has done it yet. It is perfectly right that the Home Secretary bans extremist preachers when they tell their followers to commit acts of terrorism and to cause harm and pain to individuals and communities—and, ultimately, to kill. However, I do not believe that Mr Trump has done that.

I wonder how long the list would be if our country began to ban people because they said things we did not like. Ignorant and unpleasant as Donald Trump's comments are, he is not alone in saying such things. For starters, we would have to ban the Prime Minister of Hungary who has, I believe, said equally offensive things about Muslims. The way we deal with bigotry and prejudice is by confronting it head on, not trying to avoid it. Banning someone like Donald Trump risks making him a martyr. We would only fuel his cause and he would see himself as a martyr. I believe many of his supporters would feel the same.

What would banning Donald Trump achieve? We live in a global village. We will not stop his views reaching our shores purely because we ban him. In fact, I would argue the opposite. The promotion that would come from a ban would mean his views would be heard louder and stronger than they are now. Banning him would only play into his hands. Instead of wanting to ban Mr Trump, I am with those who say, "Let's invite him to this country. Let's bring him here and confront his views head on. Let's take him and show him what a great nation we are, based on those values of tolerance and freedom of speech. Let's take him to the places that he has spoken about and show him what life in Britain is really like."

My final point is that I have been surprised at the amount of support Mr Trump has received from the Republican party. In my view, the greatest Republican President that the United States has had in my lifetime was Ronald Reagan, who, far from proposing building walls, was all about tearing them down. He said to President Gorbachev of Russia,

"if you seek liberalization, come here to this gate. Mr. Gorbachev, open this gate. Mr. Gorbachev, tear down this wall!"

Therefore, I am surprised that Donald Trump is getting the support he is. It seems to cut against the heritage and values that I understand the Republican party to be about.

**Sir Edward Leigh:** I am not surprised at all. The fact is that in America and Britain there is widespread disillusion with mainstream establishment politicians, who do not seem to give an honest answer to people's concerns about immigration and many issues. Therefore,

there is no point in just bad-mouthing this guy. We have to take on these arguments and discuss them in an open way.

**Steve Double:** I agree with my hon. Friend that the response we are seeing is far more about people's frustrations and concerns than about an individual man.

It would be ironic if we were to take the regressive stance of banning Donald Trump because he has called for a ban on Muslims entering the United States. We would surely be guilty of the thing we criticise him for. It would send a signal to the world that we are scared.

**Anne McLaughlin:** Does the hon. Gentleman understand the difference between what Donald Trump has said and what we are saying? Members on the Opposition side are calling for Donald Trump to be banned because of something dangerous that he said. He is calling for Muslims to be registered and tracked for no reason, because they have done nothing wrong. There is a huge difference.

**Steve Double:** I respect the hon. Lady's view, but personally I take a different view. To ban him would simply play into the same fears that he promotes.

It has often been said that two wrongs do not make a right. I want to say that two bans do not make a right.

5.54 pm

**Jack Dromey** (Birmingham, Erdington) (Lab): It is a pleasure to serve under your chairmanship, Sir Roger. America is a great country—the land of the free and one of our oldest allies. Donald Trump is a fool. He is free to be a fool; he is not free to be a dangerous fool on our shores.

Here are some of the foolish things that Donald Trump has said:

"The concept of global warming was created by and for the Chinese in order to make U.S. manufacturing non-competitive."

"It's freezing and snowing in New York—we need global warming!"

Of John McCain he said:

"He's not a war hero. He's a war hero because he was captured. I like people that weren't captured, OK, I hate to tell you."

Then he went on the offensive. He said about Mexico:

"I would build a great wall, and nobody builds walls better than me, believe me, and I'll build them very inexpensively, I will build a great, great wall on our southern border. And I will have Mexico pay for that wall.

Mark my words."

**Alberto Costa** (South Leicestershire) (Con): The hon. Gentleman makes an excellent case as to why Donald Trump is a buffoon, not a criminal.

**Jack Dromey:** The remarks are daft and offensive. I defend people's right to be daft and offensive. I was chairman of the National Council for Civil Liberties—now Liberty—and have fought to defend freedom of speech throughout my life, but freedom of speech is not an absolute. Neither is there an absolute right for Donald Trump or anyone else to come to our shores. Successive Governments have acted to exclude the preachers of hate whose presence would not be conducive to the

[Jack Dromey]

public good. Preachers of hate, the effect of whose actions and words would be to incite violence, have no right to come to Britain.

I have some examples of the kinds of people who have been banned. Michael Savage, a US radio host, was

“considered to be engaging in unacceptable behaviour...and fostering hatred”.

He claimed that American Muslims “need deportation” and was banned from coming to our country. Yunis Al Astal, the Hamas MP and preacher, was found to be guilty of “unacceptable behaviour”. He had made a series of anti-Semitic remarks and was banned from coming to our country. Pamela Geller and Robert Spencer, founders of Stop Islamization of America and the American Freedom Defence Initiative, were banned in 2013 by the current Secretary of State for the Home Office when they were due to speak at an English Defence League rally to be held on the location of Lee Rigby’s murder, as their arrival was deemed not

“conducive to the public good”.

Safwat Hegazi, an Egyptian television preacher, was in the words of the Home Office

“considered to be engaging in unacceptable behaviour by glorifying terrorist violence”.

He had called for violence against Jews.

What has Donald Trump actually said? Of course, legendarily he spoke about a total and complete shutdown on Muslims entering the United States. He went on to say that

“51% of those polled, ‘agreed that Muslims in America should have the choice of being governed according to Shariah.’”

He said:

“Shariah authorizes such atrocities as murder against non-believers who won’t convert, beheadings and more unthinkable acts that pose great harm to Americans, especially women.”

It is little wonder that after those remarks a rise in attacks against Muslims in America was recorded.

Why do I argue for the exclusion of Donald Trump? It is because of the context in which we are having this debate. Our country faces a uniquely awful threat—a generational threat of evil terrorism. Terrorist arrests are being made at the rate of one a day in Britain. A key to preventing terrorist attacks has been the patient building by the police service of good relationships with the Muslim community through neighbourhood policing. That has been a key to the successful detection of terrorist after terrorist. The terrorism confronting the country takes two forms: first, organised cells that are organised from Raqqa; and, secondly, a strategy of radicalising the vulnerable—and in particular those with mental illness, and those suffering a sense of victimhood, encouraged by ISIS.

[SIR DAVID AMESS *in the Chair*]

What makes Donald Trump’s presence in our country so dangerous is that in the current febrile climate, ISIS needs Donald Trump and Donald Trump needs ISIS. On the one hand, ISIS needs to be able to say, “Muslims, you are under attack.” On the other hand, Donald Trump needs to be able to say, “You are under attack by Muslims.” That is why I strongly believe he should not

be allowed to come to our country. Just think what would happen in the current climate if he came to Birmingham, London or Glasgow and preached that message of divisive hate. It would be damaging, dangerous and deeply divisive.

**Paul Scully:** The hon. Gentleman makes some really interesting points. The examples he uses, however, are surely more about Donald Trump being a bigot than hatred. Britain is pretty good at roasting beef. Does the hon. Gentleman not think it would be better to just roast Trump?

**Jack Dromey:** I am sorry; I do not think that a debate such as this calls for flippancy. With the greatest of respect, when our police service and our security services are working night and day to prevent our country from being attacked, and when they need the support of the Muslim community, to have someone come to our shores who demonises all of the Muslim community would be fundamentally wrong and would undermine the safety and security of our citizens. That is not a risk I am prepared to take.

**Victoria Prentis (Banbury) (Con):** I hear what the hon. Gentleman says powerfully. That has been echoed by the Muslim Members, who have given powerful evidence about how Donald Trump makes them feel. However, are not British values strong enough to stand up to that? Does it not help our Muslim community to hear voices on all sides of this House standing up for the values we believe in as a nation?

**Jack Dromey:** I strongly believe in the unity of all faiths, and indeed of those across the political spectrum, in rejecting terrorism. I welcome the initiatives in which I think all Members have been involved in their respective constituencies, and we have such initiatives in Birmingham. The simple reality, however, is that if a vulnerable radicalised young man who has mental illness and who believes in the victimhood promoted by ISIS hears Donald Trump in London or Birmingham, the consequences could be very serious indeed.

In conclusion, I do not think Donald Trump should be allowed within 1,000 miles of our shores, because he would embolden the EDL on the one hand and fuel the flames of terrorism on the other. Donald Trump is free to be a fool, but he is not free to be a dangerous fool in Britain.

6.2 pm

**Lucy Frazer (South East Cambridgeshire) (Con):** Justice Oliver Wendell Holmes of the US Supreme Court said:

“The principle of free thought is not free thought for those who agree with us but freedom for the thought we hate.”

Of course, there are limits to freedom of expression, even in a libertarian democracy, where statements will cause real harm. However, if we fear all outrageous statements, if we fear a swell of support for unpopular views and if we fear challenge, we will stifle not only free thought but independence and liberty. We will lose the opportunity to rebut and to expose to argument, analysis and scrutiny, and we will lose the opportunity to win over those who may have listened, silently supported and agreed.

Limiting free speech does not always quash unwelcome beliefs. France has more laws restricting free speech than any other western democracy. It also has Europe's largest far-right party. In 2009, Nick Griffin appeared on "Question Time", watched by 8 million people. At the time, the BNP polled 6.26% of the national vote. In the first general election after that it not only failed to win a seat but fragmented in the polls. Last week, the Electoral Commission announced that the BNP had been stripped of its status as an official political party. The *New Statesman* referred to the poor performance on "Question Time" as a factor in eroding Nick Griffin's popularity and the support of the BNP. To persuade those who may share the beliefs of a speaker, we need to do more than silence that speaker. We need to address the real grievances of those who may support them. We need to listen. We need to take note, and then we need to respond.

**Tulip Siddiq:** I thank the hon. and learned Lady, who is also my constituent, for giving way. Does she know that in the 24 hours after Nick Griffin had the platform of appearing on "Question Time", 3,000 people joined the BNP?

**Lucy Frazer:** It is important to have free speech, so that we have debate. Nick Griffin's appearance on "Question Time" will have evoked a number of responses. When there is an advocate for something, there will always be people who follow them. It may be a small minority. What we need to do is put those voices out there in order to slam them down. That, ultimately, is what has happened to the BNP.

Donald Trump's statement that all Muslims should be banned from the US wrongly categorises an entire religion with a few extremists. His statements should be exposed as such. Now is not the time to ban him. Now is the time to say clearly that extremist Islamists are wrong and must be rooted out and stopped. Now is the time to say that the Muslim community is not Daesh. Now is the time to say that Muslims have given us such things as algebra and transformed the study of light and optics—discoveries that founded one of the bases for our modern technologies.

The other real difficulty is that Donald Trump is a presidential candidate. If we banned the leader of every country who made offensive, inappropriate or inflammatory statements or who took steps we did not approve of, we would have a much more limited foreign policy. Indeed, we may not even have a Leader of the Opposition.

I welcome both petitions and this debate. We live in a democracy that respects freedom of expression. When people make unacceptable statements, we need to use our capacity to expose their weaknesses and then ultimately defeat their arguments.

6.7 pm

**Corri Wilson** (Ayr, Carrick and Cumnock) (SNP): Ayr, Carrick and Cumnock, the constituency I am honoured to represent in this House, is a diverse bit of Scotland incorporating bustling towns, picturesque villages and rolling countryside. It is famous for its rugged coastline and stunning beaches, and for being the birthplace of Scotland's national bard some 257 years ago next week. It is also home to one of the world's earliest and most enduringly successful purpose-built golf resorts.

In 1902, golf course designer Willie Fernie was commissioned by the third Marquess of Ailsa to lay out a championship course at Turnberry, which has subsequently staged the Open championship four times. That brings me to why I am speaking today. Disappointingly, Turnberry has been dragged into the debate because that world-renowned course and the resort it sits in were bought by Donald Trump in 2014.

The resort is undergoing a complete refurbishment as we speak, with the Trump Organisation investing £200 million in it. To date, the materials for the development have been sourced locally. Local produce is used in its restaurants, and it employs some 200 local people—a figure set to rise when the hotel reopens this summer. In addition, Turnberry is expecting 300 contractors on site next month, many of whom are also local and all of whom will be spending money in our local businesses, thus contributing to the local economy.

That is a stark contrast with the Turnberry of a few short years ago. Throughout the 1990s, the majority of staff were seasonal, and we would have been hard-pushed to hear an Ayrshire accent among them. Now 80% of the staff are local. Under previous owners, food and drink for the resort's bars and restaurants were ordered through a company here in London. Now local farmers are being consulted on the menu development. Despite promises of investment, the previous owner, Dubai World, proposed closing the resort from October through to Easter as its failure to invest in the venue meant it was unsustainable as a year-round resort. Before the Trump Organisation came in, staff were worried that it would shut down altogether. Now they are looking to employ between 350 and 400 people, with the vast majority on full-time contracts, and with part-time staff guaranteed hours and averaging 20 hours a week. In a constituency with a youth unemployment rate above 5%, Trump Turnberry is home to 24 apprentices and will employ around 80 local 16 to 24-year-olds, many of whom will continue to progress their careers at the resort.

I spent time at Turnberry last week and spoke to staff, contractors and members. There is no ambiguity about their feelings on this issue. They do not talk about Trump the politician, or Trump the showman. They talk about a man with a passion for golf and a commitment and a clear vision of the future for that resort. They talk of an organisation, a family-run business, that consults with local people and has an ambitious plan for the future of the area—an ambition that is being backed up by action. I heard last week from a gentleman who has played the course for 60 years. He talked of the respect that had been shown to the ordinary members and of how lucky they were that this historic course that had been left languishing for years has now found an engaged benefactor.

Donald Trump is a divisive character, and I have no intention of standing here to defend the man. His comments on Chinese people, Mexican immigrants and women have been deplorable and certainly do not mirror the type of politics that we aspire to in Scotland. The man seems to out-trump himself—no pun intended—each time he speaks in his bid to gain the Republican nomination, and I am delighted that over half a million people in the UK have chosen to call him out on the latest statements by standing up for our Muslim community and signing this petition. However, Ayr, Carrick and Cumnock cannot afford to spurn the investment of the Trump Organisation

[Corri Wilson]

because the head of the family business is spouting offensive right-wing rhetoric in an election campaign thousands of miles away.

Trump's ability to run off at the mouth may well prove detrimental to his ambitions to host the Open, but being banned from the UK will ultimately be little more than a minor irritant for the man. One in three children in my constituency are growing up in poverty. Our beautiful landscapes are scarred by abandoned open cast mines, and almost 14% of the working-age population are on out-of-work benefits. In the words of the club captain,

"if the Trump Organisation pulls out of Turnberry because its head is locked out, it would be catastrophic for the resort, and a tragedy for the local community."

Although I agree with others' sentiments in this debate, I feel my role here is to speak for my constituency. Banning someone for wanting to ban others is, in my view, an inappropriate response. Perhaps it is not just Mr Trump who would benefit from reflecting on the words of Burns when he wrote "To a Louse":

"O wad some Pow'r the giftie gie us  
to see oursels as ithers see us!"

6.12 pm

**Philip Davies** (Shipley) (Con): We find ourselves in the ridiculous position where some people are so outraged that Donald Trump has suggested that people should be banned simply because of their beliefs that those people want to ban him for his beliefs.

Across the pond, Donald Trump has been waging what might be described as a one-man campaign against political correctness for some time now. As someone who has had their own campaign against political correctness for some time here in this Parliament, nobody will be surprised to hear that I can relate to that. In the race to become the next President, he has been gaining support with a political manner that could be described as "blunt directness". He is definitely straight-talking and, as a Yorkshireman, I certainly applaud him for that too. In fact, I think that in this country, we could do with rather less political correctness and much more straight-talking across the board, and I think many of our constituents would agree.

We should be absolutely clear that today we are debating whether or not a man who has a chance of becoming the next President of the United States of America should be physically banned from entering the United Kingdom. By anyone's standards, that is a rather big thing. His offence—to warrant such a call—is to suggest a ban on incoming Muslims to America until, as he puts it,

"our country's representatives can figure out what the hell is going on."

It is extremely clear that in the western world we are experiencing very difficult and dangerous times. Violent attacks are becoming all too frequent inside free countries, perpetrated by those who seek to replace freedom with religious conformity. The sickening march of Islamic State is something that all right-thinking people are deeply worried about. It is also clear that one path for terrorists and those who hate our way of living in our western countries is to enter as immigrants and refugees.

Determining what to do about that clear and worrying problem will obviously result in people having differing suggested solutions. Some people—if I may be so bold, in all our constituencies—will agree with Donald Trump's view and some will disagree. As it happens, I disagree with his view, but whatever people think, surely he should be entitled to have that opinion and to express it, and to give all those people who have that view a voice in the political process.

There was an opinion poll on the matter, which showed that in the United Kingdom, 65% disagreed with Donald Trump and 24% agreed with him. When that was moved into the north of the country, the amount of people who agreed with him went from 24% to 35%. By anybody's standards, that is a significant body of the population. Lots of people in this room who are always talking about the rights of minorities seem very quiet all of a sudden when people who have a minority opinion have the nerve to express it. What about the rights of those minorities in this country? It is amazing that the people who always preach about tolerance, saying that we should not have any intolerance, are always the very same people who are so intolerant of anybody who happens to have a different opinion from them.

**Tommy Sheppard:** Does the hon. Gentleman think there are any limits on freedom of speech? Would there come a point when someone such as Donald Trump should be banned because the words that he said were just so extreme? Many of us on the Opposition side feel that he is already inciting hatred against the Muslim community, both in this country and across the world.

**Philip Davies:** I do not accept the hon. Gentleman's analysis, but yes, there do need to be some restrictions on free speech. If people are inciting violence or terrorism, that freedom of speech should be restricted and is unacceptable, but we certainly should not go around banning everyone from the country simply for voicing an opinion that the hon. Gentleman happens to disagree with.

**Mr Holloway:** I am sure that my hon. Friend would agree that this motion is actually embarrassing to the UK and makes us look intolerant and totalitarian. I feel that we should almost apologise to the people of the United States. It is for them to decide on Mr Trump's views, not us, and I think we should also remind those in America that these people over here on the Opposition Benches represent less than 1% of the population of this country.

**Philip Davies:** I share the sentiment behind my hon. Friend's contribution. I think it is ridiculous, frankly, that we need to have such a debate in a country that has always prided itself on freedom and free speech.

**Ms Ahmed-Sheikh:** Will the hon. Gentleman give way?

**Philip Davies:** No, I will not, because other people need to speak. I am afraid that there is not time—the hon. Lady has had her say.

The real issue for me is not Donald Trump's remarks, but the reaction to them. He is not a serious threat of harm to our society in any way. The uproar is largely because he is rich, white and politically incorrect, and that, to me, is really the crux of the issue. The debate

today is actually as much to do with political correctness as it is to do with his comments. It is about the political correctness that attacks free speech—the free speech that, quite rightly, Americans hold very dear, as do many of us here in this country.

The irony is that it is, in part, because of political correctness that the straight-talking of Donald Trump has proved so popular with the electorate over there. People are fed up of being told what they can and cannot think, and what they can and cannot say, and they find it refreshing. Even whether they agree or disagree with him, they find it refreshing to find a politician who has the guts to stand up and say what he thinks, even if it is controversial and unpopular. In many cases, we should celebrate more often politicians who stand up and say things that are unpopular and controversial. It is easy for anyone to stand up and trot out something about motherhood and apple pie, and something that is popular. Any old fool can trot out all that stuff, but it takes real guts to say unpopular and controversial things, and in that regard, I have a lot of respect for the Leader of the Opposition, whose hallmark is saying unpopular and controversial things. I will always defend his right to do that too.

Many people who are tolerated in this country because we believe in free speech would be placed higher up the list of barred people than Donald Trump: those who preach their hatred of all-things British from our own soil, and those who denounce freedom generally and hate the western way of protecting our very important individual freedoms and values. The silencing of opinions that we have seen in both countries only builds up resentment that would otherwise not exist.

People in this country stand up for the rights of foreign criminals we seek to deport but cannot because of human rights laws. Many of the people who are so keen to ban Donald Trump from entering the country are exactly the people who are so keen to keep foreign criminals in this country when we want to deport them. Yet we are debating whether Donald Trump should be banned. That is ridiculous and outrageous.

I end with a point I made at the start. For anyone who is outraged that Donald Trump thinks people should be banned from this country because of their beliefs but thinks the solution is to ban Donald Trump for his beliefs is ridiculous. You couldn't make it up, and I could not agree less if I tried.

6.21 pm

**Gavin Newlands** (Paisley and Renfrewshire North) (SNP): It is a pleasure to serve under your chairmanship, Sir David. I would like to say it is a pleasure to follow the hon. Member for Shipley (Philip Davies), but instead I congratulate the more than 600,000 petitioners who have combined unintentionally to bring this debate to Parliament. I pay tribute to the speeches from hon. colleagues and the hon. Member for Newport West (Paul Flynn) who led the debate in his inimitable and, on this occasion, balanced way.

It horrifies me that in the 21st century we are still dealing with racism, sexism, bigotry and any other form of prejudice that Donald J. Trump can squeeze into his campaign. Let us be clear, he is an idiot. I have tried to find different, perhaps more parliamentary adjectives to describe him but none was clear enough. He is an idiot. The fact that such a person can get so deep into the

selection battle to be the Republican party candidate for President of the United States, the most powerful job in the world, speaks volumes about how far the once mighty GOP—the “Grand Old Party”—of Lincoln and Roosevelt has fallen.

The petitioners have asked us to consider banning, or otherwise, a possible presidential candidate from entering the UK. The question we should be asking ourselves is whether Trump should be treated differently from anyone else because of who he is, how rich he is, how powerful he may become or what business interests he may have in the UK. Our immigration rules must cover everyone, regardless of how powerful they are or what religion they believe in. If we are to ban extremists, we should consider banning Christian extremists in the same way and to the same extent that we consider banning Muslim extremists from travelling to the UK.

Each and every day, young people are being held back and bullied on the basis of their gender, skin colour, the creed of their school, their sexuality or a disability. Each and every day, families live in fear because they have had the audacity to flee a war-torn country. Victims of these hateful and poisonous acts look to authority figures and lawmakers to help to solve the issue and to protect them in future. However, today's debate asks us to contemplate that a bigot and downright bully may be elected President of the United States. If Trump is able to stand on Capitol Hill next January and deliver the oath of office, it will send a message to bigots, racists and sexists the world over. It will tell the bullies that their behaviour is okay, that bigotry is not only okay but commendable, and that it is okay to hate people who may look, speak or act differently.

The question before us today is how we as a united Parliament defeat the hateful politics of Donald Trump and others like him. I am in two minds about this. I want to challenge Trump head-on to show how ridiculous his views are and to defeat his poison by highlighting the contribution that everyone, no matter what their background, makes to society. However, I also want us to treat Mr Trump in the same way we treat everyone else who has been banned from the UK.

The arguments for banning Trump are based on the principle that we ban other hateful preachers and extremists from the UK so why should we not add Trump to that list of undesirables. It is unclear how many individuals the UK Government have banned from visiting the UK, but in 2014, the Home Secretary indicated that she had excluded hundreds of people from gaining entry. On what grounds is it acceptable to ban those people but not Mr Trump who, as the Prime Minister said, has used language that is “divisive, stupid and wrong”?

The Home Secretary and her officials can refuse entry to the UK for reasons related to a person's character, conduct, associations or if their presence would not be conducive to the public good. A list of unacceptable behaviour was published in 2005 and included using means or medium that foster

“hatred which might lead to inter-community violence”.

On that basis and to ensure that we are operating consistently, I see no reason why Trump should be allowed a visa to visit the UK. His racist, bigoted and sexist views are dangerous and divisive. He does not believe that women are equal to men, and in reality I think he believes that no one is equal to the Donald.

[Gavin Newlands]

I have sympathy with the view that because he wants to ban Muslims from entering the United States, we should ban him from the UK.

Although I agree with many of the arguments of those who want to ban Trump, I want to tackle head-on the poisonous views and policies that he believes in. The way to defeat people like Trump is to show him how outrageous his views of the world are. Sunlight is the best disinfectant. Invitations should be extended to Trump to visit a local mosque to meet ordinary Muslims to discuss their beliefs; to meet refugee families fleeing bloody war to hear their stories; to meet feminist and LGBTI—lesbian, gay, bisexual, transgender and intersex—groups to debate equality; and to visit homeless shelters and so on. Let him debate all these issues and he will soon be found out for what he is: an idiot.

Trump's rhetoric is not dissimilar to that spouted by Nick Griffin and the British National party, and where is he now? We cannot and should not be afraid to tackle the views held by Trump and others like him. To do so would enable them to try to convert others to their cause without being fully challenged. The fight against racism, bigotry, sexism and prejudice in general is not over. We have a long way to go to ensure equality and fairness throughout the world.

We must not allow bullies like Trump to think they can continue to offend people based on how they look, who they love or who they believe in. We should send out a message saying "no" to Trump and his bigoted politics, but we should do so through the power of argument. We should not roll out the red carpet, but we should let Trump come to the UK and have that debate. He would soon wish he had been banned.

6.26 pm

**Kwasi Kwarteng** (Spelthorne) (Con): I am grateful, Sir David, to be called at this late stage of the debate. It has been interesting, with many sincerely held views. It is Martin Luther King day, and if he were here today, he would be surprised at some of the sugar-coated versions of American history on display. I am sorry to say that what Trump has proposed has been proposed many times in American legislation. The outright ban on people on the basis of race, colour or ethnicity has, regrettably, often happened in United States history. One need only look at the Chinese Exclusion Act of 1882, which was on the statute book for 61 years and banned Chinese labourers from entering the United States. The Immigration Act of 1924 similarly banned Arabs and Asians and was changed only in 1952. So Martin Luther King would be surprised at the—one might say "politically correct", although I do not want to use that term—sanitised version of American history and politics that we have heard today.

In that light, Donald J. Trump's objectionable and hateful views have a history in the American political arena. They are not unusual or something he dreamed up in his head; they come from a long line of nativist legislation. We may object to that, decry it and say it is terrible, evil and bad, but those are not grounds for banning a presidential candidate from coming here. He said in his speech in South Carolina that his ban would be temporary, and he might note that the ban under the Chinese Exclusion Act was not temporary but lasted for 60 years and that the ban on Asians and Arabs under

the immigration Acts was not temporary, but lasted 30 years. I am afraid to say—I am sure Martin Luther King would agree with me—that American history is full of nativism. Donald Trump is part of a long tradition, but that does not mean we should ban him.

All the arguments against the ban are valid. No one has said this, but if the United Kingdom banned Donald J. Trump from coming into Britain, it would be the biggest boost we could give to his campaign in America in terms of publicity and the patriotism of the United States, in not wishing other countries to try to shape or determine the outcome of its elections. It would be a spectacular own goal.

I remember the *Guardian* attempt in 2004 to prevent George W. Bush from being re-elected in that campaign. I think a very misguided *Guardian* journalist—I mean no slur on that paper—had a letter-writing campaign to the people in Ohio. They had identified that Ohio was a key swing state and they got some of their readers to write to individual electors in that state, urging them not to vote for George W. Bush. Members of the House will not be surprised to learn that George W. Bush carried Ohio and was indeed re-elected as President of the United States. That campaign was often cited as a way in which foreigners—people trying to intervene in the election of another country—could get things completely wrong, and the same thing—

**Ms Ahmed-Sheikh:** It is generous of the hon. Gentleman to give way; I am grateful. Does he not see the difference in this discussion? We are not seeking at all to influence what happens in the American presidential candidate elections or elections to follow. We are talking about what we can do here. We are talking about asking the Home Secretary to be consistent in her approach—the approach that we know she has used in relation to 84 other preachers. We are asking that those same rules be applied to Donald Trump in this country. We are talking about the United Kingdom, not anywhere else.

**Kwasi Kwarteng:** I fully appreciate the hon. Lady's remarks. As far as she is concerned—in her own mind—that is the case, but I am asking her to consider how the people of America would interpret a ban. They do not have the luxury of having her lucidity and understanding of how our conventions and debates work. The headline—

**Ms Ahmed-Sheikh:** I thank the hon. Gentleman for giving way, because he makes my point for me. It is all very well to say, "Let Donald Trump come here and have the discussion with us." He wishes to ban people such as me—and the lucidity to which the hon. Gentleman refers—from going to the United States of America to make the case for the Muslims of this country, who want to live in peace and harmony, who are not represented by Daesh. That is the point, and I thank the hon. Gentleman for giving way and allowing me to make it.

**Kwasi Kwarteng:** I fully appreciate the hon. Lady's remark, but as other people have observed, the answer to Donald Trump's ban is not to ban him. That does not make any sense to me, and I will explain why briefly. He is banning Muslims. In his own mind, he is saying that Muslims constitute a danger to the United States. That is what he thinks, and on those grounds he is banning them. We are doing the same thing if we ban him.

We are saying that Donald Trump represents a danger to the United Kingdom, and on that ground we are banning him from coming. The implied logic is exactly the same. The circumstances are different, but the logical thought is exactly the same.

**Tulip Siddiq:** I thoroughly disagree with the hon. Gentleman when he says that this is exactly the same. It is not exactly the same: Donald Trump has said that he wants to ban all Muslims because of their religion. That is 1.6 billion people whom he wants to ban, because of their religion. The reason why some Members are asking for him to be banned is the rhetoric, the sentiment and the values that he has expressed. That is different from banning someone because of their religion. I hope that that point is clear to another Member who made the same point.

**Kwasi Kwarteng:** I have been very generous with interventions, but I want to clarify that point. I do not have much time, but I repeat: the ground on which Donald Trump is banning Muslims is not their faith; it is because he believes that they constitute a danger to the United States. That is the ground—[*Interruption.*] I am just explaining his logic; I do not agree with it. And I am saying that any case to ban Donald Trump would be on the basis that he is a danger to our civic safety. Logically, it is exactly the same.

**Sir Edward Leigh:** On the point about 1.6 billion Muslims, thank God there are not 1.6 billion Trumps.

**Kwasi Kwarteng:** Yes, that would make our lives very difficult.

This has been a very engaging and enlightening debate, but it is no good saying, “Oh, he’s got huge publicity at the moment, so any more wouldn’t make any difference.” He was well known at the beginning of his campaign, but we have seen that there has been a crescendo of excitement and interest in the campaign. The very fact of this debate, as someone observed, is generating and stoking that excitement.

**Ms Ahmed-Sheikh** *rose*—

**Kwasi Kwarteng:** I will not take any more interventions. I can see the hon. Lady itching in her seat, but I will resist that temptation.

What I am saying is that we are simply adding fuel to this whole media circus, and that is playing exactly into Donald Trump’s hands. A ban, if it happened, would be a headline throughout the world. It would simply reignite all the publicity that he generated with his outrageous policy and would exacerbate the situation. It would make it more likely that he would be the eventual victor in the Republican nomination fight, and he may well—who knows?—win the election in November. Then we would be in the absurd situation in which we would have banned the President of the United States from coming to Britain. That would be an insane situation to be in.

People may say that he has no chance of becoming President, but look at the odds on the right hon. Member for Islington North (Jeremy Corbyn) becoming the Leader of the Opposition. I think that someone in Essex—I am not sure whether it was in your constituency, Sir David—made £2,000, having put £10 on him at

200:1, and I can assure you that, as of today, the chances of Donald Trump becoming President are far greater than 200:1.

6.35 pm

**Dr Sarah Wollaston (Totnes) (Con):** I think the question for my right hon. Friend the Home Secretary is this: is Donald Trump conducive to the public good? We have heard a lot of talk in this debate about buffoonery and terms such as “blunt directness”. If I were Muslim—I am not; I speak as a gentle atheist—I would find repulsive the thought that I should be excluded from the United States of America for no reason other than that I was a Muslim.

I am proud to represent Dartmouth. It was from Dartmouth, nearly 400 years ago, that the Pilgrim Fathers sailed to the Americas, and they sailed to escape from the kind of religious persecution that we are addressing today. We have seen in Europe what happens when an entire people are demonised for no reason other than their race, so I do not think that we should trivialise this discussion; it is a really important debate. Nor do I think that the result of the US presidential election will be decided on whether the Home Secretary decides to exclude Donald Trump. In fact, I would argue that, should Donald Trump be excluded from one of the US’s oldest allies, that would send a very clear message to the people of the United States about what we feel about those who demonise an entire people for no reason other than their religion.

I do not think that there is any realistic prospect that the Home Secretary will ban Donald Trump, but let us in this House send a very clear message to Muslims in this country, to British Muslims: we value you, we value your contribution and we will take this petition very seriously. Perhaps those arguments about religious freedom matter as much now as they did 400 years ago. I would welcome everyone across the pond in the United States who may be following this debate back to my constituency—the most beautiful constituency in Britain—to see Dartmouth, where the Pilgrim Fathers sailed from. The anniversary is in 2020.

I say this to Donald Trump. Just reflect on the consequences of your kind of religious bigotry. This is not a laughing matter. Think again, and if you do visit this country, take time to visit the mosques; take time to meet Muslims; take time to understand just how profoundly offensive and dangerous that kind of thinking is. There is no place for it in this country or in the United States.

6.38 pm

**Marcus Fysh (Yeovil) (Con):** Twenty-five years ago, I was in New York City, and out of some sort of mawkish interest, perhaps in his notoriety, I did two things related to Mr Trump. I visited Trump Tower, which is a black and gold edifice to a certain sort of narcissism, and I read his book, “The Art of the Deal”, which I have to say was pretty similar in many ways. Those things were not very edifying, and his activities since have not got any more edifying, I would say.

We have, in this country, a long history of civilising tolerance, developed out of conflict, deliberation and progress. Westminster Hall is a place of particular resonance in that history, where overbearing attitudes have been brought into line with the thinking of the day, sometimes

[*Marcus Fysh*]

with force, even when they were held by the most powerful. King Charles I was sentenced to death just a few yards from this place.

MPs represent their constituents by leave of those who send them, and the sensible ones keep close to mind the summary nature of the decisions of public opinion that can end that representation. Those from whom the public withdraw their support have, happily, somewhat better prospects than they did in the past. No longer do political disagreements lead to duels, disembowelment or decapitation. There is a settled and more civilised system of elections, debates, votes and law courts to govern us, and for that we must all be grateful.

When a terrorist menace threatens our hard-won civilisation with a throwback to barbaric and outdated methods of dealing with difference, and when it brings those methods to our shores, it is right that we should oppose that menace in the strongest terms. Our American cousins feel no differently. They are conscious of freedom born of escape from religious intolerance, as we have just heard, a need to be self-reliant and a desire to make their own economic destiny. Their strong democratic and legal institutions have also been forged out of traumatic disagreement. When they speak, we should listen, even if we disagree. We should be robust with them where necessary and encourage them not to take retrograde steps.

Back to Mr Trump—the Donald, the orange prince of American self-publicity. He is more public than usual because he will be running for President if he wins the nomination as Republican candidate. He may be close to the presidency if Bernie Sanders rather than Hillary Clinton is selected as the Democrat candidate. He has said things that many of us would not, and the addition of celebrity has been somewhat grotesque. To say that he would ban Muslims from entering America was too simplistic, unhelpful and wrong. I do not think that there is any evidence that he does not believe in democracy itself, however, so talk of fascism is a bit overblown, notwithstanding the fact that his bedtime reading might leave quite a lot to be desired, as we heard earlier.

Although they have been cynically expressed and exploited by Mr Trump, people's concerns about the terrorist challenge need to be addressed. However, we need to work positively with Muslim communities, rather than demonising them. Where better for Mr Trump's spurious opinions and characterisations to be debated and debunked than here in the UK, the crucible of modern democracy, in which heads are no longer lost for dissent? Who would not want to watch him being pricked, poked and prodded on "Have I Got News for You"? Let him come. Bad opinions and characters have been allowed in Britain before—not a few of them home-grown. We would not want to allow him any victimhood with which further to hoodwink people. I hope that if he came, honest British Muslims would have their say, and even more people would decide to use their good sense and not vote for him. Less seriously—who knows?—up close, we might get to see just what is under that hair.

6.43 pm

**Anne McLaughlin** (Glasgow North East) (SNP): This petition, with more than 500,000 signatures, is a welcome indication of the scale of the revulsion with which we

in these islands treat the xenophobia of Donald Trump. I am here to sum up for the Scottish National party. I doubt that many parties have a policy on Donald Trump; thankfully, such a policy has not been needed until now. Although I do not necessarily support a complete ban on Mr Trump entering the country, it is clear that his bigoted remarks against Muslims, against Mexicans and against other minorities—particularly his remarks about Muslims—deserve the utmost condemnation from all parts of the House and of society. I am proud of the petitioners and of all who signed the petition for rejecting his outrageous xenophobia and Islamophobia, and I hope that they will not take too much to heart the ticking off that they have had from some on the Government Benches for daring to raise the subject.

Some interesting arguments have been made on both sides of the debate. Those who are against banning Donald Trump, but who oppose him and everything that he stands for, have talked of bringing him here to educate him. I did not quite understand what other Members meant when they said, "I would like to invite him to my constituency and take him to the mosque to meet some Muslims." Perhaps Members thought that those people would teach him a thing or two, and they would be absolutely right to do that. I believe that the strongest argument in favour of banning him is simply the argument of equality. Are Members correct to say that other, very similar, cases are treated very differently? That is something that the Minister needs to answer.

The fact that the petition was so popular highlights three worthy and important points. First, we in these islands reject wholeheartedly the notion of discriminating against anyone on the basis of their religion. Secondly, individuals of power such as Trump are happy to demonise others but would never consider that they could be treated in such a fashion. Thirdly, there has been public revulsion in this country and in the United States towards the statements of this public figure. Let us not forget the outcry from the many good people in the United States at Trump's statements, which went against all the shared enlightenment values that tie together the United States and the countries of the United Kingdom.

In addition to recognising that Trump's statements were distasteful, we should note the hypocrisy of the son of an immigrant, of a religious minority, advocating being so bigoted against other migrants and religious minorities.

**Sir Edward Leigh:** The debate in America is far more nuanced than the hon. Lady suggests. All the Republican candidates in this election are expressing the traditional American view that America is a melting pot, and that it does not matter where someone comes from, but they have to be loyal to the flag and loyal to America. Trump may be articulating this feeling in a particularly extreme and controversial way, but for us to deny that many ordinary people in America are worried about their Americanness would be to deny the real and valid debate that is going on in America.

**Sir David Amess (in the Chair):** Order. Before the hon. Lady resumes her speech, I will just say that we are not as tight for time as we thought we were about 10 minutes ago. The debate can continue until 7.30 pm.

**Anne McLaughlin:** Thank you, Sir David. The hon. Member for Gainsborough (Sir Edward Leigh) talks about Republican politicians, but there are other politicians and activists in the United States of America who do not agree with Trump's assessment of the situation.

I want to look at Donald Trump, the man and the boy. As his first name suggests, he is the son of a Scottish immigrant, and I apologise for that. Like countless others, his mother, Mary Anne MacLeod, left her homeland during the great depression and went to what was, after all, the land of liberty. The same desire for economic opportunity is what motivates many migrants from many other countries to go to America today. The Mexican migrants whom Trump so roundly defamed are engaged in the same quest as the one his forbears undertook. As a man who purports to be proud of his New York heritage, Trump would do well to look to Lady Liberty for some advice on immigration.

Of course, we would do well to remind Donald Trump, the son of a Scottish Presbyterian, of the countless generations of immigrants who left these shores and went to the US in search of religious toleration. The Puritans may have got a shock when they landed on Plymouth Rock, but they went on to forge a society where someone's religion was, to a greater or lesser extent, irrelevant in public life. Although trailblazers such as Al Smith and John F. Kennedy faced anti-Catholic prejudice when they ran for office, they were always able to fall back on the fundamental truth that religious bigotry goes against all the enlightenment values that America shares with Europe.

It is easy for those of us who are protected by this parliamentary bubble to consider proposals and rhetoric such as Trump's to be distasteful, opportunistic, funny or crude. However, I do not think that anyone here would disagree that all of us in public life have a duty to work for the common good and to oppose discrimination.

**Lucy Frazer:** The hon. Lady said earlier in her speech that she hoped that the Home Secretary would consider whether this case is any different from others that have been raised. Does she not think that this case is considerably different from the other cases in that we are discussing a presidential candidate? If a presidential candidate was banned and then became President, the ability to forge links and to discuss policy on a whole range of issues would be extremely difficult.

**Anne McLaughlin:** That is why I am summing up by giving both sides of the argument. I am maybe just a bit more vociferous in my opposition to Donald Trump the person. I understand the hon. Lady's argument, but the way in which I see this case as being different because Donald Trump is a presidential candidate is that he should be less likely to get away with such things because he has far more influence over many more people.

**Chris Stephens** (Glasgow South West) (SNP): Surely the point is that Donald Trump wants to ban parliamentarians from this Parliament from entering America. As a presidential candidate, he should know better.

**Anne McLaughlin:** I completely agree. He should know better. I smiled to myself when I heard arguments from Conservative Members saying that we should not

be interfering in anybody's chances in the political process. Yet, there are MPs in this Parliament who Donald Trump would prevent from visiting his country. When someone of his prominence is running for the most powerful political position on the planet and is actively encouraging discrimination as state policy, it divides communities; it cannot do anything else. That example leads to countless acts of low-level bigotry and hatred that will never be reported.

I turn to some examples that have been reported and to the rise—not just from Donald Trump, but from his like—in Islamophobia. For example, after the Paris attacks, a friend of mine who is a Scottish National party councillor in Glasgow talked about his son being afraid to walk to school because he saw the headlines on the front pages of newspapers. One in particular claimed that a significant percentage—I think it might even have said “a majority”—of Muslims supported terrorism. The child was frightened to go to school. Some Muslim children are going to school and being called terrorists and bombers. They have absolutely no connection to any of the terrorist activities that are going on.

Today the Prime Minister announced funding to assist in English language lessons. I agree that we should support people—not force people—to integrate, but my understanding is that the funding is for Muslim women. What does religion have to do with the English language? How will that work? Will Muslim women routinely be tested to see whether their English language skills are up to speed? Has my hon. Friend the Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) already passed that test or does she have to take a test in English? It is ridiculous. If the Prime Minister did, indeed, say that the money was not for women who do not speak English, but for Muslim women, and if that is not just how some of the press interpreted it, it is wrong. That, in itself, will assist Islamophobia. I am sure that it was not deliberate, but we all need to remember that language is so important and we all would do well to mind the language that we use.

With Donald Trump, the issue is not just the language that he used, but the intent behind a prepared statement. In pre-war Europe, Jews were forcibly registered. Donald Trump has called for Muslims not just to be banned from going into his country, but to be registered and tracked. To my mind, there is no difference between that and what happened to the Jews in pre-war Europe. That leads me to a number of questions I have for the Minister.

First, does the Minister agree with some of his colleagues that the impact of Donald Trump's saying what he did is no greater and no more dangerous than their constituents saying it to one another? Secondly, is he comfortable that somebody such as Donald Trump will automatically be allowed to come into this country when I know several people who cannot get their wives or husbands into the country even for a visit? I see that the Minister is shaking his head. Are those people not as deserving of the right to visit the country? If Donald Trump is to be allowed into the country, will the Immigration Minister expect him to retract what he said before he comes here?

Another question I have is: if the President of China had called for all Christians to be refused entry to China, would he still have been invited to this country last year or would we have been saying, “Oh, but he's the President”? So many in this debate have said, “Oh,

[Anne McLaughlin]

but Donald Trump might be the President”, “He’s got the right to offend”, or “But lots of my constituents think like that.” Would the President of China have received the same treatment that Donald Trump is getting from this Government?

**Kwasi Kwarteng:** On that very point about banning heads of state, it is widely known that Mecca has banned Christians for hundreds of years, yet we entertain and have entertained the King of Saudi Arabia. Indeed, both Mecca and Medina are banned for Christians.

**Anne McLaughlin:** For several reasons, Saudi Arabia being among them, I am not comfortable with the fact that the UK Government are cosying up to a number of people.

I do not expect that the Minister is writing all my questions down or will answer them all, but I live in hope. Does he agree with me that my hon. Friend the Member for Ochil and South Perthshire always gives top-rate, passionate speeches about her personal commitment to equality for all? Is it acceptable for us to welcome in the man who would stop her and her children entering the United States? My final question is: will the Minister join me in condemning the nasty, abusive, racist tweets that my hon. Friend the Member for Ochil and South Perthshire has sat here receiving on account of her daring to speak out against Donald Trump, and does he think that Donald Trump’s anti-Muslim statement may have contributed to the abuse that she constantly has to put up with?

Donald Trump is on the record as saying that his second favourite book after the Bible is “The Art of the Deal” written by one Donald J. Trump. Perhaps it would be more beneficial if he spent time reading the constitution of the United States.

**Mr Jim Cunningham** (Coventry South) (Lab): The hon. Lady is making a very good speech. On the point about the constitution of the United States, Donald Trump has suggested that Cruz—another Republican candidate in the election race—cannot stand for the presidency either. That shows that his views are confined not only to Muslims, but to other people. The man’s whole attitude is questionable. In which political direction is he going? More importantly, where is the Republican party going when it puts up two candidates and one is as bad as the other?

**Anne McLaughlin:** I agree with that. It is a matter for that political party, but it is a good point and perhaps a good reason for us all to support Hillary Clinton to become the next President of the United States. I am sorry—I forgot that I am not allowed to comment on the presidential elections.

As President Obama’s press secretary pointed out, Donald Trump’s statements make him unfit to be President. He cannot pledge to uphold the constitution of the United States if he does not believe in religious liberty and freedom from discrimination; or is he going to amend the constitution on his own? How would the people of the United States put up with that? Although Trump’s right-wing rhetoric might help him to pick up votes in the primary, in the general election the vast

majority of voters in the States will no doubt be horrified that such an individual could lead them on the world stage. Trump believes himself to be plain-spoken. I understand some of the arguments of people who do not just want robotic politicians who churn out rehearsed press statements, but there is a huge difference between that and this case. Appealing to fears and prejudice is not the language and common sense of people here or in the United States.

It is tempting to give Trump a taste of his own medicine and to bar him, but would he love it? Would we be giving him a gift? Would it just, as some people have argued, give him even more publicity, or is the argument stronger that we will give him publicity by letting him in because, having said what he said and caused such controversy, he will be on every TV programme and chat show in the land spouting his nonsense? I do see an argument for allowing Trump in to do that because he will not be able to help himself. He will say things that will render him chargeable, guilty or able to be prosecuted for inciting racial hatred.

**Sir Edward Leigh:** He is hardly a murderer.

**Anne McLaughlin:** He is not a murderer, but surely the argument cannot be that we want to ban, jail or charge only murderers. There are other crimes, and we are talking about a crime that has a real impact, maybe not on my life but on many people’s lives. There have been many suggestions by Government Members that we should keep quiet about this and that members of the public who signed the petition, some of whom are here today, should just keep quiet.

I have tabled an early-day motion marking Martin Luther King day, which is today—in fact, today is the 30th anniversary of Martin Luther King day—and I encourage everyone to sign that EDM, if they have not done so already. I will quote Martin Luther King:

“The ultimate tragedy is not the oppression and cruelty by the bad people but the silence over that by the good people.”

We will not be silent.

7 pm

**Keir Starmer** (Holborn and St Pancras) (Lab): Like many others here, I welcome this debate. It is a good thing that 600,000 or so members of the public, one way or the other, have brought this subject to the House’s attention. There is clearly a wide range of views among the public, across all political parties and on both sides of the House. There have been powerful speeches and powerful interventions but in one important aspect, in all the speeches this afternoon, we are united in condemning the comments of Donald Trump on issues such as Mexican immigrants, Muslims and women. We should celebrate that, whatever our view of the proposals in these petitions. I add my name to the list of those condemning Donald Trump’s comments.

Before addressing the specific question of whether Donald Trump should be banned from entering the UK, I will spend a few moments on the wider context. Donald Trump made his comments about Muslims largely in the aftermath of the San Bernardino shootings on 2 December—that is when he was at his height with these comments. He is not the first, and he will not be the last, to make comments about a community in the

wake of a terrorist atrocity, and we should make it clear that responsibility for terrorist acts lies with terrorists, not with the communities that they purport to come from. We must be clear in what we say about that, even when Donald Trump is not clear about what he says.

I am concerned about the rise in hate crime in the UK. Hate crime has been increasing, as has been mentioned in the debate. It went up 18% in 2015, and the number of offences involving religious hatred has more than doubled over the past three years. That rise is a concern, but it is not uniform—it always spikes after an atrocity. There is always a reaction in terms of hate crime.

Just last month, in my constituency of Holborn and St Pancras, I convened a meeting with Bengali and Somali women, from whom I was particularly concerned to hear. We spent the afternoon discussing their concerns—this was in December, after the Paris atrocities—and the one thing they raised with me repeatedly was that they, the Muslim women in my constituency, were very concerned that they were being insulted that day and that week as a result of what had happened in Paris. They perceived it and felt it, and they said that it was happening in Euston on the buses, on the trains and when they were shopping, for example. That is happening in our communities, and it spikes after atrocities. We have to unite around our values and our concern that that should be addressed.

The Government are now tracking Muslim hate crime as an independent category, which is welcome, and a number of steps are being taken to address hate crime. Anything the Minister can say on what is being done in addition to address such hate crime would be welcome. I join other Members in saying that I, too, and many others here, want to send a message to the Muslim community about how much we value them and what they bring to our society.

**Ms Ahmed-Sheikh:** I am extremely grateful for the hon. and learned Gentleman's sentiments about the Muslim community. It is important to put on the record that the Muslim community condemns all types of bigotry and racism, regardless who is spouting that. There seems to be a misconception, not least throughout this debate—I am referring to comments that I have received during the debate—that, for some reason, we think it is acceptable for Muslims to speak in derogatory terms about people of other religions. It is important that we put on record that that is absolutely not the case. Wherever the bigotry, racism or hate speech is coming from, it is not acceptable, regardless who might be delivering the message.

**Keir Starmer:** I am grateful for that intervention because I have a few comments on the approach that says, "Well, because he wants to ban Muslims, we should ban him." That is far too simplistic. What lies at the heart of his belief that Muslims should be banned is that he thinks they are all dangerous. That is not buffoonery. That is absolutely repugnant. That is not what leads anybody in this debate, or anybody who signed the petition, to suggest that Donald Trump should not come here; it is a very different situation. His comments are so offensive to that whole community, and of course to women and to Mexicans, too—because of the assumptions and the belief that lie behind those comments.

**Kwasi Kwarteng:** In no way do I condone what Donald Trump said, but it is not right in fair dealing to say, "If you ban all of x, that means you think that all of x are dangerous," whatever group it might be. Forgive me, but what Donald Trump is saying is that a very few from a certain group might be dangerous—that is where the proposed ban comes from. I do not condone the logic or the policy, but in this House of Commons we have to give fair dealing to the views that have been expressed.

**Keir Starmer:** We have to be very careful about equating the views of Members of this House who call for a ban with the views of Donald Trump. For me, his views edge towards treating a whole community as a suspect community. Of course, it may be that he does not think that of each and every member of the Muslim community, but this has happened before in many other contexts where a whole community has been treated as a suspect community. We stood against it in the past, and we should stand against it now.

**Chris Stephens:** The hon. and learned Gentleman comes to this debate with considerable and learned legal experience. This debate can be tied up on whether Mr Trump's comments were, as has been described, outrageous or simply hate speech, as some of us believe. As the hon. Member for Birmingham, Erdington (Jack Dromey) said, others have been banned from this country for saying exactly the same things.

**Keir Starmer:** I will address that specific issue in a moment. Obviously, one of the measures available to the Government is to ban any individual from entering the UK. That power has been used by successive Home Secretaries on a number of occasions, and many examples have been put before the House this afternoon. It is a power that should be applied equally to everybody, whatever their wealth or power. That is important. I do not hold the view that presidential candidates fall within a special category; they should be judged in the same way as everybody else, on the basis of what they have said or done.

**Dr Wollaston:** Does the hon. and learned Gentleman agree that the consequences of such hate speech are greater when it comes from high-profile individuals? At the heart of this debate is whether Donald Trump's presence in the UK is conducive to the public good. We have heard repeatedly about the harm, and the hon. and learned Gentleman himself has elucidated the kinds of hate crimes about which we are talking.

**Keir Starmer:** I accept the substance of the hon. Lady's intervention that certain words in the mouths of certain individuals are more likely to provoke a reaction. The question is what the test for a ban is and whether the words have to be linked to public disorder and violence rather than simply being offensive. I will come to that, but I accept the premise that different people will provoke different reactions, sometimes according to who they are. The narrower point is that simply because he has particular wealth, power or position should not affect the application of the same rules to him as would be applied to anybody else.

The threshold for banning is relatively high, and the power is relatively rarely used. The test is whether an individual's exclusion from the UK would be conducive

[Keir Starmer]

to the public good. In 2005, as has been mentioned, that was extended to include unacceptable behaviours. It is worth going through the list of indicative factors spelling out such behaviours. Four examples are given: fomenting, justifying or glorifying terrorist violence in furtherance of particular beliefs; seeking to provoke others to terrorist acts; fomenting other serious criminal activity; and fostering hatred that might lead to inter-community violence in the UK. The touchstone has always been words provoking a response that includes elements of disorder or violence, so the threshold is quite high. Examples of some cases that have fallen under those provisions were given at the outset of this debate.

There is no doubt that some of Donald Trump's comments have been offensive, shocking and disturbing, and I join those who say that they are not funny but repugnant, but they are just that—offensive, shocking and disturbing—and I do not think that that, in and of itself, is enough to provoke a ban at this stage, on the basis of what has been said so far. I return to a principle set out by the European Court of Human Rights almost a quarter of a century ago, in relation to a case in which *The Sunday Times* and our Government were slugging it out over “Spycatcher”. The ECHR said:

“Freedom of expression constitutes one of the essential foundations of a democratic society...it is applicable not only to ‘information’ or ‘ideas’ that are favourably received or regarded as inoffensive or as a matter of indifference, but also to those that offend, shock or disturb”.

The point that the Court was making is important. Freedom of speech is not needed for welcome speech. The protection is not needed for speech that people treat with indifference; it is only relevant, and it only bites, in the sphere of offensive, shocking or disturbing speech. That is the whole point of the protection of free speech. Therefore, the speech that we are debating, however offensive, shocking or disturbing, is in fact protected speech under what we conceive to be freedom of expression.

How does that translate? Of course I would not want to have Donald Trump round for dinner to express his views, but I agree with others that we should invite him to join us in our various constituencies to meet our constituents and members of various religious orders, faiths and communities. Having listened to this debate, I realise that if he came here, he would be very busy, as he is already going to visit several constituencies. I would invite him to mine—at the end of a long list—to meet my constituents, because mine is an incredibly diverse and multicultural community. Donald Trump would see a UK very different from the picture that he painted. But should he be banned from entering the country on the basis of what he said? No; in my view, he should not. He should be met with words far more powerful than his.

I accept that this is a judgment call, and I respect those who have expressed, in this debate and on other occasions, the contrary view that the matter is so close to the line that action should be taken against Donald Trump. In the end, we should be guided by our own values, not his. Our own values include a deep belief in freedom of speech and in multi-faith and diverse societies in which everyone feels secure and respected.

7.14 pm

**The Minister for Immigration (James Brokenshire):** It is a pleasure to serve under your chairmanship, Sir David. I congratulate the hon. Member for Newport West (Paul Flynn) on the manner in which he opened this debate, underlining the reasons why we are debating the issue and the importance that we in this Parliament attach to petitions. When those supported by the public reach a threshold, it provides a voice for the public in this House. That has been an important addition to our processes. He was also right to underline the shared sense of history between the United Kingdom and the United States, and the relationship that we have enjoyed over a considerable period of time. This debate has underlined the value and importance that this House places on freedom of speech, as well as our ability to allow all different views and perspectives to argue those points. That has been done clearly and effectively in this impassioned debate.

Before I respond to a number of the points raised in this debate, there are a few things that I want to say at the outset. Britain is a successful multiracial, multi-faith, multi-ethnic country. Our strength derives from that diversity. Life in our country is based on fundamental values that have been shaped by our history and that are supported and shared by the overwhelming majority of the population: the rule of law, democracy and individual liberty; freedom of expression; mutual respect, tolerance and understanding among different faiths and beliefs. These make the foundation of our successful, pluralistic nation. They unite us and help our society to thrive.

I am proud that our country has so many vibrant, diverse communities comprising people of many faiths. I celebrate the contribution made by British Muslims in this country in every sphere and every walk of life, from those who fought in the trenches in world war one and fought fascism in world war two to businessmen, doctors, nurses, teachers, members of our armed services and Members of this House, some of whom have made powerful and impassioned speeches in this debate. They are proud to be both British and Muslim without any contradiction.

Yes, the threat from terrorism at home and abroad is serious and real; we have seen the damaging and corrosive effect of extremism in our communities. But suggesting that the solution is to ban Muslims who have done nothing wrong ignores the fact that extremism affects all communities and hatred can come from any part of society. It ignores the fact that Muslims are themselves far too often the targets of extremism and hatred, and that around the world many Muslims—more than any other group—are killed by terrorism. It also gives succour to the false view that Muslims cannot live a purposeful and fulfilled life in the west. Such assertions are fundamentally wrong, and as a country we could not be clearer in saying so.

If we are to defeat the threats that we face, we need to work together. We need everyone to play a part in stopping the poisonous spread of extremism and helping to protect vulnerable people from being drawn towards its twisted ideology. That is the approach that this Government seek to foster, because we have seen the devastating impact that radicalisation can have on individuals, families and communities and because around the world, more than 1.5 billion people of different nationalities, outlooks and political persuasions live peacefully, practising the Muslim faith.

We must protect those who might be vulnerable to the poisonous and pernicious influence of radicalisation, working with faith groups, community organisations and mosques across the country. It is a job for all of us, and we continue to work in partnership with communities of all faith backgrounds to challenge those who spread hatred and intolerance. We must work with the overwhelming majority of people of this country who abhor the twisted narrative that has seduced some of our people, and challenge those who use a warped version of faith to undermine our fundamental values.

Many of the contributions from right hon. and hon. Members this evening have focused on Donald Trump's call for a temporary shutdown on Muslims entering the United States. The Prime Minister has said that Donald Trump's comments are

"divisive, unhelpful and quite simply wrong."

I reiterate the Prime Minister's view and profoundly disagree with Donald Trump.

Regarding Mr Trump's comments about the UK and London in particular, again he could not be further from the truth. We should all be proud of London's status as one of the world's most diverse and tolerant cities, and of the police's role in keeping the entire city safe, working in all communities to protect people from radicalisation, and I pay tribute to their tireless work.

**Sir Edward Leigh:** My right hon. Friend mentioned the Prime Minister. Before he sits down at the end of his remarks, will he commend the Prime Minister's article in *The Times* today, in which the Prime Minister says the key to good race relations is full integration? The Prime Minister also points out that there is still a worryingly large number of Muslim women who do not speak English and are not in the jobs market, and he wants to improve the situation. Will my right hon. Friend the Minister commend the Prime Minister?

**James Brokenshire:** I agree with the policy that the Prime Minister has rightly identified today, in seeking to ensure that language is there to make sure that we help migrants to participate and integrate better in everyday life. That is the building block behind the policy that the Prime Minister has rightly identified.

Equally, the Prime Minister has been prepared to look at some uncomfortable facts; for example, the fact that in 2011 22% of British Muslim women spoke poor or no English compared with just 9% of British Muslim men. Therefore, it is how we can target that support at those communities in the greatest need that is important, and that is precisely why Louise Casey has been engaged, as part of her work, to go about identifying that.

**Anne McLaughlin:** Does the Minister understand the point I made earlier, that making this help available for migrant people who do not speak English is different from saying, "You must do it if you are a Muslim woman"? This support should not be aimed at a religion but at people who require it.

**James Brokenshire:** This is not a Muslim-only scheme, and the point that I rightly make is that it is targeted at those communities that are most impacted and most affected. Equally, that is why I make the point about the 22% figure that the Prime Minister has rightly highlighted today.

I will address the issue of exclusion. The Home Secretary has the power to exclude a national from outside the European Economic Area and refuse them entry to the UK if they have personally directed that that person's exclusion from the UK is conducive to the public good. This power is derived from the royal prerogative and is exercised by the Home Secretary in person. Exclusion decisions are not taken lightly or in isolation. The Home Secretary makes every decision on a case-by-case basis, taking into account the information available and a wide range of policy and operational factors. These factors include views from across Government, including from the Department for Communities and Local Government, and from the Foreign and Commonwealth Office. They also include consideration of any interference with the person's human rights under the European convention on human rights, such as their article 10 right to respect for freedom of speech. The hon. and learned Member for Holborn and St Pancras (Keir Starmer) has also underlined some of those factors and elements that are part of the policy that we adopt in considering matters of exclusion.

The Home Secretary uses her power to exclude foreign nationals to protect us from national security threats, to protect us from radicalisers and hate preachers, and to protect us from people who seek to undermine our core British values. The policy is not targeted at any particular community; it is targeted at all those who advocate hatred or violence, regardless of their origins or beliefs. The Home Secretary has prevented neo-Nazis, Islamist extremists and anti-Muslim hate preachers from entering the UK. She has excluded more preachers of hate than any other Home Secretary before her—103 since 2010—and she will continue to use the exclusion power against those who seek to do us harm.

The Government have a long-standing policy of not routinely commenting on those who are being considered for exclusion for sound legal reasons, and I will maintain that position this evening. However, what I can say is that the US remains our most important bilateral partner. It is in the UK's interest that we engage all presidential candidates—Democratic and Republican—even though we may disagree profoundly on important issues. Where there are clear differences of opinion, the most effective way to influence our American partners is through a frank and open exchange of views in taking on those arguments. Today's robust debate has provided a platform to do just that.

**Anne McLaughlin:** I thank the Minister for giving way again; I have almost forgotten what I was going to say. He said that the Home Secretary has a policy position of not commenting on people who are being considered for the exclusion list. Does that mean that he can neither confirm nor deny that Donald Trump is being considered for that list?

**James Brokenshire:** As I say, we do not comment on individual matters, but I would cite what the Chancellor of the Exchequer has rightly underlined in saying:

"The best way to defeat such nonsense is to engage in robust, democratic debate and make it very clear that his views"—

that is, Donald Trump's views—

"are not welcome."—[*Official Report*, 9 December 2015; Vol. 603, c. 990.]

[James Brokenshire]

We have also had remarks about Donald Trump's comments in respect of investment in Scotland. The appointment of Global Scots is, of course, a matter for the Scottish Government. The UK Government have never given Mr Trump awards or appointments, honorary or otherwise. Mr Trump has threatened to withhold investment in Scotland in response to the calls to ban him from the UK. Over the years, Mr Trump has made a number of different statements about the scale of his investments in the UK and his willingness to maintain them. The UK is the No. 1 destination in Europe for inward investment and the World Bank has ranked the UK as the sixth easiest place in the world to do business. So, any organisation that makes promises about investment in the UK should live up to those promises.

In conclusion, we will not win the fight against extremism by demonising communities and tarring an entire religion because of the actions of a few, and we will not defeat the threats we face by acting in isolation. We will win the fight by working together, standing shoulder to shoulder with people of different faiths and different backgrounds, defending our values, and by showing that division, hatred and hostility have no place in our societies.

7.27 pm

**Paul Flynn:** The triumph of today is that we have had a debate that has been seen by many people outside, including in the United States, and they have seen Parliament at its very best. We have had a diverse debate from a diverse Parliament, and I believe that it reinforces the need for the Petitions Committee, which is a very young and experimental Committee that is going very slowly, to build a role here. This subject was not chosen by any politicians but by people who initiated and signed a petition.

I think that we are all touched by the accounts of those of the Muslim faith about how devastating the threat from Donald Trump is, but I believe that all that has been said today will enhance the standing of this Parliament and reinforce our relationship with our great ally, the United States.

*Question put and agreed to.*

*Resolved,*

That this House has considered e-petitions 114003 and 114907 relating to the exclusion of Donald Trump from the UK.

7.28 pm

*Sitting adjourned.*

# Written Statement

*Monday 18 January 2016*

## DEFENCE

### Ukraine: Update

**The Secretary of State for Defence (Michael Fallon):** I have today laid before Parliament a Ministry of Defence departmental minute describing a further gifting package which the UK intends to make to the Government of Ukraine.

As I stated in my written ministerial statement of 19 November 2015 (*Official Report*: column 21WS), the Ukraine armed forces (UAF) face a chronic shortage of basic equipment.

This gift meets a specific Ukrainian request for assistance in alleviating medical casualties, often severely wounded. The UAF urgently need individual first aid kits and have continued to request them from allies. We have previously gifted first aid kits on several occasions in 2015.

The departmental minute describes a gifting package to the Ukrainian armed forces which is vitally needed and which will provide immediate benefit. The gift comprises 3,500 individual first aid kits (IFAKs). The total value of the gift is £478,800. Transport will be by military aircraft transfer, costing some £35,000.

Subject to completion of the departmental minute process, delivery is expected to be undertaken in April in sufficient time for the UK's training courses for 2016-17.

[HCWS471]



# Petition

Monday 18 January 2016

## OBSERVATIONS

### TRANSPORT

#### Reopening of Barlaston Railway Station (Stoke-on-Trent)

*The petition of residents of the constituency of Stone in Staffordshire,*

Declares that the residents of Barlaston request the reopening of Barlaston railway station; further that the station was taken out of service and closed to trains as a consequence of the West Coast Main Line Upgrade in 2003; further that at present anyone wishing to travel by train from Barlaston must first take either one or two buses to Stoke-on-Trent or Stafford and/or undertake journeys on foot to rail replacement bus stops in Stone, which is a significant inconvenience and means access to the rail network is considerably difficult; further that the success of the reopening of Stone railway station in 2008 has demonstrated the potential for local stations to thrive; further that since Stone railway station reopened, Stone has seen a remarkable growth in its annual passenger footfall figures which have more than doubled from 48,000 in 2009-10 to 100,000 in 2013-14; and further that the London Euston–Crewe train already runs through Barlaston station without stopping.

The petitioners therefore request that the House of Commons urges the Department for Transport to reopen Barlaston railway station.

And the Petitioners remain, etc.—[Presented by Sir William Cash, *Official Report*, 8 December 2015; Vol. 603, c. 964.]

[P001657]

*Observations from the Parliamentary Under-Secretary of State for Transport (Claire Perry):*

The Department is very much aware of the concerns of the people of the constituency of Stone, and their elected representatives, regarding the reopening of Barlaston station.

As your residents may be aware, we are currently running a public consultation regarding the future West Midlands franchise, which will inform our specification for train services for the franchise. We would encourage residents to respond to the consultation which runs until 22 March 2016. Residents can respond by filling out the online survey<sup>1</sup> or submit a written response<sup>2</sup>. Alternatively, residents can attend one of the consultation events<sup>3</sup> held by the Department and West Midlands Rail for a chance to hear first-hand about plans for the new franchise and an opportunity to ask questions.

We are aware of the concerns regarding services at Barlaston station, and are planning to hold a separate consultation on options for the services and stations in this area later this year.

We have listened to the people of the constituency of Stone, and I look forward to receiving your responses to both public consultations.

<sup>1</sup> <http://www.smartsurvey.co.uk/s/west-midlands-franchise/>

<sup>2</sup> Written responses can be sent to [westmidsconsultation@dft.gsi.gov.uk](mailto:westmidsconsultation@dft.gsi.gov.uk).

<sup>3</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/488209/Stakeholder\\_events\\_for\\_the\\_West\\_Midlands\\_franchise\\_consultation.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/488209/Stakeholder_events_for_the_West_Midlands_franchise_consultation.pdf).



# ORAL ANSWERS

Monday 18 January 2016

	<i>Col. No.</i>		<i>Col. No.</i>
<b>DEFENCE</b> .....	1113	<b>DEFENCE—continued</b>	
Additional Reservists (Recruitment) .....	1123	Military Assistance (Ukraine) .....	1115
Daesh.....	1116	Nigerian Armed Forces (Training) .....	1125
Defence and National Security (EU).....	1113	Nuclear Deterrent .....	1125
F-35 Programme .....	1127	Soft Power.....	1122
Flooding .....	1121	Successor Submarines .....	1119
Homeless Veterans .....	1126	Topical Questions .....	1128

# WRITTEN STATEMENT

Monday 18 January 2016

	<i>Col. No.</i>	<i>Col. No.</i>
<b>DEFENCE</b> .....	29WS	
Ukraine: Update.....	29WS	

# PETITION

Monday 18 January 2016

	<i>Col. No.</i>
<b>TRANSPORT</b> .....	11P
Reopening of Barlaston Railway Station (Stoke-on-Trent) .....	11P

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**CONTENTS**

**Monday 18 January 2016**

**Oral Answers to Questions [Col. 1113] [see index inside back page]**  
*Secretary of State for Defence*

**Steel Sector [Col. 1133]**  
*Statement—(Anna Soubry)*

**Energy Bill [Lords] [Col. 1149]**  
*Motion for Second Reading—(Amber Rudd)—agreed to*  
*Programme motion—(Charlie Elphicke)—agreed to*

**Cambridgeshire CCG and UnitingCare Partnership [Col. 1240]**  
*Debate on motion for Adjournment*

**Westminster Hall**  
**Donald Trump [Col. 437WH]**  
*General Debate*

**Written Statement [Col. 29WS]**

**Petition [Col. 11P]**  
*Observations*

**Written Answers to Questions [The written answers can now be found at <http://www.parliament.uk/writtenanswers>]**

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