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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES
(HANSARD)**

Wednesday 12 October 2016

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The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

SCOTLAND

The Secretary of State was asked—

Economy

1. **Carol Monaghan** (Glasgow North West) (SNP): What assessment he has made of the potential effect of the UK leaving the EU on the economy of Scotland. [906389]

2. **Patrick Grady** (Glasgow North) (SNP): What assessment he has made of the potential effect of the UK leaving the EU on the economy of Scotland. [906390]

4. **Dr Philippa Whitford** (Central Ayrshire) (SNP): What assessment he has made of the potential effect of the UK leaving the EU on the economy of Scotland. [906392]

The Secretary of State for Scotland (David Mundell): Mr Speaker, may I begin by commending you not only on your attendance at the Davis cup semi-final in Glasgow, but on your obvious enthusiasm and exuberance, which the hon. Member for Glasgow Central (Alison Thewliss) and I were witness to? I am sure you will agree that, although the result was not as we would have wished, the event once again confirmed Glasgow's place as a great international sporting venue.

The UK leaving the EU should be seen as an opportunity for Scotland. Today's GDP figures are an encouraging sign of growth. However, Scotland is still lagging behind the UK as a whole and that underlines the need for Scotland's two Governments to work together to take such opportunities.

Mr Speaker: The Secretary of State and his daughter did a fantastic job as well, as did the constituency Member of Parliament.

Carol Monaghan: Given that Brexit continues to be billed as taking back control, will the Secretary of State tell us which of the powers currently controlled by Brussels the UK Government will commit to giving to Holyrood and which will be re-reserved to Westminster?

David Mundell: It is self-evident that, because the devolution settlements within the United Kingdom are predicated on the basis that the United Kingdom was a member of the European Union, those devolution settlements will be changed by the United Kingdom leaving the EU. Those will be matters that will be subject to debate and discussion.

Patrick Grady: I am not entirely certain that the Secretary of State answered that question. Will he categorically rule out powers being re-reserved to this Parliament as a result of the decision to leave the European Union?

David Mundell: What I can say is that no powers which are currently exercised by the Scottish Parliament will be re-reserved to this Parliament as a result of the United Kingdom leaving the EU.

Dr Philippa Whitford: With a constituency that has an interest in having an aerospace cluster, an airport and large pharmaceutical production, may I ask what the Secretary of State's view will be on the single market, the open skies and the European Medicines Agency?

David Mundell: The Prime Minister made it very, very clear at the Conservative conference that we want to have access to the single market and to ensure free trade. The sectors that the hon. Lady mentioned are very important; they are part of the group of sectors with which we are engaging very closely to identify their specific interests and concerns so that they are part of the UK's negotiating position.

12. [906401] **Mr Philip Hollobone** (Kettering) (Con): Is it not the case that there should be a substantial boost for Scottish exports as a result of the depreciation of the pound since the Brexit vote?

David Mundell: Sectors in Scotland would acknowledge that they have benefited from the devaluation of the pound. The tourism sector, which saw a record attendance at the Edinburgh festival recently, and the agricultural sector would acknowledge it, but I do not see that as being an end in itself. What we need to do is ensure that we get the best possible deal for Scotland and the UK from these negotiations so that Scottish business can flourish.

Michael Gove (Surrey Heath) (Con): My right hon. Friend is absolutely right in saying that we are leaving a dysfunctional union—the European Union—and that that is an opportunity for the people of Scotland. Is it not also the case that if we were to follow the Scottish National party's advocacy and leave the union that works—the United Kingdom—we would land the people of Scotland with a huge public sector deficit and the prospect of either tax rises or cuts in services?

David Mundell: My right hon. Friend is absolutely right. There seems to be a very strange contradiction here: Members on the SNP Benches are rightly concerned about Scotland's continued trade with the EU, but they disregard the fact that Scotland's trade with the rest of the United Kingdom is four times as much as with the

EU, and that a million jobs in Scotland are dependent on our trade within the United Kingdom—that is the union that matters to Scotland.

Iain Stewart (Milton Keynes South) (Con): Given the importance of that single market to Scotland, does my right hon. Friend agree that the last thing that the Scottish economy needs is the perpetual uncertainty of another independence referendum?

David Mundell: If anyone actually listens to businesses in Scotland and, indeed, to the people of Scotland, it is quite clear that people do not want another divisive independence referendum in Scotland—other than individuals who are obsessed with independence. We need to listen to business, take a second independence referendum off the table and concentrate on getting the best possible deal for Scotland and the UK from these negotiations.

Mr David Anderson (Blaydon) (Lab): As a result of demands from Nissan, the Chancellor of the Exchequer has suggested that companies that will suffer a loss of profits as result of exiting the EU may be due compensation. Can the Secretary of State assure businesses based in Scotland which will suffer the same loss of profits that they will be entitled to the same deal, and if so has he made an assessment of the costs of such compensation?

David Mundell: May I congratulate the hon. Gentleman on retaining his position as shadow Scottish Secretary? I understand that on the Benches behind him is the Westminster spokesman of the Scottish Labour party, and I am sure that it will emerge during these questions how those two positions interrelate.

The point that I would make in response to the hon. Gentleman's question is that we will have a common response across the United Kingdom and that whatever support is put in place for businesses in the north of England will apply to businesses in Scotland.

13. [906402] **Craig Mackinlay** (South Thanet) (Con): Scotland has a long and proud history of invention, innovation and creativity, and has always looked out to the world. Could the Government do more to rekindle that outlook in Scotland, rather than the First Minister creating uncertainty and constantly talking about independence?

David Mundell: I agree that we need to see Brexit as an opportunity, and I was very interested to see yesterday that the leader of Glasgow City Council also took the view that Brexit offered an opportunity for Glasgow to continue to flourish. Rather than doom-mongering, which is the constant refrain of the SNP, let us take a positive approach and seize the opportunities that are out there for Scotland.

Angus Robertson (Moray) (SNP): May I remind the Secretary of State for Scotland that he was elected on a manifesto commitment to

“safeguard British interests in the Single Market”,

so will he and his Government work with the Scottish Government, respect the 62% of Scottish voters who voted to remain within the European Union and protect our place in Europe?

David Mundell: Of course I will do that, but I will also respect the half of voters in the right hon. Gentleman's constituency who voted to leave the EU. He does not make much of it, but a higher percentage of people in his constituency voted to leave the EU than voted for him, so let us respect everybody in this debate. I am committed to working with the Scottish Government. I have met Michael Russell on a number of occasions. The First Minister and the Prime Minister will meet on 24 October, and their engagement will be essential to achieving what we want: the best possible deal for Scotland.

Angus Robertson: Yesterday, we learned from statistics emanating from the right hon. Gentleman's Government that Brexit will cost £66 billion a year. If these statistics are being prepared for the Cabinet Office, surely they are also being prepared for the Scotland Office, so will the Secretary of State for Scotland be candid with the House and with the people of Scotland and tell us how much Brexit will cost Scotland?

David Mundell: We are not even at the stage of beginning the negotiations. What we are going to see—[*Interruption.*] The Prime Minister has set out the process for taking those negotiations forward. It is inevitable that, over the next few weeks, months and years, we will see press reports and speculation, leaks and all sorts of other supposition. I want to ensure that we go into those negotiations in conjunction with the Scottish Government to get the best possible deal, and that is my commitment.

Mr Alistair Carmichael (Orkney and Shetland) (LD): Has the Secretary of State seen the report published yesterday by the NAFC Marine Centre, showing that half of all demersal fish and two thirds of all pelagic fish caught in UK waters are caught by boats from other EU countries? Does he understand why Scottish fishermen see these negotiations as a once-in-a-lifetime opportunity to undo the damage caused by the common fisheries policy, and will he put their interests at the heart of the negotiations, unlike his Tory predecessors in the 1970s, who saw our fishing industry as expendable?

David Mundell: I commend the Scottish Fishermen's Federation and others on their approach to the negotiations; they see them as an opportunity, for the very reasons referred to by the right hon. Gentleman and by yesterday's report. The SFF was quite right to characterise the report as “A Sea of Opportunities”, and it will have my support in realising them.

Kevin Foster (Torbay) (Con): Has the Minister included, in his assessment of the impact on the Scottish economy of the UK leaving the EU, the impact of Scotland leaving its biggest single market: the rest of the UK—something that some people are demanding, week in, week out?

David Mundell: As I said earlier, I find it very surprising that people who declare a great enthusiasm for the European single market are willing to dismiss the United Kingdom single market, which is worth four times as much to the Scottish economy and employs a million Scottish people.

Ian Murray (Edinburgh South) (Lab): Today's GDP figures for Scotland are welcome, as is the major increase in GDP arising from the services sector, probably driven by the financial services sector in Scotland, and in my city of Edinburgh. What specifically is the Secretary of State doing to protect that financial services sector, and can he give the House, and Scotland, an assurance that he will stand by the Conservative party's commitment in his 2015 manifesto to saying yes to the single market?

David Mundell: First, we fully recognise the importance of the financial services sector in not just Edinburgh but Scotland more generally. I am determined to ensure that its interests are protected. We are working very closely with it to ensure that it is very much at the forefront as we move forward with establishing the UK's negotiating position.

Overseas Trade

3. **Chris Philp** (Croydon South) (Con): What discussions he has had with businesses and trade bodies in Scotland on opportunities for overseas trade. [906391]

6. **Mr Mark Harper** (Forest of Dean) (Con): What discussions he has had with businesses and trade bodies in Scotland on opportunities for overseas trade. [906394]

7. **James Berry** (Kingston and Surbiton) (Con): What discussions he has had with businesses and trade bodies in Scotland on opportunities for overseas trade. [906396]

The Secretary of State for Scotland (David Mundell): Since the EU referendum, Scotland Office Ministers have held over 50 meetings with Scottish Government Ministers, Scottish organisations and trade bodies to discuss the implications for Scotland. We intend to hold further such meetings in the coming months, to ensure that Scottish business interests are fully represented in the negotiations on the UK's exit from the EU and in any future trade arrangements.

Chris Philp: Does my right hon. Friend agree that when we negotiate free trade deals outside the European Union, we can remove some of the protectionist tariff barriers that the EU has erected, thereby reducing consumer prices for consumers in Scotland—and, indeed, across the United Kingdom?

David Mundell: I agree with my hon. Friend, and I believe that this Government and this country can be advocates around the world for free trade. Trade liberalisation between advanced economies can have a positive impact on the consumer, and that is what we want to see in Scotland and across the UK.

Mr Harper: Will the Secretary of State reassure the House that as he is conducting discussions around the world and engaging with British business, he gets the maximum opportunities for Scottish business, uses his opportunities to demonstrate that Scotland is better as part of the United Kingdom, and knocks on the head all this talk of independence that we incessantly hear from the Scottish National party?

David Mundell: I agree with my right hon. Friend. It is vital that we promote Scotland's interests in that way, and do so working in conjunction with the Scottish

Government. Both Governments have a role to play—in, for example, as the Scotch Whisky Association identified, developing new markets and promoting that product, which is vital to Scotland's economy.

James Berry: I was pleased to read last month that exports of Scotch whisky were up for the first time in three years, with a surge of exports to India. Does my right hon. Friend agree that everyone in the UK should work together to support the export of great British products, including great Scottish products such as whisky?

David Mundell: I do agree, as I have set out. Bodies such as the Scotch Whisky Association acknowledge and accept that, and want the two Governments to work together in that regard, and that is what I am committed to doing.

Wayne David (Caerphilly) (Lab): If the Government leave the European Union without a specific trade arrangement with the EU, is the Secretary of State happy to fall back on World Trade Organisation methods?

David Mundell: I am sure that that is the type of speculation that will constantly be sought from Ministers in the weeks and months ahead. The Prime Minister has set out the process for negotiating our exit from the EU, and at the conclusion of that process I am confident that we will be able to achieve the best possible deal for Scotland and the rest of the UK.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): The Secretary of State has, on many occasions, extolled the trade benefits of the single market for Scotland. Regardless of whether or not the UK is a member state of the EU, does he still believe that it is in Scotland's interest to have membership of the single market, rather than trying to negotiate third-party access?

David Mundell: What I have also said on many occasions, as the hon. Lady will know, is that the UK will have a bespoke arrangement with the EU when we leave. It is not appropriate or sensible to see the negotiating process in the context of existing arrangements with other countries or, indeed, the existing structure of the EU. We should seek to get the best possible deal for our businesses.

Mr David Anderson (Blaydon) (Lab): Crucial to promoting trade is the need to support apprenticeships. However, training bodies, organisations, businesses and employers in Scotland have told me that they are struggling to get clear guidance on how the apprenticeship levy will work. Will the Secretary of State ensure, unlike his colleague the Business Secretary, that he works urgently with the Scottish Government to give those people the information that they need?

David Mundell: I am absolutely committed to doing that, and I can confirm that the apprenticeship levy will be discussed when the joint ministerial council meets on 24 October.

Mr Anderson: One area in which apprenticeships could work is the oil industry and the decommissioning of oil rigs. We have already seen the loss of 80,000 jobs in that industry, and that will be compounded if we

continue, as has happened recently, to lose decommissioning contracts to other countries. Do the Government have any strategy at all to ensure that those crucial jobs remain in Scottish hands?

David Mundell: The hon. Gentleman will know that the Government are committed to the industry, and a £2.3 billion investment and associated tax changes were exactly the support that it asked for. We have also established, along with the Scottish Government, the £250 million Aberdeen city deal, which will have at its heart a new technology centre to ensure that skills and jobs remain in the north-east.

Welfare Powers

5. **Henry Smith** (Crawley) (Con): What steps the Government are taking to transfer welfare powers to the Scottish Government. [906393]

The Secretary of State for Scotland (David Mundell): A significant number of new welfare powers came into force this September, and give the Scottish Parliament new choices over welfare in Scotland. The joint ministerial working group on welfare, which includes Scottish Ministers, met yesterday to continue its important and constructive work overseeing the transfer of remaining powers.

Henry Smith: With that significant transfer of powers from the UK Government to Edinburgh, does my right hon. Friend agree that the Scottish Government should get on with exercising those powers for the sake of the welfare of the people of Scotland, rather than wasting time on expensive and unnecessary talk of a second independence referendum?

David Mundell: I absolutely agree. These are significant powers, which the Scottish Government and the Scottish National party in this House asked for. People around Scotland will want to see how they are being deployed and what process is being used. The message from the people of Scotland generally to the Scottish Government is "Get on with the day job."

11. [906400] **Neil Gray** (Airdrie and Shotts) (SNP): I am sure that at yesterday's meeting of the joint ministerial working group Scottish Ministers will have stressed their desire to see their employment programmes proceed on a voluntary basis. What steps will the Secretary of State take to ensure that his Government respect that desire?

David Mundell: We have made it absolutely clear that we will respect that desire for the programmes to proceed on a voluntary basis. What I think the people of Scotland will want to know is what the Scottish Government intend to do in relation to people who do not volunteer to be part of the programmes.

North Sea Oil and Gas

8. **Mark Menzies** (Fylde) (Con): What discussions the Government have had with oil and gas companies on support for North sea industry. [906397]

10. **Graham Evans** (Weaver Vale) (Con): What discussions the Government have had with oil and gas companies on support for North sea industry. [906399]

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Jesse Norman): The Government continue to work closely with industry, both directly and through the Oil and Gas Authority, to drive investment and support jobs in the North sea.

Mark Menzies: Revenue from North sea oil has dropped by more than £10 billion over the past two years. What steps are the Government taking to ensure that public services in Scotland do not suffer as a result of this shortfall in public revenue?

Jesse Norman: As my colleague rightly notes, there has been a shock in the oil and gas industry resulting from global changes. As the latest public finance figures show, being part of the UK protects living standards in Scotland. The drop in revenues has been offset by a vigorous programme of Government support in tax relief and allowances, as well as in a host of other areas.

Graham Evans: The supply of home-grown feed stocks is vital to the Cheshire chemicals industry and is in part reliant on the success of North sea oil and gas. Can the Minister assure the House that the Government will continue to take steps to support the many jobs in our foundation industries that depend very much on this sector?

Jesse Norman: My colleague is absolutely right to highlight this issue. The UK chemicals sector is a vital part of our manufacturing industry and an important contributor to the economy. The Government are working closely with the industry to implement the desire to grow gross value added by £105 billion by 2030, and a key element of that will be delivering competitive energy and feed stock supplies.

Callum McCaig (Aberdeen South) (SNP): Industry has been crystal clear that more work needs to be done to boost exploration. Will the Government bring forward exploration incentives in the autumn statement to protect employment and boost production?

Jesse Norman: Exploration remains very important. The continental shelf is depleting. As the hon. Gentleman will know, the Government have taken some serious steps in Aberdeen with the city deal. I will not comment on the autumn statement, but it is an issue of some focus for the Government.

Peter Grant (Glenrothes) (SNP): Since Question Time began this morning, five Members on the Scottish National party Benches have asked about membership of the European Union, and two have asked about Scottish jobs. Seven Members on the Conservative Benches wanted to talk about Scottish independence. Which group would the Secretary of State describe as being obsessed with independence?

Jesse Norman: I can do no better than to refer the hon. Gentleman to the words of Adam Smith, who said that the Union of 1707 was "a measure from which infinite good has been derived" for Scotland.

Steel Industry

9. **Dr Andrew Murrison** (South West Wiltshire) (Con): What assessment he has made of prospects for the steel industry in Scotland. [906398]

Mr Speaker: Order. There is far too much noise in the Chamber. The Minister is a debutante at the Box. He ought to be heard.

The Parliamentary Under-Secretary of State for Business, Energy and Industrial Strategy (Jesse Norman): Not quite a debutante, Mr Speaker—we can only hope.

The steel industry in Scotland remains a vital part of the UK steel industry as a whole. The Government continue to engage with steel companies, devolved Governments and trade unions to ensure a sustainable and prosperous steel industry for the UK.

Dr Murrison: Liberty House is taking more than 70% of its new workforce from among former Tata Steel employees, which is good news for Motherwell, and it should be congratulated on that. Will my hon. Friend congratulate the company, in particular, on its apprenticeship programme, which is a positive endorsement of Britain's engineering future?

Jesse Norman: My hon. Friend is absolutely right to focus on the Dalzell plate mill, which opened last month under its new owners, Liberty House Group, with the Government's support. As this illustrates, we have taken clear action to help the industry, for example by securing state aid to compensate for energy costs and through flexibility over EU emissions regulations and many other areas. I also share his delight in the work that has been done on apprenticeships.

Marion Fellows (Motherwell and Wishaw) (SNP): During recess, I attended the reopening of the Dalzell works in Motherwell. Will the Minister speak to the Scottish Government about how steel jobs can be saved by putting together a package that really works?

Jesse Norman: I am grateful to the hon. Lady. The Government stand ready to work together with the Scottish Government on any area that can support and protect Scottish jobs and Scottish industry.

PRIME MINISTER

The Prime Minister was asked— Engagements

Q1. [906454] **Paula Sherriff** (Dewsbury) (Lab): If she will list her official engagements for Wednesday 12 October.

The Prime Minister (Mrs Theresa May): This morning, I had meetings with ministerial colleagues and others. In addition to my duties in this House, I shall have further such meetings later today.

Paula Sherriff: Previously, I worked in an NHS service that the coalition Government gifted to Virgin Care, which is now seeking another contract covering my

constituency. Among many unethical practices that I witnessed, Virgin imposed a system of double appointments, forcing patients to have unnecessary extra consultations before surgery, boosting its profits at the expense of the taxpayer and patient safety. Is that acceptable? If not, what is the Prime Minister prepared to do about it?

The Prime Minister: Of course, what we want to see in the provision of local services are the best services possible for local people. The hon. Lady talks about outsourcing of services in the NHS; I have to say to her that the party that put greater privatisation into the NHS was not my party but the Labour party.

Economy/Public Services: West Midlands

Q3. [906456] **Michael Fabricant** (Lichfield) (Con): What recent assessment she has made of (a) the performance of the economy and (b) the adequacy of provision of public services in the west midlands; and if she will make a statement.

The Prime Minister: The west midlands economy, I have to say, is in a very positive position at the moment. I am very pleased to say that since 2010 nearly 200,000 more people are at work there, and there are 42,000 new businesses. I saw the strength of the economy when I was in Birmingham last week. Of course, we are giving the west midlands new powers with the devolution deal and the election of a Mayor. Andy Street, with his business and local experience, would be a very good Mayor for the west midlands.

Michael Fabricant: On the subject of the NHS, 18 months ago my wonderful doctor, Helen Stokes-Lampard, suggested that I have a general "well man" check-up. It is just as well that I did: the blood test revealed a problem with my prostate, despite the fact that I was symptom-free. I was immediately referred to the Queen Elizabeth hospital in Birmingham, whose staff were simply wonderful. After a period of surveillance, I had a prostatectomy back in June.

But hey—I'm now fine! [HON. MEMBERS: "Hooray!"] I want to thank the whole team at the QE, including my surgeon Alan Doherty and my excellent specialist prostate nurse Richard Gledhill, who gave me practical advice. But, in the next 10 years, there will be a real shortage of specialist prostate and urology nurses, as many are due for retirement. May I ask the Prime Minister what the Government can do to avert a shortage of these much needed specialist nurses?

The Prime Minister: May I say to my hon. Friend that the whole House is pleased to see him back in his position as his normal exuberant self? He raises a very serious issue. I join him in commending not only those doctors, nurses and other health service staff who treated him for his prostate cancer, but those doctors and nurses who, day in, day out, are ensuring that, as we see, cancer survival rates are at a record high.

The Government are putting more money into awareness of cancer problems. We will look at the training of nurses—50,000 nurses are in training—and continue to make sure that the specialisms are available to do the work that is necessary in the health service.

Jeremy Corbyn (Islington North) (Lab): I, too, join the Prime Minister in wishing the hon. Member for Lichfield (Michael Fabricant) well and obviously hope the treatment he got is the same treatment that everybody else gets, because we want good treatment for everybody in our society. *[Interruption.]* It is not controversial—I am just wishing him well. Is that okay? I am sorry to start on such a controversial note, Mr Speaker. I do apologise.

At the Conservative party conference, the Prime Minister said she wants Britain to be

“a country where it doesn’t matter where you were born”,

but the Home Secretary’s flagship announcement was to name and shame companies that employ foreign workers. Could the Prime Minister explain why where someone was born clearly does matter to members of her Cabinet?

The Prime Minister: First, may I congratulate the right hon. Gentleman on winning the Labour leadership election? *[Interruption.]* I welcome him back to his place in this House as his normal self. The policy that he has just described was never the policy that the Home Secretary announced. There was no naming and shaming, no published list of foreign workers, no published data. What we are going to consult on is whether we should bring ourselves in line with countries such as the United States of America, which collect data in order to be able to ensure that they are getting the right skills training for workers in their economy.

Jeremy Corbyn: I am most grateful to the over 300,000 people that voted for me to become the leader of my party, which is rather more than voted for the Prime Minister to become the leader of her party. She seems to be slightly unaware of what is going on: first, the Home Secretary briefed that companies would be named and shamed; the Education Secretary clarified that data would only be kept by Government; yesterday, No. 10 said the proposal was for consultation; and the Home Secretary clarified the whole matter by saying,

“it’s one of the tools we are going to use”.

This Government have no answers, just gimmicks and scapegoats.

Yesterday, we learned that pregnant women will be forced to hand over their passports at NHS hospitals. No ultrasound without photographic ID—heavily pregnant women sent home on icy roads to get a passport. Are these really the actions of

“a country where it doesn’t matter where you were born”?

The Prime Minister: I have made absolutely clear the policy that the Home Secretary set out. The right hon. Gentleman raises issues around the health service. I think it is right that we should say that we ensure, when we are providing health services to people, that they are free at the point of delivery; that people are eligible to have those services; that where there are people who come to this country to use our health service, and who should be paying for it, the health service actually identifies them and makes sure that it gets the money from them. I would have thought that that would be an uncontroversial view. Of course, emergency care will be provided, when necessary, absolutely without those questions, but what is important is that we ensure that

where people should be paying, because they do not have the right to access free care in the health service, they do so.

Jeremy Corbyn: Some of the Prime Minister’s colleagues on the leave side promised £350 million a week extra for the NHS. She does not seem to have answers to the big questions facing Britain. On Monday, the Secretary for Brexit, when questioned about the Government’s approach to single market access, replied:

“We...need hard data about the size of the problem in terms of both money and jobs”—*[Official Report, 10 October 2016; Vol. 615, c. 50.]*

It would have been much easier if he had simply asked his colleague, the Chancellor of the Exchequer, because he would have been able to tell him that the Treasury forecast is a £66 billion loss to the economy—7.5% of the GDP. Can the Prime Minister now confirm that access to the single market is a red line for the Government, or is it not?

The Prime Minister: The right hon. Gentleman has asked me this question before. *[Interruption.]* He says it is a simple question, and I will give him the simple answer: what we are going to do is deliver on the vote of the British people to leave the European Union; what we are going to do is be ambitious in our negotiations, to negotiate the best deal for the British people, and that will include the maximum possible access to the European market, for firms to trade with, and operate within, the European market. But I am also clear that the vote of the British people said that we should control the movement of people from the EU into the UK, and, unlike the right hon. Gentleman, we believe we should deliver on what the British people want.

Jeremy Corbyn: Someone once said that in leaving the single market

“we risk a loss of investors and businesses...and we risk going backwards when it comes to international trade.”

That person is now the Prime Minister, and that was before the referendum.

The Japanese Government wrote to the Prime Minister in September, worried about a shambolic Brexit. Many Japanese companies are major investors in Britain—such as Nissan in Sunderland, which has already halted its investment—and 140,000 people in Britain work for Japanese-owned companies. They have made it clear that those jobs and that investment depend on single market access. What reassurance can she give workers today, desperately worried about their future, their company and their jobs?

The Prime Minister: First, I would say to the right hon. Gentleman that the biggest vote of confidence that we had in Britain after the referendum vote was the £24 billion investment from a Japanese company, SoftBank, in taking over Arm. Secondly, in relation to what we are doing in our negotiations, he does not seem to get what the future is going to be about. The UK will be leaving the European Union. We are not asking ourselves what bits of membership we want to retain. We are saying: what is the right relationship for the UK to have for the maximum benefit of our economy and of the citizens of this country?

Jeremy Corbyn: The right hon. Member for Broxtowe (Anna Soubry) has said that

“there is a danger that this Government appear to be turning their back on the single market”.—[*Official Report*, 10 October 2016; Vol. 615, c. 46.]

Staying in the single market was, indeed, a commitment in the Conservative party manifesto. The reality is that, since the Brexit vote, the trade deficit is widening, growth forecasts have been downgraded, the value of the pound is down 16%, and an alliance of the British Chambers of Commerce, the Confederation of British Industry, the British Retail Consortium and the Trades Union Congress have all made representations to the Prime Minister demanding clarity. Is the Prime Minister really willing to risk a shambolic Tory Brexit just to appease the people behind her?

The Prime Minister: What the Conservative party committed to in its manifesto was to give the British people a referendum on whether to stay in the European Union. We gave the British people that vote, and they have given their decision: we will be leaving the European Union. In doing that, we will negotiate the right deal for the UK, which means the right deal in terms of operating within and trading with the European market. That is what matters to companies here in the UK, and that is what we are going to be ambitious about delivering.

Jeremy Corbyn: The right hon. and learned Member for Rushcliffe (Mr Clarke) often has a mot juste to help us in these debates. He simply said—[*Interruption.*]

Mr Speaker: Order. I want to hear about the right hon. and learned Member for Rushcliffe.

Jeremy Corbyn: In his own inimitable way, the right hon. and learned Gentleman said:

“The reason the pound keeps zooming south is that absolutely nobody has the faintest idea what exactly we’re going to put in place.”

Those of us on the Labour Benches do respect the decision of the British people to leave the European Union, but this is a Government that drew up no plans for Brexit; that now has no strategy for negotiating Brexit; and that offers no clarity, no transparency and no chance of scrutiny of the process for developing a strategy. The jobs and incomes of millions of our people are at stake. The pound is plummeting, business is worrying and the Government have no answers. The Prime Minister says she will not give a running commentary, but is it not time the Government stopped running away from the looming threat to jobs and businesses in this country and to the living standards of millions of people?

The Prime Minister: Unlike the right hon. Gentleman, I am optimistic about the prospects of this country once we leave the European Union; I am optimistic about the trade deals that other countries are now actively coming to us to say they want to make with the United Kingdom; and I am optimistic about how we will be able to ensure that our economy grows outside the European Union. But I have to say to the right hon. Gentleman that Labour did not want a referendum on this issue—we, the Conservatives, gave the British people a referendum; and Labour did not like the result—we are listening to the British people and delivering on that

result. [*Interruption.*] The shadow Foreign Secretary is shouting from a sedentary position. The shadow Foreign Secretary wants a second vote. I have to say to her that I would have thought Labour MPs would have learned this lesson: you can ask the same question again; you still get the answer you don’t want.

Engagements

Q4. [906457] **Steve Double** (St Austell and Newquay) (Con): Despite several rounds of European regional development funding, the Cornish economy continues to lag about 30% behind the UK average. Does the Prime Minister agree that Brexit provides us with the opportunity to develop our own economic programme, which will be less bureaucratic and more effectively targeted and will offer better value for money for the taxpayer, and will she confirm that her Government will continue to invest in the poorer regions of our country, such as Cornwall, once we leave the EU?

The Prime Minister: I can give my hon. Friend that assurance. What I said at our party conference, and have been saying since I became Prime Minister, is that we want an economy that works for everyone; that means for every part of our country, including areas such as Cornwall and the Isles of Scilly. We have already negotiated a devolution deal with Cornwall, which was signed in 2015; that demonstrates that we recognise the challenges that Cornwall faces. We are open to further discussions on ways in which we can improve Cornwall’s economy for the future.

Angus Robertson (Moray) (SNP): The European Commission against Racism and Intolerance has found that there are

“a number of areas of concern”

regarding political discourse and hate speech in the UK, as well as violent racial and religious attacks. Police statistics show a sharp rise in Islamophobic, anti-Semitic and xenophobic assaults over the past year. Does the Prime Minister agree that all mainstream Governments and mainstream political parties should do everything they can to oppose xenophobia and racism?

The Prime Minister: I have been very clear from this Dispatch Box on a number of occasions that there is absolutely no place in our society for racism or hate crime. It is right that the police investigate allegations of hate crime where they occur. I am pleased to say that as Home Secretary I was able to bring in arrangements that improved the recording of hate crime. We also improved the requirement on police specifically to record hate crime relating to faith, so that we can see when Islamophobia is taking place, as well as anti-Semitism and other types of hate crime. There is no place for such crime in our society. With one voice, from across this Chamber, we should make that absolutely clear, and give our police every support in dealing with it.

Angus Robertson: I remind the Prime Minister that when she was Home Secretary she put advertising vans on the streets of this country telling foreigners to go home. At her party conference we heard that her party wishes to register foreigners working in the UK. The crackdown and the rhetoric against foreigners from this

Government have led to even UKIP—UKIP—saying that things have gone too far. Across the length and breadth of this land people are totally disgusted by the xenophobic language of her Government. Will she now confirm that her Government's intention is still to go ahead with the registration of foreign workers, but that we apparently should not worry, because her Government will keep it secret?

The Prime Minister: May I say very gently to the right hon. Gentleman that I answered two questions on that earlier? I suggest he should have listened to the answers I gave then.

Q5. [906458] **Daniel Kawczynski** (Shrewsbury and Atcham) (Con): We have empowered local doctors to take real leadership over important reconfiguration proposals. In Shropshire, 300 doctors, surgeons and clinicians have been working on a vital reconfiguration of A&E services in Shropshire and in Wales. When they make their decision on that later this month, it is very important that the Government back them and provide the capital funding required for this vital change to enhance patient safety.

The Prime Minister: My hon. Friend raises an important point. The configuration of services in his constituency and others is obviously a significant issue across the House. I am pleased to say that we are now seeing more people being treated in A&E. We will look at the proposals. The point about how this is being done is that local people should be able to have their voice heard and the decisions taken should reflect the needs in a particular local area. We all want to see that. A&E services are vital, and I pay tribute to all those who work in A&E in hospitals across the country.

Q2. [906455] **Meg Hillier** (Hackney South and Shoreditch) (Lab/Co-op): The Public Accounts Committee and the Comptroller and Auditor General have both warned that the NHS budget is not sustainable. When will the Prime Minister's Government wake up to the reality of growing demand, avoid the political rhetoric and set a sustainable NHS budget for this year and the future?

The Prime Minister: The Government took a very simple approach. We asked the NHS itself to propose its five-year plan for the NHS. We asked it how much money it required. It said £8 billion; we are giving it £10 billion, which is more than the NHS said. Funding in the NHS is at record levels. The only place where money for the NHS is being cut is under a Labour Administration in Wales.

Q7. [906460] **Mr David Burrowes** (Enfield, Southgate) (Con): A young man with Asperger's syndrome awaits extradition to the United States to face charges of computer hacking, and is then likely to kill himself. It sounds familiar, but he is not Gary McKinnon, who was saved by the Prime Minister, but Lauri Love, who faces in effect a death sentence. When the Prime Minister introduced the forum bar to, in her words, "provide greater safeguards for individuals", surely she expected it to protect the vulnerable like Gary McKinnon, like Lauri Love?

The Prime Minister: My hon. Friend campaigned long and hard for Gary McKinnon, and I obviously took that decision. At that time, it was for the Home Secretary to decide whether there was a human rights case for an individual not to be extradited. We subsequently changed the legal position on that, so this is now a matter for the courts. There are certain parameters that the courts look at in terms of the extradition decision, and that is then passed to the Home Secretary, but it is for the courts to determine the human rights aspects of any case that comes forward. It was right to introduce the forum bar to ensure that challenge on whether cases should be heard here, but the legal process is very clear, and the Home Secretary is part of it.

Q6. [906459] **Vernon Coaker** (Gedling) (Lab): What does the Prime Minister say to British steelworkers who have lost their jobs or whose jobs are threatened, given the news that French steel is to be used for the new replacement Trident submarines? Is that what she means by being a party of the workers?

The Prime Minister: We recognise the concerns of British steelworkers. That is why the Government have worked, under both my predecessor and me, to ensure that we do what we can to promote, encourage and retain a steel industry here in the United Kingdom. A number of measures have been taken. If the hon. Gentleman was in the Chamber earlier for Scottish questions, he will have heard my right hon. Friend the Secretary of State for Scotland setting them out.

Q8. [906461] **Mr Philip Hollobone** (Kettering) (Con): Doctors and nurses at Kettering general hospital are treating a record number of patients with increasingly world-class treatments, yet despite being located in an area of rapid population and housing growth, owing to an historical anomaly the local clinical commissioning groups are among the most relatively underfunded in the whole country. What can my right hon. Friend the Prime Minister do to help address the situation?

The Prime Minister: As my hon. Friend says, we want to ensure that patients experience the same high-quality care regardless of where they live and wherever they are. That is why, as I understand it, the funding for my hon. Friend's local clinical commissioning group is being corrected to reflect more accurately the local health need. An investment of more than £757 million will be going into his local area, which shows the Government's intention to ensure that we see a health service that is working for everyone across the country, but we can do that only with the economy to back up the NHS.

Q10. [906463] **Dr Alasdair McDonnell** (Belfast South) (SDLP): The Prime Minister will be aware that the soft border between Northern Ireland and the Irish Republic was vital in boosting the economy of Northern Ireland. Does she understand the confusion that has set in, and that many of us feel? On the one hand, the Government define their intention tightly to control the free movement of people and labour, yet on the other they assure us that that border between Northern Ireland and the Republic will continue to be open. Does she see the contradiction for many of those directly affected, and whose jobs are affected?

The Prime Minister: I have been clear, the Secretary of State for Northern Ireland has been clear, and the Taoiseach has also said that, on both sides of the border, we do not want to see a return to the borders of the past. It is worth reminding the House that the common travel area has been in place since the 1920s, so it was there well before we were both members of the European Union. We are working with the Government of the Republic, and I have had discussions on this with the First Minister and the Deputy First Minister of Northern Ireland. We want to ensure that we do not see a return to the borders of the past.

Q9. [906462] **Andrew Stephenson** (Pendle) (Con): Thanks to the Government's growth deal, the £32 million transformation of Brierfield Mill in my constituency gets under way this week, giving a new lease of life to the largest redundant mill complex in Lancashire. May I thank the Prime Minister for her support and commend Pendle's other bits in the latest round of the growth deal as a great way to build a country that works for everyone?

The Prime Minister: I commend my hon. Friend for taking his opportunity to support the bids from Pendle. He is absolutely right that the money put in has enabled growth in local projects like Brierfield Mill to be unlocked. We have seen £250 million committed to the Lancashire local enterprise partnership, £2.8 billion to the northern powerhouse through the local growth fund, and the latest round of funding is worth up to £1.8 billion, with good bids coming in from local LEAs. We are assessing the proposals, including those from Pendle. They will be looked at with the seriousness my hon. Friend would expect.

Q11. [906464] **Liz Saville Roberts** (Dwyfor Meirionnydd) (PC): This is the first Christmas that Hayley Aldirmaz of Pwllheli will not see her husband Hasan. They have been together for 10 years and married for over four, with two young children. It is evident that they are in a long-term relationship, but Hayley's Turkish husband was refused a spouse visa in 2012 because she earns less than the Home Office threshold of £18,600. Last year, half the full-time workers of Dwyfor Meirionnydd earned only £293 a week or less. This, I might say, compares with the Prime Minister's own constituency, where the median salary was £571, or almost £30,000 a year. Can the Prime Minister explain why living in Dwyfor Meirionnydd means Hayley has less chance of a proper family life, and will she please help to unite the family this Christmas?

The Prime Minister: I will not comment on the individual case. I know that the hon. Lady sent me the details of this specific case in writing. I will make sure that she gets a full reply from the Immigration Minister. On the broader issue she raises about the income threshold for those wishing to join a partner here in the United Kingdom, the Government asked the independent Migration Advisory Committee to advise on the level of the income threshold. The committee suggested a range of figures and we actually took the lowest figure, £18,600, in that range. It recommended that figure because it is the level at which a British family generally ceases to be able to access income-related benefits, and is able to

support themselves and integrate into society. We believe it is important that people coming here are able to support themselves.

Q12. [906465] **James Cartlidge** (South Suffolk) (Con): My constituents were delighted to learn this week that Gainsborough's House, a unique museum and art gallery based in the very building where Gainsborough was born in Sudbury, is to receive almost £5 million of National Lottery funding to become a national cultural attraction. Will my right hon. Friend join me in congratulating the director Mark Bills and his team on their success, and does she agree that if in Suffolk we are bold and positive and go for devolution, we can look forward to much more of this sort of transformative investment in the years to come?

The Prime Minister: I join my hon. Friend in commending all those who have been involved in the bid at Gainsborough's House. Many people will enjoy visiting Gainsborough's House in the future as a result of the work that will be able to be done. I know the importance of the Heritage Lottery Fund. It supported the excellent Stanley Spencer gallery in my own constituency, so I have seen the impact it can have. He is absolutely right. The point about devolution deals is people coming together with that ambition for their local area to generate the transformative investment he talks about. Suffolk is looking at the sort of deal it might wish to have locally.

Q14. [906467] **Mr Ben Bradshaw** (Exeter) (Lab): With Russian and Assad regime war planes bombing civilians in Aleppo at an unprecedented rate, will the Prime Minister join France in calling for those responsible for these war crimes to be referred to the International Criminal Court? Will she re-examine, with allies, the feasibility of a no-fly zone to protect the Syrian people before it is too late?

The Prime Minister: We are very clear that it is for the courts to decide where a war crime is being committed. We co-sponsored a UN Security Council resolution in May 2014 to refer those responsible for war crimes and crimes against humanity in Syria, regardless of affiliation, to the International Criminal Court. Of course, that was vetoed by Russia and China. On the issue of a no-fly zone, this has been addressed. People have looked at this over a number of years. The scenes we see of the indiscriminate slaughter of innocent civilians are absolutely appalling. We want to see an end to that, but there are many questions about a no-fly zone. Who is it there to protect? Would it lead to Assad bombing people in the expectation that they would then move to that zone? How would a safe area actually be enforced there? Who would do that enforcement? There are many questions that need to be looked at in those sorts of issues. What we all know is that the only real solution for peace and stability in Syria is political transition, and it is time Russia accepted that: that the future of Syria is a political transition to a stable Syria, free of Assad.

Q13. [906466] **Fiona Bruce** (Congleton) (Con): At Middlewich High School in my constituency, the most vulnerable pupils and their families are impressively supported, pursuant to the school's motto of "Achievement for All". Will the Prime Minister confirm that under her

plans for education, and in a country that works for everyone, parents can be assured that there will be the right school place for their child, whatever their ability?

The Prime Minister: I thank my hon. Friend for the example she has given of the work that is taking place in her constituency. The whole aim of the Government's education policy is to increase the number of good school places, so parents can have the confidence that their child will have a good school place and they will have the school place that is right for them. That is why we want to see universities more involved in schools, more faith schools being opened up and the independent sector helping the state sector where that is sensible and its expertise can help. And yes, we do want to lift the ban that currently says that one type of good new school cannot be opened. It is illegal to open a new good school that is a selective school. We want to remove that ban so that pupils of all abilities get the opportunity.

Tim Farron (Westmorland and Lonsdale) (LD): The Prime Minister appears to have made a choice, and that choice is to side with the protectionists and nationalists who have taken over her party, as surely as Momentum has taken over the Labour party. She has chosen a hard Brexit that was never on anybody's ballot paper and she has chosen to turn her back on British business in the process. As a result, petrol and food retailers have warned of huge price rises at the pumps and on the supermarket shelves in the coming days. When will she put the interests of hard-working British people ahead of an extremist protectionism that absolutely nobody voted for?

The Prime Minister: The hon. Gentleman asks about who we are siding with. I will tell him who this Government are siding with. We are siding with the British people, who voted to leave the European Union. It is high time the hon. Gentleman listened to the vote of the British people and accepted that that is exactly what we are going to do.

Q15. [906468] **Victoria Prentis** (Banbury) (Con): Does the Prime Minister share my sadness that the majority of Banbury's babies cannot currently be delivered, as I was, in the Horton general hospital? Will she join me in using any influence and putting any pressure we can on the trust to encourage it to recruit the obstetricians we need to reopen our much valued unit?

The Prime Minister: I can say that I believe every effort is being made to fill the vacant obstetrics posts at the Horton general hospital. I understand that those mothers who are having a midwife-led delivery are still able to go to the Horton general hospital, but others have to go to the John Radcliffe hospital in Oxford. Maternity services are important to people and I believe the trust is actively looking to ensure it can fill those posts. What matters is a safe maternity service for mother and baby.

Ms Angela Eagle (Wallasey) (Lab): Many people across the House will be reassured that the Government accepted the amendment to the Opposition motion to be debated later this afternoon that guarantees that this House is able properly to scrutinise the plan for leaving the European Union before article 50 is invoked. Can she tell us: will that scrutiny involve a vote?

The Prime Minister: I have to say to the hon. Lady that the idea that Parliament was somehow not going to be able to discuss, debate or question issues around Brexit is, frankly, completely wrong. Let me provide her with some examples. The Secretary of State for Exiting the European Union has already made two statements—and I believe four hours of questions followed from those. A new Select Committee has been set up, which crucially includes representatives from all parts of the United Kingdom to look at these issues. Only just over a week ago, I announced that there will be a great repeal Bill in the next Session to repeal the European Communities Act 1972. Parliament will thus have every opportunity to debate this issue.

Will Quince (Colchester) (Con): Every year in the UK, 3,500 babies are still-born, and I commend the Government for setting the target of a 20% reduction by the end of this Parliament and a 50% reduction by 2030. Does the Prime Minister agree that in Baby Loss Awareness Week we must do all we can to provide the best quality bereavement care for those parents who sadly lose a baby?

The Prime Minister: I think my hon. Friend is absolutely right, and I am pleased to say that the Health Secretary will attend the Baby Loss Awareness Week reception, which will be held in Parliament immediately after today's Prime Minister's Questions. I encourage other Members to attend it, too. My hon. Friend is absolutely right that the loss of a baby must be absolutely devastating; I am aware that some people sitting in this Chamber have been through that tragedy in their lives. What is absolutely essential is that the best possible bereavement care be given to parents at this tragic moment in their lives when they are at their most vulnerable. That is why we have provided money to introduce dedicated bereavement rooms at 40 hospitals, as well as investing more in improving birthing facilities, which are also important. Care and counsel for people who have lost a baby is essential; I think we all accept that.

Stella Creasy (Walthamstow) (Lab/Co-op): On 2 July, the Home Office was given details of the 178 children who are still stuck in the Calais refugee camp, but who had a legal right to be here in the UK with their families to keep them safe and protected. Given the delays in acting, what responsibility does the Prime Minister think this Government have to the 18 of those children who have now gone missing?

The Prime Minister: Far from not acting, this Government have been working with the French Government on dealing with those who are in the camps. We have put extra resource into speeding up the process of dealing with the claims of the unaccompanied children, making that process faster and quicker, with more children coming here as a result. That is alongside all the other work we are doing in relation to refugees and unaccompanied minors. Crucially, of course, we are also working to ensure that we deal with the traffickers and the smugglers who are often in the camps; we need to make sure that they do not have access to children in the future. We have speeded up the process and more children are coming here as a result.

Jo Churchill (Bury St Edmunds) (Con): Tomorrow is secondary breast cancer awareness day, and I would like to ask the Prime Minister to join me in wishing these

men and women well. Currently, only a third of NHS trusts collect the data in this area. Does my right hon. Friend agree that better data collection can inform diagnosis, treatment and the use of NHS resources across the piece and give better outcomes for all patients?

The Prime Minister: I entirely accept my hon. Friend's point that better information provides greater opportunity to address these issues. I join her in commending and wishing well all those—as she says, both men and women—who have suffered from breast cancer and who have come through that, as I know my hon. Friend has. Other Members and so many people across the country are in the same position; it is important that they receive the right care so that they can come through that and see a bright future.

Alison McGovern (Wirral South) (Lab): Last night, a huge number of MPs presented in this House WASPI—Women Against State Pension Inequality—petitions from towns up and down the country, so will the Prime Minister now commit to overturning those mistaken arrangements of 2011 and provide justice and transitional arrangements for WASPI women?

The Prime Minister: The hon. Lady should know that transitional arrangements are already in place. We did make changes. We committed £1 billion to lessen the impact of the state pension age changes on those who were affected, so that no one would experience a change

of more than 18 months. In fact, 81% of women's state pension ages will increase by no more than 12 months, compared to the previous timetable.

The Department for Work and Pensions informed people of the change in the state pension age after the changes that were made in 2011. Moreover, in the future women will gain from the new pension arrangements that are being introduced. Women's pensions are a long-standing issue, but there will be better pension arrangements for them in the future because of the changes that the Government have made.

Rishi Sunak (Richmond (Yorks)) (Con): I gather that the Prime Minister made Chancellor Merkel a gift of Wainwright's "Coast to Coast Walk", which describes the fabulous walk that runs through my constituency. Is she aware that the "coast to coast" is not, in fact, an official national trail, and will she meet me to discuss my campaign to give this national treasure its deserved national status?

The Prime Minister: As my hon. Friend knows, I enjoy walking as well. There are some fantastic walks across the United Kingdom. I have not yet done the "coast to coast" myself, however; there is not much time for me to do it at the moment.

My hon. Friend probably knows that the decision about the designation of the "coast to coast" is more appropriately one for Natural England, and I am sure that he will do all he can to lobby Natural England on the issue.

Points of Order

12.41 pm

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP) *rose*—

Emily Thornberry (Islington South and Finsbury) (Lab) *rose*—

Michael Fabricant (Lichfield) (Con) *rose*—

Mr Speaker: Order. I will come to the hon. Member for Islington South and Finsbury (Emily Thornberry), and indeed, most certainly, to the hon. Member for Lichfield (Michael Fabricant) as well. First, I call Tasmina Ahmed-Sheikh.

Ms Ahmed-Sheikh: On a point of order, Mr Speaker. On 14 September, the Financial Secretary to the Treasury said at the Dispatch Box, in relation to the debacle that is the handling of tax credits by Concentrix, that people who provided information would receive money in their bank accounts within four working days. It came to my attention on 29 September that that had been changed, and it would be two to three weeks before the information would even be looked at. Furthermore, on 4 October I learned that the four-day system was not even in place.

There are people who are suffering, who cannot feed their children and cannot even send them to school because they do not have money for lunch, and who have to leave their jobs because they cannot afford childcare as a result of this absolute mess. My constituents cannot wait until the next questions session for an answer. Can you advise me, Mr Speaker, on what tools I can use to ensure that the Financial Secretary comes to the House and clarifies the Government's position?

Mr Speaker: I thank the hon. Lady for giving me notice of her point of order.

What Ministers, and other right hon. and hon. Members, say in the House is, of course, their individual responsibility. If a Minister has inadvertently misled the House, I would expect that Minister to correct the record, and I am sure that the Financial Secretary would do so if she felt this to be the case. She will have an opportunity to hear and study what the hon. Lady has said today.

The hon. Lady asked for my advice on how she could hold Ministers to account for their statements on this matter. The answer is that there are a number of routes that she might usefully follow. However, she may particularly wish to note that a debate on the performance of Concentrix in dealing with tax credit claimants, nominated by the Backbench Business Committee, is scheduled to take place next Tuesday at 9.30 am in Westminster Hall. I confidently predict that the hon. Lady will be in Westminster Hall at that time. Although I will not be chairing the debate, because the Speaker does not chair such debates, I have a keen sense that her chances of being heard on that occasion are pretty high. Meanwhile, she has made her concern clear, and it is on the record. We will leave it there for now.

Michael Fabricant: On a point of order, Mr Speaker. During Prime Minister's Question Time, the Leader of the Opposition very kindly wished me well, and I thank him for that; but he went on to imply that in some way I had received special treatment from the national health

service. May I say that that is completely outrageous, and is not the case? Perhaps the Leader of the Opposition would like to clarify the position, or even apologise to me and to the NHS workers who worked so well in providing my care.

Jeremy Corbyn (Islington North) (Lab): Further to that point of order, Mr Speaker. I did no such thing during Prime Minister's Question Time. I wish the hon. Gentleman well, as I wish everyone else well who is being treated in the national health service. I love and value our national health service because it treats everyone equally, gives everyone the best care that it can provide, and gives everyone the best recovery prospects that are available. I meant no such thing, and I think it is unfortunate if the hon. Gentleman thought that I did.

Mr Speaker: We cannot continue the debate, but the hon. Member for Lichfield (Michael Fabricant), who asked his question most powerfully, has raised his concern, to which there has been a response. I cannot be expected to be the arbiter of the respective value of the contributions. The House will be reassured to know that nothing disorderly has occurred.

Emily Thornberry: On a point of order, Mr Speaker. I think that the Prime Minister, who has just left the Chamber, asserted that I was in favour of a second Brexit referendum. I never have been, and I am not. I just wanted to set the record straight, and I hoped that she would be able to hear me do so, but unfortunately we have just missed her.

Mr Speaker: That is not a point of order for the Chair. It is, however, very interesting, notably to the hon. Member for Islington South and Finsbury (Emily Thornberry). Because I take an anorakish interest in the pronouncements of each and every Member, it is also of considerable interest to me, so I am very grateful to her for what she has said.

Chris Bryant (Rhondda) (Lab) *rose*—

Mr Speaker: The day would not be complete without a point of order from the hon. Member for Rhondda (Chris Bryant).

Chris Bryant: On a point of order, Mr Speaker. I know that you take very seriously your responsibility for protecting the rights of the House. I do not know whether you ever consult Facebook, but if you were to do so, you would find that George Galloway, a former Member of Parliament, still describes himself as a Member of Parliament. Would it not be in the interests of the House to make it absolutely clear to Facebook that he is not a Member of Parliament and should not be claiming that privilege?

Mr Speaker: It is not my responsibility, but I am perfectly willing to write. He cannot currently be heard in this place. When he was here, he was heard—fully, sometimes loudly and with very considerable eloquence—but he is no longer a Member of Parliament and I am happy to put that on record. If there continues to be ambiguity, or if misleading impressions are given, they must be corrected.

Alan Brown (Kilmarnock and Loudoun) (SNP): On a point of order, Mr Speaker. I am looking for advice on how to hold the Government to account and get answers from Ministers. On 22 June, I sent a letter on behalf of a constituent to the then Home Secretary. When I got no response, I followed it up but was advised that my letter could not be found. It was then resubmitted to the new Home Secretary on 16 August, but I am still awaiting a response. Similarly, in June I was given notice of a ministerial visit from the Scottish Secretary and told that if I wanted information on the visit, I should respond to the email. I did so immediately, asking what the purpose of the visit was. I am still waiting to hear. Luckily, I was able to find the answer from other sources. Those two examples are unacceptable, and I would appreciate your advice on this matter.

Mr Speaker: My initial advice would have been to tell the hon. Gentleman to make his point in the presence of the Leader of the House, but he seems to have anticipated me. That is exactly what he has done, and the Leader of the House was listening intently as he raised his concern. There is a responsibility on Ministers to provide timely and substantive answers to questions. Previously, Leaders of the House have chased Government Departments that have fallen down in that regard, and knowing the esteem in which the present Leader of the House holds this place, I know that he will do the same. I hope that that will broker a step change in performance to the satisfaction of the hon. Gentleman.

Stalking (Sentencing)

Motion for leave to bring in a Bill (Standing Order No. 23)

12.48 pm

Alex Chalk (Cheltenham) (Con): I beg to move,

That leave be given to bring in a Bill to increase the maximum sentences available to the court for stalking offences; and for connected purposes.

Stalking is a horrible, violating crime. It rips relationships apart, destroys careers, and can cause lasting mental harm. All too often it is the gateway to serious violence. Put bluntly, it shatters lives. Yet, despite the vital progress made by the coalition Government in criminalising stalking in 2012, the sentencing powers available to the courts to protect victims remain wholly inadequate. It is high time that we did something about it.

I began this campaign, together with my hon. Friend the Member for Gloucester (Richard Graham), after learning what had happened to one of my constituents, a GP living in Cheltenham and working in Gloucester. Over the course of seven years, Dr Eleanor Aston suffered a horrific ordeal at the hands of her former patient. He turned up at her surgery more than 100 times. He posted foul items through the letter box. He followed her on patient visits, slashed her tyres and sent threatening mail. He even appeared at a children's birthday party her daughter was attending. It caused exceptional anxiety and fear.

After serving a short prison sentence, and in a pattern that is not uncommon in this type of offence, he restarted his campaign. Dr Aston received packages at her surgery in Gloucester and her home in Cheltenham. One was threatening and abusive and made it clear he knew where her children went to school. The second package simply read, "Guess who's back". When he was arrested again, a search on his computer revealed the enquiry, "How long after a person disappears are they assumed dead?".

The effect on Dr Aston was profound. She was advised by police to change her name and job, and move address. It was suggested that she should come off the General Medical Council register. At one point, she had to leave work and developed post-traumatic stress disorder.

How did the criminal justice system protect her? It is clear that the judge himself thought that he did not have the tools he needed. When passing sentence at Gloucester Crown court for the second time, the judge stated to the stalker:

"I have no doubt at all that you are dangerous in the sense that you pose a significant risk to her in future in terms of causing her serious harm... I am frustrated that the maximum sentence...is five years. I would, if I could, give you longer."

Therein lies the problem.

In practice, a five-year maximum means that a stalker who pleads guilty in the face of overwhelming evidence for the worst imaginable offence will serve just 18 to 20 months. In reality, sentences are far shorter than the maximum—typically around 10 months. That means stalkers are out in five, often unreformed, untreated and ready to carry on where they left off.

There are three central reasons why the law needs to be changed. First, the most fundamental imperative is to protect the victim. In a digital age, there is more opportunity than ever to terrorise victims and make

[Alex Chalk]

their lives a misery. Anonymous accounts can be used to send threatening messages. In one case I am aware of, the stalker set up a fake Facebook profile in the name of the victim's dead father. In another, the stalker created an account to impersonate the victim—a successful author—and used it to send abusive messages to work colleagues.

What has shone out from the conversations I have had with victims is not just the extent to which they are devastated and consumed by their ordeal, but the extent to which they can only truly get on with their lives when they have the reassurance of knowing that their stalker cannot come and hurt them. One can see their anxiety ratchet up with each day as the release date gets closer.

The fact is that courts frequently sentence repeat offenders. The fixation and obsession associated with this offence mean that offenders often ignore repeated warnings handed down by the police or the courts and often ignore short sentences. According to Paladin, the stalking charity, 42% of those convicted and subject to a restraining order go on to reoffend. The courts need powers that enable them to reflect that in the length of the sentence for a repeat offender.

The second reason is the need for rehabilitation. Ultimately, I want to see prison sentences that reform the offender and address the underlying obsession in an effective way. However, the evidence from psychiatrists that emerged in our report suggests that repeat short sentences do not have that effect. Instead, they can make things worse. Resentment can fester, ready to burst out on release. Longer sentences, in appropriate cases, can provide the prison system with greater opportunity to rehabilitate and treat stalkers.

The third point is that the five-year maximum makes no sense when compared with other offences. To put it in perspective, the equivalent maximum for shoplifting is seven years—two years longer. For fraud, it is 10 years; for burglary, another violating offence, it is 14 years; and for street robbery, it is life. Despite stalking being such a violating, intrusive crime and despite it having the capacity to do such significant physical and

mental harm, it is still treated as a minor offence. That will not do. At the very least, the maximum needs to be increased to 10 years' imprisonment.

The call for greater sentencing powers for judges has been backed by charities, criminologists and victims' groups, as well as by MPs and peers from all parties. As for the judiciary, one recently retired circuit judge, his honour Judge Wade, was quoted in our report this year as saying:

"I entirely agree that the present sentencing regime for this often very worrying offence is quite unsatisfactory. I consider that Parliament must revisit this matter soon... Stalkers can be dangerous and delusional, and their often unpredictable behaviour can easily escalate to serious or even fatal violence."

It is clear that the Government get this point. While she was Home Secretary, the Prime Minister stated:

"Offenders need to know that they will be brought to justice for making others' lives a misery. We will do all we can to protect victims of stalking more effectively and to end this appalling crime."

The previous Prime Minister, in answer to a question from my hon. Friend the Member for Gloucester (Richard Graham) at Prime Minister's questions, called stalking a "dreadful crime". It is therefore no surprise that the coalition did more than any Government in history to tackle the menace of stalking, including by creating a specific offence in 2012, but there is still more to do.

For as long as the courts are left in a sentencing straitjacket and forced to treat this as a minor crime, victims will not be properly protected. The task falls to those of us in this Chamber at this time to get on and finish the job.

Question put and agreed to.

Ordered.

That Alex Chalk, Richard Graham, Jim Dowd, Liz Saville Roberts, Sir Henry Bellingham, Robert Neill, Victoria Prentis, Michelle Donelan, Liz McInnes, Rishi Sunak, Caroline Ansell and Dr Sarah Wollaston present the Bill.

Alex Chalk accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 28 October, and to be printed (Bill 74).

Opposition Day

[8TH ALLOTTED DAY]

Parliamentary Scrutiny of Leaving the EU

Mr Speaker: I inform the House that I have selected amendment (b) in the name of the Prime Minister.

12.57 pm

Keir Starmer (Holborn and St Pancras) (Lab): I beg to move,

That this House recognises that leaving the EU is the defining issue facing the UK; believes that there should be a full and transparent debate on the Government's plan for leaving the EU; and calls on the Prime Minister to ensure that this House is able properly to scrutinise that plan for leaving the EU before Article 50 is invoked.

I will start with something I think we can all agree on. The decisions that will be taken by the Government over the next few months and years in relation to exiting the EU will have profound implications for the future of this country, its economy, its people and its place in the world. We have probably not seen a set of such significant decisions since the end of the second world war. Today's debate is about the proper role of Parliament, and this House in particular, throughout that process. It is about scrutiny and accountability.

There was one question on the ballot paper on 23 June:

"Should the United Kingdom remain a member of the European Union or leave the European Union?"

The majority of those voting voted to leave. That result has to be accepted and respected, notwithstanding the fact that many of us, including myself, campaigned for remain. However, that is not the end of the matter. The next question, and one that is increasingly pressing, is: on what terms should we leave the EU? That question was not on the ballot paper. Nor was it addressed in the Conservative party's 2015 manifesto—there was no plan B in the event of the referendum concluding with a leave vote. Nor did the Prime Minister set out her terms for Brexit before assuming office, because of the nature of the exercise by which she assumed that office. Nor do we have a White Paper setting out the proposed terms. Instead, hiding under the cloak of the prerogative, the Secretary of State has, until now, declined to give the House a meaningful role in scrutinising the Government's opening terms for negotiations, and that matters.

I am glad to see that a Government amendment—amendment (b)—has been tabled. This implies that the Government are taking a step in the right direction towards scrutiny.

Caroline Lucas (Brighton, Pavilion) (Green): I am sure that, like me, the hon. and learned Gentleman welcomes the half U-turn from the Government, allowing a debate before article 50 is invoked, but what about an actual vote? I am concerned that the amendment does not mention a vote in this House before article 50 is triggered, and that is crucial.

Keir Starmer: I will come on to the important question of a vote, but let us take one step at a time.

There is scrutiny and there is accountability. The first question is whether the Secretary of State is prepared to put the plans before the House so that Members can see them and debate them. The next question is what the House can do about them, and that is a matter of accountability. I hope that amendment (b) indicates that the Government will go further down the route of scrutiny than they have been prepared to do so far. If they are, I will not crow about it, because it is the right thing to do and it is in the national interest. We all have a duty to ensure that we get the right result for the country.

John Redwood (Wokingham) (Con): I do hope that Labour is going to set out how it would handle the negotiations.

Keir Starmer: I would happily swap places with the Secretary of State and play a part in the negotiations, but we are not in government—

Rishi Sunak (Richmond (Yorks)) (Con) *rose*—

Keir Starmer: I will answer the first intervention, please.

We are not in government and our manifesto did not have a referendum without a plan for exit. We need to be clear at the beginning of this exercise where responsibility for the position in which we find ourselves lies. It lies with a previous Prime Minister and a Government who had no plan for a no vote. That is why we are here today.

Rishi Sunak *rose*—

Sir William Cash (Stone) (Con) *rose*—

Keir Starmer: I can only give way to one person at a time.

Rishi Sunak: The hon. and learned Gentleman mentioned the terms of our exit and also national interest. I come from a business background, and I would love to get a sense of his approach to a successful negotiation. Does he believe that the national interest would be best served by the Government coming to this place and explaining in precise detail all their negotiating positions before we have even walked into the room?

Keir Starmer: I will deal with that, because that is an essential question that we need to discuss. In a sense, this should not be about point scoring across the House.

Several hon. Members *rose*—

Keir Starmer: I will not give way, no. We are debating a fundamental question, which is whether the basic plans for the negotiating position will be put before the House. That really matters. Of course there is a degree of detail that cannot be discussed. Of course there is a degree of flexibility that must be there in any negotiation. Of course the starting position may not be the end position. We all accept that; we are all grown up. The question here is whether the basic terms should be put before the House.

Toby Perkins (Chesterfield) (Lab): Like the hon. Member for Richmond (Yorks) (Rishi Sunak), I also have a business background, as of course does the director general of the CBI, Carolyn Fairbairn, who said:

“At the moment if the commentary was to read into what we’ve heard so far, it’s that we’re heading to something of a cliff edge in two and a half years.”

Does my hon. and learned Friend recognise, as I do, that there are many people in business who are very, very concerned about the lack of commentary and lack of direction from the Government?

Keir Starmer: I am grateful for that intervention. There are two aspects to today’s debate. Partly, there is the political aspect: what is the role of Parliament. There is also the question of uncertainty. It is absolutely clear that, across business, across EU citizens and across the population as a whole, there is great uncertainty about what the plans are, and that uncertainty simply cannot be kept in place for the next three years. It is growing uncertainty.

Tom Pursglove (Corby) (Con): Will the hon. and learned Gentleman set out for the House what scrutiny there was when the Lisbon treaty was ratified under the Gordon Brown Government?

Keir Starmer: There is different scrutiny for different treaties and provisions. One example is the scrutiny that was provided in relation to the original decision to go into the European Economic Community, because then, as I am sure the hon. Gentleman knows, Command Papers were put before the House. An economic impact assessment was also put before the House, and some of the Command Papers were voted on. The idea that scrutiny cannot be done and that it was not done in the past is wrong.

Mr Ben Bradshaw (Exeter) (Lab): My hon. and learned Friend mentions uncertainty. I have been contacted by a business in my constituency that has, until recently, been growing very rapidly, and had plans to announce a £100,000 expansion this autumn. That has now been cancelled because of the uncertainty about our future in the single market and because of what it sees as the Government’s headlong rush to a hard Brexit. What can he say about Labour’s position to reassure those businesses across the whole of Britain that are worried about our future in the single market?

Keir Starmer: The priority should be the economy and jobs, which means access to the single market.

Mr Kenneth Clarke (Rushcliffe) (Con) *rose—*

Claire Perry (Devizes) (Con) *rose—*

Keir Starmer: I will make some progress if I may. I have only got to page 2, and I have taken about 10 interventions already. If Members will bear with me, I will press on.

On Monday, the Secretary of State confirmed that the Prime Minister will invoke article 50 no later than the end of March next year. Unless Parliament has a meaningful role in shaping the terms of Brexit between now and then—a maximum period of just five-and-a-half

months—it will be too late. I can see what will happen. Once the negotiating process has started, there will be a claim by the Secretary of State that it would be inappropriate to put anything before the House by way of detail. Once the process is over, the risks of any debate will be purely academic.

The Secretary of State for Exiting the European Union (Mr David Davis): On a point of information, that is not correct. I have already said that it is not correct. In talking to the Lords Committee in September, I said that the House would have at least the information available to the European Parliament. What the hon. and learned Gentleman says is just not the case.

Keir Starmer: I am grateful for that intervention. I read the transcript of the Secretary of State’s evidence to that Select Committee. What was put to him was that, on one view, the European Parliament would have more answers than this Parliament. In 2010, as he knows, there was a framework agreement between the Commission and the European Parliament. It states:

“Parliament shall be immediately and fully informed at all stages of the negotiation and conclusion of international agreements, including the definition of negotiating directives.”

That goes a long way further than I understood the Secretary of State’s position to be on Monday, and in his first statement. I would be very pleased to hear from him if he can confirm now that at least that part of scrutiny is guaranteed.

Mr Davis: I can.

Keir Starmer: Thank you.

This is a matter not just of process, but of real substance. Both those who voted to leave the EU and those who voted to remain recognise that different negotiating stances under article 50 could provide radically different outcomes, each of which carries very significant risks and opportunities. That is undoubtedly why there is a keen debate going on behind the scenes on the Government’s side. Everybody recognises the potential consequences of adopting the wrong opening stance.

Mary Creagh (Wakefield) (Lab): My hon. and learned Friend is making an excellent case. Does he agree that the British people may have voted to leave the European Union, but what they did not vote for is for their food to become more expensive, for the wages of low-paid workers to be hit and for jobs to be lost in the manufacturing, agricultural and banking sectors, which is what we are in danger of if we choose the wrong exit from the European Union.

Keir Starmer: I agree, and that is what is causing such great anxiety around the country. I doubt whether any Member has not been approached by constituents, either individuals or businesses, with real concerns about the situation. There are different concerns—

Several hon. Members *rose—*

Keir Starmer: I am halfway through a sentence. There are different concerns from different businesses and different individuals. I certainly have not met anyone without them—if there are MPs who have, well, so be

it—and I think that the Secretary of State would recognise the deep concern across the business community and among a number of individuals, groups and communities about the uncertainty about the future .

Ms Karen Buck (Westminster North) (Lab): I am sure that I am not alone in having many representations from individuals among the millions of EU citizens living in this country and, of course, Britons living abroad who are deeply insecure about their position. Does my hon. and learned Friend agree that it is deplorable to discuss those individuals in terms of being bargaining chips and cards that we need to play in negotiations? Do we not need to make a priority of ensuring that those individuals, with their businesses and their lives, have the security that they deserve?

Keir Starmer: My hon. Friend makes a very good point, and again, many of us have had anxious conversations with EU citizens who simply want to know what their position is and want some guarantees about the future.

I will make some progress. Some models for exiting have been much discussed. The most cited are the Norwegian model, the Swiss model, the Turkish model and the Canadian model. It is unlikely that any deal reached between the UK and the EU will replicate any of those models—nor should it—but in negotiating our future relationship with the EU, the Government will be defining the future of our country, so the terms matter hugely. It is frankly astonishing that the Government propose to devise the negotiating terms of our exit from the EU, then to negotiate and then to reach a deal, without a vote in this House. This is where my opening remarks become important because, in the absence of anything in the manifesto, in the absence of anything on the referendum ballot form and in the absence of any words from the Prime Minister before she assumed office, where is the mandate? Nobody—public or in the House—

Mr Stewart Jackson (Peterborough) (Con): The referendum.

Keir Starmer: No, the referendum is not the mandate for the terms. We have been round this block and everybody understands the distinction. I have stood here and accepted that there is a mandate for exit. There is no mandate for the terms. It has never been put to the country; it has not even been put to the Secretary of State's political party; and it has not been put to the House. Where is the mandate on the terms?

Mr Kenneth Clarke: Reference has been made to the Lisbon treaty, which may provide a rather useful precedent. Is the hon. and learned Gentleman aware that the policy on that treaty was debated repeatedly on the Floor of the House, beginning with the abortive European constitution. The then Government were accountable to the House for the view that they were taking towards the treaty, and the treaty itself was then debated for days on end on the Floor of the House, with repeated votes at several stages in that process. Nobody mentioned the words "royal prerogative" throughout the entire process.

Keir Starmer: I will come on to the prerogative, and I think that the treaty was debated for at least 20 days.

Chris Bryant (Rhondda) (Lab): Is not the prerogative absolutely key here? In 1924, when there was a Labour Government, we insisted that all treaties would be laid before the House for 21 days, so that the House and the House of Lords could take a view on them. That was the Ponsonby rule. When there was a Conservative Government, they got rid of it. When there was a Labour Government again in 1929, we put it back, and in 2010, we put it on the statute book. Is it not really worrying that Ministers have been going to the House of Lords and this Chamber and relying solely on the prerogative in relation to treaties?

Keir Starmer: It is, and I will deal with the prerogative in some detail because it is not fixed. The prerogative changes over time, and in any event, even if it may legally allow the Executive to proceed without scrutiny and accountability in the House, it does not prevent that scrutiny and accountability. It does not require the Government to proceed in that way. It is being used as cloak to avoid the scrutiny that is needed.

Alex Salmond (Gordon) (SNP): Some of us were here during the Maastricht treaty debates, when there were many votes and the Government forces of the day were brilliantly whipped by the present Secretary for Brexit in favour of the Maastricht treaty. Just to be quite clear, is the hon. and learned Gentleman—I am very much minded to support his motion—calling for a vote, not just an examination, on the terms before we send the Secretary of State off to negotiate?

Keir Starmer: Absolutely, but I take this in two stages because both are important. Scrutiny—putting the plans before the House—really matters. There is a separate argument about a vote, and I say that there should be a vote, but we must not get to a situation where, to resist the vote, the Secretary of State will not even put the plans before the House.

Mr Dominic Grieve (Beaconsfield) (Con): Is not the convention very clearly established that a major treaty change has to be triggered by an affirmative resolution of the House? The fact that that may only be a convention is still something that must be respected. After all, there are lots of conventions, such as the convention that a Government resign if they lose a vote of no confidence. That is no more than a convention, but Members might be a bit surprised if a Government were not to go in those circumstances.

Keir Starmer: The prerogative has come up so often that I will deal with it now in substance. Prerogative powers, of course, developed at a time when the monarch was both a feudal lord and Head of State. That is the origin of prerogative powers, but they have changed over time, yielding where necessary to the demands of democratic accountability. There are plenty of examples, as the Secretary of State will know, in the courts of that change in accountability, but there is also the example of the prerogative power to commit troops in armed conflict. In theory, the Prime Minister and the Cabinet retain the constitutional right to decide when and where

[*Keir Starmer*]

to authorise action, but in practice Governments in recent times have ensured parliamentary debate and a vote.

Responding to the Chilcot report earlier this year, the then Prime Minister made the point during Prime Minister's questions when he said:

"I think we have now got a set of arrangements and conventions that put the country in a stronger position. I think it is now a clear convention that we have a vote in this House, which of course we did on Iraq, before premeditated military action".—[*Official Report*, 6 July 2016; Vol. 612, c. 881.]

A strong political convention modifying the prerogative has thus been set.

Mr Bernard Jenkin (Harwich and North Essex) (Con): Will the hon. and learned Gentleman give way?

Keir Starmer: I will just complete this section on the prerogative.

The underlying premise of the development of the prerogative is clear and obvious. The more significant the decision in question and the more serious the possible consequences, the greater the need for meaningful parliamentary scrutiny. That lies at the heart of this, and it is hard to think of a more significant set of decisions with very serious possible consequences than the terms on which we leave the EU.

I will press this point because all this is well known to the Secretary of State. After all, he tabled a ten-minute rule Bill in June 1999 that was concerned with

"the exercise of certain powers of Ministers of the Crown subject to control by the House of Commons".

I shall quote his approach to the prerogative. When he introduced that Bill on 22 June 1999, the right hon. Gentleman, now of course the Secretary of State, said:

"Executive decisions by the Government should be subject to the scrutiny and approval of Parliament in many other areas... The Bill sets out to...make"

the prerogative

"subject to parliamentary approval, giving Parliament the right of approval over all Executive powers not conferred by statute—from the ratification of treaties to the approval of Orders in Council, and from the appointment of European Commissioners, some ambassadors, members of the Bank of England".—[*Official Report*, 22 June 1999; Vol. 333, c. 931.]

So he has changed his position. Back then, he recognised that the prerogative ought to be subject to Parliament. It was 20 years ago, but progressive movement with the prerogative is usually in favour of greater accountability, not less, so the fact that he argued that 20 years ago is not an argument against doing it now. That Bill did not proceed, but the principles are clear and set out. The prerogative is not fixed; parliamentary practice and convention can change the prerogative, and have done so in a number of ways. In any event, I fall back on my primary point: even if the prerogative permits the Government to withhold the plans from Parliament, it does not require them to, and political accountability requires the Government to put their plans before Parliament.

Mr Jenkin: The hon. and learned Gentleman misses one rather important fact: there has been a vote of the British people—a vote delegated to them by the terms

of the European Union Referendum Act 2015. This is the question that he has to answer: suppose there was a vote in this House; how would he vote? Would he vote against article 50 invocation, or in favour? Just give a straight answer to that.

Keir Starmer: I will not take long responding to that, because I have made the point, which is that the mandate on 23 June was not a mandate as to the terms, and I think that most people understand that; I cannot put it any clearer than that.

There is the question of how Members would vote, what they would vote on, and what happens if Parliament does not like the terms. The Secretary of State, in his statement on 5 September, emphasised that he would consult widely, including the devolved countries, which of course are very important in all this, and which deserve scrutiny of how exit will impact each of them. He also said he would

"strive to build national consensus around our approach."—[*Official Report*, 5 September 2016; Vol. 614, c. 38.]

The question for the Secretary of State is: how will he build consensus around his approach if he will not tell the House what his approach is?

Joanna Cherry (Edinburgh South West) (SNP): The hon. and learned Gentleman is, of course, a first-rate lawyer of international renown, and it is a real pleasure to hear him develop his argument. I am interested in what he said about the devolved Administrations. Does he agree that the Scottish Government and other devolved Administrations should have a central role in negotiations on the UK's terms for exiting the European Union, and will he and his party throw their weight behind that argument?

Keir Starmer: I do agree with that, absolutely, and we will throw our weight behind it. In fairness, the Prime Minister signalled that by her early visits as soon as she assumed office. I was hesitant to answer that question in case I got relegated from second to third or even fourth-rate lawyer. I will press on—

Mr David Davis *rose*—

Keir Starmer—unless the Secretary of State is about to give me a ranking.

Mr Davis: I was just about to say that the hon. and learned Gentleman will remember from Monday that I reiterated the support for his standing as a lawyer.

Mr Iain Duncan Smith (Chingford and Woodford Green) (Con) *rose*—

Keir Starmer: I give way.

Hon. Members: Apologise!

Mr Duncan Smith: I am going to. May I unreservedly withdraw the allegation that I made on Monday, only on the basis that it was clumsy? It was not meant about him; it was meant about advice. I do not for one moment doubt the hon. and learned Gentleman's capabilities as a lawyer.

Keir Starmer: I am grateful for that, and I assure the right hon. Gentleman and the House that I was not in the slightest bit concerned, though I am very grateful to so many people who were concerned. I consider the matter closed.

Several hon. Members *rose*—

Keir Starmer: I will press on, because I am conscious that many people want to participate in the debate.

Mr Duncan Smith *rose*—

Keir Starmer: I hope that I am not going to get relegated straight away.

Mr Duncan Smith: The hon. and learned Gentleman said that it was important for the Government to come before Parliament, specifically to lay out their negotiating position. He says that there was a simple question on the ballot paper on whether we should leave the European Union or not. Will he tell us what the simple definition is of leaving the European Union? Is it the non-application of European law?

Keir Starmer: No. There are very different models for leaving. We have to be clear about what is actually happening, because that is important when we come to the point about treaties; we are leaving one treaty and almost certainly signing new treaties, so this is not just about exiting one treaty. I have not yet met anybody who suggests that there should be no relationship between the UK and the EU. [*Interruption.*] No, seriously, speaking as someone who has spent five years dealing with counter-terrorism and serious criminal offences across Europe, it is inconceivable that we will not sign new treaties with the EU; to do otherwise would undermine our security.

Several hon. Members *rose*—

Keir Starmer: I will press on, because I am conscious that very many people want to come in on this debate, and I have sat on the Back Benches and been irritated by Front Benchers taking up all the time.

We are talking about a matter of parliamentary sovereignty, but this is not just a political point, albeit an important political point. By proceeding in this closed and secretive manner, the Government are causing huge anxiety. In the 2015 Conservative manifesto, there was a commitment to

“safeguard British interests in the Single Market”,

yet in recent weeks, the Government have emphasised that membership of the single market may not be a priority for Brexit negotiations. On Monday, the Secretary of State said that it was “not necessary” for the UK to remain a member of the single market. Then there was a telling exchange between him and my hon. Friend the Member for Ilford North (Wes Streeting), who put to him the words of the Foreign Secretary on EU citizens. The Secretary of State for Exiting the European Union answered—I will give the full answer, because I was struck by this at the time—as follows:

“The simple answer is that we will seek to get the most open, barrier-free market that we can. That will be as good as a single market.”—[*Official Report*, 10 October 2016; Vol. 615, c. 65.]

It is always hard to know when the Secretary of State is busking, but if that is the position, that is a significant statement and position, and it elides with the approach apparently taken by the Prime Minister, who increasingly

appears to have extrapolated from the leave vote that there is an overwhelming case for a hard Brexit that does not prioritise jobs or the strength of our economy.

Claire Perry: I congratulate the hon. and learned Gentleman on taking a factual tone in this important debate. I would like to reassure him that many of us on the Government Benches will do all we can to preserve the benefits of access to the single market for our local businesses. May I remind him that seven out of 10 Members from his party represent constituencies that voted to leave the EU? The pragmatic, rather than procedural, approach is in the Government’s amendment, which suggests that it would be negotiating madness for this House to give blow-by-blow scrutiny to the terms of exit. Why does he not vote for the Government’s amendment, which achieves what we all want—not a hard or a soft Brexit, but a smart Brexit?

Keir Starmer: I am grateful for that intervention, and for the indications about the single market. I know that there is a lot of shared concern across the House about the terms of exit. Obviously, I have looked at the amendment; may I make it plain that nothing in the motion is intended to undermine or frustrate the vote on 23 June, or frustrate the negotiations? We all understand that negotiations have to take place. There will of course have to be a degree of confidentiality, but that does not prevent the plans—the basic outline and broad terms—being put before the House. That is why I am waiting to hear what the Secretary of State says. I heard the tail end of Prime Minister’s questions, and the Prime Minister indicated that we have had two statements from the Secretary of State, and there was a Select Committee—

Mr Jackson: Two Select Committees.

Keir Starmer: I said two statements. [*Interruption.*] Oh, two Select Committees; well, whatever. If all the amendment means is that we will get similar statements to the two that we have already had, that does not give me much comfort. If we will get more than that, then we shall see.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): I am grateful to the hon. and learned Gentleman for giving way, and for some of the points that he has made. Will he use this opportunity to outline clearly the Labour party’s position on single market membership? Yesterday in the *Evening Standard*, there was a warning from the Mayor of London, Sadiq Khan, against a “hard Brexit”, and he has said that a departure from the single market would be “deeply irresponsible”; I agree fully. Two weeks ago, in the National Assembly for Wales, we had the Labour Government voting with the Tories and the UK Independence party against single market membership. What is the Labour party’s policy on single market membership?

Keir Starmer: Best access to the single market.

I was on the subject of uncertainty. There has been understandable uncertainty in business, universities, and trades unions, and among investors, including among people on both sides of the referendum divide. The head of the CBI has warned that hard Brexit could “close the door on an open economy”.

[*Keir Starmer*]

An open letter signed by business leaders cautioned last week that

“leaving the EU without any preferential trade arrangement and defaulting to trading by... WTO rules would have significant costs for British exporters and importers”.

It is not just institutions that are concerned. So far, the Government have made broad statements on the principle of protecting the rights of EU citizens already living here. In his statement to the House on Monday, the Secretary of State suggested that the Government are doing everything possible to underwrite and guarantee the position of EU citizens resident in the UK, and at the same time seeking to do the same with British nationals living in other parts of the EU. That constructive tone is at odds with statements made by other Government Ministers, most notably the Secretary of State for International Trade. Speaking at an event at the Conservative conference in Birmingham last week, he told party members that

“we would like to be able to give a reassurance to EU nationals in the United Kingdom”,

but that that depended on the way in which other countries proceeded. He said that

“to give that away before we get into the negotiation would be to hand over one of our main cards”.

That is treating EU citizens as bargaining chips. That is not good enough: many EU citizens have been in the UK for years or even decades, and they deserve better treatment.

The Government should end this uncertainty in the market and among the people. They should set out their plans before the House at the earliest opportunity. We accept that concern about immigration and freedom of movement was an important issue in the referendum and that, in light of the result, adjustments to the freedom of movement principle have to be part of the negotiating process. We must establish fair migration rules as part of our new relationship with the EU, but no one voted on 23 June to take an axe to the economy or to destroy jobs and livelihoods.

Gloria De Piero (Ashfield) (Lab): A clear majority in Ashfield voted out, and I respect that. Ashfield is an ex-mining community. The good economic times never felt as good up there; the bad times were felt. We do not have enough good jobs, so is it not imperative that we do not lose the good jobs that we do have?

Keir Starmer: I could not agree more.

Nadhim Zahawi (Stratford-on-Avon) (Con): On that point—

Keir Starmer: I really do not think I can be criticised for not taking enough interventions.

Concerns over freedom of movement must be balanced by concerns over jobs, trade and the strength of our economy. Striking that balance and navigating our exit from the EU will not be an easy process, and it will require shrewd negotiating. The Government must not give up on the best possible deal for Britain before they have even begun. They must put the national interest first and not bow to pressure from Back Benchers for a

hard Brexit. That means prioritising access to the single market, protecting workers' rights, ensuring that common police and security measures are not weakened, and ensuring that all sectors of our economy are able to trade with our most important market. It also means bringing the British people together as we set about leaving the EU.

I touched on the tone of discussions on Monday. Many people are appalled at the language that has been used in relation to exiting the EU. An essential step in that process is to publish the basic plans for Brexit and to seek the confidence of the House of Commons. The motion is intended to ensure that scrutiny and accountability. I will listen, of course, to what the Secretary of State says about his amendment.

Mr David Davis: On a point of information, does the motion require the guarantee of a vote? Is he after a prior vote?

Keir Starmer: The motion before the House is clear about scrutiny, which is the first part. There is a question of a vote, and I will make it absolutely clear that I am pressing for a vote. This exercise will obviously go on for some time, and we will have plenty of skirmishes. I am anxious that, first, we have proper scrutiny and also a vote. What I do not want to do is jeopardise the scrutiny by a vote against the vote. Anyone on either side of the House who wants scrutiny can happily support the motion, and I will listen carefully to what the Secretary of State says about the amendment.

This is a serious challenge, and these are the most important decisions for a generation. The role of the House is a fundamentally important issue, and we have to ensure that it is compatible with scrutiny and accountability.

1.35 pm

The Secretary of State for Exiting the European Union (**Mr David Davis**): Another day, another outing. [*Interruption.*] I knew they would like that.

Mr Speaker: For the avoidance of doubt—to be absolutely clear for the benefit of all Members, the Secretary of State will move the amendment.

Mr Davis: I beg to move amendment (b), at end add ‘; and believes that the process should be undertaken in such a way that respects the decision of the people of the UK when they voted to leave the EU on 23 June and does not undermine the negotiating position of the Government as negotiations are entered into which will take place after Article 50 has been triggered.’.

I am glad to hear that the Labour spokesman accepts that we must respect the decision of the people. That is important progress. Of course, it comes from somewhere, but where is not at all clear. I will come back to that in less than a minute. He went on to say that he did not want to see point scoring, and I rather agree: this issue is too important for point scoring.

The House should know that this morning I received a letter, signed by the shadow Secretary of State and his predecessor, which was extremely flattering about my history of standing up for the rights of Parliament and so on. It went on to pose 170 questions about our negotiating strategy. To give the House an idea of how much of a stunt that is, it is one question a day between

now until the triggering of article 50. Worse still, some of the questions in that long list are requests pre-emptively to concede elements of our negotiating strategy.

Nadhim Zahawi: I am grateful to the Secretary of State for giving way—the shadow Secretary of State would not give way—so I can now ask my question. I have listened carefully to the debate. The shadow Secretary of State talked about respecting the vote on 23 June, which made it clear that we are to leave the European Union. We cannot leave the EU without triggering article 50, when the negotiations will begin and the details that he wants to scrutinise will emerge. Should it not be the Government's right to trigger article 50 as the instruction of the British people to go ahead, and then we begin the negotiation?

Mr Davis: My hon. Friend is exactly right. That is the premise on which we are advancing. That is not to say—[*Interruption.*] If the hon. Member for Chesterfield (Toby Perkins) waits a moment, I will give way. We will have proper scrutiny, and I will deal with that in a minute. We will not allow anyone to veto the decision of the British people—that is the point.

Toby Perkins: If it is really the case that article 50 is the start of the process and we begin scrutiny after that, why is it being triggered nine months after the vote? Surely that is because a huge amount of preparatory work is required, and that is what we want to scrutinise.

Mr Davis: It is because it takes a little while to prepare the negotiating strategy—a point to which I shall return.

Alex Salmond *rose—*

Mr Davis: I will give way to my old friend.

Alex Salmond: If there is no parliamentary assent for the negotiating position that the Secretary of State takes into the negotiations, how can there possibly be parliamentary assent for the result of the negotiations, unless he pulls off the remarkable trick of getting a better deal than he is asking for?

Mr Davis: I will go through the stages of assent later—the right hon. Gentleman makes a reasonable point.

I am determined—[*Interruption.*] I will give way once more, but then I must make progress.

Frank Field (Birkenhead) (Lab): As a long-standing Brexiteer not wishing to make points, may I take the Secretary of State back to the reasons the Government want to trigger article 50 so early? What is behind that, and is there any possibility that that statement might take on the colour of the Home Secretary's statement about foreign workers?

Mr Davis: No, I do not think so. The right hon. Gentleman asks a serious question. Part of the reasoning is that the Prime Minister feels, quite reasonably, that the people want the process to be under way. Indeed, if one believes opinion polls, that is what is going on. However, we do not want to do it immediately, unlike the leader of the Labour party, who said on 24 June that we should trigger it immediately—of course, now he has changed his mind. What we are doing is putting together our negotiating strategy, which requires an

enormous amount of work—I will come back to that point—and some of it will become public as we go along.

I am determined, as would be expected, that Parliament will be fully and properly engaged in the discussion on how we make a success of Brexit. I therefore broadly welcome the motion, but with important caveats, and that is why the Government's amendment is necessary. The first key point is that we must ensure that the decision that the people made on 23 June is fully respected. We also need to be explicit that, while we welcome parliamentary scrutiny, it must not be used as a vehicle to undermine the Government's negotiating position or thwart the process of exit—both are important.

The negotiation will be complex and difficult, and we should do nothing to jeopardise it. As I said in my statement on Monday—the hon. and learned Member for Holborn and St Pancras (Keir Starmer) quoted me several times—the sovereignty of Parliament and its restoration is at the very heart of why the UK is withdrawing from the European Union. For decades, the primacy of the UK Parliament has been superseded by decisions made within EU institutions, but now, following the clear instruction of the voters in the referendum on 23 June, we can finally change that and put Parliament unequivocally in charge.

That is exactly why we announced plans for a great repeal Bill last week; it is a clear commitment to end the primacy of EU law. It will return sovereignty to the institutions of the United Kingdom, because that is what the referendum result was all about: taking control. Naturally, Parliament will oversee the passage of the Bill, which will allow us to ensure that our statute book is fit for purpose on the day we leave the EU. It will then be for Parliament alone to determine what changes to the law best suit the national interest.

Ian C. Lucas (Wrexham) (Lab): I have long heard the right hon. Gentleman voice his support for parliamentary scrutiny. Will he therefore bring forward a vote in Parliament on the Government's opening position and the terms that they will present for negotiation to the European Union?

Mr Davis: I will come back to some of that later. I will not allow any party to have a veto on the decision to leave the European Union. That is the first key decision.

Emma Reynolds (Wolverhampton North East) (Lab): I find this argument that Parliament somehow wants to thwart the will of the people a complete straw man. As has already been pointed out, seven out of 10 Labour MPs represent constituencies where a majority of people voted to leave. As a democrat, I cannot ignore that and I accept the result. Therefore, why is the right hon. Gentleman running scared of parliamentary scrutiny?

Mr Davis: I am hardly running scared of parliamentary scrutiny. As has already been noted, I have made two statements to the House and appeared twice before Select Committees, and today there is this outing, and all within two and a half weeks of the parliamentary Session.

Let me return to a comment from the hon. and learned Member for Holborn and St Pancras. Let us be clear that we agree that leaving the European Union is a

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momentous decision. With such a huge turnout—72%, with over 33 million people having their say—there is an overwhelming mandate to put the will of the British people into practice. I have spoken at length about our plan to make a success of Brexit. As I set out in my statement on 5 September—it, too, was quoted by the hon. and learned Gentleman—our plan has four aims.

First, we want to build a national consensus around our position. I have already promised more than once to listen to all sides of the debate and ensure that we fight in our negotiation for the best deal for the country. We cannot do that in an air of secrecy, but I will come back to that later. Secondly, we will put the national interest first and listen carefully to the devolved Administrations. Thirdly, wherever possible—it is not always possible—we should minimise uncertainty. That is what the great repeal Bill is about: bringing existing EU law into domestic law upon exit day, and empowering Parliament to make the changes necessary to reflect our new relationship. Finally, by the end of this process, when we have left the European Union, we will have put the sovereignty and supremacy of this Parliament beyond doubt.

Claire Perry: Fundamentally, the issue is that although we all want scrutiny, the eyes of the world and of the financial markets are upon us. I am extremely concerned about what has happened to sterling and interest rates since the Prime Minister's comments at the party conference last week. The problem that the Secretary of State is not acknowledging is that many people in this country do not think that there is a policy to put the national interest first; they think that there is a policy to put people's narrow ideological interests first. He should be setting out clearly how we will protect British jobs and businesses and putting ideology in the past, where it belongs.

Mr Davis: I hardly think it is ideology—

Claire Perry: I do.

Mr Davis: I hardly think it is ideology to reflect the will of the British people.

Nadhim Zahawi: I am grateful to the Secretary of State for giving way a second time. Does he agree with the Italian Prime Minister, Matteo Renzi, when he says that we have to make Brexit work for the EU and for the United Kingdom, because if we do not it will make a mockery of democracy? That is not ideology.

Mr Davis: He is right. Nobody involved in this exercise from the other side of the argument has ever pointed out quite how odd it is that fellow democracies—indeed, allies—threaten to punish each other for the exercise of democratic rights.

I want to take up the point made by my hon. Friend the Member for Devizes (Claire Perry), because there is undoubtedly a big task ahead of us and people naturally want to understand where we are headed. We have been pretty clear on the overarching aims—not the detailed aims, because we are not yet at the point at which that is possible. The overarching aims are: bringing back control of our laws to Parliament; bringing back control of decisions over immigration to the UK; maintaining the

strong security co-operation we have with the EU; and establishing the freest possible market in goods and services with the EU and the rest of the world. I cannot see how those are not very clear overarching strategic objectives.

Chris Philp (Croydon South) (Con): It would help businesses to have as much clarity as possible on the likely future trading arrangements. I was concerned to hear VTB Bank's announcement yesterday that it intends to locate its activity outside the UK. The more clarity we can give—without, of course, prejudicing our negotiating position, the better it will be for British businesses, because there is a danger that some may make decisions in the next three or four months.

Mr Davis: I take my hon. Friend's point. The issue that we must bear in mind, however, is that we can give clarity as we go along in the negotiating strategy—in grand terms but not in detailed terms—but what we cannot do is tell anybody, businesses or others, where we will arrive at the final stage, because it is a negotiation. We have to face the fact that it is a negotiation and, therefore, it is not entirely under the control of one country.

Jack Dromey (Birmingham, Erdington) (Lab): The hon. Member for Camborne and Redruth (George Eustice) said on "The Politics Show" at lunchtime that it is likely that the Government will publish a Green Paper or a White Paper with their proposals to form the basis of consultation before triggering article 50. Is that the latest handbrake U-turn? What does the Secretary of State have to say?

Mr Davis: The answer is no. By the way, I think that a half U-turn is a right turn. One of the reasons I gave way to the hon. Gentleman was to say that one of the things that we have sought to clarify early on, and that does not have an associated cost in negotiating terms, is the treatment of employment rights for workers. We made that very clear very early, just as I tried to do with the status of EU migrants here. We can do those things earlier, but we cannot, as he well knows—he has negotiated any number of deals in his time—give away all our negotiating strategy early.

Anna Soubry (Broxtowe) (Con): Will the Secretary of State give way?

Mr Davis: Not at the moment. Let me just finish this section of my speech before giving way to one of my colleagues.

We have these fairly obvious, overarching strategic aims. They are very clear; they are not remotely doubtful. It must be that Labour does not want to recognise that because it finds some of those aims uncomfortable. I am not entirely sure what Labour's policy is on European immigration. It is completely unspecified.

Keir Starmer: Are we going to get more than those four short sentences? Are we going to get a plan? That is a simple question.

Mr Davis: The hon. and learned Gentleman can wait until the later part of my speech, when I will give him the exact answer. He will have to wait for that.

The reason this has not been promised before the end of March is that it takes time, as the hon. and learned Gentleman will understand. We are meeting organisations from across the country, from the creative industries, telecoms, financial services, agriculture and energy, including the National Council for Voluntary Organisations, Universities UK and the TUC. All those organisations are putting their concerns to us. Some of those are incredibly serious concerns, which we have to deal with. We are focusing on dealing with those concerns, establishing what opportunities there are—there are significant opportunities, too—and then devising a negotiating strategy that serves the interests of the whole country: all of them, not one at a time.

Neil Coyle (Bermondsey and Old Southwark) (Lab): My constituency has the third highest level of financial sector employment in the UK. Does the right hon. Gentleman share my concern that while employees in that sector do not hear the detail of the Government's position on negotiations, they do hear—as we have just heard from his party's Back Benchers—from employers who are looking, over time, to move out of this country?

Mr Davis: I am afraid that in the immediate aftermath of the vote to leave there was an extraordinary outpouring almost of grief—a “blame Brexit” festival, if you like. It ranged from the Italian Finance Minister blaming us for the state of his bond markets to, more significantly, banks in this country saying that they were laying people off because of Brexit, which, of course, turned out to be entirely untrue. I would have sympathy with employees made nervous by employers who are guessing the worst outcome.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): I urge the Secretary of State to take a more constructive approach with those who have sincere anxieties about the future. Some 58% of the north-east's exports go to EU countries. However people voted in the referendum, they did not vote to lose jobs. The terms of Brexit are absolutely essential. Does the Secretary of State not recognise that parliamentary scrutiny is therefore also essential?

Mr Davis: I started by saying that I was in favour of parliamentary scrutiny; I will widen that out later. Part of the reason for that—not the only reason, by any means—is a recognition of people's concerns about their job futures. There is no doubt about that. That is why we said in terms that we want a free trade arrangement that is at least as good as what we have now, with both the European Union and outside.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): May I tempt the right hon. Gentleman to put some flesh on the bones of the immigration issue? Have the Government arrived at a decision to give EU citizens currently here the rights that they had on 23 June? Have they agreed to break the automaticity between trade and people? Have they agreed that EU citizens should have the same conditions for immigration as non-EU citizens? There must be some very broad principles that he could share with the House now.

Mr Davis: Let me deal with the first issue that the right hon. Lady raised: the treatment of current EU migrants. I have said in terms—I was quoted by the

shadow Secretary of State—that we seek to give them guarantees as good as they have now. The only condition is that we get the same guarantees for British citizens. Far from making people bargaining chips, treating them as a group, collectively, avoids making them bargaining chips.

On other aspects of immigration policy, my task is to bring control back to the UK, not to decide what eventual immigration policy will be. It must be decidable here, in this House, by the British Government, subject to parliamentary oversight and control.

Several hon. Members *rose*—

Mr Davis: I will make some progress and give way again in a moment.

I return to the Opposition's motion. They say that there should be

“a full and transparent debate on the Government's plan for leaving the EU”.

I agree. At the same time, I am sure that we can all agree that nothing should be done to compromise the national interest in the negotiation to come; I think the shadow Secretary of State said that in his opening speech.

I could list the 100 questions that we have answered, the oral statements, the appearances before Select Committees; the House knows all that. As a Department, we are not being backward in appearing in front of the House. The House may not be overwhelmed with the detail of the answers yet—that is hardly surprising: we are only a few weeks into the process and six months away from the end of it. The simple truth is that we are appearing regularly in front of the House and seeking to give as much as we can.

Caroline Lucas: The right hon. Gentleman said a moment ago that the great repeal Bill will give us some certainty, so may I ask him for certainty on environmental legislation in particular? Even when EU legislation has been enshrined in UK law, we need to know, first, the extent to which any future changes to environmental safeguards will be subject to parliamentary scrutiny and vote; and, secondly, what kind of accountability mechanisms he imagines will be in place. Once we are out of the EU, we lose access to the European Court of Justice and the Commission. How will that environmental legislation become judicable?

Mr Davis: The legislation is judicable and subject to amendment in this House. It will be entirely subject to the will of the House. Any Government seeking to alter it will have to get the permission of the House through a vote in the House. That is very plain. It will also be under the jurisdiction of the British courts; that is the other aspect that the hon. Lady asked about.

Anna Soubry: To follow up on the question asked by the right hon. Member for Birmingham, Edgbaston (Ms Stuart), I seek a bone. Will my right hon. Friend please tell us whether the Government have turned their backs on membership of the single market? Yes or no, please.

Mr Davis: I am afraid that that intervention is rather a demonstration of one of the problems that we have with the language on this issue. People have been talking

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about “hard Brexit” and “soft Brexit”, which mean very little. Attempts have been made to pigeonhole what could be any one of a whole range of outcomes in market terms. We have not yet started a negotiation with the European Union and there is a whole spectrum—from free trade area, to customs union, to the single market arrangement. The shadow Secretary of State was laying out some of those possibilities. We are not going to go for a Norwegian, Turkish or Swiss option—we are going for a British option, which will be tailored to our interests and better for our interests than any other option.

Andy Burnham (Leigh) (Lab): The right hon. Gentleman’s non-answer to the reasonable question asked by the right hon. Member for Broxtowe (Anna Soubry) illustrates the point. The reason he is struggling today can be found in the words of Sir Andrew Cahn, who said in September:

“I find it...shocking...that David Cameron as Prime Minister prohibited the civil service from doing preparatory work...I think it was a humiliation for this country that our partners in Europe should say: ‘You’ve voted for this, but you have no idea what you want’”.

Can the right hon. Gentleman give any plausible explanation for that serious dereliction of duty by the former Prime Minister?

Mr Davis: There are very many things I could do at this Dispatch Box, but criticising David Cameron is not one of them.

Chris Bryant *rose*—

Mrs Cheryl Gillan (Chesham and Amersham) (Con): Will my right hon. Friend give way?

Mr Davis: In a moment—[*Interruption.*] All right, I will give way to my right hon. Friend.

Mrs Gillan: I am most grateful to my right hon. Friend.

May I nail this lie once and for all? The other day, the Public Administration and Constitutional Affairs Committee took evidence from Sir Jeremy Heywood, who confirmed that senior civil servants were meeting before the referendum to discuss the outcomes, including the possibility that the country would vote to leave the European Union. Plans and preparations were being made by the British civil service before the referendum.

Mr Davis: I will now move on to the question of scrutiny itself.

The House already has plans to put in place the so-called Brexit Select Committee, which will take effect next month, and we will be appearing in front of it regularly. It would be surprising if we appeared in front of that Committee and did not talk about some of our plans. I expect to attend the Committee regularly, just as I will attend the Lords Committee—its equivalent, effectively. We do not shy away from scrutiny; we welcome it. Members will know that I have continually welcomed and championed the extension of Select Committee powers since the publication of the Wright Committee

report in 2009. The public expect Ministers to engage with Parliament in this way, and we will continue to do so.

Mrs Maria Miller (Basingstoke) (Con): Will my right hon. Friend give way?

Mr Davis: In a moment.

I also made a commitment in September that this Parliament will be at least as informed of progress in our negotiations as the European Parliament. The hon. and learned Gentleman did not appear to believe it when I told the Lords, but it was also made plain to the Foreign Affairs Committee. We are setting up administrative procedures to ensure that, when this becomes relevant in a month or two, these things happen and happen quickly, so that we do not have to go to an EU website to find what we want to know. That will be the minimum, but Members should understand that we will be going considerably beyond that.

Neil Gray (Airdrie and Shotts) (SNP): Give way?

Mr Davis: In a moment—a very Scot Nat way of getting attention.

I made the commitment that Parliament be kept at least as informed as, and better informed than, the European Parliament. I have also asked the Chief Whip through the usual channels to ensure that we have a series of debates so that the House can air its views. Again, it would be very surprising if we had those debates without presenting to the House something for it to debate.

Neil Gray: I refer back to the question from the right hon. Member for Broxtowe (Anna Soubry), which I do not think the Secretary of State answered adequately. You are either a member of the single market or you are not. It is clear now that the Government need to spell things out: are they in favour of being members of the single market or are they not? Inform the House.

Mr Davis: It is astonishing how linear, or black and white, some Members think this is. We have Norway, which is inside the single market and outside the customs union; we have Turkey, which is inside the customs union and outside the single market; and we have Switzerland, which is not in the single market but has equivalent access to all of its productive and manufacturing services. There is not a single entity, but a spectrum of outcomes, and we will be seeking to get the best of that spectrum of outcomes.

Kate Hoey (Vauxhall) (Lab): The Secretary of State will know that, throughout the country, when this issue was being discussed, the British public knew that membership of the single market meant free movement of labour. That was one of the basic principles behind why people, in their millions, voted to leave. Is it not time that we straightforwardly said that we want the fullest possible access to the single market, but that we cannot, if we are going to stop free movement, which is what the people of this country wanted, be members of the single market?

Mr Davis: Broadly, the argument about full access and control of our borders is an argument that the Prime Minister has already made in the last few weeks,

so I do not think I need to elaborate on it. However, let us understand something about this—sometimes, we seem to be arguing over which end of the egg we open first. The argument between us is where the dividing line is on what we tell Parliament about. The hon. and learned Member for Holborn and St Pancras recognised in terms, I think, that we could not give every detail to Parliament and that, despite his letter, we could not give a blow-by-blow account—that we could not have Parliament dictate how we dealt with the trade-offs, the terms and so on. *[Interruption.]* Despite the noise to his right, it is fairly plain that that is what the criterion is; that is where the problem is.

Let us be clear how this applies. If someone tells their opposite number in a negotiation exactly what their top priority is, that will make that top priority extremely expensive. Ordinary people, in their ordinary lives, probably do one big transaction themselves, and that is the purchase of a house. If someone went to buy a house, and they looked at only one house, told the owner that they were in love with that house and made a bid for it, I suspect the price would go up.

Mr Pat McFadden (Wolverhampton South East) (Lab): Will the Secretary of State give way?

Mr Davis: In a moment—I have a lady over here who wants to make an intervention.

Similarly, if someone makes pre-emptive indications that they are willing to make a concession on something, they reduce the value of that concession. Therefore, in many, many ways, we cannot give details about how we will run the negotiation.

Mrs Miller: My right hon. Friend is right that negotiations are a fragile process. I welcome his support for scrutiny. My Select Committee—the Women and Equalities Committee—is looking closely at the impact of Brexit on equality protections, which I am sure is not high on his list at the moment. We want to do some of the work on that with him. Will he undertake today to work with us on that and to contribute to our Select Committee inquiry? At the moment, we are finding it difficult to secure that contribution from his Department.

Mr Davis: I see no reason not to help the Select Committee on that basis; that seems an eminently sensible use of time and of the Select Committee's expertise, so of course we will do that. However, this will be an issue right across the board; pretty much every Select Committee in the House of Commons will have an interest, one way or another, in the progress of Brexit and in what the outcome will be.

Chris Bryant: May I ask the Secretary of State about timing? As I understand it, the Government intend us to have left the European Union by 1 April 2019. The two years allowed for in article 50 will transpire during that period, but he has already laid out loads of different areas that will have to be legislated for as a result of the negotiations. After the negotiations have happened, he might be overturned in this House or at the other end of the building. How will he make sure that he carries the whole country with him on each of the bits and pieces of the detail if he has not produced a draft of what he is aiming for in the first place?

Mr Davis: That is why we made it plain at the beginning of this process that we would have the great repeal Bill, which will put into UK law—or domestic law, more accurately—what is currently the *acquis communautaire*. That is the start position. Then it comes down to the House to amend that under the guidance of the individual Departments. There may be, for example, a fisheries Bill; there may be some other legislation of that nature. That will have to be argued through at the time. It is pretty straightforward.

Mr McFadden: The Secretary of State said a moment ago that it would be a mistake for the Government to illustrate what its top priority in the negotiations was, but is it not the case that every speech at the Conservative party conference indicated that the top priority was the control and limitation of immigration from within the European Union?

Mr Davis: That, frankly, will be within our own control. If you leave the European Union, that gives you control over that issue. How you deal with the European Union, and trade with it, then comes on from there, so that is not an issue that actually meets that.

The simple demonstration of the point I am making is this: in Northern Ireland, where we have the really important issue of soft borders to resolve, both sides of the decision-making process—the Northern Ireland Executive and the Irish Government—have a similar interest. As a result, we can be very open about that issue, and we have indeed been very open about it; indeed, the Secretary of State for Northern Ireland was quoted in *The Guardian* on Monday in detail about what he is trying to achieve in terms of customs arrangements, cross-border arrangements and the common travel area. All of those things were very straightforwardly laid out in some detail. Why? Because that does not give away any of our negotiating cards, as this is between two people with the same aim. That is a much better example of how we have to be careful about what we say as we go into the negotiations.

Patrick Grady (Glasgow North) (SNP): The Secretary of State mentions taking back control of fisheries, so is it an area that might be devolved to the Scottish Parliament after the United Kingdom leaves the European Union? Will he rule out—unlike the Secretary of State for Scotland, who seemed to be unable to do so earlier today—any power being repatriated from the Scottish Parliament to this place as part of the Brexit process?

Mr Davis: I would not expect that as part of the Brexit process. To take the serious point, we need to discuss with all the devolved Administrations how to address sectors—such as fisheries, farming, hill farming—the legal basis of which will alter as we bring things back to the United Kingdom.

Alex Salmond: The position or the status quo, as the Secretary of State well knows, is that everything is devolved to Scotland unless it is reserved. Agriculture and fisheries are not reserved; therefore, they are devolved. Unless the Government intend to change that position, agriculture and fisheries will automatically go to the Scottish Government.

Mr Davis: This is an area on which we have not talked to the devolved Administration yet. We will do so before we get to bringing such things back.

Such an attitude on the details of the negotiations is not taken simply by the Government. The Lords European Union Committee concluded:

“It is clear...that parliamentary scrutiny of the negotiations will have to strike a balance between, on the one hand, the desire for transparency, and on the other, the need to avoid undermining the UK’s negotiating position.”

This is hardly rocket science. It should hardly be controversial; it should be straightforward. At every stage of this process, I want this House to be engaged and updated. As I have made clear, we will observe the constitutional and legal conventions that apply to any new treaty on a new relationship with the European Union.

Ian C. Lucas: Will the right hon. Gentleman give way?

Mr Davis: I will give way in a moment.

I want to address the final part of the motion about this House being able properly to scrutinise Government plans for leaving the EU before article 50 is invoked. Article 50 sets out the process by which we leave the EU, which has been decided by the British people. Invoking it is a job for the Government. Leaving the EU is what the British people voted for on 23 June, and article 50 is how we do it.

Nick Herbert (Arundel and South Downs) (Con): I welcome the terms of the Government amendment, which seems entirely sensible. Does my right hon. Friend therefore agree, and is my understanding right, that he now accepts that those of us raising concerns about the level of debate necessary ahead of the triggering of article 50 are by no means seeking to frustrate the will of the people—we recognise the instruction from the British people that we should leave the European Union—but seeking a full understanding of the Government’s broad negotiating aims?

Mr Davis: I am glad to hear my right hon. Friend say that. In truth, scrutiny of our strategic aims is what debates such as this are about, as is parliamentary engagement of the kind I have mentioned—debating the issues that will inform our negotiating position, and holding the Government to account. However, such scrutiny has to be at the strategic level; it cannot be at the tactical level or enter into the detailed negotiation.

Mr Peter Bone (Wellingborough) (Con): Is this not one of those strange debates in which both sides actually agree with each other—in this case, that we will have parliamentary scrutiny? If the Opposition are against such an approach, they can have Opposition days, hold Back-Bench business debates, table urgent questions, ask questions during statements and have Westminster Hall debates. All those are in the power of Parliament. We are absolutely not disagreeing; in the end, we will all agree with the amended motion. There is a lot of general noise, but Parliament is actually agreeing that the process should go forward, and we will scrutinise it properly. Does the Secretary of State agree that that is the gist of it?

Mr Davis: To be frank, I do. We have been going round in circles, debating whether we are going to have a debate.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): The right hon. Gentleman mentioned hill farming, the agricultural sector and the fisheries sector. I happen to be a crofter, and many crofters will be wondering whether there will still be financial support for hill sheep farmers and the rest post-Brexit. Indeed, fishermen will be asking the same about the assistance for purchasing and upgrading fishing boats. On those two things, can we be sure that the money coming from Europe will be replaced by the UK Government?

Mr Davis: I think the hon. Gentleman will know that we have already made undertakings in relation to the 2020 round, which is of course the end of the European guarantee. Beyond that, I am quite sure the Treasury will be looking very hard at the necessary economics of such industries in all the devolved Administrations and, indeed, in England.

Ian C. Lucas: Will the Secretary of State give way?

Ms Angela Eagle (Wallasey) (Lab): Will the Secretary of State give way?

Mr Davis: No, I will not give way.

Let me be clear: the Opposition spokesman said that the British people did not vote for any particular model of Brexit—I think that is pretty much what he said—but they voted to “leave the European Union”, which were the words on the ballot paper. It is reasonable to think that they did not make an assumption about soft Brexit or hard Brexit, or any other specification of Brexit; they assumed that the British Government would set about negotiating to get the best possible result for all parts of society, all parts of the United Kingdom—including all the devolved Administrations—and all industries, sectors, services, manufacturers and so on. *[Interruption.]* The hon. Member for Islington South and Finsbury (Emily Thornberry) says, “Yeah, yeah”. We know her view of the British working class. She has really had a very good time on that, has she not? I take a much more serious view of the fate of the British working class under a Government that she would support.

Ms Eagle: Will the Secretary of State give way?

Mr Davis: No.

The simple truth is that the British Government are setting out to achieve the best possible outcome on security, on control of our borders and in democratic terms, as well as for access to markets across the whole world: the European Union and all the opportunities outside it. The British people voted for that—17.5 million of them.

2.16 pm

Stephen Gethins (North East Fife) (SNP): I welcome the new Opposition spokesperson, the hon. and learned Member for Holborn and St Pancras (Keir Starmer), to his role. We very much look forward to working with him during these crucial few months. I thank him for bringing this motion to the House. The Secretary of

State has shown that he still has a long way to go to meet the doubts and questions that the hon. and learned Gentleman raised, but securing such a debate is a step in the right direction.

The talks and negotiations during this crucial period will have an impact across every policy area in every part of the country, but we are seeing very little in the way of detail. I fear that this lack of detail has more to do with a Cabinet who cannot agree among themselves than with any ideas about the negotiating strategy. I am a new Member of Parliament, but other hon. Members may be able to tell me whether it is normal for a Secretary of State—we welcome him—to spend so much time at the Dispatch Box without actually telling us anything. He spent a lot of time at the Dispatch Box, and I am none the wiser about where we are at the moment, which seems remarkable.

I wonder whether the Government can tell us something else about the negotiations. They tell us they will have the negotiations, but when my hon. Friend the Member for Airdrie and Shotts (Neil Gray) brought up the issue of the single market—other hon. Members have asked other key questions—they have shown that they cannot answer a simple question. That is striking. When they sit down with our European partners and start the negotiations, what will they say? What can they possibly tell our European partners? We do not even have a starting point.

Mr Kevan Jones (North Durham) (Lab): Will the hon. Gentleman give way?

Sammy Wilson (East Antrim) (DUP): Will the hon. Gentleman give way?

Stephen Gethins: I just want to make this point. The Secretary of State told my hon. Friend that this is like buying a house. It is not; it is a democratic process that will have a significant impact on our citizens, and it should be subject to the most intense scrutiny of this place and of the devolved Administrations.

Sammy Wilson: I know that the hon. Gentleman and his party are resisting the will of the people as expressed across the United Kingdom in this referendum, but what does he find difficult about the Secretary of State's assurance that when it comes to trade—just to take the single market issue—the Government are seeking to ensure maximum exposure to the European market for British manufacturers and service industries, which is the aim of the negotiations? What is so difficult about that?

Stephen Gethins: Many of the hon. Gentleman's own constituents—57% of the people of Northern Ireland, in fact—voted to remain part of the EU, for many reasons, one of which was an act of irresponsibility committed by the Secretary of State and others, who campaigned to leave the European Union based on a blank sheet of paper. I have said in this House before, and will say again, that when we campaigned for independence my right hon. Friend the Member for Gordon (Alex Salmond) had the decency to produce a 670-page White Paper. People knew what they were voting for, and it was not the kind of mess that we are seeing today.

Mr MacNeil: I am sure that the farmers and fishermen of Northern Ireland will be as worried and concerned as the crofters and fishermen of the Outer Hebrides that there are no guarantees for their funding post 2020. That is a real case of material concern for people in all parts of the UK.

Stephen Gethins: My hon. Friend raises a very good point. Funding is a significant concern for fishermen, farmers, universities and others who rely on our relationship with the European Union. We are dealing with an act of negligence from the Government, who are providing us with no detail; that builds on an act of gross irresponsibility by the Vote Leave campaign.

Kwasi Kwarteng (Spelthorne) (Con): Will the hon. Gentleman give way?

Stephen Gethins: If you can answer for that act of gross irresponsibility, I will give way.

Kwasi Kwarteng: I am very grateful. The hon. Gentleman has mentioned that his party produced a 600-page dossier ahead of the Scottish vote, but when asked which currency would be used under independence, it simply had no idea, nor any clue about the consequences of independence.

Stephen Gethins: That is remarkable. My right hon. Friend the Member for Gordon set up a fiscal commission working group to look into that, covering a whole range of arguments. I am sure we can make that available to the hon. Gentleman. We had all the details. There were two Nobel laureates on that group. How many Nobel laureates do the Government have? Zero. *[Interruption.]*

Mr Speaker: Order. Mr MacNeil, you are an exceptionally boisterous fellow, and in the course of your boisterous behaviour appear to be chewing some sort of gum. It is very eccentric conduct. I have great aspirations for you to be a statesman, but your apprenticeship still has some distance to travel.

Stephen Gethins: If the House will forgive me mixing my cultural references, the three Brexiteers and their friends have got us into another fine mess, and cannot tell us how they are going to get us out of it.

Jonathan Edwards: Will the hon. Gentleman give way?

Stephen Gethins: I will come to the hon. Gentleman in a moment.

My right hon. Friend the Member for Gordon raised a very significant point about the devolved Administrations that, like most points put to the Secretary of State, was not answered. Fishing and farming are not a matter of negotiation in these islands, so will responsibility for fishing and farming go straight to the Scottish Parliament after Brexit? Or is there going to be a change to schedule 5 to the Scotland Act 1998? There is no answer. But that is not a matter of negotiation. It is a matter of fact—and it is facts that the Secretary of State cannot give us.

The situation is extraordinarily disappointing for the devolved Administrations, who have gone from being involved to being consulted. Will the Secretary of State

[Stephen Gethins]

tell us, as the Prime Minister told us previously, whether there will be an agreed position with the devolved Administrations? Perhaps someone will take a note of that for him. What will be the formal role of the Scottish Parliament?

This place and the UK Government do not have a particularly good track record when standing up for fishermen, farmers and others. The right hon. Member for Orkney and Shetland (Mr Carmichael) has raised the point, as has my right hon. Friend, that when we went into the European Union Scotland's fishermen, and fishermen across these islands, were described as expendable.

Alex Salmond: This intervention will give the Secretary of State the opportunity to consider my hon. Friend's question. In the days after she took office, the Prime Minister met Scotland's First Minister and seemed to assure Scotland that article 50 would not be triggered until there was an agreed position with the Scottish Administration. It is very fair for my hon. Friend to ask whether that is still Government policy or whether the Prime Minister has been countermanded by the Secretary of State for Brexit.

Stephen Gethins: My right hon. Friend makes a very good point.

Mr David Davis: Will the hon. Gentleman give way?

Stephen Gethins: I will—perhaps the right hon. Gentleman will give us an answer.

Mr David Davis: I apologise for having to intervene to give this answer. The Prime Minister showed very clearly how important she considered the devolved Administration in Scotland. She went to Scotland first after coming to power, and said, plainly, two things. One was that we will consult and have detailed discussions with the Scottish Administration, and those in Wales and Northern Ireland, before we trigger article 50 and bring the great repeal Bill to the House. But we cannot give anyone a veto. We consider ourselves bound by the decision of the British people. No one can say, "No, you can't do this", but we will do everything possible in our power to meet the needs of the Scottish people and the other devolved Administrations.

Stephen Gethins: Yet more time at the Dispatch Box for the Secretary of State, but with even less information. We were told that there would be an agreed position with the devolved Administrations. He seems to be backtracking on that. Perhaps in due course he will tell us whether there will still be that agreed position. However, I do not want to get him into trouble yet again, so will leave him to chat to the Prime Minister about that.

Mr Jenkin: Will the hon. Gentleman give way?

Stephen Gethins: I will make some progress. There is a valuable point that this place has to learn. Democracy in the United Kingdom does not begin and end in this Parliament, and has not done so for some time. Yet at the moment, we are in a situation where the unelected

House of Lords along the corridor will have a greater say on what happens next than the elected devolved Administrations.

I will set out some questions that I know those in the devolved Administrations will be asking themselves. What happens to the coastal communities fund, upon which fishing communities depend? What happens to the CAP—an issue raised not least by my hon. Friend the Member for Na h-Eileanan an Iar (Mr MacNeil)? What happens to the renewables obligations, where Scotland is streaking ahead of the rest of the United Kingdom, along with our climate change obligations? What happens to our world-leading universities—I have to mention the University of St Andrews and its outstanding work in this field?

Stewart Malcolm McDonald (Glasgow South) (SNP): Never heard of it!

Stephen Gethins: My hon. Friend is clearly in need of a better education.

What happens to the environment and our air pollution targets? What happens to the social protections? All those questions are unanswered—and we still do not have an answer on what will happen on the single market or to European nationals.

Mr Jenkin: I chair the Public Administration and Constitutional Affairs Committee. The hon. Gentleman is raising very legitimate points on the very legitimate basis that democracy exists in other parts of the United Kingdom somewhat independently of this House. We therefore need a respectful and constructive dialogue between the United Kingdom Government and the Administrations in the other parts of the UK, as well as between this Parliament and the other Parliaments of the United Kingdom. I have already visited the Scottish Parliament with my Committee to that end, and am offering to give evidence to the Scottish Parliament on those questions and how we should address them. I hope that the dialogue he wants will be in that spirit of co-operation.

Stephen Gethins: I thank the hon. Gentleman for raising those points and for visiting Edinburgh. I encourage him and his colleagues on the Committee to interact with their colleagues on the Committees of the Scottish Parliament. I am glad to be able to say this time that I think he has made a very fair point. I agree that that is what should happen.

Mr Kevan Jones: Will the hon. Gentleman give way?

Stephen Gethins: I want to make some progress.

Key questions need to be answered, for example, on the single market. I want to talk about European nationals for a moment. European nationals have made this country their home. They contribute significantly to our social and financial wellbeing. They make our society all the richer by being part of it. For the International Trade Secretary to describe them as "cards" was utterly unacceptable, although I note the Brexit Secretary is rowing back from that.

Mr Jones *rose*—

Stephen Gethins: On that point, I give way to the hon. Gentleman, who has been trying to intervene.

Mr Jones: Does the hon. Gentleman agree that the Government cannot even be straight on the structural funds, which he mentioned? The Chancellor's letter earlier this year refers only to funds allocated already, but not to the huge amounts of funding for the north-east, for example, that is yet to be allocated. Even on that there is confusion. If it is not the full amount, the north-east, like other regions, could lose hundreds of millions of pounds.

Stephen Gethins: The hon. Gentleman makes a valid point, and that situation affects universities, businesses and so many others, including cultural organisations such as St Athernase church in Leuchars in my constituency, which is 850 years old, and which was looking for European funding to help keep that jewel standing. It must now think about where it goes next, without any answers. We need to plan well beyond 2020, so he makes an excellent point.

Mr Jacob Rees-Mogg (North East Somerset) (Con): Will the hon. Gentleman give way?

Stephen Gethins: Not at the moment.

That point reminds me that the Institute for Government has said:

"There is a gaping void in the Government negotiating strategy."

There is also a gaping void in their policy. They are responsible for negotiating on behalf of all of us, which should concern us. We have not seen any more details. We have not seen a Green Paper, although I am not sure whether Ministers have.

We should think about the impact. The Fraser of Allander Institute says that in Scotland alone—I know hon. Members from elsewhere in the United Kingdom have concerns—there will be 3% fewer jobs by the time we leave the European Union, which could mean 80,000 jobs. Real wages could be 7% lower, which will affect households. The Treasury—these are the Government's own figures—warns that the cost of leaving the European Union could be £66 billion.

Joanna Cherry: My hon. Friend will be aware that the financial services sector in Scotland supports 150,000 jobs, many of which are in my Edinburgh South West constituency. He will also be aware that there is concern in the sector about whether passporting rights will be lost or kept as a result of Brexit. Does he agree that, if the Government are not successful in negotiating passporting rights for the financial sector, many jobs are likely to leave Scotland and go to the European continent?

Stephen Gethins: My hon. and learned Friend rightly makes an excellent point on the effect on her constituency. Professor Graeme Roy from the Fraser of Allander Institute has said that leaving the EU would have a "significant negative impact on the Scottish economy", which rings true with my hon. and learned Friend's point.

Mr Rees-Mogg: The hon. Gentleman mentioned a moment ago that people wanted certainty beyond 2020. Is he aware that the multi-annual financial framework

will not be renewed until 2020, and therefore that there is uncertainty even if we remain within the European Union as to how funding will continue after that date, including for the crofters of the hon. Member for Na h-Eileanan an Iar (Mr MacNeil)?

Stephen Gethins: I congratulate the hon. Gentleman on referring to my hon. Friend the Member for Na h-Eileanan an Iar correctly. The hon. Gentleman is right about 2020, but universities, businesses, regions and local authorities will negotiate and collaborate with one another well beyond that. They are currently not certain of membership of the European Union, the single market and the continued benefits of those programmes. I therefore do not agree with him on that point. That is a significant amount of uncertainty.

Wayne David (Caerphilly) (Lab): Will the hon. Gentleman give way?

Stephen Gethins: I will not give way yet.

Over the coming little while, much of the debate should be about scrutiny—we should be able to talk about our constituents who are affected—but it should also be about vision and the kind of country we want to see if the rest of the United Kingdom leaves. I was proud, as I am sure every member of my party was, that 62% of people in Scotland voted to remain.

Toby Perkins *rose*—

Ms Gisela Stuart *rose*—

Stephen Gethins: I will not give way at the moment.

That 62% represented the biggest gap between leave and remain in any part of the United Kingdom. For me, that speaks of a positive vision. That is the vision of a country that wants to take its place in the world. I joined the Scottish National party because I believe in a Scotland that is equal in this family of nations throughout the European Union. I believe in a Scotland that should co-operate on an equal basis with our partners in the Netherlands, Norway, Germany, France, England and Wales—[*Interruption*—]and indeed Northern Ireland, which is among our closest friends and partners. I believe that the EU nationals who have made Scotland their home are welcome and should stay and make a contribution.

I am proud to be part of a group that draws members from across the United Kingdom and beyond. We want a country that is outward looking and co-operating with our European partners. That is why so many people in Scotland and elsewhere are turning away from the United Kingdom and a Conservative Government who are being led by the nose by UKIP, talking about EU nationals as "cards", and talking about firms drawing up and putting out lists of foreigners. I do not subscribe to that, and nor does any SNP Member.

We want more scrutiny, but I fear that it will be insufficient. I want to hear the Minister answer my questions and the valid points made by the hon. and learned Member for Holborn and St Pancras.

Several hon. Members *rose*—

Mr Speaker: Order. We will begin with a 10-minute limit on Back-Bench speeches, from which a number of hon. and right hon. Members will benefit, but I give due notice to the House that that limit will have to be sharply lowered, probably relatively early.

2.36 pm

Mr Kenneth Clarke (Rushcliffe) (Con): Sadly I was not able to attend the Conservative party conference this year, but I followed its proceedings very closely, or as closely as I could, through reports in the media. I was rather surprised to find that some very clear statements of policy on the subject of Europe were made from the platform that I was not totally expecting. One was that we would not trigger article 50 before the end of March at the latest. I rather approve of that. This is such a portentous decision that a long and careful preparation of a policy within the Government, whom I fear probably do not yet have an agreed policy, is important. When I say that they should take as long as possible about it, I do not mean to be sarcastic. I do not underestimate the sheer scale of the task facing them to agree the strategy.

Other announcements were made, however. It was made absolutely clear that freedom of movement of labour with other European countries will be over. That conjured up the vision of work permits and so on, and possibly quotas. It was made perfectly clear that the control of all the rules and regulations that currently enable free trade within the single market will be taken back into our jurisdiction. No Brexiteer at the moment is able to name any very important rule that they wish to change, but we are taking it back into the British Parliament, and will then be free to change such rules of the market as Parliament agrees it wants to change.

We will also no longer submit to the jurisdiction of the European Court of Justice. The way in which the European Union has worked, and the reason it has lasted and still lasts as a 28 nation state organisation with common rules, is that there are institutions for enforcing those rules. Indeed, Britain used the European Court of Justice extremely successfully to preserve the passport for financial services when attempts were made to take it away by some of the new eurozone members.

John Redwood *rose—*

Mr Clarke: I will give way only once because we will be very short of time in the debate. Not for the first time, I give way to my right hon. Friend.

John Redwood: I assure my right hon. and learned Friend that there are a number of things we want to change pretty quickly. The common fisheries policy needs to be changed in the interests of Britain, and we would like to impose our own VAT on the products we think appropriate.

Mr Clarke: If anybody has an alternative fisheries policy that they have worked out, I look forward to a full debate on the subject, but I will not go into that area at the moment.

The point I am making is that those three decisions were all interpreted as making it clear that it was the Government's intention to leave the single market and leave the customs union. Those three decisions, on the face of it, are totally incompatible with the principles defended by successive British Governments, alongside

other nation states, ever since the Thatcher Government took the lead in creating the single market. We have always been extremely forceful in our demands that other member states should follow the principles that we were repudiating at the party conference.

I have right hon. and hon. Friends in this House who agree strongly with all three of those propositions, but what surprised me was that those propositions were announced as Government policy without a word of debate in this House of Commons, and, I think I know, without a word of collective discussion in any Cabinet or any Cabinet Committee. They were just pronounced from the platform. That was not a very good start, in my opinion, on this difficult subject. We all saw the consequences of the perfectly sensible reaction outside: that this meant the starting point of the negotiations was leaving the single market and the customs union. I take them to mean that. The three statements are incompatible with everything that has been there before. If I was a French, German, Polish, Spanish or Italian politician, I would look at that list and declare to my Parliament, "Well, that makes it perfectly clear that the British are going out of the single market and the customs union, and we are going to have to determine on what basis we can go back to some lesser access."

The reaction in the markets was only too obvious. It has continued ever since with continued pronouncements of uncertainty that are holding things back very badly. The pound has devalued to an extent that would have caused a political crisis 30 years ago when I first came here, and not for the first time.

Kwasi Kwarteng: The ERM.

Mr Clarke: Well, that was regarded as a political crisis. I am sure my hon. Friend did not welcome the ERM and say what a triumph it was to see sterling collapse as it did.

The present position is uncertainty. Although we have to go to March, we need to clarify some things. The uncertainty is not helping. Nobody is going to invest in this country in any international project until there is some clarity about our relationship with the outside world. To anybody who just thinks that devaluation is a good thing and Black Wednesday was White Wednesday, I could not disagree more. The situation is that we have now devalued by 40% since 2006 and we have the biggest current account deficit in this country's history. So the stimulating effect on exports has had its limitations so far. I think we should ask ourselves the question: what is raised by all this?

It is said that it does not matter: we have had the referendum, the public have spoken and all these things were determined. Indeed the Secretary of State, who shifted quite a bit from where I thought he was going to be a couple of days ago when I first saw the Government's motion, still starts by saying, "The people have spoken" and that all these things have been decided. Well, I do not accept that. These issues were not addressed during the referendum. In the national media, the debate on both sides was pathetic. The questions about how many millions of Turks were going to come here and how far income tax was going to go up and health service spending be cut, depending on which way you went, achieved rather more prominence than the details of the customs union, and the single market and its effect on any part of our economy.

No two Brexiteers agree, even today on these Benches. There are firm Brexiteers who think that we obviously need the single market, and there are firm Brexiteers who think, “Oh no, we don’t have to do that. It is so important to German car manufacturers and wine exporters that we can stay in the single market.” Actually, that more reflects the debates I have had with Eurosceptics over the years. The one thing I have never previously disagreed about with any of my Eurosceptic friends in the Conservative party is free trade. They absolutely enthuse with their belief in open markets, free trade and the removal of barriers. Indeed, the other new Secretary of State, who will be responsible for trade relations with the rest of the world, made a speech about the benefits of free trade and globalisation, which made me sound like a protectionist only a few moments ago.

I do not think there is a mandate for saying we are pulling out of the completely open access we have at the moment to a market of 500 million sophisticated, wealthy consumers, and that we feel perfectly free now to go on a voyage of discovery to see how much of that we can retain. My constituency voted in favour of remaining, but anybody who tells me there was a mandate in favour of that, among the leave camp and the 17 million people who voted to leave, is, I think, going to be greeted with a certain amount of disbelief. I therefore think it is a pity that the Secretary of State was obviously still quite unable to say whether the objective of the Government is to stay in the single market and the customs union or not. He gave great assertions. I am delighted to hear that they will be seeking to negotiate to maximise the best interests of the UK and the British people—that is very reassuring—and he hopes to get the best terms he can possibly get on access. Every other member state, however, will make it quite clear to its Parliament and its people what attitudes it is taking during these negotiations towards the single market. We are not.

We are making progress—I will conclude on this point and keep to my limit—and the Government amendment is a step forward that I did not expect to see. I welcome that. I would have voted for the Labour party’s motion. We still have no offer of a vote and we need clarity on the policy the Government are going to pursue, because the Government are accountable to this House for the policy it pursues in negotiations.

2.47 pm

Edward Miliband (Doncaster North) (Lab): It is a pleasure to follow the right hon. and learned Member for Rushcliffe (Mr Clarke). I will try to pick up where he left off because of the time limit. I congratulate my hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer) on, if I can put it this way, a first-rate speech from the Labour Front Bench. I also welcome the progress that has been made, as the right hon. and learned Member for Rushcliffe said, in the past 48 hours. In my view, however, we still have a significant way to go. I believe that nothing less than a vote on the Government’s negotiating strategy before the commencement of the negotiations will do. I want to explain why to the House.

The hon. Member for Wellingborough (Mr Bone) intervened earlier and said that this is a fuss about nothing, or that some people might say it is a fuss about procedure. This is not about procedure; this is about the country and whether Brexit works for the country or

not. I want to address those on the Government Benches in particular, because they, along with those on my side, will have a decisive role in determining whether we get the scrutiny and the vote.

I want to start where we should begin, which is with the state of the country. Let us be honest about this: the state of the country is deeply divided. We were divided by the referendum and we still are divided. Many leavers were delighted by the result but are anxious about what is going to come next. Many remainers are desolate about the outcome and fearful of the demons that have been unleashed. Both sides have reasons for their feelings. Let us be honest: this is not a good state of affairs for the country.

The Secretary of State and the Government say they want to create a national consensus. I agree that we need to create a national consensus. It is up to all of us to try to heal the divisions and create a consensus of the 52% and the 48%. Let us be honest, that will be difficult, but it is what we should try to do. From my side, remain, and for my part, I believe it means we should accept the result of the referendum as part of trying to bridge that divide. People voted and we should accept the result. But, if I can put it this way, the humility of those who lost should be matched by the magnanimity of those who won. So as I think about my responsibilities, I absolutely do think, as my hon. Friend the Member for Wolverhampton North East (Emma Reynolds) said, about my constituents who voted to leave the European Union. I say to the people who voted for leave and were successful that they should think about the remain people in our country—I am sure they do—who feel lost and wonder whether there is a place for them in Britain after Brexit.

Responsibilities lie on both sides and, if I may say so in passing, we should stop impugning each other’s motives. The vast majority of people who voted to leave did not do so because of prejudice. And, if I can put it the other way, those who are now advocating proper scrutiny and consent from this Parliament are not doing so, as the *Daily Mail* says today, because we want to reverse the vote. It is for much deeper reasons than that: it is about the mandate from the referendum. We need to put the labels of remain and leave behind us, but that is the beginning, because if the Government are serious about creating a national consensus, then how do we do that? We have to take the country with us on this new journey. This cannot be the political equivalent of the country being put to sleep for two years with an anaesthetic and waking up in a magical new land. That has never been the way our democracy worked and it will certainly not work on an issue as big as this.

We need a Government willing to be transparent and consultative with the people and, indeed, this House. The Secretary of State is not here now, but I think even he believes that, because it is significant that three days before his appointment he was saying that we should have a pre-negotiation White Paper. He even implied in that article, which bears reading, that that would strengthen the Government’s negotiating hand. I think it actually would, particularly if there was consent from this House for the Government’s position. Would it not also be an irony if the main act of those who argued in the referendum for the sovereignty of Parliament—I do not doubt their motives and beliefs—was to deny the sovereignty of Parliament in determining the outcome of the Brexit negotiations?

[Edward Miliband]

I want to deal with the four arguments that have been adduced for why Parliament should not get a vote over this referendum, because I do not think any of them stands up to scrutiny. The first argument is, “Well, we’ve had a referendum.” Correct: we have had a referendum, but as my hon. and learned Friend the Member for Holborn and St Pancras said so eloquently, the referendum determined that we are leaving the European Union. To those who say that the form of Brexit we would have was absolutely clear, I point this out. The Secretary of State himself advocated in 2012 that we should remain a member of the customs union. If it was so clear that we were leaving the customs union and the single market, why was he advocating the opposite position just four years before the referendum took place?

The second argument is an Executive power argument. Of course, the Secretary of State cannot make that argument with a straight face, because he published a Bill—it is an extraordinary Bill, as my hon. and learned Friend said, and should be distributed to all Members of the House—all about the need to control the Executive and the fact that, unless it was set out in statute that the Executive had this power, the consent of this House would be necessary. On something as big as this, with these huge questions about our membership of the single market and our place in the world, surely the consent of the House is necessary.

The third argument is the secrecy argument. I think this is, as the Foreign Secretary might say, baloney as well, because the reality is that, as sure as anything, these negotiations will leak and we will end up in the position where the only people not knowing what our starting position is will be us. We will find out by reading it in the newspapers. If there was ever any abuse of the House of Commons and its place, that would be it.

John Redwood: Does the right hon. Gentleman think that we should be prepared to negotiate away some part of our control over our borders and our money?

Edward Miliband: That is a very simplistic question, but on the substance of it, my position would be that we should do everything we can to stay members of the single market, but that we should also seek adjustments to freedom of movement. The Government’s position is the opposite. As far as I can see, it is that the only thing that matters is immigration and never mind if our economy goes off a cliff. I do not think that is a very good position.

The fourth argument is the red herring of the great repeal Bill. I think the great repeal Bill should be renamed the great entrenchment Bill.

John Redwood *indicated assent.*

Edward Miliband: Why do I say that? It is because the plan, as the right hon. Member for Wokingham (John Redwood) knows—he is nodding from a sedentary position—is actually for the great repeal Bill to entrench European law into British domestic law. All these laws that the leave campaign have honourably objected to for so many years will actually be put into British law. The notion that that is a proper means for this Parliament to take a view on the eventual outcome of the negotiation is also baloney, if I am allowed to say that in this House.

The four reasons that I have heard offered for why this House should not provide consent do not stack up. There is another reason, which could be the case—I really hope it is not—which is that the Government do not like the answer they will get if they ask this House for its consent. In other words, they do not believe there is a majority for hard Brexit in the House of Commons, so the thing they are desperate to avoid at all costs is getting the consent of this House, because they think they will end up in a negotiation in which they do not like the thing they are negotiating for. Well, I am afraid that is tough, because they need the consent and the confidence of this House on an issue as big as this, when there is no mandate from the referendum, certainly no mandate from the manifesto—which, let us remember, said yes to the single market—and no mandate for a Prime Minister who, let us not forget, was a remainer. I know she was a relatively silent remainer, but she advocated remain. She did not advocate leave and suddenly get swept to power, surfing on a wave of euphoria because she was in the leave campaign. She was in the remain campaign.

Ian C. Lucas: Does my right hon. Friend think there might be another explanation for the Government’s reluctance to put the matter to the House, which is that they cannot agree themselves what their opening position is?

Edward Miliband: That might well be the case. We only need to read the newspapers to see that if debates are not taking place clearly about the Government’s position in this House, they are certainly taking place clearly in the Cabinet, and the Chancellor of the Exchequer seems to be in a slightly different position from some of his colleagues.

I want to conclude—because there are other people who want to speak in this debate—by returning to where I started. This issue goes so far beyond party politics and so far beyond whether we were for remain or leave in the referendum. It also goes so far beyond our tenure in this House, because the decisions we make in the next two or three years will have implications for decades to come, so I implore Members in all parts of the House, particularly those on the Government Benches. I know there will be pressure not to speak out—some of them have honourably done so—but I hope we will hold to the best traditions of this House as we think about our duties, because our duties are not about procedure.

Mr Grieve: I can give the right hon. Gentleman an absolute, categorical assurance that, as far as I am concerned, my duty to my constituents transcends duty to party in this matter. I agree with him totally that as the effect of this change is so major, we each have to look at how we achieve the best result for our country.

Sammy Wilson *rose—*

Edward Miliband: I am going to conclude, because I want others to be able to speak.

That is the point I will end on. This is about getting the right outcome for the country. This is about creating the national consensus that the Government say they want. I am certainly going to play my part in doing that and I urge other hon. and right hon. Members to do that too.

2.58 pm

Sir William Cash (Stone) (Con): I must say, in response to the right hon. Member for Doncaster North (Edward Miliband), that there are of course those who do not and never will accept the outcome of the referendum and who will use almost any means at their disposal to try to overturn it or mitigate the result, while constantly and disingenuously stating their respect for it. That is abundantly clear.

This historic vote was an emphatic vote to leave the European Union. That was what was on the ballot paper. It was clear, and it follows from the fact that we are going to leave the European Union that Brexit does not just mean Brexit; it means the repeal of the European Communities Act 1972, which incorporates and absorbs all the laws and all the judgments of the European Court and all the matters that have come into this House and been imposed upon us by the 1972 Act.

There has been some talk about the Conservative manifesto. I have it here, and I mention it because it is relevant not only to some remarks off by some of my colleagues but to the future conduct of this matter in relation to the House of Lords. Our manifesto states:

“For too long, your voice has been ignored on Europe.”

That was stated in 2015 and put to the British people. It further stated that the Conservative party would

“give you a say over whether we should stay in or leave the EU, with an in-out referendum by the end of 2017”.

It then qualifies that—the precise date of the referendum was not known in 2015—by making some perfectly reasonable comments. It commits in the meantime or in parenthesis, as it were—it does not say that, but that is what it implies—to

“keeping the pound and staying out of the Eurozone”, which is fair enough, and to

“reform the workings of the EU”.

So long as we are in the EU, we obviously want to reform those workings, because it is

“too big, too bossy and too bureaucratic”.

It goes on to state that the party will

“reclaim power from Brussels on your behalf and safeguard British interests in the Single Market”—

and I should hope that we would during that interim period, and

“back businesses to create jobs in Britain by completing ambitious trade deals and reducing red tape.”

That is what the manifesto said, and it provided the basis on which not only the general election but the referendum took place. The words in the question were quite clear:

“Do you want to ‘remain’ in or ‘leave’ the European Union?”

Mr Kevan Jones: I do not disagree with that, but the hon. Gentleman has skirted over the fact that the manifesto on which he stood gave a commitment to remain in the single market. Where is that now?

Sir William Cash: It is clear from the wording I read out that safeguarding British interests in the single market applies to the intervening period between the result of the general election, the introduction of the EU Referendum Bill and the referendum itself. Indeed, we are going to have to continue to do that until we get to the later stage.

Nicky Morgan (Loughborough) (Con): I must disagree with my hon. Friend. I have the manifesto with me, too, because I shall refer to it in my remarks. It very clearly states:

“We say: yes to the Single Market”—

and there is no mention in the wording that my hon. Friend cited of there being an interim period in which Britain remains in the single market.

Sir William Cash: My right hon. Friend has, I think, a slight problem here. I understand from remarks made by Members on both sides of the House that when we repeal the 1972 Act, as we intend to do, some will not want to resist it—I see my right hon. Friend nodding her head, for which I am grateful. It is simply not possible for us to be in the single market on the one hand and on the other hand repeal the laws that are implicit in the 1972 Act. We cannot be in the single market and repeal the jurisdiction of that Act.

Nicky Morgan *rose*—

Mr Grieve *rose*—

Sir William Cash: I am not giving way for the moment. I am saying that we cannot both be in the single market and repeal the 1972 Act, whose laws are part of the jurisdiction of the European Court of Justice. I will give way now to the former Attorney-General.

Mr Grieve: My hon. Friend will doubtless agree with me that over the next three to four years we will get out of one treaty and replace it with at least another, if not a multiplicity of treaties—part of the 13,000 by which we are bound internationally at present. He might also agree that Norway provides an example of a country that participates in the single market without being a member of the European Union. Does that not completely destroy the argument that my hon. Friend has just put forward?

Sir William Cash: It does not, because I said implicitly that we would not be able to go into the European economic area for that very reason. The British people have spoken in the referendum, and everyone in the Chamber says that they respect the views of the British people, yet at the same time we hear these weasel words that somehow imply that it is possible to leave the European Union, repeal the European Communities Act 1972 and still remain within the jurisdiction of the European Court of Justice. That is just nonsense—political and legal nonsense.

Nicky Morgan *rose*—

Mr Grieve *rose*—

Sir William Cash: I have given way enough for now, and I want to continue with what I have to say. I shall come back to this issue on another occasion, but my position is abundantly clear and correct: we cannot both be in the single market and repeal the 1972 Act.

What is the meaning of the answer to the question? It meant that, by the consent of the voters given by the sovereignty of this House, this Parliament agreed to give to the British people the right to transfer from Members of Parliament in their place today and beforehand to them the decision on whether we remained or left. That decision was taken by a majority of something of

[Sir William Cash]

the order of 6:1. In my judgment, it is unseemly if not absurd for the same Members of Parliament to say, “Oh, well, we did not like the outcome of the result” and then to say “We are now going to mitigate or try to overturn it”.

Several hon. Members *rose*—

Sir William Cash: No, I am not giving way at this stage.

We are debating whether under the terms of this motion we will get a decision or a vote on the issue of trade negotiations before the triggering of article 50, so let me make this point, which is at the heart or at the least surface of the debate, about the Labour party and the Labour Government. No decision was taken by the then Labour Government to have a similar kind of condition imposed on the negotiating deal back in 1975, or indeed in October 1971. Neither in 1975 nor 1971 was there any attempt to prejudge the outcome of the negotiations, which I think speaks for itself.

Jack Dromey: The hon. Gentleman has accused Labour Members of being disingenuous and unseemly if we express concerns about the consequences of leaving the European Union. I represent the Erdington constituency, which is rich in talent but one of the poorest in the country. It is home to the Jaguar factory, which has doubled in size over the last five years and has transformed the lives of thousands of local people. It is absolutely correct for us to express their concern and that of the company that unless we remain in the single market, Jaguar Land Rover, which produces 1.6 million cars a year, 57% of which are exported to the European Union, and its workers will face very serious consequences.

Sir William Cash: I am so glad to hear the hon. Gentleman standing up for his constituents so well, which I always admire and try to do myself. In my constituency, about 65% wanted to leave the EU; the hon. Gentleman referred to Birmingham, where the vote was also to leave. I hope that he will have due regard to what his constituents have said, because they were in favour of coming out.

Let me deal with the assertion that there could somehow or other be a diminution in parliamentary accountability and parliamentary scrutiny. Of course there will be questions, debates, and Select Committees. We all know that a motion for a new Brexit Select Committee is before the House and that a new Chairman will be elected to it. On the idea that this Parliament will not scrutinise or hold the Government to account on all these matters, I do not have the slightest objection, and nor should anyone else, to the questions being put today or indeed on any other day. This is what Parliament is all about.

Some parts of Parliament do not like the outcome of the referendum, but the question itself and the vote to leave were emphatic. In my judgment, that should not be gainsaid by attempting to reverse the result. We all know who the usual suspects are, and I am not looking at one in particular. All I am saying is that there are people—loads of them on the Labour side—who cannot bring themselves to accept the result. [Interruption.] In that case, when the Labour Front-Bench team winds up

the debate, I expect to hear a categorical and unequivocal assurance that under no circumstances will any Opposition Member vote against Second Reading or try to undermine the repeal Bill. It sounds to me as though the bottom line is that they will not give that assurance, but I shall be interested if they do.

This historic vote gave the people of this country the opportunity to make a massive decision, one of the biggest decisions taken for generations. We have a democratic sovereign Parliament, which decided to give the vote to the British people. The position is much simpler than it sounds. This was not about the shenanigans over whether Vote Leave misrepresented people, or whether Project Fear did so. This was a decision by the British people, and in my view they paid a great deal less regard to the campaigns than to their own judgment. The British people got it right, and it is our job to respect that.

3.10 pm

Mr Nick Clegg (Sheffield, Hallam) (LD): Having heard the remarks made by the hon. Member for Stone (Sir William Cash), I am reminded how many fixed points in British politics have changed, and changed utterly, over the last few months. When I used to stand at the Government Dispatch Box, I could always rely on the hon. Gentleman and many other fervent Brexiteers to marry their loathing of the European Union to their passion for the traditions and prerogatives of this House. That was their *raison d'être*: they hated Brussels as much as they loved the House of Commons. They still hate Brussels, but they now appear to be completely tongue-tied, mute, silent, when they have an opportunity to speak up for the traditional prerogatives of the House.

A few minutes ago, my old friend and foe the hon. Member for Wellingborough (Mr Bone)—it is a pity that he is not in the Chamber now—was reduced, poor man, to presenting an obsequious, feather-duster question to the Secretary of State, rather than taking the opportunity to say that this place, in keeping with the greatest traditions of the mother of all Parliaments, should hold the Government to account for what they are now going to do, because the Government do not have a mandate on how to exit the European Union following the referendum on 23 June, and that is at the heart of today's debate.

Who would have thought it of a Government of the Conservative party, the party of tradition and the venerable principles of parliamentary representative democracy? As they tiptoe away from the great traditions that they once espoused, they are doing two things: they are reinventing history, and they are wilfully ignoring precedent. I want to say a few words about both, but I shall begin with the reinvention of history.

We heard it today, and we heard it from the Secretary of State on Monday: apparently, the referendum on 23 June produced an overwhelming vote in favour of Brexit. Apparently, everyone—except, of course, for a few misguided members of the liberal elite—voted for Brexit. It was overwhelming. There was no contest. It seems to me, however, that the dictionary definition of “overwhelming” does not conform to a very narrow vote in which one side received 17.4 million votes and the other side 16.1 million. That, in my view, is not an overwhelming mandate.

But the reinvention of history continues. Now, it seems, the Government—unique in this land—have a telepathic ability to tell us all the reasons why those 17.4 million people voted for Brexit. That is extraordinary. It is particularly extraordinary given that they have never deigned to tell a single member of our wonderful country what they think Brexit means, because they could not agree among themselves then, and they still cannot agree. Nevertheless, with astonishing, telepathic hindsight, they can tell us why everyone voted as they did—and apparently everyone voted, *en masse*, for exactly the same thing.

Kwasi Kwarteng: Will the right hon. Gentleman not accept that the one thing that Brexit means is that we are leaving the European Union, and will he not say on the Floor of the House that he will not try to contravene or subvert that?

Mr Clegg: As the Secretary of State said earlier, being outside the European Union, like Turkey, Switzerland and Norway, means a multitude of different things. That is now the challenge for the Government. That is what the Brexiteers cynically withheld from the British people in the run-up to 23 June because they could not agree among themselves, and that is why the House of Commons now needs to hold the Government to account.

But, not happy just with reinventing history in terms of the so-called overwhelming vote, which was actually very close—not content just to have, apparently, this telepathic wisdom, with hindsight, about why everyone voted—the Government have cast aspersions on 16.1 million of our fellow citizens who did not agree with them. I find it quite extraordinary that the Prime Minister of our country, with no mandate of her own, had the gall to get up in front of her own party conference and basically imply that if you believe, as I believe, that we have a natural affinity not just with one another here, not just with our constituents and not just with the communities that we inhabit in this country, but with people living in other countries, other time zones and other hemispheres—if, that is, you feel that there is something called British internationalism, which I believe to be a proud, liberal, British tradition—you are a citizen of nowhere. I do not think that any Government who insult more than 16 million of their fellow citizens are capable of uniting a country that was so starkly divided on 23 June.

Conor Burns (Bournemouth West) (Con): There seems to be a developing theme that the people who voted to leave were not clear about exactly what they were voting for. Does the right hon. Gentleman not recall the very clear warnings given by the then Chancellor of the Exchequer and the then Prime Minister that voting to leave meant leaving the single market? Does he not accept that leaving the European Union cannot mean the continuation of free movement and the application of European law that membership of the free market would require?

Mr Clegg: Let me answer the hon. Gentleman's question directly. I personally take the unfashionable view that with a bit of fancy diplomatic footwork and some political intelligence, the Government could negotiate retention of our membership of the single market along

with curtailment of freedom of movement. What the Government cannot do—and, funnily enough, the hon. Member for Stone was correct about this—is have membership of, or untrammelled access to, a marketplace of rules and not abide by those rules. That is what is impossible, but it was not a contradiction on the part of the British people; it is a contradiction on the part of the Government, and a self-inflicted one.

Let me now say something about precedent, for precedent is very important. Many people have talked about the history of this place, and the history of the relationship between the legislature and the Executive, but why has no one on the Government Benches cited what is, in my view, the very important precedent of John Major? When he was Prime Minister and was faced with a very tricky negotiation on the Maastricht treaty, he made the courageous decision—and it was not a risk-free decision—to come to the House and say, “This is what I want to negotiate on behalf of the United Kingdom; do you agree or not?” There was a debate, and then a vote, on 20 and 21 November 1991. That was a stance taken with courage and delivered with clarity. Where is the courage now? Where is the clarity? Where is the willingness of this Government to put country before party? It is truly a shame that the example set by John Major is not being adopted by the followers of the present Prime Minister.

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

Mr Clegg: I shall make some progress, if I may. I want to cite one final precedent, which has not been mentioned in the debate so far but of which I have personal experience, and which I think has a direct bearing on the debate.

When I was Deputy Prime Minister in the coalition Government, a Secretary of State—I shall come to who it was in a minute—came to me and said, “Look, I have to negotiate, on behalf of the Government, a very tricky deal with the rest of the European Union.” It was all to do with the so-called JHA opt-out, on which I am sure the hon. Member for Stone could deliver a great treatise. As he will remember, under provisions negotiated by Tony Blair, the United Kingdom fell automatically out of a bunch of measures on crime-fighting—the so-called judicial and home affairs co-operation measures—and we had to decide, as a country, which ones we were going to opt back into.

There was a great tussle and argument between the two parties in the coalition. I wanted us to opt into more measures, and the Conservatives did not. However, I was told by the Secretary of State that the one absolutely indispensable requirement for that Secretary of State was, at the beginning of the negotiations, a full debate and vote on the mandate on which the coalition would then negotiate with the other member states, and at the end, another debate and vote. Those took place, and I can give the House the dates, which I have here on my scrawny little piece of paper. On 15 July 2013, the House debated and voted on that complex negotiation on the JHA opt-out, and the concluding vote on the final package—which we as a coalition Government were bringing back to the House—took place on 10 November 2014. The House might be interested to learn that the Secretary of State who was so adamant at that time that there should be a debate and a vote on those negotiations was none other than the Prime Minister of today.

[Mr Clegg]

That is significant, and my final question for the Ministers is this. If it was justifiable for the House of Commons to have not only a debate but a vote at the beginning and the conclusion of a negotiation on the significant but none the less comparatively narrow matter of the JHA opt-out, why on earth are the Government not coming here today and granting the House exactly the same rights and prerogatives for something that is immeasurably more significant and that will, as so many people have said, have a bearing on life in this country for generations to come?

3.20 pm

John Redwood (Wokingham) (Con): Some colleagues have already said that it must be our duty now to try to knit our nation together, to put the heat and fury of the referendum campaign behind us and to see how together we can build a prosperous and successful future for the United Kingdom as the country leaves the European Union. I think that that will be easier than the tone of this debate so far would give people to believe, because I have great confidence in the British people. I have spent a lot of time talking to remain voters, both before and after the referendum, as well as obviously encouraging the leave voters, whose cause I helped to champion.

The good news is that the remain voters are not, on the whole, passionate advocates of the European ideal and the European project, and that is why we will be able to put this together. According to polling, around 10% of all voters in Britain really believe in the whole European project—a perfectly noble vision of integration, political union, monetary union, a borderless society and so forth—but they are a very small minority in our country. I am afraid that we cannot easily build a bridge to those who want to be part of a united Europe, because it was clearly the view of both sides in the referendum that Britain did not want to be part of the single currency, the political union, a borderless Europe and so forth.

However, this does mean that an awful lot of the remain voters—the overwhelming majority, in fact—voted remain not to join the full project but because they had genuine fears that when we came out of the union, we would leave the single market. They felt that that could be damaging to trade, investment and business prospects. It is on that narrow point that the House of Commons has to concentrate its activities over the next few months, because it is on that central issue that our discussions with our European partners need to concentrate.

I am conscious that the business community has one aim above all others, which is to reduce or eliminate uncertainty. Having been in business myself, I know that business is about managing uncertainties all the time, but it is of course good if we can get the politicians to make their contribution to lowering uncertainty rather than increasing it. It is important that we all work together to try to reduce the uncertainty and shorten the time in which that uncertainty exists.

I am also conscious that we can lower uncertainty in two ways. As we approach the negotiations, we must first show that we are going to go at a lively pace, because the longer they drag on, the more uncertainty will develop, the more obstacles and confusions will

arise, and the longer will be the delays that can hurt. So we need pace. The second thing we can do to reduce the uncertainty is to say that we need only to discuss a limited number of things. We can narrow the framework of the negotiation. There are many consultants and advisers out there saying, “We must scope and chart every aspect of all our relationships with other European countries, be they technically single market or EU or wider. We must put them all on the table, then throw them up in the air and discuss which ones should change and how stable they are going to be.” That would be a disastrous way to proceed. It would take too long, and it would offer too many hostages to fortune.

The Government are right to say that in order to have a successful negotiation that lowers the scope for danger and downside, we need to take those discussions at a pace and ensure that we do not say too much in advance about any possible weaknesses in our negotiating position. We should not open up issues for negotiation that do not need to be negotiated, and we should take on board only those issues that are a genuine worry to those on the other negotiating side and that need to be taken seriously because they have some powers over them.

The United Kingdom has voted to take back control. That was what Vote Leave was all about. That was the slogan throughout the campaign, and when asked to define it more, the leave side said that we were voting to take back control of laws, money and borders. So we know what cannot be negotiated away. We also know that the main area of uncertainty is how we are going to trade with the single market when we cannot technically be part of it because it includes freedom of movement and wide-ranging law codes over things that go well beyond the conduct of trade and commerce. It is not a segregated, integrated whole within the European Union; it is a central part of it and part of a very big consolidated treaty.

Jonathan Edwards: The Secretary of State said something very interesting earlier when he said that he hoped to negotiate a better economic deal than membership of the single market. As a prominent Brexiteer, can the right hon. Gentleman explain how that will be possible?

John Redwood: I do not recall the Secretary of State saying that at all. He was saying that we could have a better relationship than simply relying on World Trade Organisation rules. I have good news, however. If we were to have to fall back on WTO rules, this country would be able to trade perfectly successfully with the rest of the EU and would be free to have much better trade deals with the rest of the world, which we have been impeded from having all the time we have been in the EU. Should there have to be tariffs, there would be many more tariffs collected on European imports into Britain, so we would have a lot of money to spend. We could give that money back to British people, so they would not actually be worse off as a result of the tariffs. Whereas, if we went the other way, the tariffs would be a great embarrassment to our European partners. I am very optimistic about our European partners. I think that they will want tariff-free trade. I do not see Germany or France queueing up to impose tariffs on us, so I hope that we will be able to get through this quite quickly and reassure them that we do not want to put tariffs on their trade either.

Mr Jenkin: Is it not also incumbent on the Government to be mindful that article 50 was not put into the Lisbon treaty to make it less complicated to leave the European Union? If we try to include too many things under article 50 that stray into mixed competences, we will finish up with an agreement that requires unanimity. That would lead to a far more protracted negotiation than if we try to keep things simple. In fact, it would be an advantage to business if we could complete this in a much shorter period than the two years specified under the article 50 process.

John Redwood: Indeed. This is not a prediction, because I know that a lot of people have lots of good and bad reasons to want to delay and make this more complicated, but it would be quite possible to negotiate the trade issue very quickly.

We have two models available. My preferred model would be to carry on trading tariff free without new barriers, as we are at the moment. That is the most sensible model to adopt, and I think it makes even more sense for our partners, who are much more successful at selling to us than we are to them. I have not yet heard them say that they want to impose barriers. Then there is the WTO most-favoured-nation model, which would also be fine. If one wishes to have a successful, quick and strong negotiation, one should not want anything. We do not want anything from our former partners. We want them to get on and develop their political union in the way that they want, in which we have been impeding them, and we want to be free to run our own affairs in an orderly and friendly way.

We want to have even more trade with our European partners. We want more investment agreements, more research collaborations, more student exchanges and more of all the other good things we have. Those things are not at risk, and there will be an enormous amount of good will from a more united United Kingdom. *[Interruption.]* Opposition Members want to split us up by saying that everything has to go wrong. If they want us to negotiate successfully, they should show confidence and optimism—let us show that we can do this and be good friends with our European partners.

Helen Goodman (Bishop Auckland) (Lab): The right hon. Gentleman is absolutely right: we have a mutual interest with other European countries in continuing research projects and university collaborations. However, those things are part of the EU budget, so if we are going to do them, he will have to get off his high horse about not making any contributions to the EU budget.

John Redwood: We will behave like all other independent countries of the EU and have lots of collaborations with them. We will have agreements on those collaborations as the need arises. The important thing is that we will have taken back control.

I urge the Labour party to understand that I and people like me are passionately in favour of parliamentary democracy. That is why we waged the long campaign that we had. I have every confidence that Parliament will rise to this occasion. Today is a good example of that. The Opposition had time and allotted it to this crucial subject. They could have tabled a motion about the position they would like us to strike in the negotiations,

but they are not yet ready to do so. I understand that, but it was in their power to do so. They could have tabled a motion to try to veto an article 50 letter, had they wanted to, but they were very wise not to do so because many of their constituents would have seen it as an attempt to thwart the will of the people in the vote. There is nothing stopping this great Parliament doing those things.

I am pleased that the Secretary of State has already made two statements and given evidence to two Select Committee investigations. He was here in person today to answer the Opposition debate. We do not always get the courtesy of having the Secretary of State before us in an Opposition day debate. That augurs well for there being more scrutiny.

I am pleased that the main way we will leave the European Union is by repealing the European Communities Act 1972, because that means that the central process will be a long constitutional Bill—not long in length or wordage, I hope, but in terms of proceedings, as I am sure SNP Members will want to cavil over every “and” and comma, and they have every right to do so, up to a point. Parliament will consider that legislation and vote accordingly. That is exactly as it should be. It will be a great celebration of our parliamentary democracy, which the majority voted to strengthen, that we do it by parliamentary means.

The right hon. Member for Doncaster North (Edward Miliband), the former leader of the Labour party, correctly said that all the European law will at that point become British law—that is the irony of it—but we will do that for the purposes of continuity. Thereafter, we in this House will be able to judge whether it is wise or necessary to repeal or amend any part of that legislation. If it would have a direct bearing on our trade with the European Union, it would not be a good idea to do that without knowing that the EU was happy or that it would not react unreasonably. For example, when selling into a market, one needs to meet the product requirements, and things like product standards will be part of that continuation of the legislation.

The only thing about the single market that is really worthwhile—it is mainly very bureaucratic, expensive and pretty anti-enterprise—is that it provides common product specifications and standards, so that if a washing machine is saleable in France, it is also saleable in Greece. The great news is that when we are out of the EU, that will still be true. It is an advantage for an American exporter into the EU, just as it is for a UK exporter into the EU. When we are in a similar position to America—a friendly independent country trading with the EU from the outside—we will get the full benefit of that.

Let us bring the country together. Let us show that we can be more prosperous and more successful. Let us show that our trade is not at risk. Let us be confident in our negotiation. Let us not use this place to make all manner of problems that will give those who want to wreck our negotiation good comfort, support or extra research. Let us show how everything we do can create more jobs, more trade and more investment.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): After the next speaker, the time limit will drop to six minutes.

3.33 pm

Hilary Benn (Leeds Central) (Lab): I say gently to the right hon. Member for Wokingham (John Redwood) that, listening to what he just said about the single market, one could easily forget that the late Baroness Thatcher was one of its great advocates.

The debate thus far has demonstrated that some Members find it rather difficult to leave behind the arguments and stances taken during the referendum. We must, as my right hon. Friend the Member for Doncaster North (Edward Miliband) pointed out, respect the decision of the British people. We have to implement it and negotiate an agreement that works for the whole country. In seeking to do that, we have to try to heal the wounds and calm the fears that have been created, in particular on the part of the 48%.

John Redwood: The right hon. Gentleman said that the late Baroness Thatcher was a fan of the single market. He should know that, as her adviser, I advised her not to give up the veto in order to create it. She did not accept my advice, and I think she came to regret that.

Hilary Benn: I think the House is grateful for that history lesson. I hope the right hon. Gentleman will forgive me if I do not take his advice either on some of the arguments that he has advanced in his speech this afternoon, although I respect the position that he has long held.

I support the calls from all parts of the House for proper scrutiny and accountability, especially given the scale of the task that we face, which was set out very clearly by my hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer). I am talking about the basis on which we will trigger article 50, continued access to European markets for our industries, future arrangements for immigration and maintaining co-operation with our European neighbours in areas where that co-operation has benefited both of us.

There are four things that we need to consider as we undertake that task. One is to minimise uncertainty—a word that we have heard a great deal of in this debate. The second is to be clear about the timing and the content of the negotiation. The third is to protect the things that we value that have come from Europe, and the fourth is to think creatively about how we build a new kind of relationship with Europe as we leave the institutions.

Paul Farrelly (Newcastle-under-Lyme) (Lab): The Secretary of State said that he wanted to minimise uncertainty. He must reflect on that and give himself marks out of 10 on how he thinks he is doing at the moment. Let me take one example: the British Chambers of Commerce in Germany is hosting a conference here in Westminster tomorrow on the impact of Brexit on the City of London and the financial services sector. One issue preoccupying them is that of passporting. It is uncertainty on that issue that is already creating a situation in which bad decisions are being made on employment and investment in this country. Does my right hon. Friend agree that, in these crucial areas, the Government must address uncertainty?

Hilary Benn: I am grateful to my hon. Friend for that point. I shall come on to address it in a moment.

I was just going to say that some of the uncertainty is inevitable and will not be resolved until the negotiating process has been concluded, but some of it is the result of different things being said by different members of the Government—one has to acknowledge that—as well as the things that have been left unsaid, which may lead others to draw conclusions and then act on them in the absence of clarity.

The announcement by Nissan that it will not invest any more in this country without guarantees from the Government is indeed unwelcome, but it is entirely understandable. What car manufacturer—my hon. Friend the Member for Birmingham, Erdington (Jack Dromey) talked about Jaguar Land Rover—will invest in additional capacity if there is still some doubt that we might leave with no agreement on trade and tumble out on World Trade Organisation terms, which would lead to those cars facing a tariff? I accept that, in the end, we are likely to get an agreement in which there are no tariffs on manufactured goods, and, frankly, the sooner that that can be made clear, the better. There are those who argue that it would be perfectly possible within the two years provided by article 50 not only to negotiate the mechanics of our withdrawal—and that is quite a task—but to conclude a new trading agreement that will give access to the single market for our goods and our services, which have not been much talked about but my hon. Friend made the point that 80% of our economy depends on services. Those who argue that may be right, but I somehow doubt it.

Mr Jenkin rose—

Hilary Benn: I will not take any more interventions, because there are many other colleagues who wish to speak.

If that is the case, we will clearly need a transitional agreement to cover the time after we have left the European Union until the moment when a final agreement on trade and market access has been reached. I listened very carefully to what the Secretary of State had to say about that when I asked him a question on Monday. The Government need to say now, explicitly, that if we have not been able to conclude such an agreement by the end of the two years—there is absolutely no guarantee that all 27 member states will agree to extend the period—we will seek that transitional arrangement, because that would help to boost business confidence.

The second aspect of uncertainty is its impact on people. Unfortunately, in the past couple of weeks, a number of statements have been made about EU nationals and overseas workers here in the UK. I welcome the fact that it now appears that there will not be a requirement on companies to publish lists of overseas workers, but a reference was made to overseas doctors, who make a huge and important contribution to the NHS, being able to stay here for an interim period until such time as we have trained more doctors in Britain, which is a good thing. It was unwise to talk about overseas students as if they are a problem to be cracked down on, and it was a mistake to describe EU citizens who are living here, working here and paying tax here as a card to be used in negotiations. Words matter. They are not a card; they are people; and they listen intently to what is said because they realise Ministers are talking about them, and they take it personally and they feel unwanted.

That is very damaging to our reputation as a country that has always welcomed people who want to come here to work, to study and to contribute.

I accept that the 52% of people who voted to leave sent us a message about their wish to control immigration from the EU, although many of the people I spoke to during the referendum campaign who made that argument accepted that there would be a continuing need for workers to come, to bring their skills and to contribute to our society in so many different businesses and sectors. So I encourage Ministers to offer as much reassurance as possible now to those EU citizens about their likely future status, while recognising, because it is in our self-interest to do so, that the way in which we approach that matter will have an impact on the spirit in which the other 27 member states, from which those people come, approach the negotiations that we are about to embark on, and to provide some clarity about how the Government plan to balance the desire to control free movement with continued access—

Anna Soubry: Will the right hon. Gentleman give way for just a minute?

Hilary Benn: I think that I have run out of my minutes, so I hope that the right hon. Lady will forgive me if I do not.

We need clarity about how the Government propose to handle that trade-off in relation to access to the single market, given that we know from statements that have been made and signals that have been sent that the EU wants to set its face against any change to the four freedoms, and it has also made it pretty clear that it wishes to demonstrate to us and, through our experience, to others that there is a cost to leaving the EU.

Anna Soubry: Does the right hon. Gentleman agree that there is a very grave danger when we talk about immigration of extrapolating from the referendum result that there is a desire to reduce immigration? The two great cities that have benefited and have overwhelming immigrant populations—London and Leicester—voted to remain.

Hilary Benn: The right hon. Lady is absolutely right and brings me neatly to the point that I was about to make about one of the great industries in our capital city: the impact on the services sector, including financial services, and the City of London, which is a network built on relationships, technology and agreements with the EU and, through it, with other countries. I would describe it as a delicate ecosystem, part of which is built on managing risk. Members should not be terribly surprised if those who manage risk for a living, looking at the risks that they think that they might face from not getting an agreement that would allow them to carry on what they have been doing, draw their own conclusions about where they will put their business, where they will do their business and where they will employ their staff in future.

On the great repeal Bill, mentioned by my right hon. Friend the Member for Doncaster North, I have christened it the great incorporation Bill. Entrenchment, incorporation—are there any more suggestions? I trust that the Bill will make it clear to workers that their employment rights will be protected and to people who care passionately

about the environment that the environmental protections that have come from our membership of the EU will be maintained in future.

Now, in all this, there must be transparency. I accept the argument that it would be unreasonable for the Government to reveal their detailed negotiating plan and their tactics before advancing their case in those negotiations, but that is not the same as being unwilling to answer questions about what our negotiating objectives are, and it is not the same as being unwilling to share the assessments that the Government have made about the possible consequences of leaving the EU.

On the first, the questions are very simple. Do the Government intend to remain in the Euratom treaty? Do they wish to continue to be part of the European Medicines Agency—which, by the way, is based in London—Europol and the European arrest warrant? What about the European Aviation Safety Authority, the European Patent Office and the European Banking Authority? Those are very straight questions about the Government's negotiating objective when they talk to the other 27 member states.

On the second, we all saw the story on the front pages of *The Times* and *The Guardian* yesterday about the alleged draft Cabinet Committee paper that talks about the loss of GDP that we can expect and the detrimental impact on tax revenues. It is good that the Government are making assessments; it would be nice if they could be shared with the House, as well as with *The Guardian* and *The Times*, because we need to know the consequences of the different options that are being looked at.

My final point is about a new relationship with the European Union in the areas where co-operation has been to our mutual benefit—in particular, security, defence and foreign policy. It is essential—think of the debate that we had on Aleppo and Syria yesterday—that we continue to co-operate closely with our European neighbours, even though we are leaving the institutions of the European Union. This will be a very complex and daunting process, and I do not envy Ministers, because having to do this on top of meeting all the other demands of a ministerial job is not something that any of us would relish, but it is the responsibility of Members in all parts of the Chamber to make sure that we scrutinise and hold the Government to account as they give effect to the decision that the British people have made.

The point has been made that as one of the main reasons advanced by those who said that we should leave was that it would restore the sovereignty of the House, Ministers cannot now argue that exercising sovereignty should not extend to the biggest challenge that the country has faced since the end of the second world war. Ministers need to understand that when we get to the end of the negotiations, this House will and must take a view on the nature of the agreement that the Government have negotiated, because it will affect every single one of us, our children, and all the generations that will come after us.

3.45 pm

Nicky Morgan (Loughborough) (Con): It is a pleasure to follow the right hon. Member for Leeds Central (Hilary Benn), who will, I suspect, play a key part in

[Nicky Morgan]

scrutinising, on behalf of this House, the negotiations with the EU over the next few months, years and decades.

I have managed to avoid debating the European Union, though debating it has been a customary habit of many members of my party for a number of years; I did so by becoming a Minister, although I was the EU budget Minister and enjoyed undergoing scrutiny by my hon. Friend the Member for Stone (Sir William Cash) as Chairman of the European Scrutiny Committee.

Let me make it very clear, as hon. Members in all parts of the Chamber have, that although I wanted us to remain a member of the European Union, I accept the result of 23 June. That is why I think that the Government amendment can be supported by everyone who has spoken so far. However, once the article 50 negotiations are completed, we, from outside the European Union, will have a wholly different relationship with EU member states. That is why I also support the Labour motion—because it recognises that leaving the EU is the defining issue facing the United Kingdom. It was the right hon. Member for Doncaster North (Edward Miliband) who said that the decisions that we take over the next few months and years in Parliament will shape this country for decades and generations to come. That is a responsibility that we all need to take very seriously, and that we should undertake, as the shadow Secretary of State said, without point scoring and partisanship.

Clearly, the key question will be about access to the single market, and balancing that with the issues around freedom of movement and immigration control. I was struck by the fact that the words “single market” were nowhere in the Secretary of State’s statement to Parliament on 5 September; I made that point to him then. Not mentioning it will clearly not be tenable. The relationship between the single market and freedom of movement was not on the ballot paper, and it is what we will be discussing in this House for months to come.

As I have already said to my hon. Friend the Member for Stone, the Conservative party’s 2015 manifesto is clear about what we want from Europe. We—that is, all Members of Parliament elected on the Conservative party manifesto in 2015—say yes to the single market. The Prime Minister, in her speech to the Conservative party conference, said very clearly that we want

“to give British companies the maximum freedom to trade with and operate in the Single Market”.

For anyone to say that the single market will not be part of the discussions, and that just because we are repealing the European Communities Act 1972 we will not discuss the single market, is not correct.

Sir William Cash: Does my right hon. Friend accept that it is impossible for us to repeal the 1972 Act on the one hand, which is the endgame, and on the other to remain subject to the jurisdiction of the European Court within the single market? We trade into the single market, but we are not in the single market; that is the point.

Nicky Morgan: I thank my hon. Friend very much indeed for that intervention. The European Communities Act 1972 was introduced a long time before the single

market was envisaged by, as we have heard, a former Prime Minister. As someone who was engaged in commercial negotiations for 16 years before I came to the House, I think that anything is possible in a negotiation, as the former Deputy Prime Minister said.

I want to make three quick points. First, I want to pick up the point made by my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke). I was concerned to hear that last week in an interview given by the Chancellor of the Duchy of Lancaster that the Cabinet had not been consulted on the timing of the triggering of article 50, and that that had been decided by a small group of people as something to be announced at the Conservative party conference. We have been arguing that Parliament must be involved in scrutiny decisions, but the Cabinet must be kept fully informed of key decisions on our leaving the European Union.

Secondly, we heard from the right hon. Member for Leeds Central about the status of EU citizens. I was heartbroken to receive an email from a constituent—I suspect that it is not the only one that I or, indeed, many of us will receive—who has moved here from elsewhere in the EU. She has gone through a difficult court case on the custody of her children, and has settled in the United Kingdom. There are restrictions on where those children can travel within the EU. She said to me

“Yet as EU citizens, it is becoming increasingly clear that it will become near impossible for us to continue living in the UK. I, for one, will have great difficulty finding employment”—

she has a PhD, awarded here—

“and using my expertise because I am not British.”

That is not the country that I want to see. I do not think that this is the country that the Government or Parliament wants to see. That is not the message that we want to give about this country, which has been built on the skills of those who have come here for generations. I suspect that many of us in the Chamber are here because our forefathers moved to this country and took advantage of the safety that we provide.

Finally, those who are asking questions about the scrutiny by Parliament of these fundamental negotiations are not trying to thwart the will of the people. I resent that implication—I resent it from newspapers, I resent it from Ministers, and I resent it from the briefers and spinners at the centre of Government. It only encourages me to ask more questions, and I will work with colleagues in the Government and colleagues across the House to ask those questions. It is Parliament’s duty to scrutinise the Executive. I have stood at the Dispatch Box, and I have been scrutinised by Parliament—rightly so. Now I am on the Back Benches I will scrutinise the Executive. Our constituents send us to Westminster as Members of Parliament to ask the questions that they cannot put to Ministers themselves. Colleagues, we must take every opportunity to ask those questions to get the best possible deal for this country as we leave the European Union.

3.53 pm

Emma Reynolds (Wolverhampton North East) (Lab): It is a pleasure to follow the right hon. Member for Loughborough (Nicky Morgan), who gave a powerful speech. I agreed with everything she said, and I want to reiterate something that she said at the end and the beginning of her speech.

Like the right hon. Lady, I campaigned to remain in the European Union but, like her, I accept the result of the referendum. Although the Prime Minister and her Ministers have spent the past few months parroting the mantra “Brexit means Brexit”, that is simply meaningless tautology. People voted leave for many different reasons, and Brexit could take many different forms. A majority of my constituents voted leave for various reasons, but they did not vote leave to become poorer, they did not vote leave for their wages to drop, and they did not vote leave to lose their job. I urge the Government to bear that in mind in everything they do.

Members on both sides of the House, from different corners of our country, have a hugely important job to do. Our job is not to rerun the referendum, nor is it to block our exit from the EU. It is to hold the Government to account and make sure that they secure the best possible deal for the country and our constituents.

Mr Jim Cunningham (Coventry South) (Lab): My hon. Friend makes an important point. She, like me, represents a midlands constituency, and therefore she, like me, will want some answers on what the Government’s future relationship with the single market will be, bearing in mind that it was a previous Conservative Government who took us into it. More importantly, companies such as Jaguar Land Rover and Nissan want to know those answers for the purpose of future investment, because Jaguar Land Rover has invested a lot of money in the midlands. Years ago Nissan was going to invest in Coventry but could not get regional aid, and that is why we went into the single market.

Emma Reynolds: I agree entirely. Jaguar Land Rover is also a very important company in my constituency. Those companies want clarity from the Government. The Brexit Minister told the House earlier today that he has made several statements and appeared before several Select Committees, but he has said almost entirely nothing. We need clarity and proper parliamentary scrutiny. That does not mean seeking to thwart the will of the people, as the right hon. Member for Loughborough said so powerfully.

I will focus my remarks on three tests that I want to put to the Government. First, are they driven by the national interest or their party’s interest? So far, regrettably, their record is not good. Was it purely a coincidence that the Prime Minister’s announcement that we would invoke article 50 by the end of March 2017 happened to be on the first day of the Conservative party conference? Was it just a coincidence that she wanted to reassure her party faithful that she, having been a lukewarm remainderer, actually thinks that we should leave the EU?

Equally, the Conservative party’s interest was uppermost in the Prime Minister’s mind when she claimed that ‘there is no such thing as a choice between ‘soft Brexit’ and ‘hard Brexit’’,

because she knows that her party is divided on the issue. That is not only bizarre, but wrong. If there was no such distinction, why did the pound slump to a 31-year low days after the Tory party conference, due to fears of a hard Brexit? If there is no such distinction, why has the Treasury said that a hard Brexit could cost £66 billion a year in lost revenue and that the economy will be between 5% and 9% smaller than it would be if we stay in the single market? If there is no such distinction, why

has Nissan said that there will be no further investment in its UK plants if it does not know whether in future it will face tariffs on its exports to the rest of the EU?

It is clear to me that some Tory Members—we have heard it already today—are happy to trade with the rest of the EU, which is still our main trading partner, on WTO terms. Worryingly, the International Development Secretary seems to be in that category. However, other right hon. and hon. Members on the Conservative Benches disagree. The right hon. Member for Broxtowe (Anna Soubry) called it “bonkers.” She is right, because it would mean tariffs on our exports: 10% on cars, 20% on beer and whisky, and obviously non-tariff barriers on trade.

The Conservative party’s 2015 manifesto—the right hon. Member for Loughborough has already mentioned this, but it is worth repeating—stressed:

“We benefit from the Single Market... We are clear about what we want from Europe. We say: yes to the Single Market.”

That is the basis on which the Conservatives were elected to government. They were right last year, which is why the Government must push to retain access to the single market.

Secondly—this is a really difficult test—can the Government mitigate the risks of leaving and maximise the opportunities? Again, so far the record is not good. Many right hon. and hon. Members on the Conservative Benches seem to believe that there are only upsides to leaving the EU, but it is obvious that there are some fundamental risks to our economy if we get this wrong. The Government should level with people and say, “Exiting the EU will not be straightforward; it will be difficult, sensitive and, indeed, risky.”

I believe that the Government must aim for a soft Brexit. That means having the best possible access to the single market without tariff and non-tariff barriers, and retaining workers’ rights, environmental and consumer protections and the security measures that are so vital to keeping our country safe. But I also believe that we need to look at some restrictions on free movement. I had many conversations with constituents in Wolverhampton who voted to leave the EU. They did so for a variety of reasons, but one of those was immigration. Some say that reconciling the two issues is impossible, but within the European economic area Norway has an emergency brake on free movement and Liechtenstein has controls over it, and within the four freedoms of people, capital, goods and services in the EU, there is not absolute free movement of services.

My third test—I will be brief, as I am going to run out of time—is that the Government should not be in denial about the point made by my right hon. Friend the Member for Leeds Central (Hilary Benn). We need to negotiate a transition period. If we are to negotiate a free trade deal with the rest of the EU, there is going to be a cliff edge between exiting, including closing the article 50 negotiations, and the conclusion of that free trade deal. That will take years; it will be a mixed deal and national Parliaments throughout the 27 member states will have to ratify it. I hope that the Brexit Secretary of State will not be in denial about that issue, which is one of the most important aspects of our renegotiation. I also hope that the Government will start to do a lot better.

4 pm

Anna Soubry (Broxtowe) (Con): I start by saying that I wholly endorse and support the wise words of my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) and my right hon. Friend the Member for Loughborough (Nicky Morgan). I also wholly endorse and support the wise words of my new friend, the right hon. Member for Doncaster North (Edward Miliband). Before anybody listening to this speech or reading about it elsewhere has a problem with that, I should also agree with the short intervention made by my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve).

Get real. We are living in extraordinary times, and incredible things have happened. Who would have believed a year ago that we would be here having this debate after all that has taken place? Increasingly, and rightly, many of us will now be taking a cross-party approach to these issues. As my right hon. and learned Friend the Member for Beaconsfield said, as we leave the EU—I accept the verdict, the referendum result—we face difficult, dangerous times. Putting our country and the interests of all our constituents first transcends everything, and that includes the normal party political divide.

I pay handsome tribute also to the wise speech—except for when it got partisan—made by the hon. and learned Member for Holborn and St Pancras (Keir Starmer). I agree with him. We are in difficult, dangerous times and we tread with great care. As he rightly said, there was one question on that ballot paper and it is wrong to assume that a whole series of mandates flow from that one simple and straightforward question. With great respect to the Prime Minister, her Cabinet and all those in government, we are using the answer to that question as an excuse for other mandates. That is simply wrong.

I am concerned about the extrapolation—a new buzzword, perhaps—that involves our just saying, “Oh well—52% of the British people apparently voted for controls on immigration.” The hon. Member for Wolverhampton North East (Emma Reynolds) mentioned people concerned about immigration. She should tread carefully. When people said they were concerned about immigration, I suspect that what they were really asking for was not control—that might make it go up—but less immigration.

I gently say to the hon. Lady that we have to be true to what we believe in. It is so important that, in the debate now unfolding about immigration, we are brave and true to what we believe in and take people on. My right hon. Friend the Member for Loughborough and I stood in Loughborough market on the day of the referendum and had that debate, but the tragedy was that by that time it was too late. The British people at heart are good and tolerant; if we make the debate, they will understand the huge benefit that migration has brought to our country for centuries.

Kwasi Kwarteng: I agree with many of the things my right hon. Friend has said about immigration, but did she not stand in 2015 and, I believe, in 2010 on a clear Conservative party manifesto commitment to reduce net immigration to tens of thousands?

Anna Soubry: My hon. Friend is absolutely right, and I accept what he says, but let me say here and now that we have to abandon that target; we cannot keep it. We know the reality: people come here to work. In simple

terms, Sir, who is going to do the jobs of those people who come here? There seems to be some nonsensical idea that, with a bit of upskilling here and a bit of upskilling there, we will replace the millions and millions of people who come and work not just in those low-skilled jobs, but right the way through to the highest levels of research and development—the great entrepreneurs. We should be singing out about this great country of ours; we should be making it clear that we are open for business and that we are open to people, as we always have been, because they contribute to our country in not only economic but cultural terms. We are in grave danger if we extrapolate in a way that I believe is not at the core of being British.

Emma Reynolds: I agree with a lot of what the right hon. Lady has said, and I made the same arguments to people during the referendum campaign. All I would say is that there is a spectrum here; there is a space between no free movement and free movement in its entirety. I am not arguing for no European immigration—I think these people have made great contributions to our country—but I do think we need to look at restrictions in some sectors and some areas. I think that would be respecting the mandate.

Anna Soubry: I am not going to demur from what the hon. Lady says.

What all this really proves is the absolute need for this place to do what the motion and the Government amendment say, which is to have these debates as we go forward, to shape our new relationship with Europe. All these issues have to be debated, so I fully agree with everything that has been said, and I will go one step further: the more I hear, and the more I think about this and listen to the learned and wise words of people such as my right hon. and learned Friend the Member for Beaconsfield, the more I am coming to the perhaps very quick conclusion that this place must vote on article 50. I really think that it is imperative that we do that.

In the short time that is available to me, I just want to add one thing. We do not come here just to have these rather esoteric debates. A lot of people listening to this debate might think that, yet again, this is politicians talking in terms and in ways that do not relate to what is really happening out there in the real world. What is happening out there in the real world is that British business is in a very difficult and serious predicament. We have heard about the value of the pound, which is at this record 30-year low. What does that mean? It means that a friend of mine sent me a text last night to say that her small business is now on the verge of going under—that is the reality of what is happening. It means that a great company such as Freshcut Foods in my constituency is seeing its best EU workers leaving; they feel, as my right hon. Friend the Member for Loughborough says, that they have no place here. People are finding, as the University of Nottingham has said to me, that they can no longer recruit. The university has lost some of its best academics because those people no longer feel welcome and valued in our country. I am sorry, but it has to be said: we should be hanging our heads in shame that that is the feeling of real people—real constituents of mine—and I will continue to speak out on their behalf.

Heidi Allen (South Cambridgeshire) (Con): Will my right hon. Friend give way?

Anna Soubry: I cannot. I am so sorry.

I also want to say this, because it is really important. We talk about wanting to build a consensus, and Members such as the right hon. Member for Doncaster North have said that if we want to build a consensus, we will have to bring in the 48% who voted for us to remain in the European Union. I do not agree with my right hon. Friend the Member for Wokingham (John Redwood) when he said that they were rejecting the European Union. Absolute nonsense! They were positively voting for our membership of the European Union, and that included membership of the single market and free movement of workers. We ignore those brave, good people at our great peril, but so many of them feel that they have been forgotten. They are invariably abused on social media. I have no difficulty in standing here and saying that I will not give up on the 48%, and I will go further. I think there is a real movement now among many people who voted leave; as Brexit unravels, and they see the reality of that referendum result, many are regretting their vote, and there is a good chance that the 48% may in due course actually become the majority.

Finally, I say gently to my hon. Friend the Member for Stone (Sir William Cash), that there is a real danger in our country. Some 75% of young voters voted remain, and many of them feel that an older generation has robbed them of their future. Our job is to make sure that everybody is involved and we get the best deal for everybody in our country as we now leave the European Union.

4.9 pm

Jack Dromey (Birmingham, Erdington) (Lab): Unlike some of the fantasists and ideologues on the Government Benches who believe that Brexit is somehow a pain-free process, I live in the real world. We do not deny that the British people have voted to leave the European Union, but Labour Members are determined to achieve a Brexit for working people—not a hard Brexit or a Brexit at breakneck speed, but a Brexit that does not damage Britain's national interests, the interests of our economy and the interests of our workers.

We are also determined—I pay tribute to the right hon. Member for Broxtowe (Anna Soubry) for her outstanding speech—to ensure that Parliament has the opportunity to call the Government to account during the next stages. I particularly pay tribute to my hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer), who is an outstanding lawyer. Quite rightly, he has led on the argument that this House should call the Government to account.

I want to make three points. First, on Jaguar Land Rover, may I tell a story? About three months ago, I was getting out of my car in Edwards Road, and I heard a voice call, “Jack”. It was Warren, a big bear of a man with a beard. I first met him at a jobs fair we organised four years ago, and he got an apprenticeship at Jaguar Land Rover. He said, “Come with me. I want you to meet my partner and her mum and dad.” He showed me a little Edwardian house. He said, “Jack, I can’t believe it. We are moving into the house of my dreams, I am with the woman of my dreams, and it is all because I’ve got a good and secure job in the Jaguar plant.” Forgive me for saying it, but this is what drives me on. As I said earlier, in an area which is rich in talent but one of the poorest in the country, I do not want to see the Warrens of this world let down during the next stages.

I was deeply involved in the drive to secure the future of Jaguar Land Rover back in 2010. It has gone from strength to strength ever since. For example, the new engine plant in Wolverhampton employs 42,000 people. I want to pay tribute to the workforce, but also to one of the most outstanding, if not the most outstanding, chief executive with whom I have ever worked, Ralf Speth. It is a world-class company, and when it expresses concerns about the consequences for it of hard Brexit—not being able to sell without tariffs into the European Union—its voice must be listened to.

The second point is about workers' rights. The Secretary of State said, “Don’t worry. All will be okay.” I do not believe that. I was a Brexiteer back in the 1970s. What changed my mind was social Europe in the 1980s. I remember taking the case of the Eastbourne dustmen to the European Court of Justice, because the then Conservative Government had refused to extend TUPE to cover 6 million public servants, with the terrible consequences that tens of thousands of jobs were privatised without protection, pay was cut in half and the workforce was sometimes cut by a third.

Mr Jim Cunningham: A good clue to what might happen to trade union rights or industrial rights after Brexit can be seen—it is dead simple—by looking at the last trade union legislation.

Jack Dromey: My hon. Friend is absolutely right.

Now, as in the 1980s, some of the leading Brexiteers are the ones who talk forever about red tape. I call that workers' rights. When they say, “Trust us”, I reply, “What? Trust the same people who ran a disreputable campaign?” They promised £350 million a week for the national health service, when they knew damn well that there was no possibility of delivering it.

My third and final point is on the very difficult debate about immigration. I must say that the way that some in the Brexit camp played the race and immigration card in the referendum campaign was nothing short of shameful with, on the one hand, that infamous poster with Nigel Farage, and—dare I say it?—on the other hand, the current Foreign Secretary talking about the tens of millions of Turks who might come to our country. The consequences have been very serious. There has been a rise in hate crime in my constituency. Poles in Erdington High Street have been told, “Go back home.” An Afro-Caribbean man who has been here for 40 years was told, “Go back home.” So was a Kashmiri taxi driver who has been here for 35 years. An Asian train guard was threatened by a large aggressive white man. The guard was shutting the doors when the man told him to hang on because his mates were five minutes away. The guard said that the train had to go. The white man pointed his finger an inch from the guard's nose and said, “Oh no you don't. We make the rules now.”

I thought that that kind of brutish behaviour was something of the past. Forgive me for raising this. My dad came from County Cork to dig roads, and my mother came from Tipperary to train as a nurse. I was 13 years old when my dad told me for the first time—and I could not believe this, because I adored him, but he could not look me in the eyes, and was looking down at the floor—about what it was like, when he arrived, looking for lodging houses in Kilburn and Cricklewood and seeing those infamous signs: “No dogs. No Irish.” I thought that we had fundamentally changed as a

[Jack Dromey]

country, but this country has been scarred by the way the referendum campaign was conducted.

I recognise that during the next stages there will be a difficult debate. On the one hand we have the needs of the economy and the national health service, but on the other we have to listen to the voice of the millions who, from discontent, voted Brexit. We have to ensure that no one in our country is left behind. Getting that balance right will be immensely difficult. I hope all parties—certainly this is what we in the Labour party will do—will make sure that we do not have a repeat of the shameful, divisive rhetoric. The consequences of that rhetoric for the people we represent are very serious indeed. When I go into a local secondary school to meet a diverse group of 16 and 17-year-old pupils and am told that on the day after the referendum they were asking whether they would be sent back home, and that the following week some of them were racially abused in the street, it is clear to me that we have to stand together and say that while we must absolutely have a debate about the future, it must never again be a debate scarred by racism.

4.16 pm

Mr Jacob Rees-Mogg (North East Somerset) (Con): I want to return to the topic under debate, which is how this House will scrutinise the Brexit process. To do that, we need to go back to first principles. What is the power and authority of this House? What is the sovereignty of Parliament, and where does it come from? Here, I take a view that will be popular with the SNP. I believe that the sovereignty of Parliament is delegated by the British people. We do not have sovereignty in this House in a vacuum. It is not that God suddenly created the House of Commons and said it would be sovereign over the United Kingdom. Every five years, the British people delegate their sovereignty and rights to us, to implement as we see fit; we then present ourselves for re-election when that period is ended.

Within that, we have had a referendum. It is fascinating to hear from all sides, left, right and centre, that everyone has accepted the result and that the will of the British people must be obeyed, respected and followed—[*Interruption.*] That is the will of the people of the United Kingdom of Great Britain and Northern Ireland, which, I am glad to say, includes the good people and crofters of Na h-Eileanan an Iar. That needs to be put into practice.

We also know, because this is the legal advice that has gone unchallenged, that the only legal way of leaving the European Union is to exercise article 50. We therefore know that the vote on 23 June was a vote to exercise article 50. All that is under debate is the point at which that is done; the big decision has been taken by the British people.

Chris Bryant: The hon. Gentleman and I are in rather similar positions. The Rhondda voted to leave, but I support remain; North East Somerset voted to remain, but he supports leave. Given what he has said about sovereignty, does he fully accept that all of us in this House are sent not as delegates but as representatives, and owe to our constituents our conscience as much as our vote?

Mr Rees-Mogg: The hon. Gentleman should check the record. Unfortunately, North East Somerset was not counted separately; we were infected by the votes of people in Bath. I am pretty confident that the wise people of rural Somerset voted to leave while the urbanites in Bath voted to remain.

Once Parliament has used that delegated authority to ask the people, who after all are our employers, what their will is, it must be followed. Everybody accepts that, so we come to the point of debating when we will put the notice under article 50 to the European Council so that it knows that that is our decision.

That is properly determined by the Government, which is where we get into the constitutional norms. You, Mr Speaker, have raised the standard of parliamentary scrutiny of the Executive in the past six or seven years to a proper height. I am strongly supportive of that continuing. We should all, particularly Back Benchers of the governing party, remember that we are here to hold the Government to account, and not just willy-nilly to support it, but within that we must recognise that there is a proper and constitutional sphere for Government activity. There is and long has been a separation of powers. The Government introduce their policy and their legislation to get it through, and they have the clear responsibility for the negotiation of treaties.

Against that, no Government can exist unless they have the confidence of the House. As I understand it, if at any day the Leader of the Opposition chooses to table a vote of no confidence in Her Majesty's Government, Mr Speaker will take it urgently. Therefore, if the House resents or opposes any part of the negotiation or discussion, the Government may be removed and a new one put in their place. That does not mean that we should prevent the Government from exercising the proper role of the Executive. The Government are answerable to us in how they use that power. How often that happens has already been shown: we have had two statements from the Brexit Secretary; and a Select Committee has just been set up—it was voted for last night—that will hold the two new Departments to account and have hearings.

As it happens, I think there will be a vote on article 50. May I draw the House's attention to Standing Orders Nos. 143(1)(ii) and 143(1)(vi), which provide for the type of documents that go to the European Scrutiny Committee for consideration? It is very hard to see the exercise of article 50 falling outside the definition listed in Standing Order No. 143. It seems to me that the European Scrutiny Committee, which has the responsibility for determining what matters are of sufficient legal and political importance to be debated, would decide that the exercise of article 50 meets that test for legal and political significance. Although it is right for the Government to determine the date, and although it is a proper exercise both of the prerogative and of the Executive arm of our system, none the less under our Standing Orders it will almost certainly come before the House, as will the other parts of the process, such as the great repeal Bill.

The great repeal Bill is an interesting approach but a very sensible one that the Government have decided on because it gives certainty. We have heard calls for certainty from the Opposition Benches again and again.

Nic Dakin (Scunthorpe) (Lab): Business certainty.

Mr Rees-Mogg: The voice of Scunthorpe speaks and rightly calls from a height for business certainty. Business will have certainty because the law will not change on the day we leave. All the laws will have been repatriated. They will be our laws rather than laws that are domesticated, as they currently are, through the European Communities Act 1972. It then becomes a matter for routine political debate as to whether we keep the regulations that have come from the European Union or get rid of them. I have a feeling that I would want to get rid of rather more than Opposition Members would, but then I must put that to the electorate of North East Somerset, and the hon. Gentleman must put it to the electors of Scunthorpe, and we will find out what the people want.

That is the great prize of Brexit. For as we debate how this House will scrutinise, suddenly we are in charge of scrutinising everything. We have not delegated our powers to Brussels to determine how we are regulated with a mere cursory glance over the top when the rules come pouring in. We have given back to this House the right to determine how we are governed.

The motion, therefore, is misplaced and misfires. It suggests that there will not be proper scrutiny of the Executive in the process of leaving, which is wrong. There is, every step of the way, going to be considerable scrutiny, which has already started. It implies that the situation might be worse than it was before, when the reverse is true. We suddenly recapture that ancient power we have had: to seek redress of grievance, because the Government cannot say “Not decided here”; to legislate, because our laws cannot be overturned by judges in a foreign land; and to hold the Government to account on behalf of our electors.

That is the great democratic prize and it is from this that our prosperity will come, because we know that our prosperity does not exist in a vacuum. It comes because of our constitutional systems that allow for stability, business, the rule of law and capitalism to flourish. When we are doing it for ourselves, it will be better, it will be stronger and it will be more democratic.

4.26 pm

Ms Angela Eagle (Wallasey) (Lab): It is a pleasure to follow the hon. Member for North East Somerset (Mr Rees-Mogg), his mellifluous tones and his unbridled optimism for the future of the country, which some of us do not share in quite the same rose-tinted way.

Leaving the European Union tears up a 50-year-old strategy that sought to replace our imperial past with closer economic and political co-operation with the European Union democracies. One thing is now certain: unravelling 45 years of economic integration and political co-operation with our nearest neighbours is not going to be easy and it is certainly not going to be cost-free.

The new Administration has made a very worrying and dangerous start: the meaningless chant of “Brexit means Brexit”; the imperial-style announcements from on high at Tory party conference; and the spectacle of the right hon. Member for Haltemprice and Howden (Mr Davis) sneering that parliamentary sovereignty is “micromanagement” now that he has graduated from the Back Bench to his ministerial limousine. This arrogance ill-suits an Administration with no mandate for pursuing a hard Brexit by diktat, with no mandate to take us out

of the single market, landing us with tariffs on our most important export market and an economic shock that leaked Treasury documents yesterday put as high as 10% of GDP.

There are many ways to leave the EU. The result of the referendum does not give the Government carte blanche to choose the most damaging one. Surely we have not “taken back control” only to surrender it to the Prime Minister and her increasingly absurd three Brexiteers, while Parliament becomes a spectator? Surely it is only right that we start a national conversation about the best way forward for our country in these new circumstances? Surely we need a cross-party agreement on the best way forward, because the results of the Government’s decisions on how we leave will affect our prospects for generations to come. Who can argue against that, with the pound now trading at a 168-year low?

Worse still, the xenophobic noises coming out of Birmingham last week and the failure to reassure EU citizens who are living and working in the UK, or indeed UK citizens living and working in the EU, is causing needless anxiety and fear. The rise in racist and homophobic hate crimes in the aftermath of the vote is shaming our nation and besmirching our international reputation.

I offer some principles on the way forward, which are clear and pressing. I will mention here only a few. Workers should not pay the price of Brexit. The poorest and most vulnerable should not pay the price of Brexit. We welcome the Chancellor’s guarantees on existing EU funds, but we need more details of what is actually being protected. There is some £200 million of vital investment at risk in Merseyside alone. We should avoid a race to the bottom by guaranteeing that our worker and corporate regulations do not deliberately undercut EU standards, and maintaining goodwill and links with what will still be our largest market. We need to think ambitiously about what would constitute a modern industrial base that would allow us to compete in a changing world.

Mr MacNeil: The hon. Lady is reading out an admirable list. There is also another fantasy that is peddled on the Government Benches: that the UK, alone outside the single market, will get tariff-free access to the single market. If it were so easy to get tariff-free access to the single market, there would be a whole host of other countries with tariff-free access. They do not, they will not and they cannot, and Government Members are misleading the people with that.

Ms Eagle: I am afraid I agree with the hon. Gentleman’s analysis. He is right to make that point.

We also know that entrepreneurial activity—risk taking and creativity—will be crucial in driving Britain’s future success, alongside an active state that both rewards success and leaves no one behind. However, the uncertainty about our future trade arrangements in this context is extremely damaging, and it is damaging our interests now. We must ensure that the enormous globe-spanning corporations pay their fair share of taxes, so that we can invest in opportunities for all Britons. This will require increased global co-operation, not less. Britain must therefore be at the forefront of international institutions that set the rules by which business is done across our globe.

[Ms Angela Eagle]

It is now imperative that the Government set out the tests against which any deal to leave the EU must be judged, because we have not heard them yet. How does our future relationship with Europe bolster and underpin a more activist national industrial strategy that delivers more jobs for the future and greater investment and growth in our economy? How will we heal the divisions in our country, which set city against town, young against old and communities against each other? How can we maintain and enhance the collective security of Britain and its allies and maintain the current co-operation that allows cross-border crime and terrorism to be thwarted and prosecuted? How can Britain remain an engaged and influential world power that has a seat at the table, setting the rules by which nations and corporations have to abide?

Leaving the EU is a complex process that will cause great damage if it is botched. This is a challenge that will require the Prime Minister to unite a divided nation. She cannot succeed locked in a room with a few advisers. She will need us all to play our part as Members of Parliament. She will need this place to play its part. She will need citizens to play their part, too, helping us to reassess from first principles who we are, who we want to be, how we can make our way in the world, how we can be prosperous and how we can achieve our ambitions. If she carries on as she has started, she will not succeed. It is not too late, though, for her to change course and approach. For the sake of my constituents in Wallasey and for all our constituents, I hope she does so.

4.32 pm

Alistair Burt (North East Bedfordshire) (Con): It is a pleasure to follow the hon. Member for Wallasey (Ms Eagle), who has grasped and conveyed the extent of the debate and discussion we are now in.

I am delighted to get the chance to speak. Like my right hon. Friend the Member for Loughborough (Nicky Morgan), I have had fewer occasions to speak about Europe over the years than I might have wished, following a very enjoyable ministerial career. I particularly missed not being able to say something in the Commons before the referendum. I would like now to put on record what I told my electors: that, contrary to popular opinion, not all Conservative MPs are reluctant Europeans. I believe that this country prospered in the European Union. I believe that our sovereignty and independence were always intact. I believe that we were enhanced by our membership of the European Union, just as the European Union was enhanced by our membership of it. With a political lifetime of relationships with colleagues in different European parties and different European countries, and remembering what they went through over the past century to build the European Union and all that it meant, I listened with despair and sometimes shame to the mischaracterisation of the EU and, for too long, to the drip-drip of poison from the lips of those who should have known a damn sight better. I did not get a chance to say that in the House before the referendum, but I say it now.

I do not want to concentrate on the detail in this debate. We have heard a lot about the detail of the negotiations that are going to come, and the House and the country are now getting a sense of just how complex

they will be. Rather, I want to concentrate on why the process that is set out in the Opposition motion, agreed to and enhanced by the rider offered by the Government, is so important.

The context of the referendum is different from the context of a general election. We were not looking at delivering a complete manifesto, which a political party is elected on and then must defend to the death. The people made a decision. Neither the Government nor the Opposition won, but we must collectively put into practice what the people told us to do. I, like others, accept the decision of 23 June. My role on behalf of my constituents is to make it work.

One thing was clearly revealed to us during the referendum campaign: a disdain among the public for the political process, in the main. People said how they felt excluded by the process. They did not like the campaign, because it exaggerated in all cases what could or could not be done; people thought that both sides told downright lies in order to enhance their case. It was not our finest hour, and that fitted with the people's view of how they think this place, party politics and Westminster work.

The referendum gives us an opportunity to do things differently because we have an opportunity to engage the people in a different way. If we carry on in the same old way, we will not take the people with us, and we will not be able to build a consensus of the 52% and 48% as we look towards a new future. If it is the same old story, the public will still feel removed from us.

We have made a good start today. The natural inclination of any Government is to reject an Opposition motion outright, but they did not do so, to great credit. There is a listening exercise going on, but we need to go on from there, and I believe Select Committees have a great role to play. Let us bring people in front of our Select Committees to explain in detail what they think about the process to come, because they are affected. As I said to the Secretary of State the other day, what I most want is a process in which what we hear from people who are affected has some influence on the path taken by the Government. That is what engagement with this place needs.

What sort of things might be considered? I met Peter Kendall of the National Farmers Union, who was very concerned about not just agriculture but welfare and the environment—they are all wrapped up together. When people come before Select Committees or the House in a way that is not party political, and there is an authority that has been gained over recent years, that will matter to the public, because they will feel that it represents more of their voice and more of the truth.

There is a tone that the outside world and Parliament can bring to the negotiations. I, too, bitterly resent the way in which this has been characterised as adversarial, “us versus them” and “we have got to win”. To make a small point, does anybody not believe that those sitting around the negotiating table with the United Kingdom have their own interests as well, and will fight for them? The argument over whether we should stay in the EU was not just about economics; it was about politics, our sovereignty and taking back control. Do we not think that Chancellor Merkel and President Hollande also have political reasons for believing that the European Union needs to be protected in some way from the poor or adverse effect that Brexit might have, and that they

will put those views forward as well? It is not all about us. Those from outside can bring that view to us.

If we can bring people together and give the public a sense that we are not doing business as usual, but are being more co-operative and more consensual here as we drive things forward, both we and the political process will have gained hugely by showing that it is not the same old story.

4.39 pm

Mr Pat McFadden (Wolverhampton South East) (Lab): Between the date of the referendum and the start of the Conservative party conference, not a lot was clear about the Government's intentions. There were various statements from the three Brexiteer Ministers, and they were slapped down one by one over either the customs union, the single market or the timing of the invoking of article 50. However, that lack of clarity changed at the Conservative party conference. One thing became clear: the Government had decided that limiting immigration from elsewhere in the European Union must be the driver of everything else. That is their overriding priority as they approach the negotiations. All other considerations, be they economic, security-related, trade-related or in any other field, must take second place.

The Government's policy is immigration first, economics and everything else second, and the markets have expressed their views on that priority. The pound is plummeting; its slide began with the referendum result, and has been sharpened since the Conservative party conference. As we heard from my hon. Friend the Member for Wallasey (Ms Eagle), there are reports that it is now trading at a 168-year low, and the nonchalant attitude of Ministers to that is woefully complacent.

A recent newspaper article quoted the Prime Minister's description of her *modus operandi*, which was as follows:

"I don't just make an instant decision. I look at the evidence, take the advice, consider it properly and then come to a decision."

Perhaps, when he sums up the debate, the Minister will tell us what economic assessment was made for the stance taken by the Prime Minister and other Cabinet members at the party conference. What impact will this hard Brexit have outside the single market and the customs union? What impact will it have on our manufacturing industry, our financial services or our agriculture? What impact will it have on the border between Northern Ireland and the Republic? What were the papers of which the Prime Minister spoke? What was this careful process? Is not the truth that there was no process at all? There was no looking at the evidence, no taking advice, and no considering it properly. Instead, a desire for headlines and for appeasing the hard Brexiteers in the Prime Minister's own party took priority over the national interest.

Let me now deal with the substance of the motion. The 170 questions published today by my Front-Bench colleagues are entirely legitimate questions to ask on behalf of our constituents. The public have a right to know about our future trading arrangements, security arrangements, border arrangements, and so on. The Government cannot shut down legitimate questioning of their policy by proclaiming that anyone who questions their direction or intent is trying to deny the result of the referendum. That is simply not the case. The sight of

these erstwhile champions of parliamentary sovereignty desperately pleading that the Executive now be given a blank cheque for anything that they want to do may be amusing on one level, but it will not hold in terms of how this process will be conducted.

Sir Desmond Swayne (New Forest West) (Con): I am glad. I have heard the mantra repeated again and again: despite having voted to remain, Members accept the will of the electorate. But when the mask slips, as it did during the speech of my right hon. Friend the Member for Broxtowe (Anna Soubry)—

Alistair Burt: She is entitled to her view.

Sir Desmond Swayne: Of course she is entitled to her view, but when that mask slipped, it was cheered on the other side. Do those Members really accept the will of the voters, or is this actually a ruse to thwart Brexit?

Mr McFadden: The attempt by the right hon. Gentleman and others to shut down questioning of the Government's intentions is simply an attempt to shut down discussion and scrutiny, and it will not stand. Let us ask ourselves for a moment what would have happened if the result had been the other way round. What if it had been 52% to 48% in favour of remaining? Do we seriously think that the Members who supported a leave vote would have stopped asking questions about the Government's EU policy, and would have said that all future decisions relating to the EU were purely a matter for the Executive? No, they would not, and such a proposition is totally absurd. I welcome the Government's partial climbdown in the amendment, but Ministers must realise that Members on this side will keep pressing for the facts, for discussion, and for a parliamentary say in the terms of Brexit itself.

I want to make one more point. It is reported that, in another context, the former United States Secretary of State Colin Powell once said, "If you break it, you've bought it". That is sometimes referred to as the Pottery Barn rule. Well, those who led the leave campaign, many of whom are now Ministers in the Government, should remember that phrase, because what has been broken is our membership of the European Union, and they now own the consequences. They own the drop in the pound. When a great company such as Nissan says that it will suspend investment, they own that suspension. They own the promises, such as the promise of £350 million extra for the NHS, which will not be forgotten or set aside. That phrase, "If you break it, you've bought it", is not just a phrase for today's debate. It will ring through every decision and every consequence in the years ahead.

Several hon. Members *rose*—

Mr Speaker: Order. I am afraid that the limit on Back-Bench speeches has to be reduced to four minutes with immediate effect. The first person to be subject to that limit, the hon. Member for Grantham and Stamford (Nick Boles), has had notice of the change.

4.46 pm

Nick Boles (Grantham and Stamford) (Con): Mr Speaker, I just hope that you did not reduce the time limit simply because you saw me standing up eagerly hoping to speak.

[Nick Boles]

This is my first speech from the Back Benches since leaving the Government, and I rise to contribute to what has been a good and interesting debate. I am pleased that the Government's amendment makes it clear that they have no intention or desire to stop the House of Commons discussing the nature of our future relationship with the European Union. It would be absurd for any Government to try to deny the House that opportunity, and it is clear that this Government have no intention of doing so. Indeed, I wonder whether the Secretary of State, who is not in his place, is ever going to have time to actually do any negotiating, given that he seems to spend so much time in this House and in the other place.

I wish to offer the House a particular perspective on this matter. I note that it is shared by 70% of the loyal Opposition. I campaigned energetically and with conviction for remain, but I represent a constituency that voted very heavily to leave the European Union. I say gently to others in my position that it is not good enough simply to say that they accept and respect the result. Do they understand the result? Have they sought to examine why their constituents were led to reject their advice? Why did my constituents reject my advice? Why did our constituents reject the advice of all the party leaders except the leader of the United Kingdom Independence party, who fortunately never managed to make it into this place? I am afraid it is not good enough to persist in expressing all the views that we previously held and to carry on with that same argument as though nothing had changed.

The hon. Member for Rhondda (Chris Bryant), who is in the same position as I am, rather appropriately cited the classic Burke line that we all like to use. I do not know the exact words, but he suggested that we owe the people not an automatic response but our judgment—he used the word “conscience”, but I think Burke used the word “judgment”—and that we would be doing our constituents a disservice if we did otherwise. That is right, of course, and we all like to hide behind that proposition. I think Burke is right when it comes to moral issues, but I am not sure if he is right when it comes to huge issues relating to our national strategic, economic and political arrangements. The fact that nearly 70% of my constituents voted to leave the European Union, despite a campaign that aired all the issues exhaustively and exhaustingly, means that I need to change my views about some of the arrangements that we enter into in order to secure our goals.

That leads me to my second point. When we start the process of scrutiny, please can we start by talking about ends, not means? I too want an immigration system that enables doctors to be recruited so that my A&E department in Grantham can be reopened 24 hours a day. I too want students to come and study in our universities. I too want the most talented people from all around the world to come and support British industry and help it compete. However, the single market and freedom of movement are not the only way of achieving those outcomes. We need to open our minds to different processes that can lead to the ends we all seek.

4.50 pm

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): This afternoon has shown that there are still some very sore feelings on both sides of the argument, and that we are slowly moving towards overcoming the hurt, and in some cases bitterness, over what has happened. I recommend to everyone the speech by the right hon. Member for North East Bedfordshire (Alistair Burt), not just because of what he said, but because of the tone in which he delivered it. As the suffragettes would have said, “It is not just words, but deeds.” It is all very well to say, “Now we must all be very friendly together,” but we must deliver it in a tone that recognises there is still a lot of healing to be done. That was also clear in the speech by the hon. Member for Grantham and Stamford (Nick Boles).

I want us to move on to a point where we can start to look beyond the process and at some of the policies. We need to get to a point where there are elements of agreement about what the vote to leave meant. In the context of language, I rather regret that we ended up with the term Brexit. It was a vote to leave. It was a vote to have control of our laws, our taxes and our borders. It was a vote to be able to hold those who make decisions on those three areas accountable and, most importantly, to be able to remove them if we disagree with them. Of course, we all talk to our voters.

I want to raise two things. The first is an initiative that was started today by Change Britain, an organisation that I chair, called “Welcome to stay”. It asks people to sign up to the basic principle that EU citizens who are here have rights. We should recognise those rights as soon as possible and ensure that we continue to be an open, outward-looking and welcoming country. That is important not just for the United Kingdom; it is equally important for UK citizens living in the rest of Europe. The sooner we establish that principle, the better it will be. It will establish a tone for the continuing debate.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): Does my right hon. Friend agree that we need to clarify the situation for those who might want to invest or to live here in the next two years? I heard today of a contract that has been lost in my constituency because a German national was going to invest, but is now uncertain about where he will be and what his status will be in two years' time.

Ms Stuart: My hon. Friend is right that overcoming uncertainty must be a priority, but if I had to choose what should come first, I think that people's status and ability to plan is more important, and that we should then talk about trade arrangements. However, she is right that we have to get the best deal for this country.

Over the past few weeks, I have not only talked to constituents, but gone out with Change Britain and talked to a lot of people across the country. On the subject of immigration, which was so significant and important, what came out of the focus groups was a belief that democracy means that people have a say on what the rules are. People wanted those rules to be fair and to apply equally to every person from outside the United Kingdom, whether they are in the EU or not. Those in working-class communities, many of them Labour voters, who voted in significant numbers to leave, said that politicians should deliver on their promises.

A particular challenge for Labour is that if our constituencies voted one way and our party's position was another, we really should not be going around saying, "Anything bad that happens from now on is the fault of your decision."

This is a moment when all of us should spend a lot of time listening to what people have said. The referendum has shown us two things. The first is that we need to revisit the basis on which we fight referendums and how they fit in with our parliamentary processes, but let us park that one. The second is a deep disillusionment with the political processes. Those will not be healed by a friendly, or sometimes not so friendly, banter across these Benches. They will be healed only if we start to go out in a non-partisan way, listen to what people are saying in a non-judgmental way and then respond, particularly in those areas that feel they have been left behind. I think we have started to take the first step in that process today, but we must recognise that it is only the first step. When we talk about seeking consensus, there is a responsibility on both sides to try to achieve that. If we want to put the national interest first, we should start by showing it in here, that the nation matters more.

4.55 pm

Kwasi Kwarteng (Spelthorne) (Con): It has struck me often during this debate, Mr Speaker, that you are chairing a group therapy session. There are many, many ranges of response to the referendum of 23 June. We have the five stages of grief: some people are still in denial; some people feel very angry; others are in the bargaining stage; not a few are depressed; and a large number accept the result. We all need to accept this result and to move on.

The Prime Minister said that Brexit means Brexit, which is a palpably obvious tautology. It means that we know what it does not mean. We know that it means that we are leaving the EU and that Britain is not continuing its relationship with the EU—the basis of which formed the architecture of the EU, which has lasted for 43 years. Things have to change, and they will change. With a full debate and the full scrutiny of this House, we will reach a conclusion that will put us in a different place. We have respected our constituents, as my hon. Friend the Member for Grantham and Stamford (Nick Boles) has suggested. We have listened, absorbed and moved on, and things have changed.

There are many different strands of opinion on the single market. It was said again and again by the previous Prime Minister and the previous Chancellor that if we were to vote to leave on 23 June—this was part of their argument—we would have to leave the single market. I accept that that is still open for discussion, but it was very clear to me and to millions of people that the single market was, in effect, one of the silver bullets of the remain case. Those campaigners used "Project Fear". They said that house prices in London would go down 20%. One or two even suggested that we would not have Europeans in our premier league. All sorts of claims and allegations were made, many of which were proved false.

Interestingly, I have never seen Labour Members so keenly following the stock market and the currency markets—I regard the fact that they are doing so now as an encouraging development. Ahead of the vote, they

said that the stock market would crash. The day after the result, the stock market did fall, and they said, "There you are, the stock market has fallen." Now they are saying, "Well, the stock market has gone up because the currency has gone down, so therefore we were right." They cannot argue it both ways.

Finally, let me throw out this thought: the single market has now become the last redoubt—the last bastion—of the remain campaigners. The first outer walls have been stormed, and now they are retreating to this totem of the single market. They should examine what the single market is. There is this absurd delusion that, somehow, retaining access to the single market means that we have to be in the single market. Yet we know that most countries in the world have plentiful access to the market, but they are not members of the market. It is not a binary thing, just as it is not a binary thing to say that we want to control immigration, but not to end it. These are false oppositions that are endlessly being rehearsed. I am afraid that they demean the debate by obscuring what should be clear points that we are all making on behalf of our constituents and on behalf of this country.

4.59 pm

Stewart Malcolm McDonald (Glasgow South) (SNP): I have often thought about the lessons we in the Scottish National party can learn from this referendum and the referendum in Scotland of two years ago. If some hon. Members find themselves in a confusing position, they should think how we feel. We are on both the winning and the losing sides of this referendum, because, of course, we won the argument in Scotland, where we did our campaigning, but the UK-wide vote was to leave. Yes, I do indeed accept that the UK's vote was to leave, but politics in Scotland is raw, as hon. Members will know. If the House put even a smidgen of the effort that it has put into political healing this afternoon into the Scottish political debate, we would have much better politics and political debate across these islands. Instead, any time independence is mentioned, we are constantly told, "You voted to stay in the UK. Back in your box and be quiet", and so that seems to continue here just now.

Before 23 June, many people were told that it was time to take their country back, to vote to leave and to take back control. I remember coming to London on the Sunday after the referendum, passing through Parliament square and seeing a sign held up by someone who had voted to remain that said, "I want my country back." That is how many of us still feel. Part of the problem is that the leave side has not thought about how to own its victory. That was evidenced in the campaign, and I do not claim by any means that the remain side was perfect—far from it—and it is evidenced here today as well.

The right hon. Member for Birmingham, Edgbaston (Ms Stuart) is right: we have started to see the process of political healing here this afternoon, but it needs to go further. If we continue with this boundary of us versus them, as we see in the *Daily Mail* today—the "remoaners", as we are sometimes called, which is rather ironic from a newspaper that has done nothing but moan about the European Union for 40 years—we will not move forward. The politics of grievance and confusion will set in, and that is a threat to community cohesion, to our economy and to our international standing in the world.

[Stewart Malcolm McDonald]

It is the responsibility of all Members to ask questions, to scrutinise the Government's plans and, indeed, to inform them. "Brexit means Brexit" was enough to get the Prime Minister through her coronation and her summer, but that has gone now. We need to see some meat on the bone. There is no point in replacing one political project—the EU, which many Members felt was something that was done to them, rather than including them—with a Brexit process that will equally be something done to people, as opposed to including them.

Hon. Members might think that it is my job, as an SNP Member, to undermine this place as much as possible. I do not come here with any secret agenda to try to block the vote, as has been suggested, and to try to thwart the Government's ability to negotiate on our behalf. My party and, indeed, all Members want to see a successful negotiation with the other EU member states. Irrespective of where constitutional politics in Scotland goes over the coming time—I have my views on that, as Members would expect—we want to see a successful rest of the UK as well. That is in all our interests. We have started to move in the right direction. I only hope that Government Members will keep that up, as we move forward.

5.3 pm

Mrs Maria Miller (Basingstoke) (Con): This has been an impassioned debate, with a great deal of hyperbole at times on both sides, but we should not forget that the Opposition motion is about scrutiny—a principle that has been explicitly accepted by the Government in their amendment, and we should welcome that.

There is an arrogance creeping into the debate today that we should take great care about, because only one certainty is coming from the referendum decision in June: the vote to leave the EU—I put it on record that I was a remainer—and nothing else is certain at this point. Members on both sides have advocated membership of or freedom to trade in the single market, freedom of movement, or no freedom of movement. Our EU partners listening today may be forgiven for thinking that there is more than a touch of arrogance coming from the British Parliament, but the truth is that it is all up for grabs, and it is not for us to determine the outcome at this stage. We may well continue trading in the single market—I certainly hope so—but that is what this negotiation is all about.

My right hon. Friend the Member for Broxtowe (Anna Soubry) said "Get real", and I think that we should, but for slightly different reasons. Why should those who remain in the EU reward members who choose to leave? We do need to get real. We are leaving the biggest trading bloc in the world. The members of that trading bloc want to continue to sell their goods to us, and we want to sell ours to them, but that will come with some sort of price, or issues, attached. We can romanticise this all we want, but at the end of the day, it will come down to hard economic facts and the capability of the Ministers sitting on the Front Bench today. [Interruption.] I think we should get behind them and show a little bit more support; perhaps then we could show the united front that we should.

The Government's challenge is to turn this theory and rhetoric into practice. The basic rule of negotiation, which the Government should acknowledge at this point, is that we are only as strong as our ability to walk away. The World Trade Organisation terms are, in practice, our starting point. I hope that is not where we end up, but we should be honest and say that if we do not acknowledge that, our starting point in these negotiations is fundamentally flawed.

There is no clarity about what Brexit means at this stage, and my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) is absolutely right: the position is full of contradictions. Even now, when I speak to students and businesses in my constituency, which did vote marginally to leave the EU, there are contradictions. There is the control of migration on one hand and, on the other, students' ability to study and work abroad. We want to ensure both flexibility on the one hand and protections on the other. It is for the Government to work these things out. These are complicated, difficult negotiations, and they deserve all our support.

In their amendment, the Government have demonstrated that they fully understand the need for full and transparent debate, and that is where Parliament comes into play. Labour Members should support the Government amendment, and I think that I read in the press that perhaps they do; I was not quite clear on that when the shadow Secretary of State spoke. I hope that he can make that clearer.

My right hon. Friend the Member for North East Bedfordshire (Alistair Burt) said, "We can't do it the same old way," and he is absolutely right. There are scrutiny mechanisms and the Government should use them, but our constituents will not accept warring factions; the right hon. Member for Birmingham, Edgbaston (Ms Stuart) was right about that. Scoring points will not win this. Our strongest position is to be united.

5.7 pm

Chris Bryant (Rhondda) (Lab): It is a delight to follow the right hon. Member for Basingstoke (Mrs Miller) Like her, I was a remainer—not only that, but I am a remainer, and will remain a remainer until my dying day.

I first want to make a constituency point: last Friday, I visited a business just outside my constituency, in Llantrisant: Markes International, a high-tech company worth about £15 million in turnover a year. It started with two people fewer than 20 years ago, and now has 120. It makes mass spectrometers and thermal desorption—things that I did not really understand. It is all very technical. That is precisely the kind of high-end business that we really want to prosper in this country. The company made two points to me. First, it is really worried about staff recruitment, because a lot of the people whom it recruits are at PhD level. If, after Brexit, the arrangements for EU people coming to this country are the same as those that we currently have for non-EU people, it will find it phenomenally difficult to continue recruiting in the way that it has done, and therefore to grow the company. That is particularly because those people may be here for only five years on a short-term deal. It is very difficult to get a mortgage in this country at the moment, and that makes it much more unlikely that people in areas such as mine in south

Wales, where there is not much of a rental market for people at that level, will think it is an option to move to this country.

Secondly, the company is passionate about us staying in the single market, as members of the single market, because it wants full access, as members, to all the organisations that establish the technical standards for the things that it makes. Otherwise, the company is absolutely certain that the Germans, French and Italians will make sure that those things are made in the way that German, French and Italian companies make them, and that we do not. They are anxious because, if this goes wrong, they will simply have to move all their business to Germany to continue growing the company. That will be an enormous loss to the local economy.

Stephen Timms (East Ham) (Lab): I very much agree with the points that my hon. Friend is making. Is it not also the case that manufacturing of that kind is integrated across the EU, with an EU integrated supply chain? If the UK is not part of that, that is another reason why a lot of jobs will be lost.

Chris Bryant: That is an extremely good point. It is often Europe that enables people to think of opportunities in the UK because of cross-border co-operation on education and research skills.

I would like to come on to the process. The Government have to take the 48% with them. It will not be good enough if, when we leave at the end of the process it is still only 52% of people who think that we have made the right decision. That will be a recipe for disaster and lack of confidence in this country. I would also say to the Government that I have never believed royal prerogative to be absolute. We have fought wars—quite a lot of wars—about this. Even on the question of going to war, the royal prerogative barely exists any more. One could argue that, after the war of American independence, when Parliament, rather than the Government, decided to stop fighting the war, we abandoned the royal prerogative on war-making powers on 22 February 1782. In recent years, it has become absolutely established that we do not send troops to war, except in extreme situations, without the permission and say-so of Parliament. Mr Cameron and William Hague explicitly agreed as much when they lost the vote on Syria in the House and decided not to proceed with the action they had intended to take.

Prerogative is not absolute in relation to war, and it is certainly not absolute in relation to treaty making. The 1713 treaty of Utrecht had to go through Parliament, and only got through the House of Lords because Queen Anne was persuaded to introduce 12 more Members of the House of Lords. The Government are rapidly increasing the number of Members of the House of Lords, but I hope that they do not do that.

Kwasi Kwarteng: The hon. Gentleman is widely acknowledged as a capable historian, so he will know that treaties, under any kind of Lockean or mixed constitutional thinking, were always matters of federative powers.

Chris Bryant: That is completely wrong, I am afraid. The hon. Gentleman, too, is an historian, and doubtless an impressive one: I have never got round to reading

any of his books, but I am sure that in my present retirement I will have an opportunity to do so. Under the Ponsonby rule of 1924 it is absolutely clear that all treaties are laid before both Houses, and if either House votes down a treaty, the Government will not proceed. I do not think that even in relation to treaties, the Government's argument stands.

On timing, the Government seem to anticipate that we will leave the EU, at the very latest, on 1 April 2019. Let us work backwards from that date. Any new domestic legislation resulting from the negotiations would require Royal Assent at least six months before so that it could be implemented in law around the country. That means that a treaty Bill implementing the negotiations would have to be introduced in the Commons or the other place at least 12 months before 1 April 2019 on 1 April 2018, which would fall in the previous Session. I do not think that the Lords would like such a Bill to be carried over, so we may well have to have a two-year Session running through 2017 and 2018.

Finally, I will die trying to persuade people that we would be better off in the European Union, but that does not mean that I intend to stand in the way of the will of the British people.

5.14 pm

Mr Dominic Grieve (Beaconsfield) (Con): Mr Speaker, I apologise for the fact that my duties as Chair of the Intelligence and Security Committee meant that I had to be absent for part of this debate.

I greatly welcome the debate, and I entirely welcome the motion that was tabled to precipitate it. I agree with its content. I also agree with the Government's amendment, which seems to me to be perfectly complementary to the motion. I am particularly pleased that it appears to be a sign that the Government are moving on the issue of parliamentary involvement, a point to which I will return in a moment.

I entirely accept the verdict of the electorate given on 23 June. It was a significant majority, albeit a small one—1,200,000 is not negligible. It is our duty as parliamentarians to try to put that into effect. In doing so, we as parliamentarians, and indeed those in government, have to have regard, as we always do, to the security of our country, the economic wellbeing of its citizens and their quality of life. The test for us is going to be how to reconcile the one with the other.

I was concerned to hear my hon. Friend the Member for Stone (Sir William Cash) suggest, as I have heard previously, that the referendum result provides a restricted number of choices as to what we can now do. It is perfectly plain that it does no such thing. We have to leave the EU, but the range of the choices thereafter, in terms of our relationship with the EU, runs from one akin to that of Norway to one akin to that of North Korea, were we minded to pursue it.

I do not have a prescriptive view as to what that relationship should be. I am quite happy to debate those issues and listen to colleagues, but what I am not prepared to do—I say this with emphasis—is have options closed down by diktat, from wherever it may come. I am sorry to have to say this, but that includes from colleagues and the Executive. They will have to be debated in this House, and this House will have to give

[Mr Dominic Grieve]

its approval. I am bound to point out that it was Parliament that decided on the referendum, not the Executive. It is our task to honour its terms, even if it is the Executive's task to implement the negotiating process.

I also worry very much about the excessive euphoria that has followed this process. I hope that I am not too gloomy, but I see it as fraud with risk. There is the risk of the economic damage, as was commented upon by my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke)—I will not pursue that now. I have to say that, as a lawyer, I see the repeal process and our leaving as a legal nightmare, and one that will take up an endless amount of the House's time, to the prejudice of many other priorities on which we should be focused. It undoubtedly impinges on the devolution settlements and competence. We have a duty to maintain legal certainty and the rule of law, which will be jeopardised in the process. There are private legal rights that are likely to be affected, some of which might lead to litigation and claims for compensation. Our international legal obligations are engaged, particularly with the Irish Republic, and that is a matter of vital national interest.

Surrounding all that is the fact of the risk of this process being exploited by other countries with interests inimical to those of the United Kingdom, ranging from Russia, which is a predatory state and an international disturber, to the Spanish attitude to Gibraltar, which is also capable of operating greatly to our prejudice and theirs. These are all matters that we will have to discuss.

5.18 pm

Wayne David (Caerphilly) (Lab): Like many other Members, I am profoundly worried about the lack of clarity from the Government. Even though we all accept that we are talking only about the principles that will govern negotiations in future, this is a momentous decision and really the House needs to understand and debate the principles that lie behind the actions before us.

I wish to make two specific points. First, it seems pretty clear that the negotiations will not have been concluded within the two years stipulated under article 50, and therefore we will have the great repeal Act. The Brexit Minister told me on Monday that

"the great repeal Bill will put the *acquis communautaire* straight into British law"—[*Official Report*, 10 October 2016; Vol. 615, c. 66.]

The implications are considerable, because Britain will not have concluded its negotiations and, even though we will have left the European Union, European law will still apply to us. The implications are huge. For example, if we are no longer under the jurisdiction of the European Court of Justice, will British courts adjudicate on British courts? How on earth would that work in practice?

My second question is about how long that situation will apply for—how long will European law continue to apply even though we have left the European Union? Is there an open time scale?

I also want to address the effect on Wales. Like other parts of the United Kingdom, Wales has a devolved Administration and we receive significant amounts of European funds: £1.8 billion from structural funds, mainly focused on west Wales and the valleys, covering

the funding period 2014 to 2020. The Government have said that they will ensure that the moneys allocated will still be forthcoming until 2020, but my question is about the fact that the Government have also said they intend to change the priorities for spending that money even though there is a partnership agreement between the European Union and the Welsh Government about how the money is to be spent. [*Interruption.*] The Under-Secretary of State looks quizzical, but the Secretary of State for Wales gave that explicit commitment only the other day.

Given the large sums involved, is it not right and morally justified, as well as being a legal certainty, that the devolved Administrations must have a direct say on the negotiations and final conclusions to be reached? Those sums of money are important to the peripheral parts of the United Kingdom. Also important is the fact that when the negotiations have concluded and significant powers have been repatriated from Brussels, many of those powers will then be devolved to Wales, Northern Ireland and Scotland as part of the devolution package. It is only reasonable that the full implications of that change are understood, debated and agreed by the devolved institutions themselves. I would like a commitment from the Government that that will be the case.

I come to my final point. I do not think anybody in the House seriously doubts that a clear decision has been taken by the British people. But we want to be absolutely certain that what follows that decision is not harmful to the best interests of the British people. That is what we are concerned about and why it is so important that Parliament should exercise full scrutiny.

5.22 pm

Neil Carmichael (Stroud) (Con): First, I acknowledge the result and accept that its consequence is that Britain will leave the European Union, as I would have expected people to have done back in 1975 when we last had a referendum on this subject. My second point is that it is really critical to recognise that a binary decision of this nature opens up so many issues, and we have to think carefully about them all. I am going to list a few.

Obviously, one issue is the economy. We must think of some tests to have in our minds over the next two or so years about the value of our pound, the development of our trade, the trends in foreign direct investment, employment characteristics and so on. If we do not have such tests, we will lose sight of a fundamental point: back in June the electorate did not vote to become poorer. They are expecting something different.

The problem is that the clarion calls of hope and confidence that we have heard today, combined with the sense that there is a horizon over there that we will get to, will simply not be enough in terms of setting out our future. We have to think carefully about the detail. As anyone connected with the European Scrutiny Committee should know, we have been listening to detail about what happens in the European Union for years. It cannot be surprising that there must be detail as we leave the European Union. That point needs really to be taken on board.

The question of the single market is imperative. It is all very well saying, "Oh well, we're going to leave the European Union, so we will leave the single market,"

but to leave the world's freest trade area without rhyme or reason will be verging on an act of national self-harm unless we have some alternative. We have to understand the importance of that issue.

How do we scrutinise? Back in the early 1990s, the Maastricht treaty was thoroughly scrutinised—not by a portion of Parliament, but by the whole of Parliament; various Members who now suggest that we might not want to scrutinise things terribly much were at the forefront of that scrutiny in the 1990s. We should remember that.

Seema Malhotra: Does the hon. Gentleman agree that the way in which we deal with the single market is fundamental for a very different reason? It is about not just the sale of goods, but the development and production of goods, as outlined in some earlier speeches, because our economies are far more connected in terms of the production of goods.

Neil Carmichael: Absolutely right. I have talked many times in this Chamber about the importance of free movement and the importance of the single market in connection with supply chains, investment and so on. That is central to the single market argument.

That reminds me of an important point made earlier: we have to make sure that we have some friends in the world so that we can deal with them later. We face risks—with Russia and other nation states—and it is imperative to make sure we are friendly with the remaining 27 member states of the European Union post-Brexit. The way in which we conduct ourselves is absolutely essential to building up those friendships and to making sure those bridges are protected and, indeed, strengthened, and, my goodness, we will need them.

This issue is also about something my right hon. Friend the Member for North East Bedfordshire (Alistair Burt) correctly pointed out: we have to think about bringing people together; we have to think about what kind of nation we are creating post-Brexit and how we are going to present ourselves to the world, because we are engaged not just in an internal argument but an external process, and it involves not just Europe but the rest of the world. If we end up being reliant on the World Trade Organisation, 163 nation states will be able to say, "Aha, we might not let them in." We are busy criticising one or two of those nation states right now, so we need to think carefully about our relationships with some of them.

As regards Select Committees, the Education Committee will be doing a full-scale inquiry into the consequences of Brexit on the university sector, picking up some of the points we have heard about skills. One reason the referendum went the way it did was that we have a mismatch between the skills we have produced and the skills we need. That is one of the things my hon. Friend the Member for Grantham and Stamford (Nick Boles) was referring to when he talked about why we lost, and we must learn from those reasons and make sure that all our Select Committees play their part.

5.27 pm

Stephen Timms (East Ham) (Lab): I very much agree with what the hon. Member for Stroud (Neil Carmichael) has just said about the existential risks ahead for the UK economy.

A number of speakers in this very helpful, valuable debate have suggested that the negotiations should aim, on the one hand, for barrier-free access to the single market, to use the Secretary of State's phrase, and, on the other, for us to no longer apply the current free movement rules in terms of people coming into the UK. I agree with that; that is the objective we should be setting. I hope that it will be set out and developed and that we will have the chance to vote on it before article 50 is invoked.

A number of us took part in an all-party visit to Germany last month. My hon. Friends the Members for Wrexham (Ian C. Lucas) and for Scunthorpe (Nic Dakin) were there; the hon. Member for Monmouth (David T. C. Davies) was also there from the Conservative Benches and the leave campaign. We met businesses, politicians and civil servants, and they all wanted to talk to us about Britain's departure from the EU. They told us they were great admirers of Britain. They said Germany would be Britain's best ally in the EU as the negotiations go forward. They were very sorry that we are leaving, but they accepted that we are.

We said to them, "If the British Government come to Brussels and ask for barrier-free access to the single market and to no longer apply free movement, would Germany argue for that settlement?" and they said, "No, Germany wouldn't." The reason is that to do so would be to invite many other European countries that do not like some bit or other of the four pillars of the European Union also to come forward with requests to opt out of those bits. The result would be an unwinding of the European Union, which would not be in the interests of Germany or German manufacturers. That is why the right hon. Member for Wokingham (John Redwood) is wrong to suggest that because lots of German cars are sold to the UK, we will readily get barrier-free access to the single market. I do not think we will. It will be a difficult negotiation.

For much of our discussion in Germany, it was very difficult to see any glimmer of a resolution that would allow us to continue to trade in the way we do. Finally, however, we had a meeting with Dr Markus Kerber, the director general of the BDI—the Federation of German Industries, the equivalent of the CBI—who suggested the possibility that we might be able to redefine free movement so that it applies only to people with a contract of employment in the UK or something very close to that. Arguably, that is what free movement has always meant. It is supposed to be free movement of labour, not the free movement of just anybody.

Dr Markus Kerber suggested that it might be possible to persuade the other EU member states to change the meaning of free movement in that way—that pillar among the four pillars would remain in place, but it would mean something rather different for the UK—and, if that was done, to negotiate barrier-free access to the single market. The idea would clearly need a great deal of work, but it may at least be a glimmer of something that could be delivered to avoid what otherwise seem to me to be very serious threats for the future of the UK economy.

Manufacturing across Europe is integrated—aerospace, cars—so if, as the right hon. Member for Wokingham suggested, we start to impose tariffs on sub-assemblies made in another country before they come to the UK to be turned into cars, that would be an impossible position

[Stephen Timms]

for manufacturers, and it would pose great risks for financial services as well. I hope that that might be a way forward for Ministers to consider.

5.31 pm

Jeremy Lefroy (Stafford) (Con): It is a great honour to follow the right hon. Member for East Ham (Stephen Timms), who, as usual, made an extremely impressive speech. I agree with every word he said.

Two opportunities, which have already been mentioned, will come out of this process. The first opportunity is about the tone with which we conduct it. Most of the speeches today have very much had a constructive tone. I agree with the hon. Member for Glasgow South (Stewart Malcolm McDonald) that we should adopt the same constructive tone in talking about Scotland, because that is a much better approach than the one that some of us have used in the past. My hon. Friend the Member for Stroud (Neil Carmichael) said that we have to create excellent relationships with our European Union partners and to build on the relationships we have already, and that is absolutely vital.

The second opportunity, in a world where there is a great threat to the global economy, was mentioned to me when I was in Washington for meetings of the World Bank and the International Monetary Fund last week. The meetings last week were the most downbeat that I have attended for a long time—not just about Brexit, but about the downturn in the Chinese economy and many other factors. We have the opportunity to make this process a chance to stress the importance of interacting with the world in praise, as it were, of globalisation—I do not like that word—or internationalisation by working to encourage trade and reduce barriers. This is such an opportunity. We could shirk it and retreat, or we could use it to show that we want to be positive and to reach out.

I want to make a couple of comments about content. I know that this debate is about scrutiny, but content is equally important because we do not have much time—next March is less than six months away. In addition to agreeing with the right hon. Member for East Ham and other hon. Members about having the fullest possible access and, if possible, being part of the single market, I will mention two points from my long experience of selling into the EU from outside it over more than two decades.

First, this is not just about tariff barriers, because non-tariff barriers are sometimes worse than tariff barriers. We could have tariff-free access and then find that all our cars have to be exported through a small port that does not have the capacity to import them. We must watch out for that.

Secondly, as a number of Members have mentioned and the hon. Member for Birmingham, Erdington (Jack Dromey) raised in the context of Jaguar Land Rover, there is the issue of supply chains. They are absolutely vital for aerospace and for car manufacturing, and we must make sure that they are not impeded by paperwork, tariffs or whatever. That must be absolutely at the forefront of negotiations.

Finally, it is absolutely right that we focus a lot on manufacturing, but services are critical. They are well over 80% of our economy. We have a surplus in

exports of services to the European Union. We must absolutely focus on ensuring that we have the best possible environment both for exporting services and for engaging in providing them throughout the European Union and elsewhere.

5.35 pm

Thangam Debbonaire (Bristol West) (Lab): I rise to speak in defence of free movement of people and to ask the Government why they are so recklessly forgetting any consideration of what it brings and casting it aside. I want in particular to ask them to consider the impact of that on whether we can be part of the single European market.

Like my hon. Friend the Member for Rhondda (Chris Bryant), I will be a remainder till I die. I passionately believe in the value that being part of the European Union, with all its flaws but also all its many benefits, brings to us. I was also particularly inspired to hear the right hon. Member for Broxtowe (Anna Soubry) speak so passionately and eloquently in favour of free movement of people.

In Bristol West people voted overwhelmingly for remain—it was close to 80%. Those people have asked me to speak, on their behalf, for hanging on for as long as we possibly can to everything that is good about the European Union. They have particularly asked me to speak out in favour of free movement of people. Before I say anything further, I want to say something to all those EU citizens living and working in and contributing to the life of Bristol, in the health service, the hospitals, the universities and our tech and creative industries—not displacing British people from jobs, but sharing their knowledge, transferring their skills and working in a reciprocal way, as UK citizens travel to the European Union and share their skills. I say to all the EU citizens in Bristol, we welcome you, we value you and we want you to stay. I believe that many others feel the same way about EU citizens in their constituencies.

The risks of giving up free movement of people are profound. I want to speak briefly about the benefits of free movement. Free movement of people has been presented as something done to us, instead of something about which we also have options and in which we also participate. Which of us does not want our sons and daughters, and our nephews and nieces, to have the choice of whether to live, work or study in or travel around the European Union? So many young people—70% to 80%—voted for remain. I think also of the 16 and 17-year-olds who were denied the right to vote in the referendum by the Government. They have told me that they feel betrayed by the older generation and robbed of opportunities. I think of the apprentices at Airbus, who at the moment can move between different aerospace industry sites across Europe. And I think of the musicians who can currently tour around the European Union. Will they be required to have separate visas for each of the 27 countries? Will there be separate entry regulations for all their equipment?

The risks for us of giving up free movement of people are profound. Tech industries, the university and the creative industries in my constituency have told me that they are already being cut out of applications to the Horizon 2020 research and development fund. That is no small matter. It is about not just money, but knowledge, improving our economy, our future and jobs.

If the Government want to jettison all of that, the Secretary of State should at least have had the courtesy to inform the British people what they were risking. The Government should respect the sovereignty of this Parliament, which Brexit campaigners made so much of. Does the Secretary of State really want to throw all that away? It is clear to me that they have no plan for the future of this country, and if they throw it all away, without debate, without proper scrutiny and without the full participation of the British people, my constituents and the country will never forgive them.

5.39 pm

Mike Wood (Dudley South) (Con): Parliament must have a role, whether through Select Committees or in the Chamber, in the general terms of the negotiations. That is why I will support the motion this evening and why I welcome the principles laid out by the Secretary of State this afternoon. However, it would clearly be counterproductive to restrict the Government's scope to negotiate the best deal for Britain.

If we attempt to set a form of specific mandate, we will find ourselves choosing between two equally unattractive outcomes. The Government could do what Tony Blair did in 2004 ahead of the European constitution negotiations and set out a series of so-called red lines that are either so vague as to be meaningless or so much part of the consensus that they are unlikely to be challenged. Alternatively, they could set out something more detailed on what the UK would and would not accept, and risk destroying our negotiating position.

The negotiations are not a matter of simple, binary options for us to choose between, such as hard Brexit or soft Brexit; being in the internal market or having no access to it; or having open borders or sealed borders. They may be easy slogans, but they mean very little. Brexit means exactly what was on the ballot paper in June: Britain will not remain a member of the European Union.

Everybody, including many of the speakers this afternoon, seems to have a different idea of what they mean, particularly when it comes to the single market. We have heard a number of Labour Back Benchers say that we must remain members of the internal market. The shadow Brexit Secretary spoke of having access to the single market and the hon. Member for Birmingham, Erdington (Jack Dromey) focused more on zero tariffs, particularly for manufactured goods. I spent seven years working in the European Parliament, mostly on internal market policy, but I do not recognise the distinct, clearly defined single market that we are being asked to stay in. If remaining in the single market means Britain remaining within the EEA as it is currently set up, it is hard to see how that is compatible with the tone of last summer's debate or the vote in June. The internal market is the four freedoms of movement. Countries can no more be members of the internal market without freedom of movement than someone can take a pound of flesh without shedding a jot of blood.

If not that, what does single market access mean? Does it mean the ability to trade with EU countries? If so, presumably almost every country in the world has access. Does it mean zero tariffs, as the hon. Gentleman suggested? If so, that can and should be done. Trade barriers damage everybody. Does it mean people being able to provide a service in any EU country on the same

basis as they can provide it in their home country? Ten years on from the EU services directive, the EU does not have that yet. I hope the Government address that in new agreements with the EU and countries outside it.

Britain should be an open trading nation. I believe we can make a success of that outside the EU. Of course Parliament has a role in scrutinising what comes next, but we should be clear that Britain will leave the EU and that we will be successful.

5.43 pm

Liz Kendall (Leicester West) (Lab): There have been many passionate speeches about Parliament's role in holding the Government to account for their Brexit decisions in the months and years ahead, but we must also focus on the here and now. This morning, the Bank of England released data showing that sterling has reached an historic 168-year low. The pound is now worth less than it was in the 1976 sterling crisis when the International Monetary Fund had to bail us out; in the aftermath of black Wednesday, when sterling left the exchange rate mechanism; and at the height of the financial crisis in 2008.

Sterling goes up and down, and foreign exchange markets are not always the most reliable measure of what is happening in our economy, but when currency markets move so sharply and for a significant period, the Government should pay attention, yet so far Ministers have not. The pound has fallen by around 20% over the past year. About half of that happened well after the referendum result as the Government's position on Brexit began to take shape. The moves in the currency markets are backed by billions of dollars. The markets are saying that UK domestic assets look less valuable; that the UK seems to be a less attractive country in which to invest; and that the UK's growth prospects look set to be weaker.

The fall in sterling matters to every single household in the UK. It is not just that foreign holidays are more expensive; it is that the costs of everyday goods that are made abroad, such as fuel, food and clothes, are rising too. British households are more dependent on imports than before, with imports now representing about 30% of our GDP. The pound in people's pockets has been devalued. If prices rise faster than wages, people will be poorer.

It may be that a devaluation in sterling will make our exports more competitive. If exports rise and imports fall, our large trade deficit could decrease, helping to rebalance our economy. However, this has not happened after previous sterling crises, at least not on a lasting basis. An improvement in Britain's trade position may be even harder to achieve now if Brexit reduces access to the EU single market and alternative export markets take years to open up.

There is another important consequence of the falling pound, which has so far received far too little attention. In her recent party conference speech, the Prime Minister said that while monetary policy has provided

"the necessary emergency medicine after the financial crisis," super-low interest rates and quantitative easing "have had some bad side-effects".

People with assets have become richer, but those without have suffered. People with mortgages have found their debts are cheaper, but those with savings have found

[Liz Kendall]

themselves poorer. What the Prime Minister has failed to recognise is that the falling pound is yet again benefiting the asset-rich. Shareholders in FTSE 100 companies, which make most of their profits abroad, or those with foreign assets, have seen yet another extraordinary windfall. While the already asset-rich benefit from the falling pound, the asset-poor suffer as costs rise and the price of everyday goods imported from abroad go up.

The Government rightly intend to respect the will of the people and to do the best to make Brexit work, as do I. They must recognise, however, that the falling pound means that the British people could become poorer than they were before the referendum, at exactly the same time as real incomes have finally started to recover from the sharp squeeze after the financial crisis. The Government must acknowledge this and act if they want to make good on their promise of an economy that works for all and not just a few at the top.

5.47 pm

Ian C. Lucas (Wrexham) (Lab): I am one of those Members of Parliament who campaigned for a remain vote, but who has a constituency that voted to leave—it voted 59% to 41% to leave the European Union. I fully respect the views of my constituents. Adopting the words of the hon. Member for Stafford (Jeremy Lefroy), for whom I have great respect, I am going to try to be constructive. It is very important that we make it clear that we will be leaving the European Union. We now need to engage with our constituents on the difficult issues we need to face.

The central concern of my constituents related to the immigration rules that apply to EU citizens moving to the UK. They do not like the rules and want them changed. I was struck by the excellent speech by my hon. Friend the Member for Bristol West (Thangam Debbonaire), who advocated passionately for the freedom of movement. The reality, however, is that we do not have freedom of movement in this country; we only have freedom of movement within the European Union. There are rules in place that apply, on a daily basis, to people who are not citizens of EU states. We have to be clear that in future there will be rules that will apply to EU citizens, and some of those rules are going to be very similar to the rules that apply to non-EU citizens today. If there was a proposal by anyone to have full freedom of movement to the UK, I suspect that most Members would disagree with that approach. The difficulty is that the Government are being vague and evasive about their current position. When I intervened on the Secretary of State I asked him to set out to the House the principles that will govern the rules that will apply to EU citizens. He did not do so and has not done so in any of the statements he has made to the House. It is imperative that the Government start to be explicit in setting out the principles that will govern the way in which individuals will come to the UK when we leave the European Union.

This is not a theoretical question. The Minister of State knows that Airbus is very important to my constituency, and last Friday I spoke to a Portuguese and a Spanish apprentice. Both of them asked me, “Will I be allowed to remain in the UK as an employee of Airbus in the future?” Earlier this afternoon, in connection

with my role on the Select Committee on Culture, Media and Sport, I spoke to a company involved in the creative industries, with offices in the United States, Berlin and the UK, that wanted to know about the position of its employees. These are explicit and real questions today.

I welcome the progress the Government have made on giving more information about their position, but they will come under relentless pressure, not just from Members of this House, but from business and individuals, to make their position clear. I never thought I would say this, but I was struck by the excellent speech by the right hon. Member for Sheffield, Hallam (Mr Clegg), who said that the Prime Minister explicitly set out the position relating to justice reforms before negotiations were conducted. That is what the Government will have to do.

5.51 pm

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): There can be no other issue in this country’s modern history that demands more serious scrutiny, well drafted legislation or forensic budgetary oversight than the proposal for the UK to leave the EU, so I welcome today’s motion. However, despite the apparent climbdown on the issue overnight, the Prime Minister still appeared reluctant earlier today to confirm that Parliament is at the centre of the process.

In the Prime Minister’s speech to the Scottish Conservative conference prior to the independence referendum in 2014, she outlined a

“future in which Scotland, Wales, Northern Ireland and England continue to flourish side-by-side as equal partners.”

We need to see that in action. Several members of the Cabinet have now stated that there should not be a running commentary on their plans—plans that Her Majesty’s Treasury have said will potentially cost the Exchequer £66 billion per annum, almost 10% of the UK’s tax revenues. They have implored us to trust them while they negotiate on our behalf.

Should we trust the Foreign Secretary to get us the best deal, when the Prime Minister herself does not have faith in him? On June 26, he wrote of a points-based immigration system

“to suit the needs of business and industry.”

Not so, says the Prime Minister. On 5 September, a spokeswoman for the PM put him back in his place, stating:

“A points-based system will not work and is not an option.”

Should we, then, trust the judgment of the Secretary of State for International Trade, when the Prime Minister clearly does not? On his very first trip to the USA following his reappointment, he said that the Government would likely seek a free trade agreement with the EU rather than a closer customs union. By the end of the day, Downing Street was again forced to clarify the comments, stating that no decision had been made on whether Britain would seek to be part of the EU customs union.

What about the Secretary of State for Exiting the European Union? Can we take his statements at face value? He came to this House and told us last month that “this Government are looking at every option, but the simple truth is that if a requirement of membership is giving up control of our borders, then I think that makes that very improbable.”—[*Official Report*, 5 September 2016; Vol. 614, c. 55.]

Twenty-four hours later, Downing Street responds. Not so fast, says the PM's spokeswoman. Asked whether the Secretary of State was expressing a Government policy, she said:

"He is setting out his opinion. A policy tends to be a direction of travel: saying something is probable or improbable is not policy."

If we cannot take the public statements of Cabinet Ministers at face value, if we know that we have to double check the views of senior Ministers against official Government policy, and if the record shows that even the Prime Minister, who personally appointed these people to their posts, does not agree with them on key areas of policy that will underpin these vital negotiations, how can we trust the Government to get a good deal from this process? They do not even trust each other. It is because of this fundamental point that Parliament—indeed, all Parliaments across these islands—must play a central role in scrutinising and providing democratic oversight of the process.

Let us hear from the Secretary of State today that Scotland will be firmly embedded in the UK's process of developing its negotiating strategy. "Brexit means Brexit" does not cut it—it does not cut it at home; it does not cut it abroad—and internationally, people will be looking on and wondering how the Government of a country that claims to have the mother of all Parliaments could be so woefully unprepared for the results they have in their hands.

5.55 pm

Anna Turley (Redcar) (Lab/Co-op): Like other colleagues, I speak as someone who fought to remain, but who accepts the result. On Teesside, every single one of our boroughs voted to leave the EU by more than 60%. Our constituents sent a clear message to Westminster that the current social, economic and political settlement is not working for them and that they wanted to see change. We must hear that loud and clear. Now we and the Government must ensure that their concerns are met, and that the negotiations for Brexit work for them.

However, while the message from the country to leave the EU was clear, the terms of Brexit were not on the ballot paper, and it is therefore vital, as the motion says, that Parliament plays a key role as the exit negotiations go forward. The people of Teesside voted for Brexit, but they did not vote to give the Government a blank cheque to negotiate away their jobs, their rights and their security.

As today's discussion has shown, there were many reasons behind people's decisions on how to vote in the EU referendum, but many people I spoke to voted to leave because they were angry about the loss of our steelworks last year, and they believed the Government when they hid behind untrue claims that they could not intervene because of EU state aid rules and that they could not tackle Chinese dumping because of EU tariff rules. So, now that we have been liberated to drive our own industrial strategy, those people are looking to the Government to protect British industry and manufacturing—but what do we see?

We see a leading Brexit Minister, the Secretary of State for International Trade, saying that the Government "must turn our back on...voices that tell us: it's OK you can protect bits of your industry",

and who also urged the Government to be "unreconstructed, unapologetic free traders". So there is no protection for our vital industry in crisis—another premise on which my constituents voted swept away. Such a laissez-faire approach will have serious consequences for the UK steel industry, which has suffered from a flood of cheap Chinese steel. My constituents who voted for Brexit wanted an active, interventionist Government working to support British industry. Will the Government commit to ensuring that when we are outside the EU, vital British industries will be defended against unfair, state-sponsored competition from abroad? Will they promise that we in this House will get to debate these vital trade deals and tariffs, which will have a huge impact on British industry?

Moreover, thanks to this Government's failure on steel, we on Teesside have a huge task to rebuild our local economy. It is vital that Brexit empowers our region and allows us to attract the inward investment we need to bring new businesses and industries to the area, creating the decent, secure, and well paid jobs we desperately need.

Our two major assets on Teesside, which will be vital to our economic recovery, are Teesport and Wilton International. Both benefit hugely from access to the European single market, and maintaining this access must be a key part of Britain's Brexit deal. A hard Brexit, without trade agreements in place to ensure Teesside's businesses can continue to trade freely, would be potentially disastrous for our area, threatening many thousands more jobs.

What is more, our Tees Valley devolution deal with the Government was also underpinned by access to EU funding. Will the Government confirm that these funding pots will be maintained going forward? Regional development funding has made a huge impact, supporting growth, innovation, upskilling and job creation in our region. We must continue to receive this support for Teesside's economy to grow.

We have to make the most of the opportunities provided by Brexit, and I urge the Government to ensure that they help rather than hinder areas such as Teesside. We in Parliament, as representatives of our towns, cities and communities that will be deeply affected by these Brexit negotiations, must have a role to ensure that that happens.

5.58 pm

Mr Kevan Jones (North Durham) (Lab): I welcome the debate. I agree with my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) when he said that it was rather sad that anyone asking for scrutiny of the Government's strategy, or lack of it, is being accused of wanting to reverse the decision of 23 June. That is clearly not my position. I can tell the right hon. Member for New Forest West (Sir Desmond Swayne) that what it means to me is that there is no going back, no second referendum and no deals to try to keep us in the EU by the back door. I agree with the Secretary of State for Exiting the European Union who said on Monday that Britain's mandate to leave the EU was "clear and unarguable". I agree, but the vote did not give the Government a road map or a vision of what post-Brexit Britain will look like. We now need to

[Mr Kevan Jones]

get the best possible deal for our constituents, to protect their interests and also their livelihoods. That is our duty as elected Members of Parliament.

I also do not think it fair just to sit back and ignore what the Government are doing over the next few years. I agree with what was said by my hon. Friend the Member for Leicester West (Liz Kendall) about the issue of the pound. We have heard loose talk from Ministers over the last few weeks, costing people not only their jobs but their livelihoods. What we need from the Government now, rather than slogans such as “Brexit means Brexit”, is a clear framework showing what the processes will be, and an indication of their vision of a post-Brexit Britain. Instead, we have a Prime Minister who, throughout the referendum campaign, claimed to be arguing for “in” but was as quiet as a church mouse, and who is now arguing stridently that the key issue is control of immigration. The person who has had the job of controlling immigration for the past six years is standing back as though it had nothing to do with her now.

We also saw the worst kind of dog-whistle politics at last week’s Conservative conference, pandering to prejudice rather than presenting alternatives and strategies that would be in the best interests of the people. The Prime Minister is reverting to type. She is trying to rise above this, hiding behind “Brexit means Brexit” and leaving it to the three Brexiteers. Well, we have the Foreign Secretary, who gambled on hitching himself to the Brexit bandwagon in the hope that the British people would not support it, and is now floundering over what to do. We have the Secretary of State for International Trade, whose ideology and vision for the country are more akin to Republican Tea Party politics than what I think most people here would want. Finally, we have the Secretary of State for Brexit, who, on the Back Benches, was the champion of the sovereign rights of the House of Commons, and is now performing a great act as poacher turned gamekeeper. He has spoken twice in making statements to the House, and he spoke again today. Was there any illumination of the Government’s strategy? No, none at all. There would have been more power in a 40-watt lightbulb.

The decisions that are now to be made for this country will not only affect people today; they will affect the country for generations. We, as parliamentarians, have a duty to ensure that we get the best possible deal for our constituents, and also to ensure that we continue to live in a tolerant, respectful country, which I think is one of the best aspects of being part of the United Kingdom.

6.2 pm

Mark Durkan (Foyle) (SDLP): When we debated the Bill that is now the Psychoactive Substances Act 2016, Brexit was not listed as a mind-altering substance, but it clearly is, given that it has completely transformed the view and changed the character of the Secretary of State and many of his colleagues in relation to the primacy of Parliament and his disdain for, or concern about, the use of the royal prerogative.

Today the Secretary of State was at the Dispatch Box yet again. We were told by the Prime Minister that there would be no running commentary on these negotiations, and that is supposedly the risk posed by the motion. The fact is, however, that we are being treated again and

again to what sounds almost like a schoolboy vocalising his own fantasy commentary as he dribbles around the Dispatch Box.

We as a Parliament have the right and the duty to ensure that we best consider how these matters are dealt with. We now have a Government who are surprised to be the Government, following a Government who were also surprised by the result. The idea seems to be that Parliament has no role whatsoever, and can entrust these matters entirely to the royal prerogative and the three egos—for they are certainly not three amigos—who are meant to be leading the process. That constitutes a request for us to commit a dereliction of duty.

Like other Members, I am open about the fact that I voted remain. I am glad to report that my constituency voted overwhelmingly to remain, by over 78%, as did the people of Northern Ireland, by over 56%. Northern Ireland is a place where many of us have worked hard for many years to establish the principle of consent as the basis for our working institutions; I shall say more about that shortly. Can the Government not see, however, that allowing better parliamentary input, and even allowing a vote before the triggering of article 50, may give them an opportunity to maximise confidence in the way that things are being handled, and to answer the criticisms that they will meet from members of other Governments, the European Commission and the European Parliament, who will have their own commentaries on how the referendum was conducted and what it means? If they were able to say that their negotiating position had been approved by this Parliament, it would be strengthened rather than weakened.

Let us remember that even today the Secretary of State listed a whole number of sectors and interest groups that have real worries, and we know that many of those worries relate to free movement, the single market, funding and research collaboration. We cannot just say to all those people, “We’ll find out after the break.” We need to answer their questions, and we in Parliament need to ask the questions as well. The great repeal Bill will not satisfy them. After all, others have called it the great entrenchment Bill and the great incorporation, but it is really the great download and save Bill. We will simply be downloading and saving all the existing European law, but there will of course be a power to delete. The key question will be: who has that power? Will changes and amendments have to be put through Parliament in primary legislation, or will Ministers use their powers to make the changes by order? There could be a fit of ministerial joyriding as they go around doing their damage, or, to put it more currently, they might run through a whole list of European legal protections relating to the environment and workers’ rights like clowns with chainsaws. We cannot subscribe to the Government’s outrageous arrogance as they say, “It’s okay, we’ll use the royal prerogative for now, but there will be true parliamentary accountability and control after that.”

With regard to the Good Friday agreement, the Government need to stop going on about the question of a hard or soft border and about consulting the Executive. They need to tell us whether the provisions in annex A of the Good Friday agreement relating to the opportunity for a united Ireland and the provisions in schedule 1 of the Northern Ireland Act 1998 will specifically be written into a UK-EU treaty, because they will have to be.

6.6 pm

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): I am a passionate pro-European, and I campaigned very hard for the remain cause. In common with the constituencies of my fellow black country representatives, my constituency voted by something like two to one to leave. I would ignore that result at my peril, and I would not disrespect it anyway. However, I represent a constituency that has more foundries in it than any other in the United Kingdom. They are closely integrated into the automotive and civil aviation supply chain, which not only depends on the single market to sell its products but is part of a highly integrated process that also depends on being part of a single market. The dilemma that I face—which is reflected to a certain extent in the challenge facing the Government—is how to reconcile the genuine fears of the public with the needs of those who are working in those industries and are dependent on their success, which is in turn dependent on the single market.

In debates about Europe during previous Governments, the previous Prime Minister might have been keen to criticise the EU for domestic political reasons, but he was adamant that remaining part of the single market was very important for the future of this country. During the referendum campaign, an argument was peddled by the leavers that Britain was so important to the EU's trading relations that the EU would not dare to insist that we leave the single market. I have some private sympathy with that argument. Once we got past the initial shock and the immediate adverse economic reaction to our leaving the EU, business and the economy recovered almost instinctively, because the mood music suggested that that would indeed be the situation.

As the right hon. and learned Member for Rushcliffe (Mr Clarke) explained, the situation unfortunately changed as a result of comments by Ministers at the Tory party conference. Having said in September that they were not going to spell out their negotiating position in the Chamber, they appeared to take very hard public positions at conference on their negotiating stance with the EU. That completely changed the balance of the public's and business's perception of what the Government's approach was going to be. It came across that the priority was immigration, immigration, immigration, not the single market.

Stephen Phillips (Sleaford and North Hykeham) (Con): Will the hon. Gentleman give way?

Mr Bailey: No, I am not taking interventions.

The reaction of business, higher education and the markets since then has potentially caused us huge problems. That underlines the need for the Secretary of State for Brexit to reverse his position and come to this House to spell out priorities that emphasise our commitment, as a Chamber, to being part of the single market. Without that, we might go into the negotiations with our negotiating parties thinking we have no such commitment.

6.10 pm

Nic Dakin (Scunthorpe) (Lab): Brexit might mean Brexit, but what does it really mean? It means something different to everyone—like beauty, it is very much in the eye of the beholder. One thing is absolutely clear, however: the EU referendum was a shout out from the British people that they want to be listened to and no longer to

be patronised and ignored. For the British Government to say that they know what the British people mean by Brexit is to betray the same patronising, arrogant, distant, know-it-all attitude that the EU vote was railing against. It is justly ironic.

As the right hon. Member for North East Bedfordshire (Alistair Burt) said in an excellent contribution, we have a duty to take people with us. Our duty is to listen to what real people say. Confusing and contradictory it may be, but it is very real. There is the local farmer who said to me that he voted leave but desperately wants to retain freedom of movement; the local businessman who said to me he voted leave but wants to retain full access to the single market; the local grandmother who said to me she voted leave but wants her grandchildren to enjoy the freedoms and peace of the last 60 years in their future; and the local steelworker who said to me he voted leave because he thought it would provide more protection for the steel industry, although as we have heard from my hon. Friend the Member for Redcar (Anna Turley), that has been put at risk by the statements of the Secretary of State for International Trade.

The reality is more contradictory and nuanced than the Europhobes would have us believe. People want to come out, but they do not want to lose out. For all their healthy scepticism and doubt about their politicians—us—they have high expectations of us. They expect us to marry these contradictions and to square the circle in their interests. That is our overwhelming responsibility. That does not mean rushing headlong for a hard Brexit in some vainglorious, jingoistic charge of the Light Brigade, damaging our country and our people. We, the sovereign Parliament of this United Kingdom must listen to all our citizens—the 48% who voted remain, as well as the 52% who voted leave; the 65% of eligible voters who did not vote leave, as well as the 35% who did. We must bring about Brexit in a way that delivers for the people.

Standing in front of a full class of 16 and 17-year-olds last week at John Leggott College, where I used to be principal, the subject turned to the EU referendum. I asked the class how many of them would have voted leave. Not one hand went up. I said, “Come on, don’t be shy—put your hands up.” They said, “No, no, we would all have voted remain.” So I said, “How many of your parents voted leave?”, and half of them put their hands up. We have an obligation to deliver for those people who did not vote, as well as for those who did.

That does not mean we should overturn the judgment of the British people to leave the European Union, but it does mean we need to listen and that we should interpret and deliver that judgment in a way that benefits us all for the future. I went to—I think that will do, actually, Mr Speaker.

6.14 pm

Toby Perkins (Chesterfield) (Lab): What a great ending.

Like my colleagues, I was unambiguously in favour of Britain staying in the EU. However, I accept that we were unable to convince voters of our arguments. As a democrat, I firmly believe that, as we took the choice to hold a referendum and as that referendum cost the Prime Minister his job, there can be no doubt that the Government should get on with the job of negotiating our exit from the EU.

[Toby Perkins]

It was, however, a very close verdict. On the night of the poll, we were able to get 8/1 against Brexit happening. We had Nigel Farage on the television, telling us—wrong again—that remain was going to win, and also telling us that, in the event of remain winning, we should have another referendum. He said that the campaign was not over and that we were going to have another vote. We should not forget that many of those people who are now saying that we should get on and accept the result were telling us that, in the event of a remain vote, we should have a second referendum.

I regret the instant campaign for a second referendum; the result was legitimate. Although it was a close call, those advocating a second referendum on the basis that the British people did not know what they were voting for were ill advised. This thirst to ask people to vote again undermines that perfectly legitimate demand for proper debate about what the shape of our future relationship with Europe should look like.

Although the leave campaign was vague on the details of what a post-Brexit relationship with Europe and the rest of the world would look like, and the campaign promises that were made have disappeared like a spring frost in the days since, there were, my constituents who voted leave believed, some clear commitments that were made. The first was that we would be able to continue to trade with our European partners—they imported fewer of our goods than we did of theirs, we were told, and they were still going to want to sell us their BMWs. We were also told that pulling out of the EU would open new doors to all these other markets that we were currently unable to access.

The second thing that my constituents heard was that there would be a reduction in immigration and that we would take back control of our borders. They clearly believed that leaving the European Union would enable Britain to control freedom of movement and to reduce immigration.

At a time when our NHS is so stretched, it is complete madness for the Government to send out a message to foreign doctors that they may be welcome now but they might not be in the future, that they can come here, set up home here and have children here but that in a few years' time if we can train up some doctors they might all have to go. It is madness, because our NHS cannot cope without those doctors and other healthcare professionals. There are many other skills on which we rely from overseas. If the Government are trying to send that message, they are absolutely insane.

Thirdly, my constituents expect Britain to be better off as a result of leaving the EU. The £350 million for the NHS may have already disappeared, but whatever the Government choose to spend money on, there is a clear expectation that there will be more money to be spent in the UK as a result of Brexit.

As a remainder, I can say that if the Government deliver on those three tests, there will be no need for a second referendum. What worries me is that this decision is being driven by intra-party concerns within the Tory party. We have a Prime Minister who, rather ambiguously, was on the remain side and who is now trying to show that, as her party is dominated by activists on the leave side, she will be good to that promise. As a result of that, a very, very hard Brexit proposal is being brought

forward. It was very revealing that, before joining the team of advisers for the Secretary of State for Brexit, Raoul Ruparel said:

"It is concerning that, at this stage, the UK Government still seems to be debating the most basic tenets of Brexit when the time is upon us to be drafting a detailed approach."

We need that detailed approach, which is why I support the motion on the Order Paper.

6.18 pm

Helen Goodman (Bishop Auckland) (Lab): I am very pleased to have this opportunity to speak in favour of the motion on the parliamentary scrutiny of the UK leaving the EU, which was put down by my hon. and right hon. Friends. We all want Parliament to scrutinise the negotiating strategy before Ministers trigger article 50, but I am in favour of us having a vote on it as well.

Article 50 states that it should be triggered in line with our constitutional arrangements. Well, I think if anybody was asked to define Britain's constitution, they would say that it is basically a parliamentary democracy. They would not say that it is a royal autocracy or that it is a bit like the Kingdom of Bhutan. Therefore, for the Government to choose to use the royal prerogative is to choose to do something that is arcane, undemocratic and secretive, and none of those is conducive to a good deal.

The hon. Member for North East Somerset (Mr Rees-Mogg), who is sadly not in his place at the moment, was confident that the Government would have to come back because of the Standing Orders of the House. I hope that the Government will come back, but we see no sign of that at the moment from Ministers or their lawyers. They are still fighting a case to defend the royal prerogative. They are saying that compelling the Government to introduce legislation would be to trespass on Parliament. When I asked the Secretary of State about that on Monday, he gave a very interesting reply. He said:

"The main guidance I gave to the Attorney General was that a would-be vote in this House on article 50 could have two outcomes. It either lets it through or it stops it... It would be a refusal to implement the decision of the British people".—[*Official Report*, 10 October 2016; Vol. 49, c. 615.]

The Secretary of State should go back to his original idea of producing a White Paper. As many hon. Members have said, people voted for Brexit, but they did not vote on how to Brexit. If the Secretary of State followed his initial idea of producing a White Paper, the Government could set out different options for Brexit—whether soft or hard, or something more complicated would probably be better—and the House could vote on which Brexit strategy it thought would be best. That is not a completely revolutionary new process; it is the process that we used when we voted on House of Lords reform in the last Parliament, and I commend it to Ministers. The leave campaigners voted to restore parliamentary sovereignty and take back control, and that is exactly what we should do.

I am extremely concerned about the problems with the customs union. I remind the House that the customs union was established in 1968. It is what we joined in 1973. It is what people voted in favour of last time we had a referendum in 1975. Although people clearly have reservations about immigration, European law and the

European Court of Justice, most people are in favour of what they call the Common Market. I am very keen that one of the options that the Government keep on the table is that we remain within the customs union because, without it, we will see a huge burden on the 40% of our exports that go to the EU.

6.22 pm

Peter Dowd (Bootle) (Lab): First, I am pleased that the Government have acknowledged in their amendment that they have a negotiating position. That is a major step forward. I am also pleased that an unelected Prime Minister has deigned to give Parliament an opportunity to discuss this in due course. It is a real shame that the Prime Minister did not start her premiership by giving that commitment; instead, she has been forced to capitulate to the reasonable demands of so many people across the House.

The fact that the Prime Minister even gave thought to gagging Parliament—that is what it was in the first place—is shocking. If she cannot get a major constitutional issue right, what hope is there for the ability to negotiate a deal with the EU, especially with three members of her Cabinet leading the charge who cannot even agree among themselves who is leading on what?

I am afraid that the Government are not even in the happy position of making things up as they go along. By their standards, that would be a rational and systematic approach to the negotiations. No, the three amigos, as the hon. Member for Foyle (Mark Durkan) referred to them, are somewhere in the English channel without a tiller or an oar between them. They are drifting, and the problem is that they are not the ones who are paying the price for their incompetence—an incompetence dressed up as a need for confidentiality, or else the Germans or the French will be able to see our hand. Well, I will let the Government in on a secret: we do not have a hand to show anyone, including ourselves.

We have had bluster again from the Foreign Secretary, who has been ruminating across Europe, so he tells us. We have the Secretary of State for Exiting the European Union's misguided, nonchalant and insouciant attitude at the Dispatch Box, which makes Sergeant Wilson from "Dad's Army" look positively frenetic, but without the charm. Meanwhile, as the right hon. Member for Sheffield, Hallam (Mr Clegg) said, the Secretary of State for International Trade

"doesn't have a job and he doesn't appear to have realised that yet."

That sums up the whole fiasco that is the Government's position. On 19 July, I asked the Chief Secretary to the Treasury how many civil servants had been involved in planning, and he could not answer. That is typical as well.

Liverpool, Bootle—my constituency—and the wider borough of Sefton voted to remain in Europe. I expect that part of the reason for that is that during the 1990s and 1980s, the Tory Government took a sledgehammer to the social and economic infrastructure of Merseyside, and the European Community was the only institution that continued to support my constituency. In fact, while we were being cut adrift by the Tories, with the odd honourable exception of people such as Lord Heseltine, the European Community was the only substantial lifeline, both economically and socially, for my community. We looked to the EC for support, and we got it; we did not get it from the Conservatives.

As a port with a long history of looking out to the world, we are not afraid to meet and greet other nations; in fact, that is part of what makes us who we are—tolerant and outward-looking. We do not want the Government's lack of a plan to halt the growth in the Merseyside economy—the second largest growth outside of London. Frankly, there is little in the statement from the Secretary of State for Exiting the European Union that gives me any confidence whatever that the Government will deliver anything for my city region. The Government are silent on that aspect, as on many others, and that is really not good enough. The three Secretaries of State were vociferous in their demand to leave, but they are absolutely silent on what comes next.

6.26 pm

Helen Hayes (Dulwich and West Norwood) (Lab): It is a pleasure to follow my hon. Friend the Member for Bootle (Peter Dowd). My parents hail from his constituency, and we are familiar, as a family, with both the devastation of the Merseyside economy and the role that the EU has played in supporting it over the years.

I am glad to see the Government's engagement with the motion. The lack of regard for Parliament in the Brexit process until now has been completely unacceptable and unjustifiable. Some 48% of people across the UK—almost half—voted to remain in the EU. In my constituency, more than three quarters of residents who voted wanted to remain, and many who voted leave did so on the basis of promises that have proved at best hollow and at worst simply untrue.

While I respect the narrow result of the EU referendum, it cannot for one second be considered a mandate to negotiate Brexit on any terms that the Prime Minister sees fit. The terms must be subject to full and proper parliamentary scrutiny, and the British people must, as a minimum, have the opportunity to voice, through their elected representatives, whether or not they consider the emerging terms of negotiation acceptable.

In my constituency, there is huge alarm and, it is no exaggeration to say, distress about Brexit. Young people whose lives could be fundamentally different as a consequence of Brexit, who did not have the opportunity to vote, and who, if they had been able to vote, as they should have been, may well have changed the decision feel particularly aggrieved. I met a group of students in my constituency last week whose anger and sense of disfranchisement were palpable.

EU nationals living in my constituency, many of whom work in our public services, feel bereft. I have spoken to many who say that although they have been in the UK for many years, this is the first time that they have ever felt unwelcome and unwanted in the community that they consider to be home. The business community in my constituency—3,500 small and medium-sized enterprises—tells me that it feels that the Government simply do not understand the potential impact of Brexit on small businesses. Small developers in my constituency, whom we desperately need to deliver more homes, are putting schemes on hold because of the uncertainty.

My local NHS trust is under severe financial pressure; many of those in the workforce on which it is dependent come from overseas. They work hard to serve our community and feel frankly insulted by some of the rhetoric that the Government have put out about foreign workers. My NHS workers would like to know whether

[Helen Hayes]

and when our local trust will get a share of the £350 million a week that was promised, and when the Government will be clear that those workers are valued, irrespective of where they come from, for the contribution that they make to treating and caring for sick patients.

I am pleased that the Government appear to have recognised the need for parliamentary scrutiny in the Brexit negotiations. They must be clear that that will include a vote. We, too, must be clear. What will be the approach to the single market? How will the Government manage the risk to sterling? What will replace the European arrest warrant? What will be the impact of limitations on freedom of movement on the NHS and other critical services? What will be the status of British citizens living in the EU? How will workers' rights be protected? What will be the impact on our universities and students, and on scientific and medical research, and how will the Government mitigate those impacts? What will be done to ensure that the loss of subsidy and investment is mitigated across the country? Those issues, and many more, were not the subject of the EU referendum question, but the consequences of the decisions made on them will be profound and will echo across generations to come. They are of the utmost importance to my constituents, and it is the responsibility of all of us in this House to play a full role in holding the Government to account.

6.29 pm

Stephen Kinnock (Aberavon) (Lab): The EU referendum laid bare two truths about British society. First, we are a divided country with deep fissures between communities and regions on a range of issues, from economic inequality and control of the UK's borders to the very nature of Britain and our place in the world. The second truth is that there is a destructive and almost complete lack of trust in politics across large parts of our country.

Those two truths severely detract from our ability to make a success of Brexit, so we must act decisively and quickly to rebuild trust in our politics and to heal the fractures in our society. The Government's approach to the Brexit process must have that necessity at its core, recognising that trust is built on openness and clarity, which is particularly important as the stakes for our country are high, and the immense power that the Brexit process confers on the Government will shape our society for generations to come. It is a sobering responsibility, and to fulfil it the Government must be open and clear with the British people.

From what we have seen, we can only assume that the Government are steering us with a misplaced swagger and hubris towards the rocks of a harsh, intolerant Brexit, but no one can be sure. The Government either do not want us to know what they are planning or they simply do not know themselves. Moreover, given that the referendum gave no specific mandate for a negotiating position, the Government must make it clear to the British people what they intend for their future.

Without parliamentary involvement, engagement and scrutiny, the only route for holding the Executive to account will be through Whitehall whispers, Fleet Street filtering and disgruntled score settling. After a referendum vote that was not, as the Prime Minister now seems to suggest, completely one-sided, but quite evenly balanced,

we must find a path to Brexit that is driven by the national interest, rather than by the Prime Minister's need to manage the warring factions of her party.

That path must run through Parliament, which should have full legislative and scrutiny powers. This is not a ploy to void the result of the referendum; it is a vital action to meet the referendum's central demand that the UK take back control through a fully sovereign Parliament. The Opposition have absolutely no desire to see the result of the referendum overturned—it must stand. We are simply here to articulate the interests of the people we were elected to represent. Our responsibility is to secure the best possible deal for our country and our communities, whether it is in steel trade defence instruments or replacing EU regional investment funding and beyond.

Leadership is about building consensus and taking people with you. The Prime Minister should trust that Parliament is up to the task of playing a sober and constructive role at a decisive time for our country. The Prime Minister must act to restore the people's faith in our parliamentary democracy by setting out how the Brexit process and subsequent withdrawal will work, and how both will be subject to the full scrutiny of Parliament every step of the way. It is only by proving that we in Parliament can work together to make a success of Brexit that we can rebuild trust in our politics and heal our fractured and divided society.

6.33 pm

Christina Rees (Neath) (Lab/Co-op): Much has been said about the extent of the economic impact of leaving the EU, as well as the social, political and cultural effects. There are questions to be answered on criminal justice, homeland security, border control, data sharing and environmental law. Hon. Members have addressed those subjects, so I will speak about regional funding. For my Neath constituency, that will be a defining issue of any Brexit deal.

I am proud of the EU investment that has been made in west Wales and the valleys, but less proud of the fact that that money is needed because we are one of the poorest regions in Europe. I am fearful of the time when that money no longer exists. When I visit communities across my constituency and the wider region, I find vibrancy and tenacity, despite hardship and economic decline. EU funding has brought community infrastructure, training, apprenticeships and regeneration, and there is no doubt that these structural funds have played a central role in the rebirth of the valleys. The decline of the mining industry ripped away the economic foundations of my constituency and thousands of people found themselves unemployed, but a visitor to Neath today will see businesses starting up, new shops and a £13 million town centre redevelopment in progress.

The economy of Neath and its villages is growing, and that growth is down to effective investment of European funds secured by our wonderful Labour MEP, Derek Vaughan. The last round of funding launched 485 businesses, supported 7,300 people into work and created 1,355 jobs, and 14,870 qualifications have been gained. Close to 5,000 people have completed an EU-funded apprenticeship.

Neath Port Talbot has been lead partner on Workways, a project delivered across the county borough and then extended throughout the west Wales region when its

success was proved. The project has helped tackle barriers that prevented individuals finding or returning to employment, thanks to £16.7 million in EU funding. Swansea Bay campus, which has had a beneficial impact on Neath and the region, would not have happened without the £95 million of European funding.

No one knows the process that will follow article 50 and the fate of projects during this period, let alone beyond the two-year timeframe. The Welsh Government have already reprogrammed existing funding, and yesterday they announced that Communities First, their flagship programme for tackling poverty, will be cut in order to reinvest the money in projects that would previously have relied on EU funding.

If parliamentary sovereignty is paramount, surely Parliament should have a say in the negotiations, the process and the deal on exiting the EU. We need full scrutiny, because the Government need to be held to account. The national Parliaments of EU member states will demand a say in ratifying Britain's exit, and it is only right that this House is involved in ameliorating the effects of unravelling a 40-year relationship and the work it will take to establish new trade deals. What will the Government do to protect the 100,000 jobs in Wales that depend on our trade with Europe, and the thousands of people in my constituency who have found work through the support of the European Union?

6.37 pm

Barry Gardiner (Brent North) (Lab): For the avoidance of doubt, we intend to accept the Government's amendment. Today's debate has been one of the finest I can remember in this House. The contributions from right hon. and hon. Members read like a Baedeker guide to the United Kingdom. We heard from the right hon. and learned Members for Rushcliffe (Mr Clarke) and for Beaconsfield (Mr Grieve), the right hon. Member for Broxtowe (Anna Soubry), my right hon. Friends the Members for Doncaster North (Edward Miliband) and for Leeds Central (Hilary Benn), the right hon. Member for Loughborough (Nicky Morgan), my hon. Friends the Members for Wolverhampton North East (Emma Reynolds), for Wallasey (Ms Eagle) and for Birmingham, Erdington (Jack Dromey), the right hon. Member for North East Bedfordshire (Alistair Burt), my right hon. Friend the Member for Wolverhampton South East (Mr McFadden), the right hon. Member for Basingstoke (Mrs Miller), my right hon. Friend the Member for East Ham (Stephen Timms), and my hon. Friends the Members for Foyle (Mark Durkan) and for Bishop Auckland (Helen Goodman). They all made absolutely superb speeches. I must also pay respect to speeches made on the other side of the debate, from the hon. Members for Stone (Sir William Cash), for North East Somerset (Mr Rees-Mogg) and for Spelthorne (Kwasi Kwarteng), which I thought were particularly worthy of note.

It is right that this debate has taken place, and it was good that the Government acceded to the will of Parliament by accepting the right of this House, and indeed its duty, properly to scrutinise their proposals for leaving the EU before article 50 is invoked. After the Prime Minister herself had insisted that the referendum was about the country taking back sovereign control over its own affairs, it would have been difficult for her Government to maintain that this sovereign Parliament had no such right to scrutinise and express its will in relation to the

biggest constitutional challenge our country has faced in a generation. I therefore genuinely welcome the Government's concession on the matter.

What today's debate has made clear is that whatever way Members voted in the referendum, leave or remain, the vast majority do not wish to overturn the referendum vote. We are democrats: however small the margin of victory, a 52% to 48% vote for leave is a majority. It represents a mandate and it must be respected.

Let us be equally clear, however, that the need to respect the 17 million votes cast for leave does not mean that the rights and concerns of the 16 million who voted to remain can be trampled on. Although we of course accept that no Government should give a running commentary on the details of their negotiation, any responsible Government must give a coherent and reasoned picture of what sort of future they aim to achieve for their citizens.

Business leaders are demanding not certainty, but clarity. Everyone accepts that negotiations will be tough and protracted, and that means an inevitable period of uncertainty, but that should not stop the Government being clear in their purpose and objectives. Our respect for our constituents must surely insist that they have a right to know what our future relationship with the EU might look like—after all, their jobs, welfare and livelihoods, and the future of their children and grandchildren, are at stake. We are asking for clarity on the terms of the UK's leaving the EU.

Sir William Cash: Will the hon. Gentleman give way?

Barry Gardiner: No, I will not.

Parliament has a duty to ensure that the various final options are considered accordingly and not simply forced through; Parliament has an obligation to ensure that each of them is properly debated and clearly presented to the British people. Every Member appreciates that each of the different possible outcomes of our leaving the EU has both advantages and downsides, and it would be morally repugnant for anyone to pretend that there is only one sort of Brexit. That would be a lie: it would be to perpetrate a deception on the British people. The debate of June has moved on. We can no longer debate whether we leave the EU, but we absolutely must debate how we do that.

The Government are clearly experiencing certain strains between their Treasury wing and their Brexit triumvirate, but my purpose is not to make political hay with that dispute. In fact, I believe that it is right that the Government are having a serious debate and considering the various options. Our point is simply that this is not a discussion that the Government can keep to themselves. Parliament must be part of that discussion, and the British public have a right to their say.

Our role as politicians and leaders of our different communities is to present all the different possible options for how to leave the EU to our constituents and to let them inform the final decision that this sovereign Parliament must make. Our sovereignty rests on the sovereignty of the people.

It is important, too, that we also understand the limits of that sovereignty. It is said that politicians propose and markets dispose. Sovereignty does not give us control over the confidence that others have in the

[Barry Gardiner]

strength of our currency. It was not for no reason that the Bank of England put £70 billion of extra liquidity into the UK economy immediately after the referendum result and lowered interest rates by a quarter point. Some commentators who are fond of reminding us that after the Brexit vote the sky did not fall in should perhaps consider that Mark Carney and the Monetary Policy Committee were pumping liquidity into the system precisely to prop it up. Sovereignty certainly does not give us control over the markets; over the past week, we have seen all too clearly the markets' violent reaction when they thought that the Government were proposing to leave both the single market and the customs union. Today the pound stands at a 168-year low.

The Government can insist. They can exercise the royal prerogative and decide to withdraw from the preferential terms of access to the world's largest consumer market that the UK currently enjoys, but they are very mistaken if they confuse that exercise of sovereignty with any real control over the investment decisions that companies will then take about the future of our constituents' jobs and wages. If the market is right to have devalued the UK's stocks so significantly, and if it is right in thinking that investors will no longer invest and that the UK's economic prospects have declined, we need to understand that our current account deficit—which currently runs at £28.7 billion, and which the fiscal rule was supposed to abolish, before it was abolished itself—is only likely to widen. The Government have a responsibility to set out precisely how they propose to deal with that economic fact, because, again, this is about the jobs, wages and wellbeing of our constituents.

As the Chancellor himself said,

“the British people did not vote...to become poorer or less secure”,

but we must be open with the electorate that the prize of regaining full sovereignty is that we will no longer have any control over the regulation and standards in a market with which we currently have 44% of our exports and 53% of our imports. We must be open with the electorate that the control over the movement of people from the EU that the Prime Minister spoke of at Prime Minister's questions earlier today will also affect the capacity of companies to hire those with the skills they need to grow and prosper, and to employ more people here in the UK.

I am not in the habit of quoting the *Daily Mail*—I often like neither what it says, nor the way in which it says it—but none of us should ignore what it says today. In an otherwise misleading and confused editorial, it says:

“what the public voted for was simple: to regain control of our borders in order to end mass immigration; reclaim control of our laws; and stop sending billions of pounds to Brussels.

None of this is possible inside the single market—which requires the free movement of workers”.

If the Government believe that—and I believe they do—the question must be asked why they will not admit that they have ruled out maintaining the access we currently enjoy to the single market.

Immigration is the political heart of the Brexit debate, and we in the Labour party state unequivocally that those EU workers currently in the UK contributing to our economy must be allowed to stay, just as the 1.2 million

UK citizens living and working in the rest of the EU must be. We in the Labour party also put it on record that the principle of the free movement of workers must be changed, and our new relationship with the EU must put in place clear and fair immigration controls that work to the benefit of the British people.

However, there will be a cost in terms of market access, investment, jobs and our constituents' livelihoods. Why are the Government afraid to say so? The answer is that they do not want to admit the financial consequences that must inevitably follow from such an admission. The free traders are actually fighting against the financial consequences of leaving the largest free trade market in the world.

The Government have 170 days. The Secretary of State can continue to duck and dive as he did today—42 minutes in which he said nothing—but democracy demands that the Government should publish the terms of Brexit and submit them to the scrutiny of this sovereign Parliament, and the people of Britain will not trust this Government until they do.

6.48 pm

The Minister of State, Department for Exiting the European Union (Mr David Jones): May I join the hon. Member for Brent North (Barry Gardiner) in congratulating all Members who contributed to this excellent debate about what the motion rightly describes as the “defining issue” facing the United Kingdom?

We agree that it is entirely proper that Parliament should scrutinise the Government's approach to the process of leaving the European Union and that there should be full and continuing debate on that process. It is beyond doubt—this was fully accepted by the shadow Secretary of State, the hon. and learned Member for Holborn and St Pancras (Keir Starmer), and many other hon. Members who have spoken today—that the Government have received clear instructions from the British people that Britain should leave the EU.

Stephen Gethins: Will the Minister give way?

Mr Jones: I will not because I have very little time.

The referendum held on 23 June was one of the biggest democratic exercises in British history. The turnout was high, at 72%, with over 33 million people participating. Over 1 million more people voted to leave than to remain. The turnout was bigger than at any general election since 1992. No single party or Prime Minister has achieved more votes in our history than did the vote to leave in June. This was a once-in-a-generation vote, and that decision must be respected. As my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve) said, we now all have a duty as Members of this House to respect, and not to seek to frustrate, the will of the people of the United Kingdom. I am pleased to observe that most hon. Members who have participated today have agreed with that proposition.

The Government recognise that Parliament must play a full part in the United Kingdom's withdrawal from the EU, and we will of course observe in full all legal and constitutional obligations that apply during the course of withdrawal. As my right hon. Friend the Secretary of State said, we are committed to working with Parliament as we seek to obtain the best deal for

Britain in that process of withdrawal. Let me be absolutely clear, however, that triggering the article 50 procedure is a matter for the royal prerogative.

We will take fully into account the views of all Members in our parliamentary engagement, which has already, in the short life of my Department, been extensive. Debates such as today's are part of the process whereby Parliament will hold the Government to account. So far, in the two and a half working weeks since the summer recess, my right hon. Friend has made two oral statements and appeared before two Select Committees. In his opening speech, he listed the parliamentary engagements that Ministers from his Department have attended and will continue to attend. This Government welcome and encourage such participation.

The restoration of parliamentary sovereignty is at the very core of why we are leaving the European Union. Once we have left, the primacy of the United Kingdom Parliament will no longer be in doubt. As my hon. Friend the Member for Stone (Sir William Cash) said, that is what the great repeal Bill will secure.

Ms Angela Eagle: Will the Minister give way?

Stephen Gethins: Will the Minister give way?

Ian C. Lucas: Will the Minister give way?

Mr Jones: I will not give way.

I have no doubt that the Bill will be subject to rigorous scrutiny by both Houses of Parliament during its passage. It will be for Parliament to determine what changes to the law in the great repeal Bill will best suit the national interest, but the national interest must be the paramount consideration for both the Government and Parliament.

We will shortly be entering into extensive and detailed negotiations about the terms of our withdrawal. It is entirely right that the Government should not damage our position in those negotiations by spelling out in fine detail what our negotiating position will be.

Ian C. Lucas: Will the Minister give way?

Mr Jones: I will not give way.

Nobody sensible would expect us to do so, least of all those with whom we will be negotiating. My right hon. Friend has already set out the broad aims of our negotiation, which include, crucially, regaining control of our borders and having the most open access possible to the European market, but I am sure that hon. Members will understand the practical realities of our withdrawal negotiations. Indeed, the House of Lords EU Committee has summarised what it considers to be the correct approach to parliamentary scrutiny:

"We acknowledge that certain elements of the forthcoming negotiations, particularly those relating to trade, may have to be conducted confidentially. We would expect parliamentary scrutiny of the negotiations to strike an appropriate balance between transparency and confidentiality, while achieving the overarching objective of holding the Government effectively to account."

Ian C. Lucas: I will put to the right hon. Gentleman the question I put to the Secretary of State. If he believes in parliamentary sovereignty, will the Government please present their opening position to Parliament for

scrutiny and a vote before they begin to conduct negotiations? Will he give the Chamber an assurance on that?

Mr Jones: The House will of course be fully engaged as matters progress, but I have to repeat to the hon. Gentleman—and I remind him that I have been more generous in giving way than was his colleague the hon. Member for Brent North—that he has to understand the element of confidentiality in the negotiations that was quite rightly identified by the House of Lords EU Committee. We fully agree that that balance will have to be struck, which is why we seek to amend the motion. We agree that there should be a transparent debate on the Government's plans for leaving the EU and that there should be proper—

Stephen Gethins *rose*—

Mr Jones: I will not give way further.

But that process should also respect the decision of the British people to leave the EU and should not adversely affect our negotiating position. We believe that is the sensible position to adopt. It is one that I believe would receive the approval of most sensible people in this country. We do not propose to veil our preparations for negotiation in secrecy, but at the same time we want to serve the national interest, which means going about the negotiations in a practical and sensible manner.

One theme that was developed during the course of the debate and raised by a number of right hon. and hon. Members, including the right hon. Member for East Ham (Stephen Timms), my hon. Friends the Members for Stafford (Jeremy Lefroy) and for Dudley South (Mike Wood) and the hon. Member for Wrexham (Ian C. Lucas), was membership of the single market and freedom of movement. The Government's position is that although the ability to trade with EU member states is clearly vital to our prosperity, there is clearly no mandate for a deal that involves accepting the existing arrangements governing free movement of people from the European Union, but we do not accept that there is a binary trade-off between border control and access to the single market for goods and services. We are aiming for the best deal for Britain. That is what all hon. Members should strive for.

I wish to reiterate my thanks and those of the hon. Member for Brent North to all hon. Members who have participated in the debate. There have been excellent contributions from a large number of Members. It was heartening that another theme that developed was that we must understand that the referendum is over and has been completed, and we all have to accept the result and move on together as a House in the national interest. That point was most clearly expressed by my right hon. Friend the Member for North East Bedfordshire (Alistair Burt).

We will give full consideration to all the points raised so clearly by so many right hon. and hon. Members today, and the further points that will no doubt similarly be raised in the weeks and months to come. We are happy to accept the Opposition's motion, which is helpful and has been the catalyst for an excellent debate that has developed the argument significantly, subject to the addition of the words contained in the amendment.

[Mr David Jones]

This country now stands on the threshold of a new chapter in its history, and a new relationship with the continuing members of the European Union. Every single Member of this House, I know, will want our withdrawal to be a success for the national interest. I believe that the amendment is entirely proper and commend it to the House.

Amendment (b) agreed to.

Main Question, as amended, put and agreed to.

Resolved,

That this House recognises that leaving the EU is the defining issue facing the UK; believes that there should be a full and transparent debate on the Government's plan for leaving the EU; and calls on the Prime Minister to ensure that this House is able properly to scrutinise that plan for leaving the EU before Article 50 is invoked; and believes that the process should be undertaken in such a way that respects the decision of the people of the UK when they voted to leave the EU on 23 June and does not undermine the negotiating position of the Government as negotiations are entered into which will take place after Article 50 has been triggered.

PETITIONS

Mr Speaker: Order. We come now to petitions. [Interruption.] It strikes me as unimaginable that Members do not wish to listen to the right hon. Member for New Forest West (Sir Desmond Swayne) as he presents his petition, but if they are disinclined to do so, perhaps they could do him and me and the House the courtesy of leaving quickly and quietly, so that the rest of us can enjoy, however briefly, his oratory.

Implementation of the 1995 and 2011 Pension Acts

7 pm

Sir Desmond Swayne (New Forest West) (Con): I present the petition of Susan Carter of Ringwood and some 80 other constituents of the New Forest West parliamentary division who support the campaign for Women Against State Pension Inequality. The petitioners urge that the House of Commons makes a fair transitional arrangement for women born on or after 6 April 1951, who have unfairly borne the burden of the increase in the state pension age.

The petition states:

The petition of residents of New Forest West,

Declares that as a result of the way in which the 1995 Pension Act and the 2011 Pension Act were implemented, women born in the 1950s (on or after 6 April 1951) have unfairly borne the burden of the increase to the State Pension Age; further that hundreds of thousands of women have had significant changes imposed on them with little or no personal notice; further that

implementation took place faster than promised; further that this gave no time to make alternative pension plans; and further that retirement plans have been shattered with devastating consequences.

The petitioners therefore request that the House of Commons urges the Government to make fair transitional arrangements for all women born in the 1950s (on or after 6 April 1951) who have unfairly borne the burden of the increase to the State Pension Age.

And the petitioners remain, etc.

[P001839]

Christian Matheson (City of Chester) (Lab): I beg leave to present to the House a petition on behalf of Mrs Tina Scriven, leader of the Chester WASPI group and more than 100 other petitioners from the City of Chester, in the same terms described by the right hon. Member for New Forest West (Sir Desmond Swayne), and described so ably last night in the House by my hon. Friend the Member for Worsley and Eccles South (Barbara Keeley), calling for justice and fairness for women born in the 1950s.

The Petition of the residents of City of Chester.

[P001925]

Mr Christopher Chope (Christchurch) (Con): I seek to present a petition signed by 83 members of my constituency in terms similar to that presented by my right hon. Friend the Member for New Forest West (Sir Desmond Swayne). I have told my petitioners that I agree with them on the need to try to establish fair transitional arrangements for women born on or after 6 April 1951, who have unfairly borne the burden of the increase to the state pension age.

The Petition of the residents of Christchurch.

[P001927]

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): I rise to present a petition relating to the implementation of the 1995 and 2011 Pension Acts. More than 200 of my constituents have signed the petition. Credit for collecting those names should go to my local WASPI campaigners, who have brought together many Teessiders who are affected, and organised local activity against that injustice. I hope the Government listen to them. The petitioners request that the House of Commons urges the Government to make fair transitional arrangements for all women born on or after 6 April 1951, who have unfairly borne the burden of the increase in the state pension age.

The Petition of the residents of Middlesbrough South and East Cleveland.

[P001937]

Gypsies and Travellers

Motion made, and Question proposed, That this House do now adjourn.—(*Heather Wheeler.*)

7.4 pm

Andrew Selous (South West Bedfordshire) (Con): I am grateful to colleagues who have stayed and I will be more than happy to take interventions.

On the sunny morning of 26 May this year, an eight-year-old boy climbed over the fence of a Traveller site in my constituency to chat to the Minister's predecessor, Baroness Susan Williams, a local farmer whose land we were on, and to me. He was a delightful boy, but his prospects are destined to be much less good than many children of his age. A 2014 report from the Office for National Statistics shows that he is far less likely to gain any qualifications compared with the rest of the population, is more likely to be out of work and is likely to have worse health. The report found that 60% of adult Travellers had no qualifications, compared with 23% for the rest of the country, and that 20% were unemployed compared to 7% for the national population.

In 2016, in the fifth-richest nation in the world, this boy was living on a site with no proper sewerage system and no legal water supply, and he had not been in school for several weeks despite the best efforts of the local authority. I also question the quality of home schooling provided by parents who have themselves low levels of educational attainment.

The site he lives on has had three major incidents of modern slavery, a recent murder, frequent fighting between different Traveller groups, and significant sub-letting of pitches to vulnerable groups and some east Europeans in often the most atrocious of conditions. I do not believe that our current Traveller policy is in the best interests of that young boy and that is one reason why I am calling for the Department for Communities and Local Government to undertake a complete review of legislation affecting planning, law enforcement and housing allocation for Travellers.

Kate Green (Stretford and Urmston) (Lab): As the hon. Gentleman knows, this is a subject that deeply concerns me, as it does him. He is right to talk about the need for a cross-governmental review. Would he include in that list the Department for Education? As he rightly says, the educational outcomes for those children are very poor. Too often, because schools do not meet their needs, they end up with substandard home schooling.

Andrew Selous: I most certainly would, and the Home Office needs to be engaged as well.

The settled residents of my constituency have had a very difficult summer and it is no exaggeration to say that many are living in fear. One local farmer has had four fires on his land started by Travellers, and he has had to employ a student to walk in front of his combine harvester to pick up all the metal and other items fly-tipped on to it by Travellers.

Sir Simon Burns (Chelmsford) (Con): Does my hon. Friend accept that it is crucial for the Government to look at enforcement policy? This summer, the city of Chelmsford had a complete roundabout of different Travellers coming on to greenfield sites within the city boundaries. This has caused considerable problems for

local communities, with all the complex measures that local authorities and owners of land have to take to ensure they are removed. I would be grateful if he impressed on the Minister the need to have a more effective policy.

Andrew Selous: I totally agree with my right hon. Friend.

Some settled residents have had their water supply disconnected completely by the Travellers, as they have sought to augment a supply that was never part of the planning permission for the site. A mother wrote to me recently and entitled her letter "A plea from the children" of her town who have been unable to use the brilliant new £250,000 skate park for much of the summer because of 10 unauthorised Traveller encampments next to it.

Wendy Morton (Aldridge-Brownhills) (Con): I am grateful to my hon. Friend for giving way. I know a lot of Members want to intervene. My constituency, like the constituency of my right hon. Friend the Member for Chelmsford (Sir Simon Burns), had a number of encampments. In calling for a review, will my hon. Friend consider the impact of unauthorised encampments on local communities?

Andrew Selous: My hon. Friend makes a powerful point and in doing so speaks up for her constituency.

The skate park I just mentioned was being defecated on, and local children had had their bicycles stolen by the Travellers. Other mothers have said that children have been too scared to go to the leisure centre for their swimming lessons, as they find the Travellers very intimidating. Even the staff of the leisure centre are too scared to ask them to pay. I was bitten by two of the Travellers' dogs as I walked around the site.

In respect of the life chances and vulnerabilities of Traveller children, I learned that last month one of my constituents witnessed a fight between Traveller children. When their father came out of his caravan, instead of stopping the fight he taught them how to really hurt one another more effectively. I argue that children's services would have a better chance of protecting children like that if the 24% of Travellers who live in caravans or mobile homes were to join the 76% who live in houses, flats and bungalows. Neighbours witnessing behaviour like that would at least have an address to report.

Jim Shannon (Strangford) (DUP): Does the hon. Gentleman agree that greater attention must be paid to the education of the children? This needs to be done in a very sensitive fashion, because the community feel attacked and marginalised. As such, co-operative help within the community is needed by all to help with their education and move them from where they are to where they could be.

Andrew Selous: I totally agree. Traveller children should be able to aspire to be engineers, scientists or anything else they want to be.

One of my parish councillors wrote recently saying that his village had frankly felt under siege this summer and that help was desperately needed. Local landowners and the local authority are facing the constant expense of having to go through the courts to have caravans moved and are then left with the foul job of cleaning up the disgusting mess and excrement left behind.

Deidre Brock (Edinburgh North and Leith) (SNP): Yesterday I was pleased to host members of the Gypsy, Traveller and Roma communities as they launched Operation Report Hate in this, national hate crime awareness week. We learned that a shocking 98% of GTR respondents to a recent survey had experienced discrimination. Could the hon. Gentleman please tell me what he is doing to raise awareness of such disgusting xenophobic abuse?

Andrew Selous: I condemn all hate crime, whoever it is directed at. Actually, much of the abuse is between Travellers themselves, which I am also very much against.

Shopkeepers are too terrified to report shoplifting by Travellers for fear of retaliation, and it is not just small shops either. The staff in one supermarket are too terrified to apprehend Travellers taking and eating roast chicken from their store without paying. The fear of retaliation is real. I am aware of one business and one individual who have suffered fires after disagreements with local Travellers. There was a recent implied threat to one of my parish councils that there would be less trouble in its village next year if it did not oppose a local Traveller site expansion. We cannot accept that type of blackmail in the planning system.

Mr Philip Hollobone (Kettering) (Con): This wave of fear and intimidation in our countryside and in communities bordering the countryside is outrageous in 21st-century Britain. It is made even more outrageous by the fact that these individuals' rights are protected by the Human Rights Act, which this Government have pledged to overturn.

Andrew Selous: What my hon. Friend shows is that the current policy is very bad for community cohesion. I want good community cohesion between everyone in our country.

Residents in another of my villages are terrified that a plot of agricultural land will be bought by Travellers at auction shortly. I do not think they intend to farm it.

Mr Ranil Jayawardena (North East Hampshire) (Con): I thank my hon. Friend for giving way and congratulate him on securing this important debate. Is it not true that many of his constituents and mine feel that there are double standards in the system and that it is far easier for people to claim, rightly or wrongly, that they are a part of this community and to get a different application of the process?

Andrew Selous: My hon. Friend is right. What we want is equality under the law.

Our previous experience is of caravans crashing through hedges on a Friday night and farmland being turned into a residential neighbourhood, with street lighting, pavements and utilities going in, in total contravention of planning law. On 4 February 2014, in my last debate on this issue, the then Minister said that

"we need to ensure that everybody is treated equally."—[*Official Report*, 4 February 2014; Vol. 575, c. 19WH.]

Allowing that type of behaviour, which settled residents would not be allowed to engage in, shows that the law is not operating equally in this area. My request to the Minister is for his Department to undertake an immediate full-scale review of Gypsy and Traveller policy to ensure

better outcomes for Traveller children, as well as greater protection from some of the criminality I have outlined, which affects both settled residents and Travellers themselves.

Helen Whately (Faversham and Mid Kent) (Con): On the point about equality, my constituents are very much pressing for equal and fair treatment of settled residents and Travellers in planning. In part, the problem is the lack of a five-year land supply. Where that is the case, we are getting large, semi-permanent Traveller sites in places that would simply not be given permission for permanent housing development. That is unacceptable for residents.

Andrew Selous: I thank my hon. Friend; I will deal with those issues shortly.

I do not have time in this debate to outline every policy suggestion that Central Bedfordshire Council and Bedfordshire police have put to me. I will send the Minister their full submissions and raise the following points now.

The Land Registry is out of date for many Traveller sites, and the owners listed are uncontactable. This makes enforcement very difficult, and we also know there is significant sub-letting of Traveller pitches to non-Travellers. That is one of the reasons why my constituents strongly question whether the Gypsy and Traveller accommodation assessment process is legitimate. How can the Government insist on ever more pitches in an area if many of them are being sub-let to non-Travellers? The Planning Inspectorate even ignores advertisements on "Right Move" for Traveller sites. As I mentioned earlier, many of the caravans sub-let are in a terrible condition. Constituents renting one came to see me to say they had no water and no heating, for example.

The current suite of enforcement powers is designed primarily to deal with breaches among settled residents. The powers available to local authorities in respect of site licensing are intended for Park Home sites and are not fit for purpose when applied to Gypsy and Traveller sites, especially where the land ownership is unknown and there is a mismatch between the planning consent and land ownership, where plot boundaries, land ownership and the planning consent are not configured to a red line on a map.

James Heapey (Wells) (Con): My hon. Friend is generous with his time. The problem is that these illegal encampments are tolerated on the basis of apparently insufficient provision for Traveller pitches, yet the requirement for those pitches is being dictated entirely by demand in the locality. That demand, as we see in Somerset, seems to be almost never ending. Surely there must be a limit to the hospitality that the community is expected to extend.

Andrew Selous: That is why I want the Government to take a calm and measured review of the whole situation.

More responsive and bespoke enforcement solutions are needed to allow Travellers and settled residents to be treated equally in cases of breaches. Local authorities also need the option of immediate access to and support from the courts as a first line of recourse in dealing with non-compliance. Land ownership underpins the licensing regime, and without clarity and mandatory registration,

enforcement is unrealistic. There are, for example, conflicts between the Mobile Homes Act 2013 and “A Best Practice Guide for Local Authorities on Enforcement of the New Site Licensing Regime”. There is a lack of clarity on exemptions that makes enforcement unrealistic.

There is no requirement in the August 2015 DCLG planning policy guidance for Traveller sites for sites to be licensed, which leads to many unlicensed sites being given planning permission. Enforcement powers need to be provided that allow councils to ensure that there are adequate services on site in advance of habitation. Otherwise, we have sites with no sanitation and no water, as currently exist in my constituency. Occupation should be prohibited until these are provided. In the past, I am afraid that ministerial statements have not been aligned with legal decisions, which has created unrealistic expectations. It is also not fair or right that the whole community should have to pay for expensive enforcement activity, which is a discretionary function for which the council cannot levy a fee. There must be a financial penalty for undertaking works without permission. The Planning Inspectorate seems to take decisions without any real understanding of the local context, and the fallout from these decisions places an unreasonable burden on both Travellers and settled residents.

Tim Loughton (East Worthing and Shoreham) (Con): I absolutely support my hon. Friend's call for a review. Does he agree that the extraordinary costs that fall on the local community for cleaning up illegal encampments never seem to be put on the people who cause the damage? Surely the law needs to be improved so that where damage has been caused, car number plates can be traced and fines levied.

Andrew Selous: Absolutely—that would be equality under the law.

Alistair Burt (North East Bedfordshire) (Con): My hon. Friend is indeed generous in allowing interventions. I want to raise the issue of the planning process. Will he ask the Minister during the course of his review to look at the length of time a process of appeals and working through the planning process might take? I have constituents who are in their eighth year of a planning process relating to what was at first an unauthorised site; they are still going through it. It is a sensitive area. In order to get the best balance between the different communities, it is essential to have a good review of the system now.

Andrew Selous: My right hon. Friend is right that justice delayed is justice denied.

The Government have not given planning inspectors the tools they need to act on behalf of the local community. Locally, we have two recent examples of the Planning Inspectorate overturning refusals for Traveller site expansion, even though the council provided strong evidence of advertisements on “Right Move” offering the site for rent, which the inspector fully acknowledged, but ruled as constituting an “enforcement issue” that was not relevant to the appeal. It would also help if vehicles involved in fly-tipping or other criminal activity could be impounded regardless of ownership of the vehicle, which is often difficult to establish.

As for the Gypsy and Traveller accommodation assessment, how can it be right that settled residents have to fill out a census of everyone in their household,

when in Central Bedfordshire a large number of Travellers have refused to be interviewed? How can my constituents have confidence that these people are indeed Travellers? One of my constituents has said that her husband travels much more on business than many local Travellers do, and she has a point.

Some local Travellers are extremely wealthy, which is public knowledge following the seizing of considerable sums of cash during recent police operations. Why are very wealthy Travellers provided with more pitches when they have the means to buy land in a residential area where they could keep their caravans, as many settled residents do? On 9 December 2013, in answer to a written parliamentary question from me, the Department stated that

“it is difficult to imagine that the possession of substantial assets by Travellers would meet this test”.—[*Official Report*, 9 December 2013; Vol. 572, c. 40-41W.]

The reference was to the public interest test. What checks do planning inspectors undertake on the wealth of travellers, given that answer?

Although I believe that an urgent review of legislation must be undertaken by the Government, I recognise, of course, that local authorities and the police must play their part. Central Bedfordshire council and the Bedfordshire police are determined to do better, and I have had a series of meetings with both the council and the police in recent months. The current position is untenable. It is extremely bad for community cohesion, and unfairly puts much of the blame for the current problems on local authorities and local police forces.

Mike Wood (Dudley South) (Con): My constituency, like my hon. Friend's, has been occupied by a number of unauthorised Traveller camps over the summer, which have caused a large amount of criminal damage and left a great deal of litter. Local residents have had to witness defecation and urination in play areas and playgrounds, and near schools. Does my hon. Friend agree that the police need better and clearer guidance on when it is appropriate to use their section 61 powers?

Andrew Selous: Absolutely. Not only is that unacceptable, but it leads to terribly bad feeling between different groups in society, which we must try to stop.

If we want a country that works for everyone, we must do better, and do it urgently. The last debate that I initiated on this subject took place on 4 February 2014, and I am disappointed that there has been no substantial improvement since then. The Government must act now to bring about peaceful, harmonious communities that get on with each other in a law-abiding manner. I want everyone to have a decent home; perhaps more properly regulated park homes should be provided to help to address the issue. In my constituency alone, 9,500 homes are being built from just two major developments, and the Government appreciate the scale of housing need.

Of course there are decent, law-abiding Travellers. My criticism is aimed not at them, but at the conflicting and unworkable legislation that sets settled residents and Travellers against each other, and hinders the effective enforcement of the law. In my view, a separate planning system for one group in society is no longer justifiable when the outcomes for Travellers of a range of measures are so poor, and there is so much fear and ill feeling among settled residents and Travellers alike.

[*Andrew Selous*]

I do not want to be back here in two years' time, making the same points. The situation is untenable, it has gone on for too long, and the time for action is now.

7.22 pm

The Minister for Housing and Planning (Gavin Barwell):

I congratulate my hon. Friend the Member for South West Bedfordshire (Andrew Selous) on securing the debate. I know that this issue is hugely important to him, to the community that he represents, and, indeed, to many other Members: that is clear from the number of Members who are present for the debate, and the number who have taken part in it. I thank all those who have contributed, but, given the limited time available, I may not be able to address every issue that has been raised.

Let me begin by assuring my hon. Friend that I, too, feel strongly about this matter. My constituency experiences an annual summer charade as groups of Travellers are moved around the borough from one public space to another, at huge cost to the public purse.

As my hon. Friend knows, the Government are committed to a society that works for everyone, and that means fair treatment for Gypsies and Travellers that facilitates their traditional lifestyle. I must make it clear from the outset, however, that it also means a commitment to respecting the interests of all members of the community. Those two commitments should not be mutually exclusive, but I acknowledge that they have been in too many parts of the country, and that that is a source of great concern to the people who send us to the House.

My hon. Friend spoke powerfully about the limited life chances of Gypsies and Travellers in his constituency. His commitment to a compassionate Conservatism is well known throughout the House. The Government recognise the issue that he has raised, and I recognise the concern that he has expressed. As I have said, we want a fair society in which people, whatever their ethnic origin or background, are valued, able to participate fully, and able to realise their potential.

When my hon. Friend last secured an Adjournment debate, back in February 2014, he advocated a change in the planning system to ensure the fairness and equity to which I have already referred. He says that he is disappointed, but in fact a number of the changes he proposed in that debate have since become Government policy. His 2014 speech highlighted a perception that there was a separate planning system for Gypsies and Travellers. Last year the Government published revised planning policy for Traveller sites with the intention of ensuring greater fairness, of strengthening protection for the green belt, which we all value so highly, and of addressing the negative effects of the unauthorised development of land. We have changed the definition of "Gypsies and Travellers" and "travelling showpeople" for planning purposes, and those who have ceased travelling will now have their needs assessed in the same way as any other member of the community. Similarly, the amended duty in the Housing and Planning Act 2016 makes it clear that local authority housing needs assessments cover all those who live and resort to the area, on caravan sites or in houseboats, irrespective of their ethnic identity.

We have also made it clear that planning for present and future need is vital. Both the national planning policy framework and the specific planning policy for Traveller sites state that local planning authorities should plan for these accommodation needs, identifying a five-year supply of deliverable Traveller sites. These themes of fairness and equality for the whole community are at the heart of Government policy, but we are equally clear that fairness also means everyone abiding by the law of this country.

In his speech today, my hon. Friend vividly described the situation in his constituency. Incidents of criminal and antisocial behaviour of the kind he so clearly described have a profound effect on the lives of people that we in this House have a duty to represent. The Government are clear that the law must apply to everyone. The police must treat incidents of lawlessness and antisocial behaviour as such, and give victims of those offences the support they require. I was particularly disturbed to hear that his constituents felt unable to report what they were experiencing to the authorities, and I shall pass this information on to my colleagues in the Home Office. None of us wants to live in a society where that is the case.

Tackling these problems must be core business for the police and other local agencies. The police already have a wide range of strong powers that enable them to take action. Those powers are discretionary and it is rightly for the police to decide how and whether to use them, depending on the circumstances of each situation. The Government want to see a multi-agency approach involving the police, councils, landowners and the courts to ensure that these matters are properly dealt with. The hon. Member for Edinburgh North and Leith (Deidre Brock) mentioned hate crime, and it is important to note that the Government are committed to tackling hate crime against Gypsies and Travellers. It is a crime that should have no place in modern Britain. We have published a new hate crime action plan that focuses on reducing these offences, increasing reporting and improving support for victims.

The Government recognise the concern about unauthorised and illegal encampments. As my hon. Friend knows, such encampments can damage the environment, fuel tensions and create great resentment. They also harm the effectiveness of the planning system because they fundamentally undermine public confidence in it. Last year, the Government wrote to council leaders, police and crime commissioners and police chief constables expressing concern that they were not doing enough to stop such encampments. We reissued a summary of the wide-ranging powers to remove unauthorised sites from both public and private land, sending a clear message that powers are available to tackle the problem and should be used swiftly. I know that, despite the actions we have taken, there are deep concerns in my hon. Friend's constituency and in other parts of the country. He has asked for a review of our existing Gypsy and Traveller policy and associated legislation. I want to assure him and the whole House that there is not a shred of complacency in the Government over this issue.

Mr Peter Bone (Wellingborough) (Con): A group of Travellers came to the old prison site in my constituency. The Ministry of Justice immediately took legal action,

but it takes three weeks for the whole process to go through. The Travellers knew how long it would take, and they left at the last minute. The only people who made any money out of that were the lawyers. Surely we can do this in less than three weeks.

Gavin Barwell: My hon. Friend reiterates the points that my hon. Friend the Member for South West Bedfordshire made. There are a number of issues here. There is the speed of access to the courts system and the speed with which decisions are made, but this is also about ensuring that people who behave in this way face consequences for their actions, in order that we do not have the absurd situation of people constantly being moved on from one site to another, at huge expense to the public purse.

To return to the central point my hon. Friend the Member for South West Bedfordshire made, there is not a shred of complacency in the Government about this issue. We very much welcome the debate he has introduced this evening and will continue to keep all these issues under review.

I want to make two specific points. I am currently looking with the Land Registry at the issue that my hon. Friend raised, and I will come back to him when we have considered it.

I want to say not just to my hon. Friend and colleagues in the Chamber tonight but to anybody who is watching these proceedings that if any police force, local authority or anybody else involved in dealing with these issues has suggestions of additional powers that are required to give the people of this country confidence that the law will be applied consistently to everybody, I am very open to those suggestions.

Mr Mark Francois (Rayleigh and Wickford) (Con)
rose—

Mike Wood *rose—*

Gavin Barwell: Since my hon. Friend the Member for Dudley South (Mike Wood) has already intervened, I will give way to my right hon. Friend the Member for Rayleigh and Wickford (Mr Francois).

Mr Francois: I was encouraged to hear the Minister say at the opening of his remarks that he feels strongly about this issue. Members from across the country have given him multifarious examples tonight of where the system is not working. There remains a strong public

perception, which is shared by many Members, that we still have two planning systems: one for the travelling community and one for the settled community. We will not crack this problem until we get through that, and the only Department that can deal with that is the Department for Communities and Local Government. I have heard what he has said, but I ask, as a former DCLG Minister to a current DCLG Minister, will he look favourably on the request for a thorough review, because I think the time has come?

Gavin Barwell: I hope I have given my right hon. Friend assurance tonight that we are constantly reviewing these issues. It is clear to us not only from these issues being raised in the House, of which tonight's debate is just the latest example, but from the correspondence the Department receives—and he speaks with experience of serving in the Department—that this matter still arouses great concern in many parts of the country.

I am relatively new to this position, but part of what I want to do is to understand to what extent the problem is that the powers that are already in place are not being used as effectively as they could be. However, as I said, if people have suggestions of additional powers that are required to tackle this problem, I am all ears. I want to make sure that we address these issues.

It is the Government's view that local authorities are best placed to make decisions for their areas, because they have an understanding of the local needs. We have tried to establish clear policies that local authorities should use in determining need and planning effectively for sites, and that should allow them to take swift action on enforcement matters.

I thank my hon. Friend the Member for South West Bedfordshire for bringing this issue to the Floor of the House. Many Members share the concerns that he has expressed. I recognise the strong feelings people have about this policy area and the tensions it is creating in our communities—tensions that I am sure we all wish to resolve. The Government continue to review these matters. We are firmly committed to ensuring that, through effective planning, genuine partnership working and enforcement action, the system is fair and is perceived to be fair by everyone. I thank him again for raising the debate and look forward to working with him to resolve these matters.

Question put and agreed to.

7.33 pm

House adjourned.

Westminster Hall

Wednesday 12 October 2016

[MR DAVID HANSON *in the Chair*]

Britain-Iran Relations

9.30 am

Seema Kennedy (South Ribble) (Con): I beg to move,

That this House has considered relations between Britain and Iran.

It is a great pleasure to serve once again under your chairmanship, Mr Hanson—it has been many times this week—to consider the relations of this great country with Iran. I have moved the motion because I am the first Member of this House to have Iranian heritage, although there are two Members of the House of Lords who are also from Iran.

Trading and cultural relations between Britain and Iran—or England and Persia, as they were then known—have existed since the early 17th century. The English vied with the French as some of the earliest translators of Farsi poetry into European languages; anybody who knows anything about Iranian culture knows the great cultural and symbolic nature of its poetry. In the 19th century Britain's influence began to grow through acquiring trade concessions as a means of protecting the passage to India. At that time, there was great rivalry between Britain and Russia, with different spheres of influence in different parts of the country—Russian influence in the north, and British in the west. There were informal residencies in Iran from the mid and late 18th century until well into the 20th century, and what we now know as BP began life as the Anglo-Persian Oil Company in 1909.

There was a constitutional revolution in Iran in 1910, and at that time the revolutionaries actually took refuge in the British embassy gardens. There have been high and low points to the relationship between these two peoples throughout the 20th and 21st centuries. Since 1979 and the Islamic revolution—in just that short period—full diplomatic relations between the two countries have been resumed and broken three times. That reflects the desire for contact, relationship and dialogue between the two nations, but also the great sense of distrust that remains on both sides.

I come to this debate today with my eyes open about the reality of life in Iran. I am only here today because my family was forced to flee following the Islamic revolution, and my father had his business and our home confiscated. Many hon. Members will rightly and reasonably raise the Iranian Government's record on human rights, women, press regulation and the treatment of minorities. Those are points of difference between the two Governments, and I am sure my hon. Friend the Minister will address them in his summing up. I want to speak instead about areas where the two nations can work together.

Last year, an historic nuclear deal was signed. I am sure that all hon. Members attending today's debate—many of whom have spoken on the subject before—will know the background, but it is worth reiterating. From 2006

onwards a series of UN and EU sanctions was imposed on the country following the International Atomic Energy Agency's report on Iran's nuclear programme. The Iranian regime always claimed that its nuclear programme was entirely peaceful, but the international community was alarmed by the thought of the country having a nuclear weapon and imposed a series of sanctions in relation to the nuclear programme. By summer 2013 the sanctions were having a profound effect on the Iranian people and Hassan Rouhani, the presidential candidate, fought his campaign on having serious talks with the west and getting the sanctions lifted. On 14 July last year, China, the US, Russia, Britain, France, Germany—the P5+1—the EU and Iran announced the joint comprehensive plan of action, according to which Iran would reverse its progress towards a nuclear weapon in return for the lifting of economic sanctions.

Alec Shelbrooke (Elmet and Rothwell) (Con): Does my hon. Friend agree that the success of the negotiations with Iran was based around the economic impact on normal people? Does that therefore suggest that if a more military attack had taken place, it would have united people against the west, because the economic impact would have been far greater?

Seema Kennedy: I think that jaw-jaw is always better than war-war, and we have to consider all options before we enter into any military action.

In January this year we reached implementation day, when it was agreed by the observing authorities that Iran had reduced its uranium stockpile, cut its capacity to enrich uranium and modified the heavy water reactor at Arak. At that point the nuclear sanctions were lifted. I will not address the rights and wrongs of the nuclear deal, as many other hon. Members can speak on that, but I contend that the deal has made the region safer.

Jack Lopresti (Filton and Bradley Stoke) (Con): I congratulate my hon. Friend on securing this debate and making a very good speech. Hon. Members have spoken about the success of the nuclear deal. Iran is reported to have launched up to nine ballistic missile tests, in defiance of UN Security Council resolution 2231, since the deal was agreed in July 2015. It is still the world's largest state sponsor of terrorism and is funding chaos, havoc and murder right across the region through its proxies. So what is my hon. Friend's view of the success of the nuclear deal?

Seema Kennedy: I would say to my hon. Friend that the deal was limited to Iran's nuclear programme. I agree that there are many points of difference between our Governments and I am sure the Minister will address them in his summing up.

The deal made the region safer by reducing the possibility of a nuclear stand-off between regional rivals at such a volatile time. It was an example of diplomacy in a part of the world where there has been too little of it.

David Simpson (Upper Bann) (DUP): Whatever the rights and wrongs of the nuclear agreements, there is still the issue in Iran of persecuted minorities, especially the Christian community. Surely it is time that was addressed, as well as the nuclear side of things.

Seema Kennedy: I thank the hon. Gentleman, who always speaks very powerfully in defence of Christian minorities. As I said in my opening statement, I am not blind to what happens in Iran and the treatment of certain groups. I hope that when the Minister sums up he will address what steps Government are taking through the Foreign Office, and now through our full diplomatic relations, on that issue.

Mr Richard Bacon (South Norfolk) (Con): Will my hon. Friend remind the hon. Member for Upper Bann (David Simpson) that in Iran the Majlis reserves places, not only for the Jewish community but for the Christian community, in the Majlis, so that they have a part in the legislative process. That is not well-known and is something that is rare in the middle east.

Seema Kennedy: My hon. Friend has made the point, and I am sure the hon. Member for Upper Bann (David Simpson) has heard it.

We cannot underestimate the wider implication of the nuclear deal for bringing Iran back into the international fold, and the joy with which the deal was greeted both on the streets of Tehran and in the wider diaspora of between 4 million and 5 million people. Shortly after that, in August, the then Foreign Secretary, my right hon. Friend the Member for Runnymede and Weybridge (Mr Hammond), visited Tehran, which is something of a feat knowing the weather at that time of year. Full diplomatic relations were resumed this September, and in the same month British Airways resumed flights to Tehran six days per week. Just a few weeks ago at the UN General Assembly, the Prime Minister met Iran's President Rouhani, who called the joint comprehensive plan of action a basis for closer bilateral co-operation.

There are plenty of warm words between Britain and Iran, but not an awful lot has happened since implementation day. The deal promised so much to businesses in the UK that wanted to trade, and to the Iranian people who are crying out for jobs and a better standard of living. Those promises are yet to be fulfilled. Iran has great potential as a country with which to build even stronger trade and cultural links.

Literacy in Iran is 85%, and the figure rises to 97% in 18 to 24-year-olds. The country holds 10% of the world's oil and natural gas reserves. Historically, it has suffered from low economic growth, sharp fluctuations in revenue and low productivity, which has typically led to an overdependence on oil. Of course, we see that all over the region, and I would contend that overdependence on oil is part of the region's problem, with a restive cohort of young people who have relied far too much on hydrocarbons.

Iran is moving towards a reduced dependence on oil, as it now accounts for only 30% of Iran's budget and, for the first time, there is a positive trade balance in non-oil goods amounting to \$1 billion. The International Monetary Fund estimates that Iran's GDP will grow by at least 4.5% over the next year, and the rial continues to strengthen. Iran is focused on reducing inflation, and has reduced the role of its central bank to facilitate that and to make exports more competitive. Inflation is down from the historic high of 59% in the mid-1990s to 8% this year.

Companies are reticent about investing in Iran even though it is a natural market for Britain to export to. There are opportunities for British trade not only in

energy, but in infrastructure. Last week, the state-owned National Iranian Oil Company sold condensate to BP for the first time since implementation day. However, anyone who has travelled in Iran knows that its infrastructure is crying out for investment, and it is said that the country needs \$50 billion every year to upgrade its infrastructure. There are other opportunities for exporting British goods and services, particularly training. Businesses have told me that there is a dearth of people trained in administration and management, so the country could benefit from British expertise.

The big stumbling block about which British and Iranian businesses complain—I have spoken to the Minister about this on numerous occasions—is the remaining pre-nuclear sanctions, especially those around access to finance when doing business with Iran. Any banks with United States links are banned from doing business with the country: they are rightly terrified after the \$9 billion fine that was levied on BNP Paribas. Lenders are restricted to those with absolutely no dollar exposure, which is a very small pool. Will the Minister confirm what further conversations he has had with his US counterparts on reassuring US banks that they will not be subject to large fines from the US authorities?

UK Trade & Investment statements on Iran are optimistic. UKTI says:

"There is a positive outlook for UK-Iran trade relations", and that the UK Government

"fully supports expanding our trade relationship with Iran and we would encourage UK businesses to take advantage of the commercial opportunities that will arise".

But the level of such trade remains unclear. Indeed, the European Union traded €6.5 billion to Iran in 2015 and imported €1.2 billion, but I was unable even to find UK-specific statistics.

On the size of cover allocated by UK Export Finance, it states that

"the total cover allocated for Iran will be under continuous review".

Will the Minister tell us how much total cover is allocated for Iran and when will that be reviewed? Furthermore, will he confirm how much of the £50 million facility guaranteeing payments to UK professional advisory service providers advising the Government of Iran has been spent? There have been a lot of warm words but seemingly little progress on opening up the market to British businesses. How many, if any, business opportunities have been identified as a result of the memorandum of understanding signed between UKEF and the export guarantee fund of Iran?

France and Germany have led delegations to Iran, but Britain, even with the strong historical links that I outlined in my introduction, has lagged behind. I know that other hon. Members share my concerns about the effects of Brexit on Britain's relationship with Iran.

Many of the smaller businesses that seek to trade with Iran are those run by members of the Iranian diaspora in the UK—a group of approximately 83,000 people. On behalf of that group, I pay tribute to the Minister for his role in saving Persian GCSEs and A-levels earlier this year. Knowledge of Farsi is crucial to preserving cultural heritage, and it eases the process of doing business between the two countries.

Members of the Iranian diaspora—who are, for the most part, dual nationals—are justifiably concerned about their status if they visit Iran, particularly in the fevered atmosphere leading up to next year's presidential election and following the imprisonment of several dual nationals. Can the Minister give any guidance to dual British-Iranian nationals on their visits to Iran?

Soft power, it is always claimed, is key to British foreign policy. We are said to be the leader in soft power—[*Interruption.*] Somebody is laughing; I always wonder where we get these stats from as well. We should be exploiting our place in the world and our deep historical roots in the middle east to strengthen and encourage British trade with the region.

When it comes to soft power away from trade, there have always been cultural exchanges between universities, and art and cultural heritage groups. A series of exhibitions at the British Museum in 2009 were well attended and involved loans from museums in Iran. Those exchanges have continued and are an essential part of building understanding between the two peoples.

We cannot underestimate the power of cultural exchange and soft power, nor of symbolic gestures. Has the Minister's Department considered the suggestion by the Select Committee on Foreign Affairs that the Government admit their role in the coup to overthrow Mosaddegh in exchange for an apology for the storming of the British embassy in 2011?

There is no doubt that many of our regional allies, especially members of the Gulf Co-operation Council, have been troubled by the UK's renewed relationship with Iran, which they see as a threat to their relationship with us. However, it is not in the British national interest to see this as an either/or relationship, as that does not reflect the reality on the ground. Some 500,000 Iranians live in the United Arab Emirates, 80,000 in Kuwait, 173,000 in Bahrain and many in Saudi Arabia. The value of trade between Iran and the GCC is approximately \$14.8 billion. Surely it is in the UK's national interest to be part of that flourishing trade of people and ideas between Iran and the GCC. Is it not in our national interest to dampen down some of the fevered rhetoric between Iran and its Gulf neighbours, to unite in combating the evil death cult of Daesh and to work towards stability in the region?

Another area on which Britain and Iran have worked successfully together in the past is Afghanistan, in supporting the national unity Government and on counter-narcotics. What conversations has the Minister had with his Iranian counterparts on co-operating to defeat the Taliban in Afghanistan?

In conclusion, relations between Britain and Iran are of long standing. They are complex and often immensely frustrating. I look forward to hearing the contributions of hon. Members on both sides of the House who bring great experience, expertise and passion to this important debate.

Several hon. Members rose—

Mr David Hanson (in the Chair): Order. From approximately 10.27, I intend to call each Front Bench for a 10-minute contribution. A number of hon. Members are standing, and I hope that we can self-regulate our speaking arrangements accordingly.

9.49 am

Jim Shannon (Strangford) (DUP): It is a pleasure to speak in this debate. This is the first time that I have served under your chairmanship in Westminster Hall, Mr Hanson, and I wish you well. A short time ago I was involved in a debate under your chairmanship on a firearms issue, and it is good to see you here in that position. Well done to you.

I congratulate the hon. Member for South Ribble (Seema Kennedy) on securing this debate. I will take a singular approach, and Members will not be surprised that I will speak about the persecution of Christians. I am sure that, when the Minister saw me get to my feet, he said, "I know what the gentleman is going to speak about." I told the hon. Lady this morning that I would speak about the persecution of Christians.

I have recently returned from the middle east, more specifically the country of Iraq, which borders Iran. Perhaps that has given me a fresh understanding of what is happening in these countries and the help that is needed. We are under no illusion as to the history of our relations. Britain has sought an alliance since the 13th century, yet no time has been rockier than the past decade. With the reopening of the embassy in London and the signal that a path to some form of better co-operation is on the cards, now is the time to raise these matters, which need to be addressed as diplomatically as possible.

I thank some of the people in the Public Gallery who have an interest in Iran, and specifically in the persecution of Christians. There will be no surprise that I am focusing on the persecution of Christians in that area. I understand that we do not have massive influence to effect change. I am simply highlighting pertinent issues to allow the Minister to have all the information so that any and all available influence may be exerted for Christians who face persecution.

Mr Gregory Campbell (East Londonderry) (DUP): Does my hon. Friend agree that, on the issue of the persecution of Christians in the middle east and Iran, it is important that we make the highest level of representations to the Iranian authorities and across the middle east? Not only persecution but displacement and a resolute pursuit of Christians are happening in the middle east, and greater tolerance is needed for those with differing religious views.

Jim Shannon: My hon. Friend clearly focuses attention on what I believe we all wish to happen.

Here are some facts about Iran. As converting from Islam is punishable by death for men and by life imprisonment for women, persecution in Iran is literally a matter of life and death. Although those who are considered ethnic Christians, such as Armenians and Assyrians, are allowed to practise their faith among themselves, ethnic Persians are defined as Muslim. Any Christian activity in the Persian language of Farsi is illegal. Islam is the official religion of Iran, and all laws there must match the requirements of sharia Islamic law. Only Armenians and Assyrians are allowed to be Christians, and even they are treated as second-class citizens. Those who try to reach out to Muslims have reported imprisonment, physical abuse and harassment. In a country of 80 million people, there are only 475,000 Christians.

[Jim Shannon]

As my hon. Friend the Member for Upper Bann (David Simpson) said, Christians are an ethnic and religious group under great pressure and they are not left in peace to live their life according to their faith. Being a Christian in Iran can clearly be a matter of life and death. A Muslim who leaves Islam is considered an apostate and is at risk of the death penalty. Muslims are not even meant to shake hands with Christians, touch them or eat their food. Muslim-background believers often meet in house churches, but these are frequently monitored and raided by secret police.

I have brought the issue of Christians being arrested in their house churches to the Minister's attention on a number of occasions. At least 108 Christians were arrested or imprisoned in 2015, and in several cases they have been physically and mentally abused. Pastor Behnam Irani, who is serving a six-year prison sentence, says:

"Many of my cellmates in prison ask me why I don't just deny my belief and go back to my wife and children? I then ask myself: what cost did...the Lord pay to save me? I have decided to keep my faith in our Lord and stay in prison."

He has no human rights and his family have no redress. He must simply live a life that we would not allow a dog to live in this country. That is what is happening to a minister and pastor of a church. That is what is happening to Christians in Iran.

It is widely reported that there are negotiations to allow Iran exemptions on the nuclear agreement. I have not been supportive in any way of any relaxation of regulations on a nation that has not proven itself to be trustworthy with such weapons of mass destruction. The Minister will recall our debate in the Chamber on the nuclear agreement and the concerns that not only I but many Conservative Members raised that night about a deal that denied human rights to many ethnic groups, and to Christians in particular.

David Simpson: I congratulate my hon. Friend on his speech. I agree with many of his sentiments. Does he agree that Open Doors is doing fantastic work in Iran and other countries to help persecuted Christians?

Jim Shannon: My hon. Friend highlights one of the key organisations. Open Doors is working hard, and it is launching its report on the middle east at half-past 2 this afternoon. I understand that invitations went out to all MPs, many of whom have replied. Many organisations are working in the middle east, including Relief International, the Barnabas Fund and Christian Solidarity Worldwide.

It is widely reported that there are negotiations to allow Iran exemptions on the nuclear agreement. If Iran is prepared to torture and kill Christians in their own country for practising what has been labelled a western religion that promotes a western lifestyle, what will it do against the hated western world with the power it will hold? Can we be secure? My answer is a definite no. I will continue to oppose any agreement that would give an unknown amount of power to an unknown foe.

We have highlighted the persecution of Christians, but followers of the Baha'i faith and many followers of the Jewish religion are also subject to unbelievable discrimination and specific debarment from education

and employment. In March 2015 the all-party Christians in Parliament group and the all-party parliamentary group on international freedom of religion or belief published a joint report on the persecution of Christians in Iran. The executive summary sums up much of what needs to be said here today:

"The joint-APPG Inquiry into the persecution of Christians in Iran held two oral evidence sessions (hereafter called 'Westminster hearings') in December 2014, and took testimony from thirteen witnesses. Some witnesses gave their statements via video, while others were interviewed in person by the panel. The Inquiry also received statements from NGOs and experts that work in this field. The Inquiry heard that the persecution of Christians in Iran has not diminished since Hassan Rouhani took the presidential office, despite his pre-election promises of greater respect for human rights."

The facts and evidence are there for the country to see. The summary continues:

"Christians continue to be arbitrarily arrested and interrogated because of their faith-related activities. They continue to be treated harshly, with some facing severe physical and psychological torture during periods of detention. The judiciary continues to construe legitimate Christian activities (such as meeting in private homes for prayer meeting and bible studies, or being in contact with Christians outside of Iran) as political activities that threaten the national security of Iran."

What nonsense. The summary continues:

"Therefore Christians continue to be issued long prison sentences and/or corporal punishment. Churches continue to be pressured into ceasing all services or activities in the national language of Persian (Farsi), or are closed down."

We have evidence of that happening, too. It continues:

"Property belonging to Christians has continued to be seized, and Christians continue to face discrimination in the workplace and in educational institutions."

All those things are happening. It continues:

"There has been no substantive change in Iran's human rights record since the election of President Rouhani; in fact by some indicators you could argue that things have gotten worse."

That seems to be the case: things have gotten worse.

I will now conclude my speech, because I am conscious of the time. We must be able to exert some influence and diplomatic pressure. I look to the Minister to bring about change and to take the decisive step that is needed. Speak up and speak out for those who are prohibited from speaking for themselves, and put down a clear marker that such persecution cannot be allowed to continue behind closed doors in Iran.

9.59 am

Mr Richard Bacon (South Norfolk) (Con): It is a pleasure to serve under your chairmanship, Mr Hanson. I congratulate my hon. Friend the Member for South Ribble (Seema Kennedy) on securing the debate; I know she is passionate about this subject. When I was elected to Parliament, I never expected that years later I would have the opportunity to introduce her to the Iranian Foreign Minister, Dr Zarif, as I did earlier this year, and that she would say "This is the happiest day since I was elected."

It is hard to think of a subject on which there is more ignorance than Iran and our relations with it. The hon. Member for Strangford (Jim Shannon), for whom I have a lot of respect, spoke articulately about the persecution of Christians. When I went to the World Against Violence and Extremism conference 18 months ago, which was organised by the President of the Republic, I was surprised

to be the only British person there apart from my translator, who is British-Iranian and British-born but speaks Farsi. There was a former Prime Minister of Norway; the former President Zardari, the widower of Benazir, from Pakistan; and the former Anglican Bishop of Washington, a Catholic cardinal, a professor from the Massachusetts Institute of Technology and various others from the United States. I said to our Iranian hosts, "You should target those in the United States Congress who speak out most against you and get them to come here and see what a normal country Iran actually is."

I ended up becoming chair of the all-party group on Iran slightly by accident, when my hon. Friend the Member for Wyre and Preston North (Mr Wallace) became a member of the Government and asked me if I would do it. The reason I got involved in the group was that four years ago, in 2012, it was seriously said that this country might consider attacking Iran with bombs. I was a Member of Parliament in 2003 when we attacked Iraq, and I voted against it. The arguments made in 2012 sounded eerily familiar to me. I decided that I was not going to trust anyone else's opinion, so I went to the International Atomic Energy Agency in Vienna, met the nuclear inspectors who were going to Iran, heard what they had to say and wrote it down in a hardback book, which I still have. They said, "We have no evidence of nuclear weapons-grade material." It is also worth recalling that Iran is a signatory to the non-proliferation treaty, which various other countries such as India, Pakistan and Israel are not.

The real ignorance, though, stems from something else. As my hon. Friend the Member for South Ribble pointed out, our history with Iran goes back for several centuries. Relatively little of that history, particularly over the past 100 years, reflects well on this country. There are a lot of reasons, many of them good ones, why the Iranians have been very prickly towards us.

Mr Gregory Campbell: I ask the hon. Gentleman to reflect on what he said about his attendance at the conference. I have no doubt whatever that it would be a good thing for more people to go to Iran and see what type of country it is. However, he said that Iran could be seen as a normal country.

Mr Bacon: Yes.

Mr Gregory Campbell: Presumably he will take the opportunity to rectify that comment in the light of the litany of instances of persecution of Christians in that country.

Mr Bacon: No. There is persecution throughout the world. Many people think that abortion is a fundamental human right and that for a country to make it illegal is not normal. I happen to disagree with them, but the hon. Gentleman and the hon. Member for Strangford represent constituencies in which abortion is still illegal. I think that is a decision for local people to make locally, but what constitutes "normal" is actually a very wide spectrum.

The key point that needs to be understood is that after 9/11, while much of the middle east was yodelling in the street at the destruction of the twin towers and the murder of many thousands of people, including

many Muslims, Iran flew its flags at half mast, held candlelit vigils and offered the United States strategic and logistical help in the fight against the Taliban, which was accepted.

I hope the hon. Member for Strangford, as a serious religious man, will listen carefully to this: what is least understood about all these imbroglios, and indeed about what is going on in Syria, is that to the Taliban, al-Qaeda and now Daesh, the first enemy is not the west and not Christians but the Shi'a. It should come as no surprise to anyone that the Iranians are supporting the Shi'a in Syria, or that the Iranians were opposed to the Taliban who wanted to kill the Shi'a. It should come as no surprise that the Iranians were deeply opposed to al-Qaeda, which particularly attacks the Shi'a.

Jim Shannon: I do not disagree with the hon. Gentleman, but the point that my hon. Friend the Member for East Londonderry (Mr Campbell) and I are trying to make is that 108 Christians were arrested and imprisoned last year. That is hardly an indication of a Government that is open and inclusive of Christianity. Pastor Behnam Irani is serving a six-year prison sentence because he is a Christian who refused to accept the Muslim religion and wanted to preach to his people. That is an example of what is taking place.

Mr Bacon: Did the hon. Gentleman say 108?

Jim Shannon: Yes, 108.

Mr Bacon: That is exactly the same number of people who were beheaded in Saudi Arabia last year. I know that that is equally irrelevant, but let me just point out—[*Interruption.*]

Several hon. Members rose—

Mr Bacon: I will not give way at the moment. I have the floor, and I will not give way. This is a free Parliament and I will have my say, and what I want to say is that we will have better relations with Iran and more opportunities to influence it, including on questions of Christianity, if we talk to it.

After I went to the British embassy in Vienna and met the British ambassador, the diplomats dropped us off outside the door of the Iranian embassy, where Ambassador Soltanieh, Iran's ambassador to the IAEA for many years, was still in residence. I was amazed that the British diplomats, who were paid for by our constituents' taxes, said to us at the door of the embassy, "We'll be leaving you here—we won't be going in. We're polite to them when we have to be, but we have as little to do with them as possible." I remember being shocked and thinking, "Do you think it's just possible that if you knew the names of Ambassador Soltanieh's grandchildren, you might have a better relationship and get more engagement?"

Hon. Members, including my hon. Friend the Member for South Ribble, have talked about commercial relations. I commend to them the speech made in this Chamber on 26 March 2014—at column 117WH of the *Official Report*—by the former Foreign Secretary and right hon. Member for Blackburn, Jack Straw, in which he talked about commercial trade between Iran and the United States. Despite there being no diplomatic relations, the US's trade is going up at the same time that Iran is using

[Mr Bacon]

commercial penalties to discriminate against other companies, particularly British companies—although I am pleased to say that Group Lotus, the largest private sector employer in my constituency, opened a car dealership in Tehran two weeks ago and sold 20 cars.

I will not concentrate on the geopolitics any more, because other Members will doubtless have things to say about that and I do not want to take up too much more time. In my remaining minutes, I will refer briefly to another matter. I have mentioned that it is hardly a surprise that Iran is involved in protecting the Shi'a. What is not known is that in 2003, through the Swiss ambassador, the Iranians made an offer to the United States that would have involved support for the Arab League's 22-state Beirut declaration. It would have involved mutual recognition of Israel; an end to military support for Hezbollah and help with its conversion to a purely political party; and intrusive nuclear inspections. I very much regret to say that the United States rejected that offer and managed in the process to call Iran part of the "axis of evil". It is hard to think of a more crass way to respond to such an offer. The direct consequence was the election of the hard-liner Ahmadinejad.

Iran is a very complex place. My hon. Friend the Member for South Ribble said many insightful things, but one of the most insightful was that it is not either/or situation. It is complex and nuanced, and there are plenty of people in Iran who want the relationship to fail.

Five Iranian MPs came here last year for a very successful visit. We had quite a lot happening in Westminster and Whitehall, and we took them to see a professor of literature at Cambridge for what proved to be an extremely fruitful exchange. It was a low-key visit, partly because we understood from talking to the diplomats that the Iranians were concerned that any failure of the visit would strengthen the hand of the people back in Iran who wanted to point at them and say, "You see? We told you it wouldn't work." In fact, the reverse occurred.

You don't make peace with your friends; you make peace with your enemies. I do not think we should have enemies—we should try hard to work co-operatively with everyone. There is a huge amount to do on Iran. Let us not forget that, following the implementation of the joint comprehensive plan of action, the IAEA has said four times in four reports this year that Iran has met its obligations. It is not completely obvious whether we are meeting ours. I wrote to the Governor of the Bank of England about that recently, because at the moment British-Iranian registered banks that are UK-authorised and regulated are unable to do business in the UK or send and receive sterling payments. They cannot even easily pay their council tax. An Iran Air flight that lands at Heathrow has to have enough fuel to be able to take off again and land in Vienna, where it can fuel up and pay. Many other countries in Europe have managed to sort out such payments, so I hope that the Minister will address that. I know he thinks he will need the help of the Treasury, which is why I copied my letter to the Governor to the Chancellor of the Exchequer.

It is worth pointing out that on the Bank of England website, among its various roles in undertaking a wide range of policy and operational responsibilities that are vital to the functioning of a smooth economy, the Bank itself clearly states:

"It is also the role of the Banking Directorate", which is within the Bank of England, "to respond to unpredictable and exceptional events in the financial system."

I think we have an exceptional event in Iran. There is, in effect, an exceptional circumstance that requires an extraordinary solution.

No one pretends that this is easy or that we will solve all the problems overnight, but I invite Members to join the all-party group and support our endeavours for better relations. We have an interesting meeting coming up on 18 October with Sir William Patey, the former British ambassador to Saudi Arabia; Professor Ali Ansari from the University of St Andrews; Jack Straw himself; and Michael Stephens, a research fellow from the Royal United Services Institute. They will be talking about Iran-Saudi relations, which is the real fulcrum of the problem that we have in the middle east.

Several hon. Members rose—

Mr David Hanson (in the Chair): Order. Three hon. Members from the same party have risen to speak. We have approximately 16 minutes; the maths speaks for itself.

10.11 am

Dr Matthew Offord (Hendon) (Con): I congratulate my hon. Friend the Member for South Ribble (Seema Kennedy) on securing the debate. I introduced a debate on human rights in Iran on 28 June. I do not intend to repeat all the issues that were raised then. Given the amount of time I have, I shall concentrate on two issues: the information that emerged over the summer about a massacre in 1988, and Iran's regional aggression.

It has become known that, in 1988, the Iranian regime executed more than 30,000 people. Many of them were political prisoners held in jails. Some were people who had been released from jail, having served their sentence, but who were then summarily recalled and executed.

The majority were serving prison sentences for political activities or, as I said, had already finished their sentences. After a fatwa was issued by Ayatollah Khomeini, the wave of executions began in late July 1988 and continued for a few months. Many of those killed refused to repent their beliefs and as such were executed. What action is the Minister taking to ensure that the regime in Tehran not only acknowledges what happened but takes action to ensure that those responsible, many of whom are still in power, are brought to justice? Will the Minister ask the United Nations High Commissioner for Human Rights, the UN Human Rights Council and the UN Security Council to order an investigation to achieve that?

I turn to some issues that have arisen in the past 15 months, since the nuclear deal was agreed. I was very much against the deal. I was disappointed that the issue of human rights was decoupled from the deal, because that was a missed opportunity to put pressure on the Iranian regime. I think it was a vainglorious attempt by President Obama to secure a legacy—a legacy that will not actually be achieved. We have seen that with the number of people that Iran has continued to execute over the past 15 months. My hon. Friend the Member

for South Norfolk (Mr Bacon) talked about abortion and what is and what is not normal. It is not normal to execute nine-year-old girls.

Mr Bacon: I did not say it was.

Dr Offord: I never suggested that my hon. Friend said it was, but I am saying that it is not normal to execute nine-year-old girls, or boys at the age of 15 or, indeed, to gouge out anyone's eyes. It is not normal to execute people in the ways and numbers in which they are currently being executed in Iran. There has been much comment in the debate about the different sections of Iranian society that have been persecuted, including the Sunnis, the Kurds and the Baha'i. I received an email from the National Union of Journalists about its brothers and sisters in Iran who are not able to undertake their work as journalists and are not in a free civil society. I do not feel that that is normal either.

In July this year, the UK's ambassador to the United Nations expressed his concern about Iran's regional aggression, declaring that the ballistic missiles tested by Iran are designed to deliver nuclear weapons. In his speech to the UN Security Council, Ambassador Rycroft made it clear that Iran's

"continued testing of ballistic missiles which are designed to be capable of carrying nuclear weapons is destabilising to regional security and inconsistent with Resolution 2231",

as others have said already.

In the past 12 hours or so, there has been much comment in the media about the Foreign Secretary's comments, in yesterday's debate on Syria, about the role of Russia. But Russia is not the only game in town. Russia may have what we might call interests in—or may interfere in—Ukraine and Syria, but Iran interferes in and has much greater interests in other parts of the region. It interferes not only in Yemen, but in Syria, Lebanon, Iraq and Afghanistan. The tentacles from Tehran continue to spread. That has been allowed and achieved as a result of the nuclear deal unfreezing assets that the Revolutionary Guard and others are using to cause dissent in the region.

10.15 am

Kit Malthouse (North West Hampshire) (Con): It is a great pleasure to serve under a fellow Liverpoolian, Mr Hanson.

I rise to speak in this debate because, for me, Iran represents a fork in the road for British foreign policy. Yesterday, we saw highlighted starkly the limits of the isolation and damnation until the point of intervention policy of the past 20 years. Given that we cannot afford, militarily, socially or financially, to do the same again, our approach to Iran is critical.

Before I continue, I acknowledge and reiterate the fact that, for our own safety and for that of the Iranians, we cannot waver on the question of Iran gaining nuclear weapons. It needs to be understood that working with the P5+1 is vital, because it is far better to deal with us in a rule-bound international system than to chance its hand with other, perhaps more powerful, nations in the region. For our own part, we cannot allow the Iranians to trigger a proliferation race across the whole middle east and add layer upon layer to existing nuclear states' deterrence calculations. That would be a recipe for

disaster, especially in a region where civilian control over military arsenals is imperfect and the experience of safety issues is less developed.

Following the deal, it was pleasing to see the reopening of the embassy and the risks of a nuclear standoff far more remote than we had feared a few years earlier. I, too, remember the cover of *The Economist* in February 2012, and the headline "Bombing Iran". It seems that sanctions worked in Iran, but it could be argued that we saw their limits. They arguably forced the end of the Ahmadinejad Government and brought forward a more conciliatory one in Rouhani's Government, but it is unrealistic to expect the people to blame only their own Government for their hardship and it is imprudent to weaken the position of Rouhani versus hardliners.

From now on, perhaps we should attempt to build bridges to generate good will. We need to change the calculation of interests in Tehran so that the costs of a combative approach are seen as being far greater than those of a co-operative one. Yes, that signal should be sent with strength and not appeasement, but it does require us not to be openly hostile. Progress can be made, and it should be, not least because we know that our own western liberal culture is a kind of benign Japanese knotweed. It is invasive, and it starts in no better place than at the intellectual level, in academia. Although we are right to acknowledge the regime's oppressive treatment of academics and disregard for the principles of free speech and free exchange that are so vital to academic debate, Iran still has a highly educated population, as others have pointed out—I gather it has 97% literacy among the young—and the potential to reach and surpass its previous achievements is there, if we engage.

Some promising moves are already under way in academia. For example, the School of Oriental and African Studies has just introduced the option of an exchange or visit to Iran as part of a course; the University of Cambridge has just signed a direct exchange agreement with the embassy; the British Institute of Persian Studies has a Tehran institute; and SOAS and the Universities of Edinburgh, Oxford and St Andrews all now offer Persian at degree level. Such trusses of co-operation can help to build and strengthen the bridge of understanding between the UK and Iran, which can only aid relationships at a political level.

More of the same would be positive. We should not forget that President Rouhani himself is a product of the University of Glasgow and does not have the same hostility towards the UK as his predecessor. He speaks English with a Scottish accent—or so I am told. This is cheap diplomacy, but it can build links among people in our societies that enhance the level of understanding among Governments. Business links, tourism and investment will surely follow. I agree with my hon. Friend the Member for South Norfolk (Mr Bacon) that we cannot allow the US to declare itself the world's financial policeman. Our firms should not fear US sanctions for following UK law.

If we acknowledge that our diplomacy can gradually change Iran and its stance towards the world, we must acknowledge at the same time that Iran has enormous influence in the middle east. Given how deeply it is in our interests to see a stable and prosperous middle east, and how great the costs of failure are, as we are seeing, we cannot ignore the opportunity that engagement with

[Kit Malthouse]

Iran offers. Put simply, even if it seems to follow from our current configuration of alliances that we should be hostile, to be so would be to give in to “enemy of my enemy”, or rather “friend of my enemy is my enemy” thinking, in its crudest form.

Mr Bacon: Is my hon. Friend as surprised as I am that many people seem to be surprised that Iran would wish to exercise influence in its region? That is what all countries do in relation to their neighbours.

Kit Malthouse: It comes as no surprise to me, and of course it is reinforced by the hostile posture that the west has had thus far. Whenever we are hostile to countries—whether it is Russia or wherever—the first thing they do is turn inwards and look to their immediate region for defence. So it is no surprise that Iran has done the same.

As hon. Members have already said, Iran today is without doubt troublesome and destructive; some appalling things happen there. However, that will continue to happen and Iran will continue to be troublesome and destructive, even if we continue our tough line. Surely it cannot be in our interest to adopt an aggressive stance towards Iran at a time when there is an uncertain Saudi Arabian leadership transition, a worsening Syrian war and Russian aggression. The prize of a warmer relationship between Britain and Iran is too great not to try for it. The real prize is preventing Tehran’s alignment with Moscow from crystallising, and a de-escalation of the proxy fight between Iran and Saudi Arabia that has enflamed Syria, Iraq and Yemen. We should not take that alignment as set in stone, especially given that we have so much more to offer Iran than Russia or the Syrian Government do. We should try. Succeed, and the whole region starts to look very different and a less threatening place. One would not expect Saudi Arabia to be as confident without the west at its back. Détente between the two would beckon. Our relations with Lebanon would also improve. The resolve of Assad to win could diminish and with less backing for and more restraint of the Revolutionary Guard and Hezbollah, Israel, crucially, would be safer. That would be a great prize indeed, and a boon even if half-achieved.

Moving away from the arena of great power politics, however, one could also note that too much of the conversation about Iran today proceeds on the basis that the current Government are a temporary evil to be waited out. As in 2012, our rhetoric has failed to move on from Iraq, even if our belligerence has. We cannot expect Iran to trust us if we occasionally let slip that we would attack it if we felt sufficiently strong, brave or bored. In the Iranians’ calculation, the case for proliferation must look incredibly strong. In their position, we would do it, so we must change their position. Indeed, signalling, as the US did, that we have no intention of ever working with Iran was one of the most damaging errors the west has ever made, as my hon. Friend the Member for South Norfolk said. President Bush used absolutist language that had no place in state-to-state relations and, given our alignment with the US, we are implicated in that unhelpful position. That makes for a poor foundation for fruitful relations with a country of nearly 80 million people, most of whom hunger for engagement.

From the time of the revolution, Iran has been consistently portrayed as the regional “bad guy”; the west was even happy to excuse Saddam Hussein’s attacks upon it. However, as Lord Temple-Morris has noted in the other place, the bulk of ordinary Iranians want to be connected to the west and are not ideologically anti-American. They watch the BBC via illegal satellite dishes and I gather that in 2013 nearly 2 million of them voted by telephone in the Iranian version of “The X-Factor”, broadcast from the UK. The existence of this class—this plurality of voices—which we can help without over-offending the Government, steadily and carefully over the years to come can bring the change in Iran that the ayatollahs will find irresistible.

10.23 am

Alec Shelbrooke (Elmet and Rothwell) (Con): May I first congratulate my hon. Friend the Member for North West Hampshire (Kit Malthouse) on making pretty much the speech that I was going to make? He has covered some important points. Equally, my hon. Friend the Member for South Ribble (Seema Kennedy) made an excellent opening contribution, and I congratulate her on securing this debate. She said two important things: that jaw-jaw is better than war-war; and that it is not a black-and-white situation.

Let us think of the alternative. I remember standing in the House of Commons when the nuclear deal with Iran was announced, and there and then I asked the then Foreign Secretary what the alternative would have been. He was very clear—the alternative was that we would have gone to war. What debate would we be having in this House today if we were dropping bombs on Iran—bombs that would have done nothing, because we know from the inspectors that the targets were probably sunk in eight miles of mountainside? More importantly, and as my hon. Friend the Member for South Ribble has pointed out, we are talking about an educated nation. As my hon. Friend the Member for North West Hampshire said, we are talking about a nation that has a desire to grow, to move forward and to become middle-class, as a lot of the west already is. Nothing will unite a nation more, and encourage fighting back and proliferation more, than attacking it. We would do the same thing.

However, what we must make clear is that Iran is not a wonderful country that we should hold up as an example. Clearly, there are massive human rights abuses in Iran. Clearly, there is still funding of terrorism in the world and threats to other nations. We must bear that in mind. However, if we were to take the view that we will simply not engage with countries that do those things, as I am sure my hon. Friends from Northern Ireland will confirm, we would break off relationships with the USA, because of the amount by which it funded the IRA in the 1980s. Do we really want to turn our back on countries throughout the world because we do not agree with what they do? Are we not in this place to be diplomatic and to work on the international stage to bring about the changes that we need to bring about? Are we in this Chamber today, and in our other Chamber, approving of Saudi Arabia’s actions in Yemen? No, we are not; of course we are not. But will we achieve anything by just walking away from the table and saying to Saudi Arabia, “We no longer want to deal with you”? As my hon. Friend the Member for South Ribble said, these situations are not black and white.

However, there is a genuine concern about the actions that take place around Israel, and as a democratic state we have a duty to ensure that we support fellow democratic states that see terrorist organisations trying to undermine them. Also, we must accept that Iran at this stage may be putting more money into Hezbollah and Hamas, but that does not mean we walk away and say, “I’m sorry, Iran. We’ve decided that we’re going to bomb the backside out of you, like the rest of the middle east”, which, quite frankly, is going to hell in a handcart. How do we resolve the situation in Syria? Not easily, but Iran will be a major point of reference in that.

I will finish by simply saying, “Well done”, to my hon. Friends the Members for South Ribble and for North West Hampshire. They have made some excellent points. It is a complex situation, but my goodness—today’s debate is far better than the debate we would have been having if we were killing hundreds of thousands of innocent people.

10.27 am

Stewart Malcolm McDonald (Glasgow South) (SNP): Thank you for calling me to speak, Mr Hanson; it is a pleasure to serve under your chairmanship.

I, too, congratulate the hon. Member for South Ribble (Seema Kennedy) on securing this debate. She mentioned that she is the first person with Iranian heritage to be elected to the House; I am the first MP from the council estate of Castlemilk, but her heritage is perhaps slightly more exotic than mine.

At the outset, I must say that I thought the hon. Member for North West Hampshire (Kit Malthouse) made an excellent speech. I did not buy all of it, but I thought he struck a very good balance. It is undoubtedly a good thing that we are now in a position to have these positive discussions with Iran. Indeed, I welcome the developments that have brought us to this point and I invite the House to reflect on a fact that I had hoped I could make mine, but it was stolen by the hon. Gentleman—namely, that the current President of Iran was educated at university in Glasgow. It was at Glasgow Caledonian University, as opposed to Glasgow University; I say that just to correct the record.

I have listened with interest to the contributions that have been made. Indeed, I share some of the optimism that some people feel that we are moving in the right direction, but I also think we have to pause for thought. The nuclear deal is to be celebrated; I observe that it has been one of the Government’s few foreign policy successes. In fact, I recall that, as a new Member, I attended the Foreign Office briefing for new MPs, when the Chancellor of the Exchequer, the right hon. Member for Runnymede and Weybridge (Mr Hammond), who was then the Foreign Secretary, had just flown in from the talks about the nuclear deal. He then briefed us on his departmental responsibilities. However, progress is required in many other areas—some of which have already been outlined by the hon. Member for Strangford (Jim Shannon) and other hon. Members—before we should be too enthusiastic about entering into a commercial embrace with Iran.

Members have stated correctly the need for consistency. Indeed, the hon. Member for Strangford and I have been consistent in speaking out against human rights abuses in countries such as Saudi Arabia, which has been mentioned several times this morning. That consistency

requires us to do the same when it comes to Iran. Should we be so comfortable about embracing a country that is part of a tangled web of complex relationships that are causing so many problems around the world and in fact are working in direct opposition to our own foreign policy objectives? I am not suggesting we cut all ties and walk away, but the relationship has to be thought through and balanced.

We have to consider what Iran’s relationships with some of its proxies in the middle east mean for that strategy—its relationship with Hamas, Hezbollah and the Assad Government in Syria. What those relationships represent is not good for peace in the middle east. In fact, they undermine some of our own objectives in the middle east. If we get the strategy wrong, we risk a very dangerous outcome.

From my knowledge and interest in UK-Saudi affairs, I would say it is imperative that, before we embark on a full commercial relationship with the Iranian regime—let us not doubt for a moment that that many of these businesses will be closely linked to the Iranian deep state—we do not allow it to reach the stage that it has with Saudi Arabia, where commercial considerations trump good foreign policy making.

What of the human rights record in Iran, much of which was brilliantly outlined by the hon. Member for Strangford? Although in some respects it is not quite as medieval as Saudi Arabia, there are enormously alarming cases that should cause us to pause for thought, such as the case of Nazanin Zaghari-Ratcliffe, which has been mentioned several times in the House. She is a British-Iranian citizen who has been subjected to 45 days of solitary confinement, denied legal representation and subsequently sentenced after a secret trial to five years in prison on unspecified national security charges. This is one of numerous cases of the Iranian authorities imprisoning dual nationals, which they do not even recognise, on unspecified charges.

I listened to the hon. Member for South Norfolk (Mr Bacon) with an open mind, and I listened with interest to his description of visiting Iran. Perhaps when he returns he can ask to visit the notorious Evin detention centre, which is well known for housing political prisoners, intellectuals and academics, many of whom we have celebrated here this morning.

The case of Salman Rushdie, a personal hero of mine and one of the world’s most celebrated essayists and novelists, is more widely known. He has spent a large chunk of his adult life in hiding in this country with a death sentence hanging over his head because the Iranian Government did not like some words he had written in “The Satanic Verses”. The hon. Member for South Ribble opened her remarks by talking about the importance of celebrating poetry and cultural links with Iran. Perhaps if we had had some of that at the time of the publication of his book, Mr Rushdie would have been a free man for longer than he has been allowed to be.

Members may have thought that the case of Mr Rushdie had almost died and gone away, but as recently as this year the Iranian state media added \$600,000 dollars to the existing cash that was offered for the killing of Mr Rushdie, one of the finest advocates for free speech that this country has ever been home to.

I am pleased that our diplomatic relations have been upgraded, but that did not happen overnight. The Minister, his Department and several of our allies applied themselves

[Stewart Malcolm McDonald]

over a long period of time, often when it seemed hopeless and when entrenched interests tried to veto progress, to achieve the circumstances that brought us the nuclear deal, resulting in the change in diplomatic relations. It shows what can be achieved when there is political will to achieve progress in relations with hitherto hostile states.

I appeal to the House—perhaps not the hon. Member for South Ribble who secured this debate, because of her own personal experience—not to be so naive and idealistic as to think that we have reached a point where trade relations can be normal with Iran. If a price is to be put on UK-Iranian relations, let it be calculated in progress on human rights and a foreign policy that does not continue to undermine our own interests in the middle east.

10.34 am

Catherine West (Hornsey and Wood Green) (Lab): It is a pleasure to serve under your chairmanship once again, Mr Hanson. I congratulate the hon. Member for South Ribble (Seema Kennedy) on her excellent speech, and particularly her references to her own family. It is always a pleasure to hear about other Members' backgrounds and their interests in Parliament. I want to put on the record my interest in Iran, not least because of my reading the novel "Persepolis" by Marjane Satrapi, which I am sure many Members know and which has been made into a lovely film. I hope many can watch that film and learn about Persia, its history and about the beautiful Farsi language.

We are so lucky to have room 52 at the British Museum just down the road, so that we can go and see all the beautiful cultural treasures from Cyrus the Great's 6th-century Persian empire. We also have my alma mater, the School of Oriental and African Studies. I am delighted to hear from other Members today that SOAS is offering trips to Iran as part of scholars' interest in that wonderful country. One day I hope to visit Persepolis and see the wonderful marbles. Of course, Iran has 21 UNESCO world heritage sites.

I also want to put on the record my appreciation and that of Labour Members of the role of the European Union foreign team, including the excellent work that Cathy Ashton did, in developing the big step forward that was made in July 2015 in what is now called the Iranian nuclear deal. Sometimes we forget the important role that the European Union has played in foreign affairs.

I look forward to the Minister's comments on Iran. I ask him whether we can anticipate what resources there will be in the Foreign Office in years to come, when we may be doing foreign affairs in a slightly different way following our Brexit negotiations. How many experts in the Foreign Office speak Farsi, for example? I am sure we have a couple with us today, but is there an argument for increased resource so that we can meet demand?

Members are right not to have too rosy a view of Iran. I was pleased that the hon. Members for Glasgow South (Stewart Malcolm McDonald) and for Strangford (Jim Shannon) mentioned the persecution of Christians and other minority groups. We know that many gay people have a very difficult time in Iran. We also know

that the arbitrary imprisonment of human rights activists is a common occurrence, which many Members raise regularly at Foreign Office questions.

Following the question asked in the House of Lords in September 2016, will the Minister update us on the release of Nazanin Zaghari-Ratcliffe? Many constituents have written to Members about her case. It is great that we have so many constituents who are concerned about the position of women in Iran. I am sure the hon. Member for South Ribble also feels strongly about that, and I am sure she will raise that matter if she gets the opportunity, perhaps through her work on the all-party group when it visits Iran.

I pay tribute to the hon. Member for South Norfolk (Mr Bacon) and the all-party group for the work that they do. It is slightly under-appreciated outside Parliament just how much cross-party work can be done. I understand that there was a trip in recent years when the former Member for Blackburn went to Iran with my right hon. Friend the Member for Islington North (Jeremy Corbyn). I do not know whether the hon. Member for South Norfolk was present on that trip, but there is a lot that can be done, with a cross-section of interests, to promote good relations and a positive side of foreign affairs. We all come from different constituencies and have different interests, but in the end we are trying to promote dialogue and a peaceful future in the middle east.

The hon. Gentleman was right to say that we have common interests with Iran, particularly with regard to the current conflict in the middle east and how we can tackle the long-term problem of al-Qaeda and Daesh. I wonder whether we could question the Foreign Office more on that cross-section of interests, including on how we as parliamentarians could push forward on those issues.

I want to emphasise a couple of points that have come up in my research. We are focusing very much on the positive today, but there is of course always unpredictability to our relations with Iran—I think particularly of the 2011 incident when a mob stormed the British Embassy, which it is important to put on record in a debate such as this. There have been cautious steps forward, but we must not forget the importance of our staff's safety. That incident did lead to a slight step backwards.

Kit Malthouse: The hon. Lady and other hon. Members have mentioned some dreadful incidents that have taken place in Iran. Would she accept that part of the argument about engaging with Iran is that we need to recognise that millions of Iranians will have been horrified at those events too? Millions of Iranians who saw the storming of the British Embassy will have held their hands up in horror at what was happening and the damage that it was wreaking to their relations with the rest of the world.

Catherine West: The hon. Gentleman is right to put on record how these incidents need to be regarded and to say that we need to move forward and not dwell on things, but it is equally correct to put it on record that sometimes it feels a bit like two steps forward, one step back. That is the case in any relationship—in the major foreign policy discussion that we are having at the moment around Brexit, day by day we move small

inches forward and a couple of steps back. We need to be realistic about that process when talking about important, strategic places such as Iran.

I will come to a conclusion, as I am sure the Minister is keen to make his remarks. I press him on the question of providing further debating time for this important relationship; on how we can work together to strengthen our approach to tackling security concerns around al-Qaeda and Daesh, including by working with Iran at a cross-sectional interest level; and on how we can promote the understanding of cultural and language groups, through the all-party parliamentary group, our excellent universities such as SOAS and places such as the British Museum. I was pleased to hear that the Minister had stepped in to save Farsi as a taught language. Along with Mandarin, Arabic, Turkish and Greek, Farsi needs to be on the curriculum much more regularly in our schools and universities, and I was pleased to hear of his interesting role in that. I look forward to his updating us not just on human rights concerns in Iran but on how we can work more cohesively and positively towards our relationship with that great country.

10.43 am

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): I thank all hon. Members who have participated in what has been an excellent debate. I begin by thanking my hon. Friend the Member for South Ribble (Seema Kennedy) for what I thought was a powerful and emotive, but very sober, reflection on Britain's relationship with Iran. The duality of the situation that we face with Iran at this juncture was reflected in the contributions right across the field.

I was pleased that my hon. Friend the Member for South Ribble began by highlighting the history and the context in which we find ourselves today. We sometimes rush into these debates, looking at the details, without first appreciating or reminding ourselves of that bond. It is perhaps more relevant in the countries in the middle east. To them, the bonds that existed in the past are very important—we perhaps gloss over them, and we should remind ourselves. I appreciate that my hon. Friend reminded us of what happened in the 1800s and before, as our English naval capability was strengthening its ties and its trade relationships with India, Iran and the Trucial agreement that took place with the Gulf nations—indeed, the role of Persia in the great game—were all part of the tapestry that created those bonds, which were furthered by the discovery of oil and the beginnings of what is today BP. There is a legacy and history that ties us together and of which we should be reminded, as we look to embark on a new relationship following the important, generational change and opportunity that Iran now has with the nuclear deal.

We were reminded of the size of the diaspora in this country, which is connected to what happened in the 1979 revolution—about 85,000 people are directly connected with Iran. We were also reminded of the 2016 elections. Without delving too much into domestic matters, I was buoyed by the outcome of those elections and the change in the approach and direction of travel in the Majlis and in the Assembly of Experts. We are seeing the country take positive steps.

My hon. Friend the Member for North West Hampshire (Kit Malthouse) highlighted the very educated, very young population, who are as aware as anybody of

what is happening in the rest of the world and are expressing a desire to have a good, solid, positive and responsible relationship within their own country, the region and the rest of the world. That is what the bulk of ordinary Iranians are asking for. The issue is—dare I say?—the old guard, who at the moment very much recognise a desire for change in their country, but are unsure of how to embark on the next steps and how to adapt to the change the people of their country are demanding of them.

Many hon. Members, but specifically my hon. Friend the Member for Hendon (Dr Offord) and the hon. Member for Strangford (Jim Shannon)—who I will call my honourable friend in this context and who has persistently and consistently raised the issue—spoke of the importance of the plight of Christians and other minorities such as the Baha'is. That shows the duality that we face here. There is an opportunity for trade, engagement and so on but there is still much work to do in other areas. We have to decide how we fit into that—how to balance that interest and opportunity while taking advantage of greater engagement and conversation to encourage change in those other critical areas.

As with other debates, I will write to my hon. Friends and hon. Members in reply to their specific questions, particularly where I do not have the answers right now. That is not a cop-out; it will allow me to give hon. Members answers in depth. I will focus the rest of my time on the questions posed by my hon. Friend the Member for South Ribble, who began by talking about the trade opportunities that exist.

We should not ignore the fact that this is the biggest new market to open up in a decade. Trade is certainly growing. Since the nuclear deal and the relaxation of sanctions, our bilateral trade has increased. I pay tribute to the Prime Minister's envoy, Lord Lamont, who has done a sterling job in bringing leaders, for instance Foreign Minister Zarif, to meet parliamentarians and business people. That helps to create the atmosphere where business can be conducted. Lord Lamont has taken delegations out to Tehran as well.

There are clearly huge areas of opportunity, not just in hydrocarbons and traditional areas. There has been little spending on infrastructure in Tehran for more than three decades. We have a role that we can play, if we choose, but as has been expressed across the board, there is a massive hindrance at the moment. There is a huge hurdle at the moment in the form of legacy sanctions and US sanctions connected to the banking sector, which prohibit US passport holders from being able to do business—or make them worried to do business—for fear of triggering US sanctions. I have had discussions with John Kerry—with the Americans and others—and we came close to having a meeting with the Office of Foreign Assets Control, which is the US Treasury committee that focuses on this issue. We were not successful in getting that meeting, but we will persevere to make that happen. John Kerry and the director of OFAC, John Smith, said that they do not stand in the way of business being permitted in the context of the joint comprehensive plan of action. However, businesses, including big British banks, have raised the cautionary concern that US passport holders do not feel confident at the moment to go and do business in Tehran. The Government understand that we need to resolve that issue urgently.

[Mr Tobias Ellwood]

We are also offering financial support. The Bank of England's role was mentioned, and we have other financial services. Given the experience of the City, we are offering Tehran advice and support on how it can introduce anti-money laundering programmes and counter the financing of terrorism. We want to ensure that those products are in place as its own financial services develop.

Mr Bacon: The Minister mentioned the Americans. It is comforting to everyone that he came close to securing a meeting with OFAC, but it would be even more comforting if he had actually secured it, so I hope he succeeds in doing so. Is he worried, as I am, that the United States, despite not having diplomatic relations with Iran, is acting in a way that secures its own commercial interests at the expense of other western partners? It is noticeable that Germany and France are both putting pressure on the United States and reminding it to lift the sanctions, as it is supposed to do in accordance with the JCPOA obligations.

Mr Ellwood: My hon. Friend makes an important point. In fact, we discussed that matter in some of the forums we had with leaders who have come over from Iran. I am very much focused on going back to that committee. Unfortunately, the very people who wanted to attend felt that they might trigger the sanctions simply by being at the meeting to discuss this matter. That is the cautionary environment that we now face.

My hon. Friend the Member for South Ribble mentioned the consequences of Brexit. Let me remind everyone that, although we are backing away from direct involvement in the European Union itself, Britain is not stepping back from trying to solve the problems of the day. Britain will step up to the plate, whether on Ebola in Sierra Leone or on trying to get a nuclear deal. Although we will not be part of the EU in the future, Britain will participate in those important matters because that is who we are and what we want to do. Outside or inside the EU, Britain has a role to play on the international stage, and we will continue to pursue striking international deals, as we did with Iran.

The hon. Member for Hornsey and Wood Green (Catherine West) asked whether our embassy has the capacity to grow and whether we have the capability. Absolutely, we do. As trade starts to develop, all embassies will make an assessment of where things are moving and where developments are taking place. We have now got an embassy with a full ambassador in place, so that is already happening.

Catherine West: Can the Minister tell me how many people speak Farsi in the Foreign Office in London?

Mr Ellwood: I will certainly get the hon. Lady the details on that important question.

Our embassy is growing. I am pleased to say that ambassadors are now in place on both sides. There was some sniggering when soft power was mentioned, but I must stress that we are considered one of the world's most important and influential soft powers. It is because we are a permanent member of the United Nations; we are committed, engaged and determined to understand the world around us; we have a hard-power capability

and are the biggest military force in Europe; we have a history and a relationship with many countries around the world; and we remain committed, transparent and trusted. That all adds up to being an important soft power. That is why debates like this are important. Those things allow us to have more influence over other countries that do not have such relationships and simply shout from afar expecting change to happen.

Mr Nigel Dodds (Belfast North) (DUP): I entirely agree with what the Minister said about the UK's soft power in the world. He said that, after Brexit, we will continue to have a strong role on the world stage, in particular at the UN. I do not know whether the Minister is going to get to this point but, in relation to the nuclear deal, what is the UK's response to Iran's breach of UN resolution 2231 through ballistic testing and so on? What assessment has the Minister made of it? What are we doing at the UN about it?

Mr Ellwood: I will come to that point in a second. The short answer is that the two issues are quite separate. The nuclear deal stands alone and is specifically to do with containment of the ability to create a nuclear weapon. Resolution 2231 is to do with ballistic missiles and the capability of launching an intercontinental or a nuclear weapon using that vehicle. The tests that are taking place are triggering further sanctions separate to the nuclear deal.

The next question that my hon. Friend the Member for South Ribble asked was about dual nationals. That is a very sensitive issue, as hon. Members will be aware, because Iran does not recognise dual nationality, which causes problems and is a concern to anybody choosing to travel to Iran thinking that they will be supported by Britain in the way they would if they had sole British citizenship. That is the challenge that we face. We are working very hard on a number of consular cases, particularly those of Kamal Foroughi and Nazanin Zaghari-Ratcliffe. Those are two of the most prominent cases, and hon. Members will have had many letters on those matters. They are dual nationals, and that is the challenge that we face. I encourage anybody with a dual nationality who is thinking of travelling to Iran to look carefully at the Foreign and Commonwealth Office website before travelling so they are fully aware of the situation.

My hon. Friend the Member for South Ribble also talked about Iran's maturing stance following the nuclear deal. The deal allows a change in attitude towards Iran and further dialogue on the human rights issues that have been discussed, to which I am afraid I cannot do justice in the short time remaining.

Iran is at a crossroads. The nuclear deal that has been signed with the UK and the other E3+3 countries is an opportunity.

Kwasi Kwarteng (Spelthorne) (Con): Will the Minister give way?

Mr Ellwood: I cannot give way, because I have to allow a couple of minutes for the proposer of the motion to speak.

We must take a balanced approach. We must robustly enforce the nuclear deal and check the human rights concerns that have been raised in this debate, while

promoting trade opportunities. We stand ready to help Iran at this juncture, but we expect it to check its proxy influence in the region around it and play a responsible role as it moves into the future.

10.58 am

Seema Kennedy: I thank colleagues for their many thoughtful and interesting contributions to this debate. My hon. Friend the Member for South Norfolk (Mr Bacon) spoke with great experience about the need for more knowledge and engagement. My hon. Friend the Member for North West Hampshire (Kit Malthouse) put Iran in the wider context of Britain's foreign policy. My hon. Friend the Member for Elmet and Rothwell (Alec Shelbrooke) said rightly that it is good that we are not here having bombed Iran in 2012. My hon. Friend the Member for Hendon (Dr Offord) always speaks powerfully and he put on the record his concerns about the treatment of women and religious minorities in Iran. I thank all hon. Members for their time. I thank the Minister for his response. I asked a number of technical questions, and I look forward to his responses to those he could not answer in his speech.

Iran is a middle east superpower and a vital key in the region's security. All avenues of engagement and dialogue to build a bridge of understanding, to quote my hon. Friend the Member for North West Hampshire, should be pursued. Debates in this House are a vital part of such bridge building, and I thank all hon. Members who attended.

Question put and agreed to.

Resolved,

That this House has considered relations between Britain and Iran.

Cycling: Lincolnshire

11 am

Stephen Phillips (Sleaford and North Hykeham) (Con): I beg to move,

That this House has considered cycling in Lincolnshire.

It is a pleasure to serve under your chairmanship, Mr Hanson. We used to have adjacent offices, and I know that my office could sometimes be noisy, so I hope you will forgive me for that. I am pleased to see that the debate does not appear to have attracted much attention, at least among Opposition Members, but there we are.

For those who are not lucky enough to have spent time in Lincolnshire, I have to say—it is important that this is recorded for posterity in the journals of the House—that it is a beautiful place, with big skies and verdant countryside, and it is just made for cycling. As someone who gets out on their bike a fair bit, I can vouch for the fun and good exercise that is to be had as a casual cyclist, as well as the opportunity to get out into the nature, clear the head and appreciate the loveliness of our surroundings.

Many of my constituents use their bikes more practically and a considerable amount more than I do. Although many of us in the country use our cars to travel long distances from place to place, particularly given the sporadic public transport in many parts of rural Britain, I believe firmly that we need to cycle more and that cycling should be encouraged. Even a short trip saves money on fuel, which is a big expense for those who make their lives in rural Britain, and if we take advantage of cycle paths and cut-throughs, cycling is sometimes quicker than taking the car anyway. Everyone who cycles instead of using their car is of course doing their bit for the environment by saving the emissions that would have otherwise have resulted from their trip.

I sought this debate not just to pontificate on the benefits of cycling, of which my hon. Friend the Minister is no doubt well aware, but to draw attention to the good work that has been done in Lincolnshire, which I believe serves as a good example to help other areas, and to gain the Minister's assurance that the Government will continue to do what they can to help what we do in Lincolnshire be rolled out as best practice across the country.

Lincolnshire County Council's vision is to get more Lincolnshire residents cycling more frequently, and to get visitors to the county to use their bikes. The county council is aware that encouraging people to cycle is about a lot more than getting bums on cycle seats; it is about creating a safe environment for people to enjoy cycling and providing the facilities that will enable them to do so. I am glad that LCC recognises that cycling can boost our local economy and contribute to sustainable economic growth through the expansion of tourism, and thereby help local business. Cycling also contributes to everyone's quality of life by reducing traffic congestion on arterial routes and in city centres, which can be a real problem for residents and visitors alike, particularly in North Hykeham, and reduces both greenhouse gas emissions and air pollution. LCC also knows, as we all do, that more cycling means more physical activity, which improves both mental health and physical wellbeing and reduces the strain on our national health service.

[Stephen Phillips]

If we are to get more people out cycling, we must ensure that roads are safe to travel on. Many people are discouraged from using their bikes or permitting their children to use their bikes by the fear of road accidents. I have received in my postbag several examples of keen cyclists who have had near misses and other safety problems while out and about. I pay tribute to Lincolnshire Road Safety Partnership, which does valuable work, particularly with the schools in my constituency. It is vital that cyclists know the rules of the road and how to cycle safely, for the sake of both them and other road users and pedestrians. I therefore warmly welcome the delivery of 8,000 cycle training places each year in Lincolnshire schools, as well as adult cycle training through the Bikeability scheme. I would be grateful if the Minister would comment on the Government's plans to support such programmes not just in Lincolnshire but across the country, to improve cycling proficiency. I suspect that we all remember doing the cycling proficiency certificate when we were at primary school—I certainly do—and that is incredibly important.

Lincolnshire has taken advantage of various sources of funding to improve opportunities for cycling in the county. For example, the Greater Lincolnshire local enterprise partnership has funded schemes such as Go Skegness. I see that my hon. Friend the Member for Boston and Skegness (Matt Warman) is in his place, and that scheme is about an all-modes approach to travel in his area.

In the case of my constituency, I particularly want to praise Access LN6, which is now called Access Lincoln and was set up with a grant from the Government's local sustainable transport fund. Since its inception in 2012, that initiative has encouraged businesses, residents and communities in North Hykeham, South Hykeham and Lincoln to travel sustainably, and it is a testament to the benefits of working to encourage people to think about how they travel as well as providing the necessary infrastructure and information for them to make a change. Infrastructure improvements have been delivered, providing lasting facilities such as the major new cycle path developments on Whisby Road, Station Road and Mill Lane, and the number of cyclists continues to increase. In fact, LCC tells me that the number of cyclists in the area has doubled, which I think we can all agree is wonderful news.

More holistically, Access Lincoln works to embed sustainable travel in the ethos of our local businesses by reviewing individual travel plans and working with networks such as Lincoln Business Improvement Group, Lincolnshire chamber of commerce and Grow LN6. The county council provides support through sustainable travel officers, who work directly with businesses to enable their staff to travel to work sustainably and encourage them to think about using public transport—and of course to think about cycling. That is a valuable part of encouraging people to get out of their cars and think about their travel choices, which we all want to see. I would like to see it spread to other parts of the country. Perhaps the Minister will comment on that.

I want to highlight the continuing success of Hirebike, a casual bike rental scheme in Lincoln. Bikes similar those that are available down here in London and are frequently known as "Boris bikes," for reasons we all

know, are available to rent across the city. Our scheme was launched in 2013 and bikes are now available at 19 docking stations in Lincoln and North Hykeham, with more expansion to come as a result of Department for Transport funding, for which I am extremely grateful to the Minister. Such schemes are invaluable in promoting casual cycling, offer a sustainable way for people to get around, and employ local people. What is the Department doing to encourage and support similar schemes not just in Lincoln and London but across the entire United Kingdom?

Matt Warman (Boston and Skegness) (Con): Does my hon. and learned Friend agree that as we go forward with redeveloping Skegness railway station, that would be an ideal site for a bike hire scheme of the sort that he talks about? We could develop an integrated transport hub that would allow the many hundreds of thousands of tourists who visit Skegness each year to travel around sustainably and safely and see even more of our lovely county.

Stephen Phillips: Of course I agree, but my hon. Friend should push his ambitions a little further. He does not just need one docking station by Skegness station, he needs them all over Skegness. If the Minister is amenable to that proposal and will fund my hon. Friend to get some bikes in Skegness, I would quite like some in Sleaford and some other places in my constituency, and I would like more docking stations in North Hykeham, please.

I know that the Government take cycling seriously, and I am encouraged by the fact that spending on cycling across England has trebled from £2 a head to £6 a head since the Conservative party came to office in 2010. I welcome the commitment to a cycling and walking investment strategy and the announcement in last autumn's spending review of £300 million of investment all the way out to 2020. The Government's role is to create the right policy and funding environment to deliver change, and I would be grateful for an assurance from the Minister that his Department will continue to provide such support. I very much hope that other local authorities will show the same initiative as Lincolnshire, because only in that way will the benefits of cycling—the mental health improvements, the physical health improvements, the reductions in carbon emissions and the way it just makes us a better nation—be realised. I hope that is the message that the Minister will take away from the debate.

11.8 am

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): It is a pleasure to serve under your chairmanship, Mr Hanson, I think for the first time in this Chamber. I congratulate my hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips) on securing the debate. Cycling has sometimes been most closely associated in the media with more populated urban areas such as Greater London. That is a mistake. My area has fallen very much in love with cycling over the past few years, for all the positive reasons that he has articulated. If other parts of the country are like my area, cycling is booming, which is great news.

I would like to reinforce and support the arguments that my hon. and learned Friend made for cycling. It brings benefits in tourism and brings customers to businesses, not just in Lincolnshire but all over the country. Cycling is a great way to tackle the nation's inactivity levels and improve economic growth. Above all, it is a sustainable and enjoyable way to travel and reduce travel costs.

The Government have an ambition to put cycling at the heart of our nation. We want to become a cycling nation. Our objective is to double cycling rates. Our vision is of streets and public places that support cycling and a road network where infrastructure for cycling is always considered when local and national routes are maintained, upgraded or built.

I am sure Lincolnshire is a wonderful county for cycling, partly because, as someone who is nearby but not too nearby, my perception is that it is relatively flat. For those of us who perhaps are not the fittest—people like me—that is quite a help.

Stephen Phillips: Will the Minister give way on that point?

Andrew Jones: Of course, though hopefully not on my fitness.

Stephen Phillips: I am sorry, but I cannot let that go. I live in a village called Thorpe on the Hill, and it is called that for a reason. I also have something called “the cliff” that runs down the middle of my village. I would not want people to think that we do not have big skies and big, open areas in which they can cycle in Lincolnshire, but if they are also interested in a bit of exercise I can certainly point them to some hills, including Harmston hill, which I have to say completely kills me.

Andrew Jones: I suspect my hon. and learned Friend's fitness levels are way ahead of mine. He makes a valuable point. He has mentioned in both his opening remarks and his intervention the Lincolnshire landscape, and particularly the big skies that one experiences. I have certainly noticed that on all my visits to Lincolnshire.

Last year, the Government awarded half a million pounds for sustainable travel in Lincolnshire through the sustainable travel transition year fund. We also made similar awards to North Lincolnshire Council and North East Lincolnshire Council. Improvements such as the Canwick Road scheme were made possible by a contribution of more £1.5 million in funding from the DfT, which was put towards the £5 million overall cost of the project. Such developments ease congestion as well as providing improved facilities for pedestrians and cyclists.

In addition, Access Lincoln, Lincolnshire County Council's framework for sustainable travel, will build on the success of Access LN6 by continuing to encourage people to walk, cycle, use public transport and car-share, as well as supporting key infrastructure projects in the city of Lincoln. Through our cycle rail grant, the Government have provided £360,000 for an innovative new cycle hub at Lincoln station. The hub will provide more than 200 new secure cycle parking spaces, making it easier and more convenient for people to cycle to the station. My hon. Friend the Member for Boston and Skegness (Matt Warman) said he wishes to see that

extended into his area. I can only agree with him on the merits of such schemes, and I wish him every success. I know he is already discussing that with the Under-Secretary of State for Transport, my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard). Where we have seen schemes developed, they have been successful, and I would like to see that success extended across the country.

With funding from the Department contributing to the success, Lincolnshire has made improvements to its infrastructure and made people's experience of cycling more enjoyable. However, despite those good examples there is much more we will have to do if we are going to make this a cycling nation.

On 27 March we published the first draft cycling and walking investment strategy for public consultation. We had a fantastic response to it, with about 3,600 responses received, and more than 400 individuals attended engagement workshops around the country, highlighting the terrific appetite for cycling and walking. The draft strategy sets out our plans for creating a cycling and walking nation, with an ambition up to 2040 for making cycling and walking the natural choice for short journeys or as part of a longer journey. It includes a target to double cycling and a number of objectives to increase cycling and walking and reduce the rates of cyclists killed or seriously injured, and it explains the financial resources available in the spending period to support the delivery of the objectives.

The draft strategy also set out the actions to be taken to achieve our objectives under three broad themes: better safety, better streets and better mobility. I emphasise the key point that we cannot achieve those objectives alone. Our ambition will be delivered only if we work with local government, businesses, charities and the public. We want to support local delivery partners to do what they do best: identify and deliver individual, tailored cycling and walking interventions that are right for their areas. I think that was a key point made by my hon. and learned Friend about the progress made in Lincolnshire and that is exactly how we see progress being made across the country.

The Government have a role to play. We will take a lead on issues that require a national approach such as setting the framework and sharing knowledge and good practice. We will publish the final cycling and walking investment strategy once all considerations have been taken into account.

We have to look at funding as a part of this issue, because obviously that is important to help to facilitate change. We have made good progress. In 2010, for every person in England, just £2 was spent supporting cycling. That has gone up to £6 per person each year across England, and it is more than £10 per person in London and our eight cycling ambition cities, which include Birmingham.

Stephen Phillips: The Minister champions the fact that London is getting £10 a head and the rest of the country is getting £6 a head. I have to say that, not just in relation to cycling but in relation to everything, those of us who make our lives in rural Britain feel that we are constantly short-changed, because the money goes into the urban centres and not into our communities. I want his agreement that it is just not fair that the good folk of Lincolnshire will get £6 a head in this Parliament whereas

[*Stephen Phillips*]

the no doubt equally good folk of London, Birmingham and all these other places will get £10. It is not on, and it has to stop.

Andrew Jones: It is a question not of reducing funding in other areas but of improving the funding position right across the country. I share my hon. and learned Friend's argument about how transport has been weighted towards the south-east—I represent a constituency further north than his own. The idea that transport issues exist only in the south of England is obviously nonsense that has to be corrected. That of course is one of the objectives of the Government's spending programme, whether in High Speed 2, the road investment strategy or the control period 5 delivery plan—all such things are about injecting capacity. We have to address the significant regional imbalance.

That is not to say that I do not recognise that London has specific challenges because of its scale. It clearly has, but it is not unique in having transport challenges and those of rural areas are frequently overlooked. My hon. and learned Friend makes a valuable point and I agree with his underlying argument.

I think we have seen good progress with the cycling ambition cities, but I do not want progress to be only in small parts of our country. The spending review in 2015 included £580 million for a new access fund for sustainable transport, with £80 million of revenue funding and £500 million of capital as part of the local growth fund. That will build on the legacy of the local sustainable transport fund and its success in supporting sustainable travel to work as well as supporting the cycling and walking investment strategy. Following a competitive bidding process, we hope to be able to announce the winners of the current access fund applications later this year, by Christmas.

More than £200 million has been allocated to the cycling ambition cities, which are making progress with the delivery of cycling networks, including Dutch-style segregated cycle lanes in Cambridge, new strategic routes in Greater Manchester and a cycle superhighway in the north-east. That group meet regularly to share their experiences and learning, and I want to capture some of those and make all of that information available so that we can help to share good practice. Part of our role in Government is to pull together what good practice looks like, and encourage those with local responsibility. That is already happening in, for example, the shared space initiative; it is all about supporting local authorities in their work.

My hon. and learned Friend emphasised safety, which is obviously critical. There are still far too many people losing their lives or being seriously injured on the roads. As the Minister for road safety I am acutely aware that every life lost is a family shattered. We will do all that we can to improve the safety performance of our roads. To put things in context, ours are among the safest roads in the world. Last year was the second best year for road safety in our history, in terms of lives lost. Obviously, we want to build on that and go further, and that certainly includes cycling. I remember learning awareness and the law of the road, and how to use a bike, when I was quite small, at primary school. Bikeability is the Government's national training programme, designed

to give people the skills and confidence to cycle safely and competently on today's modern roads. It has delivered approximately 1.9 million training places across the country since it began in 2007. We have secured a financial settlement for the next few years. My hon. and learned Friend asked for a commitment that it will continue and I am able to give him that. The funding has been secured; we have £50 million in the spending review and we expect to train a further 1 million children over the next four years.

Importantly, my hon. and learned Friend highlighted the good work being done in Lincolnshire, especially in relation to routes to school. We want to encourage children to be able to ride to school; but before that can happen, addressing parents' natural concerns is fundamental. That is not, of course, a single initiative. We want to encourage cycling right across the transport mix. Highways England, which is responsible for the nation's strategic roads, launched its cycling strategy in January. It outlined plans to provide a safer, integrated, more accessible strategic road network for cyclists and other vulnerable road users. It will invest £100 million in 200 cycling schemes between now and 2021.

The issue is not only funding, although that is obviously important. My Department is committed to ensuring that good cycling infrastructure is in place across the country. London has been mentioned, and there has been good progress there; but it is not just a London issue. We want to share the lessons across the country so that everyone benefits from the experience. The cycle proofing working group, which does not have the catchiest title in Government, was set up in 2013, and consists of experts from across the sector, who share knowledge, conduct research, promote good practice, and advise on cycle proofing standards to help support those with responsibility for designing and building infrastructure on a local basis. The Department has recently published case studies designed to help local authorities with the design and delivery of cycling provision.

We fully support devolution and decentralisation. It has of course been a running theme throughout this Government: the idea that local areas best know their needs and problems, and their solutions, seems self-evident to almost all Conservatives, but it has not necessarily been a feature of Government policy over the years. We are providing more capital for local infrastructure than ever before, particularly through the local growth fund. If anyone thinks that that is bad news for walking and cycling, they should reconsider. Forward-thinking local enterprise partnerships such as Greater Lincolnshire know perfectly well the value and the economic benefits that cycling can bring. We know that, because they have allocated more than £270 million to cycling infrastructure projects over the next five years.

Some of the benefits of that investment are beginning to be seen in Lincolnshire. The Go Skegness scheme has been mentioned. That project has started on site, and will transform public transport and cycling accessibility in and around Skegness. There has been a 77% increase in the number of cyclists on the Station Road cycle way, which is a key route in North Hykeham; that is fantastic. My hon. and learned Friend mentioned the Hirebike casual rental scheme in Lincoln; bikes are available to rent across the city. It was launched only three years ago in 2013, and 100 bikes are now available to rent. My hon. and learned Friend mentioned the imminent expansion

and the ways in which the Department seeks to support it. The extension includes electric bikes, an interesting part of the marketplace that has made much more progress in other European countries than in the UK. I think they are likely to be a feature of the marketplace in time ahead; it may be an encouragement to participation in cycling for softies such as me.

I am trying to convey an impression of the many different ways in which the Government are committed to cycling. It is not our role to dictate what local areas spend their money on; they know themselves better than Government could, and our role is to support them by undertaking research, providing information and advice, and encouraging and promoting their work. We have been getting the message out, and it is clearly working and getting through. In future we shall go further with devolution deals, which will, I think, include more consolidated local funding pots. We will go further in supporting local bodies to create high quality local plans for cycling and walking.

We are very ambitious about making good progress with cycling, for health, environmental and transport reasons. There are not many things in this world that are fun, good for the environment, and good for us too; but cycling is one of those things. Our cycling and walking investment strategy is the first phase of a longer term process of transformational change to make this truly a cycling nation. It has been great to hear about the progress made locally in Lincolnshire, in my hon. and learned Friend's constituency and others. He asked specifically for an undertaking that the Government will continue to support cycling, and I give him that: yes, they will. They will continue to support it financially, through publicity and the sharing of good practice. We view cycling and walking as being at the heart of our transport mix. I hope that the progress made in Lincolnshire will extend across the country, because it is exactly what we need.

11.27 am

Stephen Phillips: I am extraordinarily grateful to my hon. Friend, not only for his constructive response but for his assurances on my specific queries. I am immensely

pleased to hear those assurances, as, I am sure, are my hon. Friends the Members for Boston and Skegness (Matt Warman) and for Louth and Horncastle (Victoria Atkins). I know from discussions with the latter that she knows the importance of cycling in her constituency, not only for the reasons covered in the debate but also in relation to regeneration.

Victoria Atkins (Louth and Horncastle) (Con): I thank my hon. and learned Friend for securing this important debate. He will know that the Louth canal was, in its heyday, the powerhouse of the midlands engine—even bigger than Grimsby's port, in its time. Does he welcome, as I do, the work of East Lindsey District Council, the Louth Navigation Trust and Sustrans to reopen the route along the canal for cycling, walking and other joyous pursuits?

Stephen Phillips: Yes, of course I agree with my hon. Friend fully about that. I am looking forward to cycling the route and, indeed, dragging her along with me, when it opens in due course. I am afraid that the price of being permitted to make her point in the debate will be that she will have to join me.

We have had an extraordinarily useful debate. Those who read it in *Hansard* will be left in no doubt about the beauty of Lincolnshire, and the fact that it may be the best county in the United Kingdom in which to engage in cycling pursuits. I can promise those who come that not only will they get a good bike ride; they will get fabulous lunches in some of the wonderful pubs and other places of Sleaford and North Hykeham—and, I am sure, Boston and Skegness and Louth and Horncastle. I am grateful to the Minister and to everyone who contributed to the debate.

Question put and agreed to.

11.29 am

Sitting suspended.

European Medicines Agency

[MR STEVE MCCABE *in the Chair*]

2.30 pm

Daniel Zeichner (Cambridge) (Lab): I beg to move,

That this House has considered the future of the European Medicines Agency.

It is a pleasure to serve under your chairmanship, Mr McCabe. I am grateful for the opportunity to secure the debate, which I called with the expectation of being answered by a Minister from the Department for Exiting the European Union. It is unclear to me why that is not happening; perhaps that could be No. 171 on our list of questions about Brexit. None the less, I am sure we can expect a robust and helpful response from the Under-Secretary of State for Health, the hon. Member for Warrington South (David Mowat), who perhaps can explain that to us.

I start by laying my cards on the table. I am old enough to remember the John Major Government and the Maastricht treaty; I was perhaps one of the few at that time who actually read it. I also remember the troubles that the then Prime Minister had. Despite those difficult times, one of his major achievements was to secure the location of the European Medicines Agency in the United Kingdom. More than 20 years on, that success by a Conservative Prime Minister is being put at risk by the foolish path being pursued by the Conservative Government today. John Major famously referred to some of his colleagues—I apologise for this, Mr McCabe—as “bastards”; now they are running the show.

Last week, the Chancellor wryly commented that no one voted for Brexit to make us poorer. I wonder how many knew about the potential impact on one of our key industries, the future of which we are discussing today. My guess is that very few knew and that very few were voting to destroy British jobs and to do reckless damage to one of our great success stories. The area of the country I represent is a world leader in pharmaceuticals and life sciences. The Cambridge biomedical campus is at the pinnacle of international research, with, just a few years ago, AstraZeneca choosing Cambridge as its location rather than elsewhere in the world—but that was before 23 June.

Given that the vast majority know nothing of all this, let us set out some of the details about the European Medicines Agency and the significant role it has played over the past two decades in providing a harmonised approach to medicines regulation throughout the European Union. It was set up in 1995 from predecessor organisations, is a decentralised agency of the European Union and is located in London. Its mission is

“to foster scientific excellence in the evaluation and supervision of medicines, for the benefit of public and animal health in the European Union”.

Responsible for the scientific evaluation of human and veterinary medicines developed by pharmaceutical companies for use in the European Union, it can grant marketing authorisations for medicines that allow for their use across the 28 EU member states, as well as the countries of the European economic area—Iceland, Liechtenstein and Norway.

The EMA describes its four main functions as to facilitate development and access to medicines, to evaluate applications for marketing authorisation, to monitor the safety of medicines across their life cycle and to provide information to healthcare professionals and patients. Essentially, it is tasked with ensuring all medicines available on the EU market are safe, effective and of high quality, and it seeks to harmonise the work of existing national medicine regulatory bodies, such as the UK’s Medicines and Healthcare Products Regulatory Agency. It serves a market of more than 500 million people living in the European Union and covers a market of 25% of global pharmaceutical sales, of which the UK constitutes just 3%.

We should understand the EMA in the context of the growing global pharmaceutical market and the UK’s world-leading life sciences sector. The Prime Minister herself said in July:

“It is hard to think of an industry of greater strategic importance to Britain than its pharmaceutical industry”.

Indeed, the life sciences sector in our country has a turnover of more than £60 billion per year and generates exports worth £30 billion. In 2014 it invested £4 billion in research and development—more than any other sector. It employs 220,000 people in our country and 25% of the world’s top prescription medicines were discovered and developed in the United Kingdom. In my constituency of Cambridge alone, there are more than 160 life science companies reinforcing the strong local knowledge economy, and contributing to the economy well outside my region as well.

In passing, it is perhaps worth noting that Cambridge is one of just a handful of UK cities making a net contribution to the UK Treasury, thanks in no small part to its vibrant life sciences industry. Thus, the Cambridge view on how we secure future prosperity may perhaps be worth listening to. Cambridge, and those in this key sector, are most certainly unhappy with the current route being taken for a range of reasons and the future of the EMA is a good example. What will be its future, post-Brexit? What will be the impact on the future of our country’s life sciences industry more generally? What will be the real impact on the NHS—the real impact, not the bus slogan? The head of NHS England, Simon Stevens, has rightly insisted that the regulation of medicines and devices must be considered during the Brexit negotiations.

What are the options? As I have noted, countries inside the European economic area are included within the EMA’s centralised marketing authorisation procedure, which means that, if the UK remains part of the economic area, the process for regulating and supplying medicines in our country might see little change, which could bring stability for the sector.

Nick Thomas-Symonds (Torfaen) (Lab): It is a pleasure to serve under your chairmanship, Mr McCabe. My concern is that, outside the European Union, we will be in a position in which pharmaceutical companies will have to go to the EMA to go through the process to make the drugs available, and subsequently have to do the same thing for the purposes of UK law, which will cause delay. Does my hon. Friend agree that it is important that we have parallel processes so that there is no disadvantage to patients in this country?

Daniel Zeichner: My hon. Friend pre-empts the points that I will move on to. The issue of delay is really important.

I was talking about the option of staying within the European economic area. Sadly, from what we are hearing, and from what is possibly happening in the Chamber at this very moment, that is an option the Government do not seem to be entertaining. If we do not, pharmaceutical companies might have to apply separately to the UK's MHRA if they want to supply a drug in the UK, as my hon. Friend has pointed out. Most commentators predict that that is likely to lead to a slower, less efficient regulatory process.

The Association of Medical Research Charities has pointed out that the strong and aligned medicines regulation across the EU, underpinned by science, is essential to bringing new medicines to patients in a way that minimises delay and costs. At the weekend, the chief executive of AstraZeneca made exactly that point—that, without the EMA, NHS patients would get new drugs more slowly and drug costs to the NHS would rise, meaning less money for the NHS; not quite what was written on the bus. Perhaps the Minister will confirm that the Government believe that people voted for less money for the NHS. That is certainly not the general understanding.

There is also an associated worry that smaller biotech companies, the lifeblood of our future prosperity, which in many cases are pioneering revolutionary treatments, will lack the capacity to file multiple applications at once and to handle all the associated paperwork. Some will struggle on, and we wish them every success, but I fear others will go elsewhere, to our detriment.

The MHRA finds itself in a potentially difficult place. It has commented, carefully, in response to the referendum result:

“We will continue to work to the highest levels of excellence and quality, working with and supporting our customers, partners and stakeholders to protect health and improve lives. Working closely with government, we will consider the implications for the work of the Agency. We will continue to make a major contribution globally to improving public health through the effective regulation of medicines and medical devices, underpinned by science and research.”

Those words, and the intention behind them, are encouraging, if unsurprising, but the MHRA has been put in a difficult and uncertain position. No major member state has left the EU before, so there is no model to follow for disentangling the UK's medicines and life science industry from the EMA. The EMA and the MHRA work symbiotically and their separation is likely to be complex. The MHRA may be left with a bigger workload, and pharmaceutical developers may well prioritise the much larger EU market and delay securing regulatory approval in the UK. Indeed, US and Japanese companies already file in their home markets first before seeking approval in the European economic area. The UK, with its much smaller market, will be in danger of being at the back of the queue.

As we have heard, the EMA has allowed UK patients faster access to new treatments. It is worth noting that, in Australia and Canada, where medicines are licensed nationally, patients have slower access. On average, new medicines come to market six to 12 months later than in the US and the European Union. It seems likely we will be in the same position. Is that really what people voted for—longer delays in getting life-saving treatments? Again, I seek the Minister's view.

The damage is not only done to us. The BioIndustry Association warns that, without Britain, the European Medicines Agency could also end up losing out. It would sorely miss the MHRA's strengths in patient safety regulation. The Association of the British Pharmaceutical Industry has said that European colleagues are desperate for the MHRA to be retained as part of the regulatory process, owing to the high regard in which it is held. Both the ABPI and the Association of Medical Research Charities advocate ongoing regulatory co-operation between the EMA and the MHRA. The ABPI suggests that there is a strong rationale for seeking regulatory co-operation on the basis of the public health benefits to patients. The organisation says that strong, globally aligned medicines regulation has proven effective in bringing new medicines to patients quickly, without the additional costs of multiple regulatory systems. I believe we should do all we can to safeguard that.

The Government wrote in July that their renegotiation on the new European Union-United Kingdom relationship includes looking at the relationship between the UK and the EU medicines regulatory framework. I would appreciate an update on what they now believe that new relationship might look like and whether regulatory co-operation might still be possible.

Dr Sarah Wollaston (Totnes) (Con): The hon. Gentleman is making a powerful case. These points were raised with the Select Committee on Health in the run-up to the referendum. Will he join me in calling for people to submit further evidence to the Health Committee, now that we have launched our inquiry into what the Government's priorities should be during their negotiations on the terms of our withdrawal?

Daniel Zeichner: I thank the Chair of the Health Committee for her intervention. I certainly encourage those in my area and others to take up that offer. We will be doing so.

Let me come to the most tangible issue of all: the future physical location of the European Medicines Agency. Just last month, the Government said in a written answer to my hon. Friend the Member for Denton and Reddish (Andrew Gwynne):

“The future arrangements which apply in relation to European Union institutions based in the United Kingdom should be determined once the United Kingdom has left the EU. It is too early to speculate on the future location of the European Medicines Agency.”

Early or not, speculation is intense, and others are moving fast to gain advantage. The EMA stated in July that it

“welcomes the interest expressed by some Member States to host the Agency in future”,

while stressing that the decision will be taken

“by common agreement among the representatives of the Member States.”

Various member states are already vying to host the EMA. The Danish Prime Minister has said he is looking at it. The Irish Health Minister has said that attracting the EMA to Dublin is one of the “more interesting” opportunities afforded by Brexit. Italy, Sweden and Spain are also reportedly expressing an interest.

The EMA employs some 900 people. What will happen to their jobs? Will those people move with the agency? Inevitably, there is concern that, should the EMA relocate

[Daniel Zeichner]

outside the UK, there will be a knock-on effect on the wider pharmaceuticals and life sciences industries. When they next decide where to locate and invest, does losing the EMA hinder or help? In my view, the answer is fairly clear, but I would welcome the Minister's view.

We risk losing jobs. We risk losing influence. On a practical level, any company that sells to the European economic area has to have a qualified person for pharmacovigilance—an experienced, senior person based in the European economic area. If we are outside that area, QPPVs would have to move out of the UK or lose their jobs. There are 1,299 QPPVs currently in the UK. That is another potential loss, and of course, every highly-skilled job lost has a multiplier effect.

Perhaps the Minister can give us an estimate of how much all this will cost us. When I asked the Secretary of State for Exiting the European Union that question in the House on Monday, he had no answer. I appreciate that the Minister, following the lead given by the Brexit Ministers, is unlikely to be able to provide detailed, concrete information at this stage. I have some sympathy; if you do not have a plan, it is probably best to say as little as possible. However, I hope that the Government understand just how important it is for the UK to retain the closest relationship possible with the European Medicines Agency. It is important for patients. It is important for businesses. It is important for innovation, and it is important for our economy as a whole.

2.44 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to speak in this debate on a matter of great importance. May I congratulate the hon. Member for Cambridge (Daniel Zeichner) on securing it? As my party's health spokesperson in Westminster, I have been contacted by pharmaceutical companies about this issue, and I will try to illustrate their concerns in the short time I have.

It was not difficult to predict the tone—I mean this respectfully—of those who are presenting a particular case about the EMA, given their concerns in relation to Brexit. I have a great deal of respect for Members' opinions on Brexit, and while we must remember that the vote of each Member carries the same weight, I gently remind the House that the die is cast. The people have spoken, and the responsibility of ensuring that we are in the strongest possible position now lies with this House.

I very much welcome this important debate. It is interesting that while we are having this discussion in Westminster Hall, the main Chamber of the House is discussing parliamentary scrutiny of the UK leaving the EU. No doubt this issue will be brought up there. The EMA is one of the mountain of details that the Government must be aware of and plan for when we enter into negotiations for leaving the EU and establishing mutually beneficial trade agreements. The hon. Member for Cambridge set the scene clearly, and although we have different opinions on Europe and Brexit, I do not see any difference in what we are trying to achieve collectively on this issue. Our opinions, focuses and goals are similar, if not exactly the same. That is important.

I will begin with the statement made by the EMA after the referendum result in June. It made it clear that its work will continue as normal. As there is no precedent

for a member state leaving the EU, the implications for the location and operation of the EMA are unknown. The EMA also stated that any decision about the location of the agency's headquarters would be made by common agreement among member states.

The Brexit negotiation team—the Secretaries of State for Exiting the European Union, for International Trade and for Foreign and Commonwealth Affairs, and the Prime Minister—will need information to set out a strategy for dealing with this issue. The Secretary of State for Exiting the European Union and his team need the thoughtful consideration of those with an insight into this matter, so that they can strike the right way forward. It is important that we do that.

Mr Gregory Campbell (East Londonderry) (DUP): The helpful debate pack we have from the Library indicates that the pharmaceuticals sector has unfortunately declined as a percentage of the economy in the past five or six years, when we have been in the EU. Does my hon. Friend agree that the outlook of every hon. Member, and throughout society in the UK, should be that we need to redouble our efforts to ensure that the line on that graph begins to go up, rather than continuing to decline?

Jim Shannon: I thank my hon. Friend for his comment. I was not aware until seeing the briefing pack that there had been a decrease in the pharmaceutical business over the past few years; I actually thought we were holding our own and moving forward. Brexit will give us the opportunity to move forward, so we should look positively upon where we are.

This debate is not simply an opportunity for remainers to highlight something that may be difficult to negotiate, with no desire other than to prove their opinion on Europe. There is nothing wrong with that—people have different opinions—but let us work together to ensure that we deliver.

Dr Philippa Whitford (Central Ayrshire) (SNP): Is it not possible that part of the reason why the pharmaceutical industry has gone down is that the clinical trials directive of 2001 was very bureaucratic? Following that, we had a fall of one quarter in trial research in the UK, particularly in oncology. That directive is due to be replaced in 2018 with the EMA's new regulation, which will streamline it.

Jim Shannon: I thank the hon. Lady for her intervention and the knowledge she brings to this Chamber and the House. I hope that we can improve on what she refers to when we get into the Brexit negotiations, and through our negotiations outside Europe when article 50 is triggered next year.

Let us work together to allow the EMA and the MHRA to come to an arrangement to continue what has been a great partnership to date and has achieved many results. According to the *Financial Times*, the EMA outsources up to a third of its work to the MHRA, and that work is responsible for a third of the MHRA's income. A report in *The BMJ* states that that work makes the UK an attractive location to carry out clinical trials. The hon. Lady outlined that in her intervention, and I know that the Minister will respond and the shadow Front-Bench spokesman will add his comments.

That relationship, which has been proven to work, does not have to die because the EMA may—I emphasise “may”—move its headquarters. Work must be undertaken to underline the fact that although we will not be in the EU, we will remain the best in Europe at this type of clinical work. We have many things to be thankful for in our experience of it. We all understand the red tape in Europe, and I find it very hard to believe that the only reason why the work was outsourced to the MHRA was the location of the EMA.

Jo Churchill (Bury St Edmunds) (Con): It is a pleasure to serve under your chairmanship, Mr McCabe. I want to return to the point made by the hon. Members for Cambridge (Daniel Zeichner) and for Central Ayrshire (Dr Whitford). The Government need to be aware of the connectivity between the university sector, the clinical trials sector, the pharmaceutical sector and beyond, and of the importance of where the EMA sits in that. I would be grateful for an assurance from the Minister that we are putting everything we can into ensuring that the situation is sorted effectively and quickly.

Jim Shannon: I thank the hon. Lady for her intervention and for the knowledge she brings to these debates. She is right in saying that we want a continuation of the good work with universities. Queen’s University Belfast has a partnership with pharmaceutical companies throughout the world, doing clinical trials and marvellous work, as do many other universities across the whole United Kingdom of Great Britain and Northern Ireland. We could do that even better, and we should be doing so.

It was because of the quality of service and the tendering process that we showed that this was the best place for the work to be carried out, and that will remain so no matter where the EMA locates its headquarters. I cannot blame the Republic of Ireland and other countries for putting down a marker that their country could be the home of the EMA when it is time for it to move. If this were an opportunity for business in my constituency, I would also be highlighting our ability to take the business on board. However, panic stations need not be manned tomorrow, because those countries are hoping that an opportunity will arise when we leave in the not-too-distant future.

It is clear that countries that are members of the EEA are covered by the EMA and have access to the centralised marketing authorisation procedure. That is important, as it may mean that the UK could continue to have that procedure after leaving the EU, but it will depend on the negotiations and the UK’s resulting position in the single market. If the UK did not become a member of the EEA, pharmaceutical companies would need to apply separately for marketing authorisations from the MHRA for a medicine they wished to supply in the UK. That will be covered the negotiations.

We must have faith in the negotiations and in those who have been tasked with the job. Let us support the Ministers who have been given that job and encourage them to move forward. I hope they will read the *Hansard* report of this debate. We are not in the main Chamber, but the contributions made here are important in formulating policy and moving forward.

I have been contacted by Muscular Dystrophy UK, which has asked me to ask some questions of those who will enter the negotiations so that they are recorded in *Hansard*. I am happy to do so. Will the Government ensure that there is a parallel approval system for new

treatments, so that after the UK exits the EU, EMA approvals that are granted apply to the UK at the same time? Will the Government increase the capacity of the MHRA and the National Institute for Health and Care Excellence so that the regulatory and approval processes are faster and can cope with the growing number of emerging treatments for rare diseases in forthcoming years? It is important to underline the issue of rare diseases—I think every hon. Member in the Chamber today has spoken about it at some point. We are all aware of the need for medicines, investigations and work to find new medicines to heal people better.

Those questions need to be considered, and a constructive approach that accepts there will be a change and seeks to influence the way the change takes place is the best way forward as we begin to work on the details that will shape our new position in Europe outside the EU. Let us focus on that.

I am nothing if not a realist, and my decision to support Brexit was not made on a whim or through emotion. It was made after thoughtful consideration that on the whole, we can do better for our country than the way things stand. That will come about through massive change and an overhaul of systems, and this is one of the changes that must happen. The onus is now on the Government, and particularly the team that is working on the negotiations, to ensure that we address the matter and gain the best possible outcome. I thank the hon. Member for Cambridge for giving us the chance to make a contribution to finding the way forward and highlighting the work that must be done to ensure that our MHRA, and indeed our system for clinical trials, continues to encourage work to be carried out here. We need to cement partnerships so that we can make the United Kingdom of Great Britain and Northern Ireland a better place for pharmaceutical companies.

2.56 pm

Liz McInnes (Heywood and Middleton) (Lab): It is a pleasure to serve under your chairmanship, Mr McCabe. I thank my hon. Friend the Member for Cambridge (Daniel Zeichner) for securing this important and timely debate. I am aware of how important academic and medical research is to his constituents and his constituency. I am also aware of the standing that the work done in Cambridge gives to the United Kingdom on a global stage. Given our current state of political uncertainty, I thank him for all the work he is doing in this area.

Some hon. Members will know that I worked as a biochemist in the National Health Service for 33 years before being elected to serve as the MP for Heywood and Middleton. Medical research and innovation have been at the very heart of my professional career, working and collaborating with others from across the world here in the UK to focus on improving the quality of patient care. Like other hon. Members, I respect and will uphold the decision of the referendum on 23 June that the British public wish to leave the European Union, but I will continue to argue that our leaving does not mean isolation from the European Union.

We must not become isolated from world-leading medical and academic research or from collaborative innovation on life-saving medicines. We must reject isolation from funding and economic prosperity. We must ensure we are not isolated from regulatory safeguards or from providing our citizens and patients with the best quality of life and healthcare. Isolation in medical

[Liz McInnes]

terminology denotes a hospital or ward for patients with contagious or infectious diseases. We should not isolate or quarantine ourselves and become, in effect, the sick man of Europe. Keeping institutions such as the European Medicines Agency is key to the future of British science and medicine, and to accelerated access to treatments for patients in the UK.

As a representative of a north-west England constituency, I know just how important the pharmaceutical industry is, not only in providing life-saving drugs, but in providing high-skilled training and jobs. Greater Manchester has the most pharmaceutical employees of any region with just over 6,000 workers, totalling 18% of the total jobs in this industry across the UK. The pharmaceutical market in the EU as a whole employs 700,000 people. Every job in the pharmaceutical industry creates three to four more jobs through indirect employment.

As chair of the all-party parliamentary group on medical research, I know how imperative enabling timely patient access to new medicines is and how it plays a vital role in supporting the development of medicines for the benefit of patients, based on a comprehensive scientific evaluation of data and procedural clinical testing. The EMA does that by developing guidelines and setting standards, while co-ordinating the rigorous monitoring of pharmaceutical companies' compliance with their pharmacovigilance obligations. It provides comprehensive information for the public on the safety of medicines and co-operates extensively with external parties—in particular, representatives of patients and healthcare professionals. The proposed great repeal Bill should ensure that all those aspects are preserved in UK law and harmonised with EU legislation and directives. Let us take, for example, Cancer Research UK, which directly funds more than 200 clinical trials, 28% of which involve at least one other EU country. Any change to EU legislation would put those pan-EU trials at risk.

The EMA has achieved notable and substantial advancements in its field, recommending approximately 1,000 medicines to the European Commission for a marketing authorisation for all EU member states. Those medicines benefit patients suffering from all types of diseases, including cancer, diabetes, neurological disorders, infectious diseases and autoimmune disorders. The EMA has also excelled in specialised areas such as medicines for rare diseases, medicines for children and advanced-therapy medicines. It has built a broad access to clinical data, allowing shared knowledge to be applied in future research, and has thus increased the efficiency of the development of medicines.

Of course, behind all those achievements are people. We have a duty to give reassurance immediately to the staff of the EMA. Of its 890 employees, 93% were born outside the UK. We must clarify that they will be able to continue to live and work in the UK; indeed, we must strive to end the uncertainty that so many of these workers are feeling at the moment. Although the complexities of this matter and the wider issues that this debate raises cannot be confined to a soundbite or a sentence, some of the language and tone on immigration during the past few weeks has been regrettably toxic. The French microbiologist Louis Pasteur said: "Science knows no country". In that spirit, I advocate the positives of not only immigration, but innovation. The two are inherently intertwined in the scientific and healthcare community.

Only last week, two British scientists, Duncan Haldane and Sir Fraser Stoddart, collected Nobel prizes for science. I congratulate them and their teams on those awards. Both those eminent British-born scientists have worked in the UK and abroad, and each of them warned that the risk of Brexit could mean "a big negative" for British science.

We must continue to foster scientific excellence post Brexit, full stop. Retaining the EMA here in London is essential to harbouring and cementing those values. The time for speculation is over. The Government proclaim that they want "a country that works for everyone", but if they do not stand up now and speak up for the scientific community, they will end up creating a country that stands isolated from scientific research and innovation—a country that is neither welcoming nor working.

3.3 pm

Martyn Day (Linlithgow and East Falkirk) (SNP): It is a pleasure to serve under your chairmanship, Mr McCabe. I thank the hon. Member for Cambridge (Daniel Zeichner) for initiating this very important debate.

As we know, the European Medicines Agency is a decentralised agency of the European Union, employing about 890 people and located at Canary Wharf in London, which makes it the biggest EU operation in the UK. As we have heard, its staff is multinational; only 7% are from the UK, but all now face the prospect of a painful and uncertain period that almost inevitably will lead to relocation. It is inconceivable to me that an EU institution would not be located within the EU, although that will be decided by the member states at some point after the UK has left. Given that it took seven years to establish the organisation and given the possible further complication of its recent 25-year lease for its headquarters, who knows how long it may take to disentangle?

Of course, it is not just the staff who face the prospect of an expensive move. There are likely to be repercussions for the public purse and implications for medicine regulation. We know that currently more than one third—almost 40%, in fact—of EU drug approvals are outsourced to the Medicines and Healthcare Products Regulatory Agency, which clearly places significant reliance on that business for its income. Consequently, there will be a financial gap for the UK. I would be interested to hear from the Minister how the Government plan to plug that gap.

The complications are not just financial; there may well be implications for how medicines are regulated. We seem to be looking at a hard Brexit. If the UK does not become a member of the European economic area, marketing authorisations will be required from the MHRA for the UK. I am in no doubt that the implications of that will be less efficiency and possibly longer processes for obtaining authorisations in the EU and the UK, resulting—I fear—in innovative drugs taking longer to reach patients. Some industry leaders predict delays in the region of 150 days, based on the examples of Switzerland and Canada.

According to a piece that appeared in the *Financial Times*, when Sir Michael Rawlins, chair of the MHRA, was asked whether it would be able to take on all the extra work registering new drugs and medical devices that is currently carried out by the EMA, he said:

“Certainly not.” Considerable investment and recruitment would be required to re-establish it as a stand-alone national regulator.

The EMA is central to the harmonised approach to medicines regulation. Losing this mechanism would have huge implications for the way in which drugs and medicines are tested and marketed, with concerns already expressed by many in the pharmaceutical industry that leaving the EU will result in the UK losing out on some trials that might otherwise benefit patients, as we will no longer be part of that harmonised procedure. The pharma industry argues that the UK is involved in about 40% of all adult rare disease trials in the EU at present, but that would be undermined by a change of status. Some in the pharma industry argue that that would in itself reduce the importance of this country in the eyes of the global drug companies. Being outside the EU would mean that the UK was not part of the harmonised procedure and so might lose out on some trials that might otherwise benefit patients. Officials at the National Eczema Society say that they have been informed by two US companies that trials of new treatments will not take place in the UK in the event of Brexit.

Across the UK, the pharmaceutical industry will be dealt a hammer blow through the loss of the European Medicines Agency, which is crucial for attracting foreign investment. It is clear that international pharma companies like to be close to their regulators. Until now, the EMA has been an attraction for companies to locate their European headquarters in the UK. The Japanese Government recently published a report detailing consequences if requirements from UK-EU negotiations are not delivered. Many Japanese pharmaceutical companies operate in London because of the EMA's location in London. The Japanese Government have said that the appeal of London as an environment for the development of pharmaceuticals would be lost, which could lead to a shift in the flow of research and development funds and personnel elsewhere.

Thanks to a reckless gamble with our membership of the EU, the UK now faces the prospect of losing being part of the EMA, which not only will mean patients losing out on pioneering and beneficial medical trials, but will leave a disastrous trail when the inevitable happens and it seeks to have its headquarters in the EU.

3.8 pm

Dr Philippa Whitford (Central Ayrshire) (SNP): It is a pleasure to serve under you, Mr McCabe. I, too, pay tribute to the hon. Member for Cambridge (Daniel Zeichner) for obtaining the debate and for such an excellent opening speech, which laid out many of the key issues that we face.

In my constituency there is GlaxoSmithKline, which produces the largest amount of one of the key antibiotics used across the world. It is natural that there are concerns in my constituency and in that business. It is slightly tragic that we are having both of the debates on this issue today, instead of prior to the June referendum. Perhaps a little more airing of what we gain from the EU might have been helpful. Forty years of describing the EU in terms of straight bananas and bureaucracy has not been helpful.

In health, we have had nothing but gains. The two canards that were raised during the debate—people ahead of you in the queue to see the GP and £350 million

a week on the side of a bus—have evaporated. Someone is much more likely to be treated by an EU national than to be squeezed out of an appointment in a hospital.

We have had nothing but health gains. The EMA is typical of everything the EU has done in many areas. Before 1995—prior to expansion, so we would be talking about 12 countries—we faced regulation in multiple languages across multiple countries. What we have seen in the EU is the development of harmonisation of regulation to the point where we have a single agency. Having one agency means, as the hon. Member for Cambridge said, that drugs get from research bench to patients much more quickly. The EMA monitors safety throughout Europe so that we can more easily pick it up when, in real-life use, there turns out to be a problem with a drug. It also helps to direct research into the big challenges that the population of the EU faces.

There has been a lot of discussion about the MHRA. It is clear that there would need to be significant investment in it. Even if we are still in the EEA or in a position to be part of the EMA, we will not have any influence. The MHRA does not just provide briefs and reviews. It was massive in influencing the structure and principles of the EMA, and such influence will be lost. The loss of influence over pharmaceutical firms that are here has been talked about. The chief executive of the Association of the British Pharmaceutical Industry has said that he foresees a major loss of inward investment in this country because of the loss of the EMA headquarters in London and because of our possible exit from the EMA.

Many such examples will come up in different sectors with regard to Brexit, but the EMA encapsulates all of it. It is not a separate bureaucracy telling us what to do. Twenty-eight countries were working together to find the slickest way to encourage quicker research and to bring it to some benefit. Research is a big part of this. It has been possible for the EMA to direct research on the challenges that the whole of Europe faces, such as antimicrobial resistance or modern plagues such as Ebola. As was mentioned, it supports research into rare diseases. One pharmaceutical firm or one academic unit would not access enough patients to ever get an answer. Across a population of 500 million, we have the real potential—we are already seeing that potential come through—to find answers to some of the horrific illnesses suffered by small groups in a population. “Suffering” is the right word, and we will lose the potential to find solutions.

Lots of drug companies do not bother trialling drugs in children because it is just too much hassle. The EMA has been able to push and say, “We need to have paediatric trials. We need to have trials in children.” That dovetails with the business of research across the EU, which has the biggest research network in the world. It is much bigger than in China and the US. The UK has led in benefiting from that. We put in £5.5 billion and get £8.8 billion out. The biggest share of research of all types through Horizon 2020 and framework 7 has been done in this country, and we are in danger of losing that.

The reason we lead in pharmaceuticals is not just because the headquarters is here; it is because of the dovetailing between academia, pharmaceuticals and universities, and the ability of researchers to move around. We have gained because English has become the language

[Dr Philippa Whitford]

of research and science, because of America. So that has been a benefit that we have had. Of course that is a benefit that we will keep, but we are in danger of sitting out on a little rock all by ourselves.

There may be a delay if pharmaceutical firms have to go through a separate process with the MHRA, but what about British firms? What about the innovative medicines initiative, which encourages small and medium-sized enterprises and often works on the biological aspects of new medicines? They will face an absolute nightmare trying to sell their drugs in Europe. That is something that we are not giving remotely enough attention to.

I was a remainer. I am still a remainer and my population were remainers. Obviously, we are not happy with the idea of being taken out of Europe and of being taken towards such a hard Brexit, as the rhetoric has suggested in the past month. We need to realise what we may lose. We still have everything to fight for. What "Brexit means Brexit" actually means can still make a huge difference to what we manage to hang on to from the EU and what we lose completely. We need to ensure that the people who are at the table take account of this.

I worry because we are describing the EU as a shop. We are talking only about the single market and whether we will get access. Sometimes people mean that as a shorthand for everything else we have gained, but that allows us to be mentally sloppy and therefore allows someone to say, "Oh, good. We are like Canada. We have got access to the single market. Job done." But it is not job done. The EMA was an example of Europe coming together, streamlining itself and finding a better way forward.

It has been recognised that the clinical trials directive of 2001 made it very difficult for the UK because the system became quite bureaucratic. The EMA has responded to that. The vastly streamlined clinical trials regulation starts in 2018. In fact, the EMA and the EU in this sector are getting rid of bureaucracy and making it easier for our companies and our academics to do research throughout Europe. Some 80% of all the top flight research of all kinds is international and multinational. If we do not allow the researchers to easily work with each other, we are cutting our noses off to spite our faces. We need to recognise that Europe has not just been about burning orchards or straight bananas. It has brought us huge gains in health and safety, in research and in getting drugs to patients. I call on the Minister to ensure that that message is brought home to the core Brexit team as strongly as he can manage.

3.17 pm

Justin Madders (Ellesmere Port and Neston) (Lab): It is a pleasure to serve under your chairmanship, Mr McCabe. I congratulate my hon. Friend the Member for Cambridge (Daniel Zeichner) on securing this important debate and on the powerful and knowledgeable way that he made his case today. I share his disappointment that this matter is not being responded to by the Department for Exiting the European Union, but I understand that there are competing interests today. However, I hope that the Minister will undertake to raise the issues set out today with his colleagues in the Department and will answer some of the questions posed today.

I know that my hon. Friend the Member for Cambridge was and remains a passionate advocate for both the European Union and his constituency, and today he has channelled his disappointment at our impending departure from the EU into a well argued case to support key industries in his constituency. He spoke about the local interest that he has in this issue. The Cambridge biomedical campus is one of the most significant sites for medical research not only in this country, but anywhere in the world. Like him, I represent a constituency with an interest in the science and research sector, which could take on even more significance with the proposed Cheshire science corridor, which has the potential to create more than 15,000 new jobs by 2030, around a third of which could be in my constituency. Of course, I do not have to tell the Minister about that because the science corridor benefits Warrington as well as Ellesmere Port. Even before projects such as the Cheshire science corridor come to fruition, the north-west, as we have heard, is already one of the leading regions in the country for the pharmaceutical industry, employing about 18% of the total national workforce.

As my hon. Friend the Member for Cambridge said, the industry is a massive part of our country's economy, with a turnover of more than £60 billion a year and exports worth around half of that. In 2014, it invested £4 billion in research and development: more than any other sector. It also employs some 220,000 people. I have set out those facts to paint a clearer picture of what is at stake in today's debate and why it is so important that we begin to offer some clarity about what our plans are, not only for the future of the European Medicines Agency, but for pharmaceutical research, development and regulation more widely. I believe that the importance of the issue is reflected in the number of Members attending the debate, even though the bigger picture on our exit from the European Union is being debated in the main Chamber now.

I appreciate the tone that the hon. Member for Strangford (Jim Shannon) adopted. I think that he was saying that, wherever we came from pre-referendum, and whatever our views on the European Union, the vast majority of Members now want to ensure that our departure happens on the best possible terms. I regret the mischaracterisation of Members who request greater scrutiny and debate on the terms of exit as being involved in a Machiavellian plot to undo the referendum result. What Members are asking for is scrutiny, transparency and accountability on what is surely the most important issue that the country has faced in a generation.

My hon. Friend the Member for Heywood and Middleton (Liz McInnes) spoke from great personal experience. She was right to use the word "isolation". We want to avoid becoming separate from the rest of the world in such an important area. She gave specific examples of the benefits of pan-European research on diseases such as cancer. The hon. Member for Linlithgow and East Falkirk (Martyn Day) raised important concerns about delays in approval, and the potential loss, on leaving the EU, of our involvement in pharmaceutical trials. He mentioned the concerns of the Japanese Government about the siting of their European bases in London. That echoes concerns that they have raised about other sectors.

The hon. Member for Central Ayrshire (Dr Whitford) clearly set out the fact that the EMA is not a body that tells us what we should do, which is how much of the

European landscape is portrayed. It is part of a collaborative exercise across 28 nations, which have been making real progress. She also set out the financial benefits that this country has received from membership, and highlighted the important point about the difficulty that some smaller British companies may face in exporting their innovations, if we do not get the terms of exit right.

We all remember the famous promise, which several hon. Members have referred to, that the Brexit vote would mean £350 million a week being spent on the NHS. It is fair to say that it is accepted that that figure does not stand up and was misleading, but, as the hon. Member for Central Ayrshire eloquently pointed out, I suspect very few people who voted leave would have appreciated the threat that leaving means to jobs in the science and research sector and to speedy access to new medicines.

No one blames the Department of Health for those misleading claims. Indeed, I know from my own parliamentary questions that Ministers sought legal advice about the use of the NHS logo by the leave campaign. However, we are entitled to ask for more from Ministers on the near total absence of work to prepare for the possibility of a leave vote. For example, on 11 July, I asked the Secretary of State what assessment he had made

“of the potential effect on workforce numbers in the NHS of the UK withdrawing from the EU.”

I was told that no such assessment had taken place. On 6 September I asked what discussions the Secretary of State had had with the Home Secretary

“on the immigration status of NHS employees from other EU countries when the UK leaves the EU.”

I was told only that arrangements were being made for a meeting to take place at some point in the future. A similarly disappointing response from the Government on the issue was pointed out by my hon. Friend the Member for Cambridge, who noted that when asked about the future physical location of the EMA the Minister responded that it was “too early to speculate”.

We are not asking the Government to speculate; speculation is happening whether we like it or not. We are asking them to set out some concrete and substantive detail on what they plan to do. We have heard many times from the Prime Minister the words “Brexit means Brexit”, and that she is not prepared to give a running commentary. But investment decisions are being made right now, and if we cannot begin to provide some certainty we shall quickly find out that the UK and, in particular, places such as Cambridge and Cheshire will miss out on investment. It is about time we got some clarity on the Government’s position.

The first and most obvious point is the location of the EMA. We have already heard that countries from around the world are queueing up to offer it a new home. Having heard the benefits that it brings we can understand why they are forming an orderly queue. I know that the Minister does not want to speculate on what will happen, but will he at least set out whether, as part of the negotiations, he will take steps to try to retain the EMA headquarters in London, if that is possible? Will he also provide clarity about what steps the Government will take, if the EMA does relocate, to safeguard the headquarters of major international pharmaceutical and life sciences companies?

Beyond the future location of the EMA, there are wider issues about how medicines will be regulated in future, which could not only have an impact on investment but affect how quickly new medicines reach UK patients. Various hon. Members have mentioned that. Will we be able to safeguard the UK’s position as one of the leading locations for clinical trials in Europe? Clearly, a lot of Members feel passionately about that. Will the Government guarantee that the UK will continue to adhere to the EU regulatory framework on the authorisation and conduct of clinical trials? What assurances can the Minister give us that retaining access to the centralised marketing authorisation procedure will be a key part of our Brexit negotiations? Will the Government seek to negotiate continued access for UK research institutions to the innovative medicines initiative and other EU-funded research and collaboration programmes?

If the UK is left in the position of developing a separate regulatory framework from the EU, not only will that make it a much less attractive place in which to develop, manufacture and launch new products; it could also signify the end of accelerated access to treatments for patients in the UK, putting us to the back of the queue when new medicines are developed. Patients in Australia and Canada, where medicines are licensed nationally, have a comparative delay of six to 12 months before new medicines come to market. For people with rare conditions that could mean the difference between life and death.

European co-operation also provides some key benefits in terms of patient safety. One example is the European Centre for Disease Prevention and Control, which assists in our response to communicable diseases and pandemics. Another is the co-operation that reduces the risk of falsified medicines reaching UK patients. Can the Minister confirm that we will seek to continue to co-operate with our neighbours on those crucial issues?

What assessment has been made of the impact of the EMA’s leaving on the Medicines and Healthcare Products Regulatory Agency? As the hon. Member for Strangford said, work from the EMA is a substantial source of income for the MHRA, accounting for up to a third of its income. What provision has the Department made for the potential shortfall, particularly if the MHRA will have more responsibilities in future? As the hon. Member for Central Ayrshire said, in any scenario, it is likely that the MHRA will require further investment. What provision has been made for that?

This has been a wide-ranging and well informed debate. While we recognise that the issue does not begin and end with the physical location of the EMA and the 900 staff based there, there are at the heart of it, as my hon. Friend the Member for Heywood and Middleton said, 900 people—highly skilled and able to take their talents probably anywhere in the world—who face a future that is a vacuum. They will all have families and plans, and it is unrealistic to expect them to put their lives on hold for two or three years while things are sorted out.

I appreciate the Government’s reluctance to be drawn into making substantial commitments on the issues, but we run risks with respect to decisions about investment, future co-operation and, indeed, staff retention, if we do not begin to make our position clear. I hope that, when the Minister gets to his feet, we shall begin to get some certainty about the Government’s intentions as to

[Justin Madders]

seeking regulatory co-operation and, most importantly, safeguarding future investment in the sectors that we have heard about today.

3.28 pm

The Parliamentary Under-Secretary of State for Health (David Mowat): It is a pleasure to serve under your chairmanship today, Mr McCabe. I congratulate the hon. Member for Cambridge (Daniel Zeichner) and all the other hon. Members who have brought their experience to bear in the debate. I am sorry to disappoint everyone by not being from the Brexit Department. I will pass that on to those who are in it, but as has been noted, they are otherwise engaged in the main Chamber.

One reason why I am particularly pleased that we have had this debate today—I regret that all the answers may not be clear in 11 minutes’ time—is that often when there is talk in the media about the Brexit negotiations we are about to have, we hear a great deal about the importance of financial services, the City and passporting, and of the need to get those things right and the terrible effect it will have on our economy if we do not. The fact that we have had this debate, and that the hon. Gentleman and others have talked about how important the medicines industry is to our economy—not just in Cambridge, Cheshire or Scotland, but right across the country—is a reminder of the importance of this issue and has rightly put it on the agenda. I am sure the hon. Gentleman will keep it on the agenda, as will Ministers from the Department of Health.

At the start of the debate, the hon. Gentleman quoted the Prime Minister, who said:

“It is hard to think of an industry of greater strategic importance to Britain than its pharmaceutical industry”.

That is on the cover of a report, which I recommend everyone reads, on the structure and future of the life sciences industry post-Brexit. In a moment, I will talk a bit more about the work that the Office for Life Sciences is doing in that area. The pharmaceuticals industry is right at the centre point of where we need to be as a country in development work. It is an area that we are world-class in—an area of advanced manufacturing, which we need to be doing more of. We are leveraging the expertise and brilliant work in universities to actually make money, in a way that we do not do in all industries at all times. It is vital that we do not lose that.

I will repeat fairly quickly some of the statistics that we have heard on the structure of the industry. There are nearly 6,000 companies in the industry in the UK, and two of the major companies are GSK—located in many parts of the country, including Ayrshire—and AstraZeneca, which is located in Cambridge in particular. I have made the point earlier that a larger part of it was located in Cheshire a couple of years ago. Those are major, world-beating organisations, and for us to have an industrial future and a future as a country, we have to nurture them. In fairness, the thought that we would not do that is a nonsense. A fair challenge is to make sure that we do it right and keep it on the agenda, and I will try to address that today.

However, this is not a European industry, it is a global industry. AstraZeneca and GSK also have massive facilities in places such as Sweden and Philadelphia—all over the world. Of course it is absolutely essential that

we get our relationship with the EU right. I think the point was made earlier that we have 3% of the EU market in terms of sales, although we are a lot bigger than that in terms of drug production and the importance of the pharmaceutical industry—it is probably more like 10%. GSK’s recent announcement of an £800 million investment in biologic and bioelectronic activity is to be welcomed.

The EMA was formed, as was generously mentioned, in 1995. There are 890 staff, the majority of whom are not from the UK; I think that only something like 60 are UK-based. The hon. Member for Heywood and Middleton (Liz McInnes) made the fair point that those people have families and futures, and asked how they are to be protected. The Prime Minister has said that we hope and expect that all EU nationals who work in the UK will stay here into the future. I have not heard any leader of any other country in Europe make the reciprocal point. I do not know if that is on the Labour party’s list of 171 questions, but it would be reasonable if it were. Having the EMA in the UK is of benefit to us not just because of those jobs but because, as Members have said, it is natural that people like to be close to their regulators. It would be reasonable to suppose that, although that might not be a decisive factor in many investment decisions, it would be a factor.

We also have the UK agencies: the MHRA, which covers medicines, and the Veterinary Medicines Directorate, which covers veterinary medical activities. They have 1,200 staff and 160 staff respectively. The point was made today that their activities are commingled with those of the EMA. Many of the EMA’s major committees are chaired by people from the UK, including from the MHRA and VMD. Equally importantly, the hon. Member for Central Ayrshire (Dr Whitford) made the point that 30% of its activities are done by the MHRA. The figure I have is 20%, but nevertheless, a significant amount of work done for the EMA is done in the UK. That is not just because of location—it is not just because the people who do that work are down the road. It is because they have the expertise, the science base and the people that are needed. Of course, with Brexit, all of that is up for discussion.

We have touched on the university sector, and I will not say a great deal about that. I have already made the point that the industry is an example of us successfully taking a sector with world-class, world-beating innovation and turning that into world-class, world-beating companies, in a way that we do not everywhere. It is of paramount importance that the sort of research that goes on in our universities continues. The Government intend to make sure that happens and, indeed, to increase it.

I have set out the regulatory and industry structure, but we are just about to impose Brexit on all of that. That is where we get into the territory of speculation and conjecture, and I apologise that I cannot be more definitive. Many of the questions that have legitimately been raised, in particular by the Labour spokesman, the hon. Member for Ellesmere Port and Neston (Justin Madders), will be central to any negotiation that the Government take part in. It is not possible for a Minister to address the House of Commons and say, “This is our position, these are our red lines, these are the things we are going to give a bit on and these are the things that really matter to us.” That would be nonsense. That is not how any of the commercial companies located in

Cambridge or other places would deal with things. What we have to do—this is the role of Members here today—is make sure that the issues are raised with and understood by the negotiating team, because there will be trade-offs in any negotiation.

With respect to some of the Members who have spoken, I have to say that we do pay £20 billion a year to the EU. We may all vary in our view of how much value for money that provides, but the fact is the £350 million on the side of the bus was not an entirely made-up number. That did not influence how I voted in the referendum, but it was not an entirely made-up number. We pay £20 billion a year for the things that we get from the EU, one of which is the EMA and the activity around it. There is a dialogue to be had both on that amount of money and on issues such as the location of the EMA and all that goes with it. Of course, its location is one point to be discussed, and I have no idea how that will end up. The point has been made that it regulates not just for the EU but for Liechtenstein and Norway—I think there was another country as well, but I have not written it down. The UK could be another such country. For me to say it is an absolute line in the sand that the EMA must stay in the UK would be a nonsense.

A number of Members have asked what we are doing to prepare for the negotiations that will happen. That question can be divided into two parts: what are the agencies—the VMD and the MHRA—doing, and what are the Government doing? The agencies have set up groups looking at the opportunities and at how regulation might carry on into the future. A number of Members have made the point that there might be a time lag in medicines coming to the UK if they have to be regulated by more than one body, or if in the future the EMA does it separately from how we do it in the UK. That is really a decision for the UK. It is about how we choose to regulate, and that decision has not yet been made. It would be disappointing if that happened, and many of us will be working hard to ensure that it does not.

The Government have set out fairly clearly that we intend to underwrite EU payments to academic projects even after we have left the EU, to protect the important activity of research programmes. Through the Office for Life Sciences, we have set up a steering group charged with informing how we make the transition. The group is chaired by the Secretary of State, Sir Andrew Witty and Pascal Soriot from AstraZeneca, and over the next few months it will be responsible for informing our negotiating position.

I do not know how many colleagues know about the report, “Maintaining and growing the UK’s world leading Life Sciences sector in the context of leaving the EU”. I think it was put together by PricewaterhouseCoopers. It is a good start in setting out a number of issues we have heard about today and the importance of getting the process right. I very much recommend it. It does not answer all the questions, but it sets out the issues in areas such as trade, people, research, funding and regulation.

A whole string of points were made in Members’ contributions this afternoon. I do not want to spend too long on them, but the hon. Member for Cambridge mentioned that not being part of the EMA’s marketing authorisation might cause delays. That depends on how we set up regulation in this country, and there are a lot of choices. A lot of other countries, including Switzerland

and Japan, regulate in different ways, and it would be premature for me to say too much about it. The hon. Gentleman also made the valid point that the EMA and the MHRA are completely intermingled, and that both benefit from the current arrangements. It is not just about the EMA contracting and hiring the MHRA. We do a lot of the work that leads to that top-level and highly professional European legislation.

The hon. Member for Strangford (Jim Shannon) reminded us that whatever we think, the country has voted and we are going to leave the EU. There is no ambiguity about that, and we have to make the most of it. That is a mature reflection, because it forces us to address the negotiations, and not to continue to go over what was on the side of the bus and all the rest of it. We are where we are, and we need to make the situation the best that it can be.

The hon. Member for Heywood and Middleton used her experience and knowledge as a research scientist to make a good speech. She made a point about people, which I tried to answer by reflecting on other EU states. She mentioned the Nobel prize winners’ remarks. I heard those remarks as well and thought that there was a slight irony in that they were asking us to remain in the EU and so on from the University of Chicago. That shows that we live in the world, not just in Europe, and we must reflect on that.

Dr Philippa Whitford: Those Nobel prize winners represent the last time we had a major brain drain, when, in the ’80s, we lost some of the best minds from the UK. That is one of the dangers: the people who want to be at the cutting edge will not see this as the place to be.

David Mowat: That is a fair point. It could be a danger. The point I was making was that they made the plea to remain in the EU from the United States, which is the leader in many aspects of science. I think we can agree that science is international—it operates in Japan, the US, the UK, Germany, France and elsewhere—and that, however we achieve Brexit, we should do what we can to avoid creating barriers to internationalisation.

Liz McInnes: Will the Minister give way?

David Mowat: Maybe we cannot agree on that. I give way to the hon. Lady.

Liz McInnes: There is no irony in the comments of the Nobel prize winners just because they were made by British scientists working in the United States. That fact only emphasises how international science is. We must not fall into the trap of taking the line that was spread before the referendum:—that this country has had enough of experts. Those people are experts, and we should listen to what they have to say because they are the people who know what is going on. They know what the effect on British science will be if the EMA and its principles are lost.

David Mowat: We can agree that the scientific principles at the core of our world-leading science must not be lost in regulation. We can also agree that science is international. It is in all our interests, and in the interests of our communities and our children, that this country continues to do world-class science as part of an international collaboration. That is the Government’s intent and will.

[David Mowat]

I will finish by talking about our world-class industry.

Jim Shannon: I have asked a couple of questions about muscular dystrophy on behalf of my constituents. I do not expect the Minister to give me a response today, but I remind him gently to provide a written response and perhaps make it available to other hon. Members who are here.

David Mowat: Clearly when I used the word “finish”, people sprang into action. I will ensure that the hon. Gentleman gets a written answer to his questions on muscular dystrophy.

We do world-class science in this country. We must continue to do so, and to have a world-class pharmaceutical industry, with all that means for value added and input to the Exchequer. Governments are not the reason why we are among the best in the world in gene therapy and cell therapy, and they are not the reason why we have built £60 billion pharmaceutical organisations GlaxoSmithKline and AstraZeneca. It is important that we get the regulatory environment right, and the Department of Health and the Department for Exiting the European Union will ensure that the negotiations we are about to have address those issues.

Dr Wollaston: Does the Minister agree that the reason why we have such world-class expertise is the workforce? We must be absolutely clear and send a message to the world that, within our science and research community, we will not be maintaining a list of who is here from the EU and who is a British scientist. We must unequivocally send a message that Britain is open to scientists, researchers and the medical and healthcare workforce from around the world and the EU, not just from Britain.

David Mowat: That last intervention—I say “last” somewhat hopefully—unites us all. It would be ridiculous if the world-class science that we must continue to do

compromised on matters like that. I completely agree with my hon. Friend’s point, and there is agreement across Government about that. If we need to make that clearer, we should.

I will finish now, as nobody is springing to their feet. I thank all hon. Members, particularly the hon. Member for Cambridge, for putting the issue on the agenda. It is right and important that the topic is at the forefront of our negotiations, and that we get the right answer in the end.

3.48 pm

Daniel Zeichner: I thank all hon. Members who have taken part today. As so often in these Westminster Hall debates, we have had a much more constructive, collaborative discussion than we might have had in the other Chamber.

The hon. Member for Strangford (Jim Shannon) said that the die is cast. This morning I was described on my local radio station, BBC Radio Cambridgeshire, as a “remoaner” by one of the more constructive UK Independence party MEPs. I was not sure whether to be insulted or flattered, but my retort was that I think I am a realist. Today’s debate has shown a realistic understanding of the challenges and options that lie ahead. I am encouraged, perhaps more than is helpful for the Minister with regard to his ministerial friends in the Brexit Department, by the suggestion that the European economic area option is the best one for this sector. Many of us will be making that case, and I suspect that the debate will continue. It is right to highlight the importance of the sector, and I am thankful for the opportunity to do so today.

Question put and agreed to.

Resolved,

That this House has considered the future of the European Medicines Agency.

3.50 pm

Sitting suspended.

Child Tax Credits

[MR GEORGE HOWARTH *in the Chair*]

4 pm

Alison Thewliss (Glasgow Central) (SNP): I beg to move,

That this House has considered Government plans to restrict tax credits to two children.

It is a pleasure to see you in the Chair, Mr Howarth.

I come to this debate in great frustration. When I first uncovered this issue in the Budget on 8 July last year, I did not expect that I would still be talking about it one year, three months and four days later. Incredibly, unless the Minister can tell me differently this afternoon, the Government are still unable to say exactly how their pernicious and medieval policy will operate.

To set the context, the then Chancellor, the right hon. Member for Tatton (Mr Osborne), outlined in his Budget the Government's intention to limit the child element of tax credits and universal credits to the first two children in a family. The Budget stated:

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

None of the questions asked on the Floor of the House or put directly to Ministers by me or my colleagues over the past year have been answered with a justification or explanation for this fundamentally flawed policy. I want to set out my anger about writing a rape clause into our social security system and about the wider impact of the two-child policy. Neither the rape clause nor the two-child policy is fit for a Government who proclaim their support for families.

Let me deal with the rape clause first. I put on record the public opposition to it from Scottish Women's Aid, Rape Crisis Scotland, Engender and the more than 10,000 people who signed a petition on the issue. I am deeply upset and disturbed with the attitude that the Government have taken to very vulnerable women and children. No woman should have to prove that she has been raped in order to get tax credits.

I suppose it is not in the spirit of the chummy way in which people in this place like to do things, but I am unapologetic about the way I have spoken out about the meeting I had with the welfare Minister, Lord Freud, back in May. As he is a Member of the House of Lords, I have no opportunity to challenge or question him. I have been to many meetings in my eight years as an opposition local government councillor and in my year in this place, but I have never been so furious. For a Government Minister to open a meeting by saying "I've had to learn a lot more about this issue than I really wanted to" is appalling, and to go on to suggest flippantly that women facing the extremes of domestic violence should just flee demonstrates a dangerous ignorance. I hope the Minister will take the opportunity today to dissociate herself from her colleague's comments. I do not think it is radical to suggest that Government Ministers ought to understand the implications of a policy before they inflict it on some of the most vulnerable people in our society.

Children being born of rape is not something that tends to happen because a rapist jumps out of the bushes and attacks a woman, as awful as that very rare

circumstance is. Rape happens when women are so vulnerable and so powerless that they are in fear for their lives. Rape happens as the result of control in relationships. Rape happens in marriage. If a woman is in such a relationship, she is not going to nip down to her local jobcentre and report to a Government official that her child was born as the result of rape. For a start, with the single household payment in universal credit, she is not going to see the money in any case; it will go straight to her partner and he will know what she has done. Nor will she want to go through a third-party reporting mechanism, as suggested by Lord Freud. She will not want to tell her family GP. If the family are not known to the social work system, she will probably not want to alert social workers. She might not yet have sought the support of her local Women's Aid or of other sources of assistance. She will almost certainly not want to contact the police just for the tax credits.

There is no clear statement from the Government on how their policy will operate. Once the rape is disclosed, what burden of proof will be acceptable to Her Majesty's Revenue and Customs and the Department for Work and Pensions? After all, they are not organisations known for taking people at their word. What will the time limit be? Once a woman has left an abusive relationship and is in a position of safety, will she be able to make a claim retrospectively? Can that claim be backdated? For how long? If a woman needs to claim tax credits at a later stage in her life, because that is the nature of tax credits, will she need to trawl through her sexual history to identify that one of her children was conceived by rape?

How will a claim be recorded? I cannot conceive of a way of doing that that would not be hugely stigmatising both for the woman and for the child. Lord Freud suggested to me that it might take the form of a letter that a woman would have to retain in her records at home. I cannot imagine the distress caused if somebody else in the family came across that letter at a later stage. Alternatively, will the information have to be held on the woman's records with DWP and HMRC? Will staff have access to it? Which staff? Will they receive appropriate training? The Public and Commercial Services Union has come out against the policy because of the difficult position it would put its members in.

Tax credits may be required at different stages in a woman's life; would her claim be flagged up on any further occasion when a claim was made, or would she have to declare it on each separate occasion and relive that abuse again and again? Asking a woman to recount such abuse, perhaps on multiple occasions, to different officials is not protection in any sense of the word. The Government are not protecting any woman, or indeed any child, with this policy. In her heart of hearts, does the Minister believe that putting women through such trauma and humiliation is worth it? The rape clause must be scrapped.

I will not be content, though, with solely removing the rape clause, because doing that would offer no protection to families either. The two-child policy must go too. Women's Aid, the Child Poverty Action Group and the StepChange debt charity all believe that the policy runs counter to the Government's much-vaunted family test and produces a perverse incentive for families to separate or for single parents to forgo entering new relationships.

[Alison Thewliss]

The Government have stated that twins and multiple births will also be protected, but I have discovered that that is true only if the twins come after a single birth. According to the Government, people who have twins first have had their lot. That is despicable.

The letter I received from the Chief Secretary to the Treasury on 30 September stated that the Government's intention was that

"all families—those in receipt of benefits and those supporting themselves solely through work—will be faced with the same sorts of financial considerations when making decisions about having more children".

Aside from sounding as if it has come from some kind of totalitarian regime, that statement is absolute nonsense. Quite evidently, not all families start from the same point, but all families are valuable and worthy of support. The state has a duty to protect the most vulnerable among us.

The Chief Secretary to the Treasury is also quite wrong in his assumptions about those claiming tax credits. Some 63% of families who currently receive tax credits for a third or a subsequent child are in work. They are the very "just managing" families that the Prime Minister referred to on the doorstep of Downing Street. Will she make good on her commitment through deeds and not just warm words? Pursuing the two-child policy would pull the rug from underneath the very families she claims to want to protect.

The two-child policy is completely disproportionate. The Child Poverty Action Group notes that 42% of those who claim child tax credits have only one child, 36% have two children, 16% have three children and only 7% have four or more children. The policy will have a devastating impact on those families and their income but a very limited effect on Treasury coffers.

The Chief Secretary to the Treasury's claim about people

"making decisions about having more children"

fails to recognise that perhaps when a family had their children, they were well able to afford them. I also doubt that many families make life decisions solely on the basis of their future tax credit income. Is this the thin end of the wedge from the Government? Life is not that simple. It could take only sudden illness, the death of a partner or changes to circumstances that could not reasonably have been foreseen to plunge a family into a situation in which they might need to claim tax credits. The third child that we are speaking of already exists and needs to be cared for. The extra support that tax credits provide could make the difference that gives that family enough food to eat or the ability to pay their bills. Providing for people in such situations is the very essence of why social security exists.

Evidence that I have received from StepChange demonstrates that if the two-child policy were applied to their current clients who have three or more children, 90% of those families would have absolutely no money left at the end of the month. The charity fears that, faced with mounting bills, unexpected everyday expenses and other commitments, those families will become extremely vulnerable to going into unmanageable debt. The cost of the bankruptcies that will follow will then end up being passed on to the state. StepChange's

research says that the average client that it deals with would be £327 worse off per month under the Government's plans.

The policy also has very serious equalities implications, which the Government have not addressed at any stage. Concerns have been expressed to me by the Interlink Foundation, which represents the Orthodox Jewish community and which strongly believes that the policy will perpetuate disincentives to work for families with three or more children, as any additional earnings would reduce their entitlements. It will also make it impossible to achieve the Government's aim of being better off in work. Interlink points out the substantial differential impact on religious communities, where reproduction, use of contraception and family size can be determined by beliefs and prevailing cultures, which the Government do not appear to have taken into account. According to Interlink's figures, 52% of Jewish families have three or more children. For the Muslim community, the proportion is 60%. That stands in stark contrast to the population as a whole, out of which only 30% of families have three or more children. I am shocked that the Government have not addressed such a clear equalities issue.

It has been said by no less than the former Prime Minister—perhaps the Minister will repeat these claims today—that I am endlessly whinging, and that the Scottish Government now have the powers to deal with this issue. Those who say that are being extremely misleading, and also unfair to women and children in the rest of the UK, with whom I express my solidarity. The powers being transferred by the UK Government do not allow us in Scotland to set the eligibility criteria for child tax credits. Tax credits are a reserved benefit, and our Government in Scotland should not have to pay for the UK Government's regressive policies. We have already spent £55 million on mitigating the hated bedroom tax. I would rather see the Scottish Government making positive choices, with all the powers of a normal Parliament, supporting families and lifting people out of poverty.

Dan Jarvis (Barnsley Central) (Lab): The hon. Lady is making a powerful speech and I very much agree with the argument she is advancing. I am pleased that she mentioned the Child Poverty Action Group; I pay tribute to the work it is doing on this matter. Does she agree that if the Government are determined to pursue such a punitive policy, at the very least they should publish an analysis of its impact on child poverty levels?

Alison Thewliss: I absolutely agree. The United Nations suggests that impact assessments should be carried out on policies that affect children. Such an assessment appears not to exist for this policy.

The Scottish Government can provide top-up benefits where someone is already eligible, but not where they are not. There is also a gap: the two-child policy and the rape clause come into force early next year, but it is unlikely that the full range of social security powers will be operational in Scotland until 2018.

I shall conclude by speaking briefly about our obligations to protect and support children. I contend that the limiting of the child element of tax credits and universal credit to the first two children in a family runs counter to our obligations under the United Nations convention on the rights of the child. We are obliged by article 2 of the UNCRC not to discriminate on the basis of birth,

but the two-child policy clearly does so, by apportioning value according to when the child was born into a family. We are obliged under article 3 to make the best interests of the child a primary consideration, but the two-child policy and the rape clause stigmatise, and say that the Government do not value all children equally. They also limit working parents' ability to feed and care for the children they already have. We are obliged under articles 26 and 27 to provide access to social security and an adequate standard of living, to assist parents in the bringing up of their children. The two-child limit completely undermines that right.

The UN Committee on the Rights of the Child and the UN Committee on Economic, Social and Cultural Rights have both recently investigated the UK for its approach to welfare reform and highlighted in very strong terms their concerns about the Government's austerity agenda and the cuts to tax credits that have already happened. In its July report, the UN Committee on the Rights of the Child stated that it was

"seriously concerned that...Recent amendments to the Tax Credits Act (2002), the Welfare Reform Act (2012) and the Welfare Reform and Work Act (2016) have limited the entitlement to child tax credits and social...regardless of the needs of the households".

That is absolutely appalling. In their report to the UNCRC, the UK's Children's Commissioners said that

"measures should not discriminate against children from particular groups for example children of lone parents, children with disabilities or children from large families."

The rape clause and the two-child policy do discriminate in those ways.

The two-child policy and the rape clause fundamentally punish families for the circumstances they are in—circumstances that may be beyond their control and in which children already exist. I urge the Minister and the Government to act in the best interests of children, as our international commitments make clear they must. I urge them to stand up for the most vulnerable in our society. Families in situations of poverty, who are working hard and doing their best, are extremely vulnerable. Women who have been raped are extraordinarily vulnerable. The Government need to think incredibly carefully about how they wish to pursue these policies, if they wish to pursue them at all. I call on the Government to protect the "just managing"—those people they say they value and wish to support—and to scrap the abhorrent rape clause and the pernicious and discriminatory two-child policy.

4.14 pm

The Parliamentary Under-Secretary of State for Welfare Delivery (Caroline Nokes): It is a pleasure to serve under your chairmanship, Mr Howarth. I congratulate the hon. Member for Glasgow Central (Alison Thewliss) on securing the debate. She is right to point out that she has been determined in her pursuit of this policy. She has certainly taken every opportunity to raise the matter with Ministers. I wish, though, to put on the record my support for my noble Friend Lord Freud, who has worked tirelessly on this matter. I entirely reject the hon. Lady's portrayal of him, and believe that she has deliberately given an inaccurate and misleading account of a private meeting.

This debate explores the limitation of tax credits to two children, which was legislated for under the Welfare Reform and Work Act 2016. I know that the hon. Lady has

a strong interest in this topic, and that it is something she has raised in the past. I welcome the opportunity to set out the purpose of the policy. In so doing, I hope that I can allay many of her concerns and particularly underline that we are absolutely committed to ensuring fairness for all families.

The welfare reforms that the Government have introduced are about much more than simply money. Our reforms seek to bring about a positive change in our nation. They are about putting welfare spending on a sustainable footing, but it is important to do that in a way that protects the most vulnerable. As the Prime Minister herself has said, we will fight against the injustices we see in our society.

The current benefits structure, which adjusts automatically to family size, is unsustainable, and it is not fair to the taxpayer or to families who support themselves solely through work and necessarily make difficult choices. That is why we have announced that, from 6 April 2017, families with third and subsequent children born after that date will no longer be able to claim additional support through child tax credit and universal credit. The policy will also apply to future new universal credit claims from families with more than two children.

Dan Jarvis: Is the Minister prepared to commit today to publishing an analysis of the likely impact of the policy on child poverty levels?

Caroline Nokes: I shall address the impacts of the policy later in my speech.

The Government believe that the policy strikes the right balance between protecting the vulnerable, such as by retaining extra support for families with disabled children, and encouraging families who receive tax credits to make the same financial decisions about the number of children they can afford to support as those families who support themselves solely through work do. Parents will continue to receive help with the cost of raising children through the payment of child benefit, which will continue to be paid regardless of family size.

Alison Thewliss: Does the Minister accept that there is a fundamental contradiction in the Government's saying that they will pay child benefit for as many children as are in a family but not tax credits?

Caroline Nokes: No, I do not accept that there is a contradiction. Later in my speech I hope to be able to set out why we have been so specific when it comes to child tax credits.

The separate disability element of child tax credit will remain payable for all disabled children. I should also be clear that those families already receiving child tax credit for children born before 6 April 2017 will continue to receive it. It is important that I pick up on the hon. Lady's comments about the 63% of families with three or more children who receive tax credits and are in work, whom she said would be affected. She said that it would be pulling the rug out from underneath them, but that is far from the case, because the families she identified—the 63%—already have those children. We are not talking about retrospectively applying the policy; it is for children born after 6 April next year.

[*Caroline Nokes*]

The reforms to tax credits cannot be considered in isolation. The Government are committed to making life easier for working families. We want to support parents claiming benefits to get into and stay in work after having a child. From September next year, the Government are extending free childcare entitlement from 15 hours to 30 hours a week for working parents of three and four-year-olds. Alongside the introduction of tax-free childcare, that support gives parents more freedom when making decisions about whether and, indeed, when to return to work.

Alison Thewliss: Does the Minister accept that there is a further inconsistency? Tax-free childcare is not limited to the first two children within a family; it is for all children within a family, unlike this limitation that she is seeking to impose.

Caroline Nokes: The hon. Lady may not like the response that I keep giving but I will continue to give it. The reality is that the Government want working families and those in receipt of working tax credits to be on the same footing and to make the same difficult decisions. I have no doubt that there will be people in this Chamber who have made difficult decisions about how many children that they wish to have and can afford to have. This issue is about fairness for all families.

Of course, as the hon. Lady will be aware, roll-out of universal credit, the Government's flagship welfare reform, is continuing. Universal credit is already transforming lives across the country, with those in universal credit moving into work significantly faster and staying in work longer than under the old system. We are now expanding universal credit to all claimants across the country, so that everyone has the chance to benefit from the dignity of a job, the pride of a pay packet and the security that comes from being able to support their family.

The evidence shows us that universal credit is working. As I say, people move into work faster than before. For every 100 people who find work under the old jobseeker's allowance system, 113 universal credit claimants have found a job. People on universal credit spend more time than before looking for a job—in fact, around 50% more time—and they are actively looking to increase their hours and their earnings.

More than a quarter of a million people are now receiving universal credit, with some 12,500 new claims every week. We have already launched universal credit full service in Musselburgh and Inverness, and next month we are rolling it out to Kirkintilloch, Port Glasgow and Greenock. I have had the pleasure of visiting both live service and full service jobcentres in Barnsbury and Newcastle. I was impressed by what I saw, including the commitment of the work coaches, and indeed their sensitivity and ability to respond to the different circumstances and the different needs of individual claimants.

Alison Thewliss *indicated dissent.*

Caroline Nokes: The hon. Lady shakes her head, but I extend to her an invitation, which I am sure she has already received from others, to visit a local jobcentre, to see for herself how our reforms are working in action.

We also recognise that some claimants are not able to make the same choices about the number of children in their family as others. The Government have been clear that there will be exemptions for certain groups, and it is worth outlining these groups in some detail. Exemptions apply to third or subsequent children who are part of a multiple birth, where there were previously fewer than two children in the household; to children living long-term with friends or family and who are at risk of entering the care system; or to those children born as a result of rape.

Peter Grant (Glenrothes) (SNP): Will the Minister give way on that point?

Caroline Nokes: I would give way to the hon. Gentleman but there are many really important points that I would like to get through in the time allocated to me, and I have already taken a number of interventions from the hon. Member for Glasgow Central and one intervention from the hon. Member for Barnsley Central (Dan Jarvis).

Today, I am pleased to be able to inform hon. Members that, as part of the Children and Social Work Bill, the Government have given further consideration to the position of children who are being adopted from local authority care, and we will extend the announced exemption to all third or subsequent children in these circumstances. This change will support families who care for our most vulnerable children, and they will be provided for, along with the other exemptions, in regulations.

Of course, we are aware that these exemptions are sensitive and complicated, and we want to make sure that we get this process right. That is why we are consulting with a number of stakeholders from charities, women's representative organisations and indeed religious groups.

The Government recognise that women who have a child born as a result of rape face extremely difficult circumstances. That is why we are considering very carefully the best possible way to deliver this exemption. I want to be very clear that we are not looking to rely on or to pre-empt decisions within the criminal justice system. Instead, we are looking to ensure that claimants receive the help they need at the time they need it, using criteria that are straightforward to apply and not overly intrusive, while providing the right assurance to Government that the additional support is going to those for whom it is intended.

Our current thinking is that a third-party evidence model offers the most promising approach to strike the balance we need to achieve. This is a model where a woman can request the exemption by engaging with a professional third party, such as a healthcare professional or a social worker. This approach would not be new for the benefit system. For example, within universal credit we use a similar model for the relaxation of the requirements to be available for work in cases of domestic violence, where the evidence required is the reporting of abuse to a third party acting in an official capacity, and that model was developed with input from stakeholders. We recognise the sensitivity of this exemption and the need to get advice from experts, so we have sought views from stakeholder groups involved in supporting victims of rape to help us to develop this exemption.

The hon. Member for Glasgow Central raised a large number of issues, and I will set out the Government's vision for a sustainable welfare system that supports working families and encourages them to make similar

decisions to those made by people who support themselves fully through work. I will also respond to the intervention from the hon. Member for Barnsley Central regarding the impacts of the policy of limiting support to two children in tax credit and universal credit, while meeting our obligations as set out in the public sector equality duty. The Government have set out our assessments of the impacts of the policy as part of the Welfare Reform and Work Act 2016, on 20 July 2015, in a published impact assessment.

The Government are cutting income tax for more than 30 million people this year and we took 4 million of the lowest paid out of income tax completely during the last Parliament. By 2018, a typical basic-rate taxpayer will pay more than £1,000 less in income tax than they did in 2010. Universal credit now provides for 85% of childcare costs for families with two children; this could be worth £13,000 a year.

The number of people in work is at a record high. With the national living wage, we have given a pay rise to 1 million of the lowest paid, and we have overhauled the welfare system so that it pays to work rather than to claim benefits. The number of workless households has fallen by nearly 200,000 in the past year and now stands at 3.1 million, which is the lowest figure since records began. The number of children living in workless households has fallen by 557,000 since 2010, and there are now 100,000 fewer children in relative low income compared to the number in 2010. In the hon. Lady's own constituency of Glasgow Central, the employment rate has increased by 2.9 percentage points since 2010, to 62.9% in March 2016. This reflects the fact that there are now 2,000 more people in work in her constituency than there were in 2010. The Government are committed to ensuring that those in work are paid a fair wage and have opportunities to progress and to achieve their potential.

The Smith Commission agreement was very clear that universal credit should remain a reserved UK Government benefit, so that there is a clear and consistent offer of vital support to people in England, Scotland and Wales. Where the UK Government decide to make changes to reserved benefits, such as eligibility criteria, or to how payments for dependent children are calculated, those changes will apply equally across England, Scotland and Wales.

However, the Scotland Act 2016 gives the Scottish Parliament and Scottish Ministers significant new welfare powers. Not only can they now work with us to change certain defined elements of universal credit, such as the way that the housing cost calculation is made, but they will also get responsibility for a range of existing UK Government benefits, which were worth £2.7 billion in Scotland in 2014-15.

Crucially, the Scottish Government also now have new, wide-ranging powers to pay cash top-ups to anyone receiving a reserved benefit, or to introduce brand new benefits in devolved areas. This means that the Scottish Government can tailor the welfare system in Scotland, to meet both their own political aims and local needs.

In conclusion, I would like to reassure hon. Members that the Government are committed to achieving these welfare reforms. Putting welfare spending on a sustainable footing, and in a way that protects the most vulnerable, is vital as we progress to a society that will give working families more control over their lives. It will also ensure fairness for all families—both those who are paying for, and those who are receiving support from, the welfare system.

The hon. Member for Glasgow Central is right to raise the issue about the rape exemption; she has made her point and she has made it repeatedly to different Ministers. However, the Department for Work and Pensions is determined to address this issue with fairness and sensitivity, to make sure that women have the opportunity to report in a safe environment to trusted professionals. It is critically important that we extend that opportunity to them and that we do not remove the exemption, because I think that would be a very dangerous and unfair thing to do.

However, it is important that we instil within the benefits system a fairness for all families, for those who make choices about how many children they can afford to have, and that will apply to those who are working and supporting themselves solely through work, as well as to those who are in receipt of tax credit. Our priority remains to help working parents by providing them with the support they need to get on in life, and in doing so we will make life easier for all families.

Question put and agreed to.

Leaving the EU: UK Tourism

4.30 pm

Nigel Huddleston (Mid Worcestershire) (Con): I beg to move,

That this House has considered the potential effect of the UK leaving the EU on tourism.

It is a pleasure to serve under your chairmanship, Mr Howarth, and I am grateful for the opportunity to introduce this debate today. I thank all those individuals and bodies who have sent information relating to the debate to me and others.

Tourism is the UK's fourth largest industry and our fifth biggest export earner. It contributes £127 billion to the UK economy and sustains more than 3 million jobs—about 10% of the workforce. It is growing fast. The industry incorporates more than 200,000 small and medium-sized enterprises and more than a quarter of all new jobs created since 2010 have been in the hospitality and tourism space. Yet the contribution of the tourism industry is not always reflected in the attention it receives in this place.

It is important to differentiate three key sectors when discussing the industry: domestic, which is Brits holidaying in Britain; inbound, which is overseas visitors coming to Britain; and outbound, which is Brits travelling overseas. There is also aviation, which traverses all three sectors. The three sectors are impacted by Brexit in different ways by labour market implications, regulations and, in particular, the recent weakness of the pound. It may be argued that, overall, the implications of Brexit for the domestic and inbound tourism market are generally good, while they are generally bad for the outbound and aviation sectors—but it is not quite as simple as that.

I turn first to the good news, on the inbound sector. Last year, a record 36.1 million overseas visitors came to the UK. They spent a record £22.1 billion. The 2016 figures show a continuation of that trend, with 21.1 million overseas visitors between January and July, which is 2% up on last year. Visitors from Europe play a key role in our inbound travel industry. More than 60% of overseas holiday visitors and more than 70% of business visitors to the UK were from the EU, including 0.9 million from Italy, 1.4 million from Germany and 1.9 million from France. Clearly, any additional burdens or restrictions on travel to the UK from Europe will have an immediate and negative impact on visitor numbers. Visa-free access from Europe for short leisure and business trips is certainly the desired long-term aim from a tourism perspective. One of the plus points of Brexit and the weak pound is that it makes visits to the UK comparatively more affordable, yet even with the weaker pound the UK remains a very expensive place to visit by global standards and we continue to lose market share of the global tourism market.

Caroline Lucas (Brighton, Pavilion) (Green): I congratulate the hon. Gentleman on securing this important debate. In the tourism industry in Brighton, people are deeply concerned about leaving the EU. In terms of their businesses, does he agree that it makes even more sense now for the Government to commit to cutting VAT on tourism services in order to create more of a level playing field? So many of our European competitors have much lower VAT on their tourism businesses. Now is the time for the UK to commit to the same.

Nigel Huddleston: I agree that that is definitely worthy of consideration, as are alternatives such as looking at the VAT threshold. There are various campaigns along those lines and I will come on to that subject later.

Our decision to leave the EU was a shock to many of our friends in Europe and it could be misinterpreted as meaning we are less welcoming of foreigners. Nothing could be further from the truth and we must continue to show that we are a welcoming country. Research from VisitBritain has shown that we can be very effective at marketing our country overseas and the recent, highly successful GREAT campaign had an incredible return on investment.

Mr Alan Mak (Havant) (Con): I congratulate my hon. Friend on securing the debate. He is a strong voice for tourism in his own constituency and in this House. During the summer, I visited Hong Kong to promote Havant-based businesses. I met the British consul general, who is charged with deploying the GREAT campaign in that region. Will my hon. Friend join me in urging the Minister to continue the deployment of that campaign to promote Britain as a visitor attraction?

Nigel Huddleston: I could not agree more. The return on investment for the campaign was £23 for every £1 spent, which is compelling. There is a good argument for increasing spending on VisitBritain, the GREAT campaign and also on VisitEngland. The Government's introduction last year of the Discover England fund—a £40 million, three-year programme that successfully attracted a large number of high-quality bids—was also welcome, and we should consider expanding that.

The UK tourism sector is highly dependent on overseas workers, not least in London, where 70% of those working in the hospitality sector are EU migrants. Those employees actively contribute to the UK economy and provide a high-quality experience to our visitors. The Government need to provide reassurances to those people that they are welcome and valued, and that it is the Government's intention that their right to stay will be unaffected by the referendum decision.

On the domestic tourism market, in 2015, domestic visitors spent more in Britain than ever before. Some £19.6 billion was spent by British residents on overnight trips in England alone, and more was spent in Scotland, Wales and Northern Ireland—I must make sure I get them all in. The number of domestic trips exceeded 100 million, which is 11% higher than in 2014. I am proud to say that my own region, the west midlands, saw the biggest growth, with overnight trips up 22% and spending up 26%. A weak pound will make a UK staycation an even more attractive proposition, but that may be temporary. As the hon. Member for Brighton, Pavilion (Caroline Lucas) suggested, cutting VAT on tourism and other options should be carefully considered to sustain that growth in the long term.

I am sure many colleagues will extol the virtues of their own patches in their speeches. I will turn my attention to the outbound and aviation sectors, where the outlook is perhaps a little more challenging.

Outbound tourism is an often overlooked part of our tourism economy, but it employs more than 215,000 people in businesses, including tour operators such as Thomas Cook and TUI, travel agents and airlines such as Easyjet and Monarch. UK residents made an astonishing

65.7 million visits abroad in 2015, 9.5% more than in 2014. Again, our links with the European Union are very strong. Some 76% of holidays abroad and 68% of business trips were to the EU. In 2015, 3.5 million Brits visited Italy, 8.8 million visited France and an incredible 13 million visited Spain. The weakness of the pound means that holidays overseas are inevitably going to cost more next year than this year and last year, and Brexit brings some additional uncertainties for the outbound sector. Some of the concerns for consumers include what will happen to roaming fees and the European health insurance card, passenger rights, as well as the issue of the EU package travel directive, which offers consumers protection in case of insolvency or where there is a failure to provide contracted services. I would welcome the Minister's comments on how the Government intend to deal with those matters as we exit the EU. The unfortunate collapse of Low Cost Holidays this summer has made clearer than ever the importance of protections such as the Civil Aviation Authority's air travel organisers' licence protection scheme.

The UK has the largest aviation market in Europe and the third largest network of routes in the world, behind only the United States and China. It is vital that the UK aviation sector retains its place as a global leader and that we maintain the lower prices, better service and greater choice that aviation liberalisation has provided to British consumers. We need to aim for new aviation agreements as quickly as possible and to maintain the current market access that gives our airlines the right to operate air services both within and beyond Europe. We should be aiming to convince the 27 remaining members of the EU that it is in their interests, as much as ours, to maintain the aviation links that play such a key role in the prosperity of all our nations.

There is no getting away from the fact that the access the UK currently enjoys comes from our membership of the EU. That includes access not only to the EU market, but to that outside Europe, as the UK benefits from being part of the EU's aviation agreements with other countries, including, crucially, the EU-US open skies agreement. Unless the Government reach new agreements on maintaining market access, our airlines will have no legal right to operate services, and there are no World Trade Organisation minimal alternatives to fall back on in this sector. The UK might also be able to review air passenger duty on flights. Our APD is already one of the highest in the world, and it significantly adds to the cost of flights.

Clearly, there are both challenges and opportunities for the tourism industry as the UK exits the European Union. Given the overall economic contribution of the tourism sector, it is vital that the Government pull what levers they can to protect jobs and to take advantage of the window of opportunity that the weak pound brings to attract even more visitors to the UK.

The Minister will be familiar with many of my policy asks. I believe that we must make a decision about airport expansion in the south-east quickly and start negotiations on aviation deals, access and landing slots as a matter of urgency. We should carefully review air passenger duty and the cost and processing of multiple-entry visas. We should review all EU regulations, such as the package travel directive. We should revisit and reconsider reducing VAT on tourism, and we should consider increasing the budgets of VisitEngland, VisitBritain

and the Discover England fund. We must continue to find ways to attract visitors outside London, where 50% of all inbound tourism money is spent, and get more tourists into our beautiful countryside and the regions.

Those are lots of asks. To be fair, the Government are taking tourism seriously. I was very pleased indeed that one of the first publications of the new Government under the new Prime Minister was the "Tourism Action Plan", which updated the five-point plan that David Cameron announced within weeks of the 2015 election. I also welcome the fact that cross-departmental efforts are being made to grow tourism. I hope that, through this debate and further such discussions in this place and with industry, we will be able to formulate a positive future for tourism outside the EU, but remain very much open to Europe and, indeed, the world.

Several hon. Members rose—

Mr George Howarth (in the Chair): Order. The brevity of the hon. Gentleman's speech is very helpful because it means that at least one or two more colleagues will be able to get in, so I congratulate him on that. To get in everybody who has expressed an interest in speaking, I am reluctantly going to have to impose a time limit of three minutes per speech. If Members take interventions—they are perfectly at liberty to do so—I may, during the course of the debate, have to consider reducing that time limit still further.

4.42 pm

Ms Margaret Ritchie (South Down) (SDLP): It is a pleasure to serve under your chairmanship, Mr Howarth. I congratulate the hon. Member for Mid Worcestershire (Nigel Huddleston) on securing the debate. He and I co-chair the all-party parliamentary group for the visitor economy, and I know that he has a background in tourism and an abiding interest in it. He raised various issues. The all-party group has already undertaken an inquiry into apprenticeships—in particular, the apprenticeship levy—and we have noted the deficit in training for chefs in the hospitality industry, which needs to be pursued in this post-Brexit negotiation phase. We will also look at the issue of coastal economies.

The hon. Gentleman mentioned the issue of air passenger duty. As a representative of a constituency in Northern Ireland, I would very much like us to compete with the Republic of Ireland, where air passenger duty is at 0%. I want an equivalent level in Northern Ireland to attract more visitors to sample our historical sites. Heritage tourism is of particular importance to us. We also want a reduction of VAT on tourism because, again, we are competing with the Republic of Ireland. VAT on tourism in the Republic of Ireland is levied at 9%, whereas ours is 20%.

In the post-Brexit situation, there is the possibility—although I hope not—of an EU border on the island. I do not want to see that happening, because that could have further detrimental consequences for our tourism industry. In my constituency, tourism is a catalyst for economic development, sustaining jobs and creating new ones, because manufacturing does not exist to the same extent as it does elsewhere.

I fear that the priority for the Northern Ireland tourist sector after the referendum will be damage limitation, rather than seizing new opportunities. Contrary to the negative characterisation of our tourism industry by

[Ms Margaret Ritchie]

some Brexiteers—I am simply stating a fact—the tourism sector in Northern Ireland was already creating new opportunities and opening itself up to a wider audience before the referendum took place. We benefited considerably from the European funding mechanisms that were in place on a cross-border basis. Some areas were marketed through those mechanisms. In fact, the island of Ireland, north and south, is marketed through Tourism Ireland. Therefore, we want all forms of mitigation to be pursued, we want to retain the Interreg funding mechanisms that were dedicated to tourism development and tourism projects, and we want to develop our existing tourism products, including our Christian heritage, our general heritage tourism and our special landscape quality. In the negotiations, we want the Government to take into account our unique situation, in terms of tourism development, and we do not want to see a hard border.

4.45 pm

James Heappey (Wells) (Con): I congratulate my hon. Friend the Member for Mid Worcestershire (Nigel Huddleston) on securing this important debate. In the main Chamber of the House of Commons this afternoon the referendum campaign is being rerun, so it is nice that in Westminster Hall we are looking at what the threats and opportunities of Brexit are for this important industry. It is also great to see the south-west so well represented. It just goes to show how important tourism is to our region, and that we are indeed the best region to visit in the United Kingdom, if not the world. It is a pleasure to serve under your chairmanship, of course, Mr Howarth.

I rise to speak in two capacities: first, as an MP for a constituency that has some fantastic tourism opportunities and for which the visitor economy is hugely important; and, secondly, as the chair of the all-party parliamentary group for the UK events industry. Both roles have effectively the same demands. The challenge of Brexit for the hospitality industry and the events industry is that they have increasingly relied on a migrant workforce. The potential that the workforce will be less available is challenging to many businesses in our sector.

Another challenge, particularly for the events industry, pertains to business travel, and meetings and conferences that are hosted in the United Kingdom. If we make it less easy for our European neighbours to visit us, we must balance that by putting in place a more permissive visa regime for business travellers from the emerging markets, which we are hoping to open up with our free trade agreements with the rest of the world. It is hugely important that we get that right so this incredible place for hosting business travel and tourism alike is somewhere that people can come to easily. When they arrive, there must be a quick and easy immigration process so that their first experience of the United Kingdom is not one of hassle.

In addition, the tourism and events industries in the UK must be able to access European-wide supply chains. Those industries are interconnected across the European Union, and there is a real danger that, if we were to leave the free market, those supply chains would no longer be available to us. It is important that, as an industry, we say that that needs to be addressed. Where supply chains exist in the EU and UK companies

organise events or send tours into the European Union, they should be given all the advantages of the free market, even if the Government's choice is that we do not remain in it.

I have set out several key threats, but there are, of course, opportunities. More than anything else, we must ensure that the UK continues to be a world-class destination for leisure or business, so that, whatever the impact of Brexit may be, we counter that by being a brilliant place to come. In closing, there are a couple of things that I think the Government should seek to do—

Mr George Howarth (in the Chair): Order. I call Corri Wilson.

4.49 pm

Corri Wilson (Ayr, Carrick and Cumnock) (SNP): Almost 1.5 million visitors arrived in Scotland from the European Union last year, and spending by tourists in Scotland contributes about £6 billion to Scottish GDP. We have in the region of 15,000 tourism-related enterprises, accounting for almost 8% of employment in Scotland. What we do not have is certainty. Despite years of bickering between the factions in the Conservative party, despite promises on the sides of buses from leave campaigners, and despite almost four months of pondering by the Government since the referendum in June, we still have no idea what Brexit means.

The Prime Minister is keen to emphasise that “Brexit means Brexit,” as if that statement carried any meaning. It does not. It seems that every day there is another Tory statement that contradicts the last. Will it be soft Brexit or hard Brexit? Will we retain membership of the single market or just access to it, and on what terms? Will there be hard borders? Will European tourists need visas? Will European nationals living, working and paying taxes here in the UK be told to leave? We still do not know what form of Brexit the United Kingdom Government seek to pursue, what they hope to achieve in their Brexit negotiations or what the rest of Europe will be inclined to offer us.

The tourism industry in Scotland and across the UK is facing unprecedented uncertainty, not just because of the Brexit vote but because those who campaigned for it and those who have since jumped on the bandwagon have no coherent plan. I suspect that they never had one.

Mr Alistair Carmichael (Orkney and Shetland) (LD): Tourism industries, wherever they are, do not exist in a vacuum but depend on other industries. For example, the food and drink industry is supremely important to tourism in my constituency, and that industry has long had protection from the EU under product designation orders. Does the hon. Lady agree that that is the sort of detail that we need to hear about from the Government?

Corri Wilson: Yes, absolutely. That proves what a complex situation we are in, and we need some answers.

Office for National Statistics figures suggest that Brexit could create a huge financial barrier to businesses and tourism if visa charges are levied on travel to Scotland. If EU visitors to the UK have to start shelling out £87 a pop for a standard short-stay visitor visa, how many will decide to stay on the other side of the channel? Although Scotland has much to offer, long, hot, sunny days are not our biggest draw, so we need to

make it easy for holidaymakers to choose us, not put obstacles in their way. If the Tories decide that we do not get to keep the benefits of free travel for our European neighbours, the resulting financial barrier could have dire economic consequences for the Scottish tourism industry.

Scrapping the free movement of people will have an adverse impact on the workforce of our tourism industry—an industry that employs in excess of 25,000 EU nationals in Scotland. Such migrants make a valuable contribution to Scotland and are an important part of our future; they both contribute to sustainable economic growth and mitigate the effects of demographic change. Scotland's rural economy in particular benefits from migrant workers from other EU countries. The new Prime Minister's first commitment should have been that EU citizens would have the right to remain in the UK, but it seems that she is content to use them as a bargaining chip. It is crucial for businesses and communities across rural Scotland and the tourism sector that the UK Government provide guarantees on the residency status of EU nationals living in Scotland.

In these uncertain times, we in Scotland are working hard to support and promote economic stability and reassure EU nationals who have chosen to make Scotland their home that they remain welcome. The Scottish Government have been engaging with the tourism sector about what Brexit may mean for both EU visitors and the many EU citizens who are employed in the sector. We are committed to supporting the tourism industry by delivering a 50% reduction in air passenger duty. Tourism is worth billions of pounds to Scotland's economy and is hugely important to local communities such as mine in Ayrshire, the home of Burns, which depends on the jobs and investment that tourism brings. It is shameful that the UK Government's lack of clarity and direction is creating such uncertainty and instability and placing barriers in the path of that vital industry. They need to act now to reassure the tourism sector.

4.53 pm

Steve Double (St Austell and Newquay) (Con): It is a pleasure to serve under your chairmanship, Mr Howarth. I congratulate my hon. Friend the Member for Mid Worcestershire (Nigel Huddleston) on securing this important debate.

I believe it was no coincidence that in July 2015, the former Prime Minister, David Cameron, chose to come to the Lost Gardens of Heligan in my constituency in mid-Cornwall to launch the Government's tourism strategy. Tourism is clearly vital to Cornwall and its economy; it represents around 15% of our local economy—31,000 jobs and 3,000 businesses—and many more businesses in the supply chain support the industry. It would be difficult to overemphasise the importance of tourism to the Cornish economy. It is therefore vital that we consider the effect of Brexit on tourism and Cornwall's future.

The initial signs have been positive. Virtually every tourism-related business that I have spoken to this year—whether in Newquay or places such as Mevagissey or Fowey—has reported that it is having a positive year, and some have actually said that they are having a record year. That is probably to some extent down to the “Poldark” effect, and we are grateful to the BBC for its weekly primetime advert for Cornwall on Sunday evening television, but I suspect that a lot of it is more

to do with the value of the pound, which has encouraged UK tourists to take staycations. Cornwall is clearly one of the destinations of choice for holidays in the UK, but it also attracts visitors from overseas.

As we consider our position on leaving the EU, it is vital that tourism is put at the heart of our renegotiation, and we need to do more to consider inbound tourism to the UK as part of our international trade. It is an export, and we need to support it. Now is the time to invest more in promoting the UK as a tourist destination for overseas visitors.

I add my voice to some of the points that my hon. Friend made about the importance of aviation in our negotiations on leaving the EU. The current situation makes it even more vital than ever to make a decision on airport expansion in the south-east and to get international and domestic connections. We must ensure that we negotiate aviation agreements before we leave, because it is vital that we have continuity; we cannot afford not to have aviation agreements in place for just one day.

There are clearly both challenges and opportunities for the tourism industry as we leave the EU. In conclusion, I would like to invite all hon. Members to stay in the UK and come on holiday to Cornwall next year.

4.56 pm

Deidre Brock (Edinburgh North and Leith) (SNP): It is a pleasure to serve under your chairmanship, Mr Howarth. I congratulate the hon. Member for Mid Worcestershire (Nigel Huddleston) on securing this important debate.

I am surprised that no thinking or planning appears to have been done in Whitehall about the effects of leaving the European Union on tourism. Mind you, there does not seem to have been any Whitehall planning for the effects of Brexit on anything. Apart from the possibility of visas being introduced to stop those pesky Europeans sneaking in here without telling us, having holidays and spending money, we are only now starting to see the outcomes of the leave vote.

I assume that we all got a briefing from the Performers' Alliance—I declare an interest as a member of the Performers' Alliance all-party parliamentary group—that laid out its fears about performers not being able to move freely and tour after Brexit. The same thing will happen in reverse; a closed border will mean that cultural tourism will be damaged and fewer performers, artists and musicians will come here. The restrictions being imposed by UK Visas and Immigration on performers from around the world are already having an adverse impact on my constituency. Edinburgh, of course, plays host to the largest arts festival in the world every year, and performers are now regularly being refused visas for the festival. If that gets worse because EU visitors are forced down the same route, our international reputation for high-quality artistic endeavour will be affected.

In 2010, the European Tour Operators Association did some research about the effects of the UK not being in the Schengen visa scheme and concluded that UK tour operators were losing substantial business and turnover. Tourists from further of Europe were happy to pay for one visa for the 26 Schengen countries but reluctant to pay out more cash for a visa for the UK than they had for those 26 countries. I thought at the time that the same must apply to business travellers.

[Deidre Brock]

If they are looking for investment opportunities and can travel to the biggest chunk of Europe on one visa, some must wonder why they should pay extra for the UK. The lesson of Schengen is, of course, that free movement of people is advantageous to the economy, and especially to industries such as tourism and culture, which require people physically to move from one place to another. If we cut ourselves off from the 500 million people in the EU, how much damage will have been caused to those industries by Brexiteers?

As the walls go up to build fortress Brexit and we are told to duck and cover while the assembled intellectual might of the leave campaign protects us from foreigners, let us take a moment to think this through. Is it really to our advantage to cut ourselves off from tourists, customers, trade and exchange? Hotels need their doors open to welcome customers, and we need our borders open to welcome tourists. Brexit is doing us a lot of damage already, and the Government have to start looking at ways to mitigate that.

Mr George Howarth (in the Chair): There are two Back-Bench speakers left, and I will then call the Scottish National party Front-Bench spokesman at 5.05 pm, so will the next two speakers try to share what time is left between them?

5 pm

Mrs Sheryll Murray (South East Cornwall) (Con): It is a pleasure to serve under your chairmanship, Mr Howarth. I congratulate my hon. Friend the Member for Mid Worcestershire (Nigel Huddleston) on securing time for Members to discuss this important matter. As he and the Minister will be aware, I campaigned wholeheartedly for the UK to leave the European Union. Tourism is close to my heart as my constituency is, in my opinion, the most beautiful in the UK, attracting thousands of visitors each year. I know, however, that my hon. Friend the Member for Newton Abbot (Anne Marie Morris) would intervene if she could to contest that and say the same about her constituency.

Brexit offers the opportunity to further invigorate our thriving tourism industry by reducing red tape, enabling more diversification and demonstrating that the UK remains open for business and welcomes visitors from around the world. The tourism industry contributed £56 billion in economic output in 2013, and tourism-related industries employ 2.8 million people, which is 9% of all employment. There were 36.1 million inbound visits to the UK in 2015, with London being the most popular destination, attracting 51% of all visits. However, Cornwall remains one of Britain's most popular tourist destinations outside the capital.

Visit Cornwall's vital work is underpinned by the Government's five point plan, as my hon. Friend the Member for St Austell and Newquay (Steve Double) mentioned. I recently spoke to Chinese business leaders and was pleased to learn that enhanced visa services are making a positive impact, particularly as Chinese visitors spend an average of £2,500 each when visiting the UK.

It would be wrong not to acknowledge that some tourism organisations and businesses have concerns about the long-term impacts of Brexit. I understand those concerns, particularly around immigration, taxation and regulation.

I will pay close attention to those issues on behalf of my constituents and raise them with Ministers if necessary. I was encouraged, however, when the Secretary of State for Exiting the European Union said that he would protect the rights of EU citizens here provided that Britons in Europe are treated in the same way.

If we all work together, Brexit will enable our wonderful tourism industry to thrive further still. I was encouraged to read in a House of Commons Library briefing paper:

"The attractions management firm, Continuum...although it disagreed with the decision"—

to leave the European Union—

"believed the UK was 'resilient enough to survive and thrive'" outside the European Union. I share that confidence.

5.3 pm

Rebecca Pow (Taunton Deane) (Con): I rise to support my hon. Friend the Member for Mid Worcestershire (Nigel Huddleston), particularly on his good points about visa-free travel, airport expansion and VAT on tourism. If we can address those issues and take advantage of the weak pound, there are huge opportunities to build on tourism in this country, and it is crucial that we do so. Public relations and promotion will form a big part of what we need to do to up our game.

Tourism is really important in the south-west, bringing in £10.7 billion. In Somerset alone, where my constituency is, it brings in £1.2 billion. It also employs 10% of the workforce. When the whole of Somerset was recently shut because of flooding, the consequences were dire for rural tourism: we lost something like £250 million as a result. We do not ever want to see that happen again, so we do not want an impact of leaving the EU to be that we see no tourists coming. We do not want a knock-on effect as significant as that. We must therefore make tourism, which is already important, even more significant.

I will look at one area that is a great selling point for the UK, and the south-west in particular—garden tourism, which brings £1.4 billion a year into the UK. Just in my constituency we have Cothay Manor and Hestercombe gardens. Hestercombe attracts 100,000 visitors a year, many of whom are from Germany, France, the Netherlands and Belgium. I have worked at that garden, promoting it for tourism, and there are great opportunities to build on that strength, but we must ensure that those visitors can still get here easily.

I stress in particular the importance of the Government building on all their commitments on connectivity. Our visitors have to be able to get from A to B, and I stress to the Minister that we want the injection of funds to continue.

5.5 pm

John Nicolson (East Dunbartonshire) (SNP): It is a pleasure to serve under your chairmanship, Mr Howarth. I congratulate the hon. Member for Mid Worcestershire (Nigel Huddleston) on securing the debate. Whether it is walkers setting off from my beautiful constituency towards the foot of Ben Nevis on the West Highland Way, or those who learn of their ancestors, discover our historic castles, enjoy our renowned food and drink or sample Scotland's art and museums, Scotland caters for all, the length and breadth of the country.

Tourism is arguably Scotland's most important industry, as we showcase ourselves to the world. There is significant danger that leaving the European Union will result in unnecessary barriers, which will deter visitors and investment in our country and harm this important industry.

Quite needlessly, the Scottish tourism industry now faces the real possibility of Brexit inflicting long-term damage on a sector that is so vital for Scotland's economy and sense of self. More than three months on from the referendum, no decision has been made on the single market or the status of EU nationals living in and traveling to the country, while the value of the pound continues to plummet.

European funds are vital to the tourism sector in Scotland. VisitScotland currently draws down £11.7 million in European regional development funds. European funding support for tourism development activities is especially important in rural areas, creating jobs and boosting wealth in peripheral, relatively poor regions. Of course, projects that improve the infrastructure and tourism appeal of locations such as the highlands and islands of Scotland have received assistance from Brussels, not least the new tourist route in northern Scotland, the north coast 500, which is dubbed Scotland's route 66. Such projects show ways of showcasing Scotland, using the natural and human resources we have to their full potential.

Unlike the United Kingdom Government, the Scottish Government have made it clear that we want EU nationals to live in the country and stay in the country. The tourism and hospitality industry in Scotland employs in excess of 25,000 European Union workers, and having access to a skilled and motivated labour market remains a priority for the industry. We do not want the free movement of people to end.

All the young dynamic people from throughout the European Union who work here could lose their jobs, and the hotel owners and managers would find them difficult to replace. Furthermore, figures from the Office for National Statistics show that Brexit could create a £270 million barrier to business and tourism from charges levied on travel to and from Scotland.

A third of Italians and Spaniards, 30% of Germans and a quarter of French holidaymakers said that a leave vote would make them less inclined to travel to the United Kingdom. Part of the reason why people come to Scotland is the warmth of the welcome, and it is vital that that continues.

Perhaps most worrying of all is the feeling that the United Kingdom leaving the European Union has generated. Increasingly, it feels to many of us that the UK is becoming more insular and less open to outsiders. When the Prime Minister said last week:

"If you believe you're a citizen of the world, you're a citizen of nowhere",

that sent out a strong message to people living here and to potential visitors throughout the world. We on the Scottish National party Benches feel very different, and our message could not be more different: "If you are citizens anywhere in the world, you are welcome in Scotland."

5.9 pm

Kevin Brennan (Cardiff West) (Lab): It is a pleasure to serve under your chairmanship, Mr Howarth. I congratulate the hon. Member for Mid Worcestershire

(Nigel Huddleston) on securing this important debate, and I thank every hon. Member who has contributed. Some excellent points have been made by the hon. Members for South Down (Ms Ritchie), for Wells (James Heapey), for Ayr, Carrick and Cumnock (Corri Wilson), for St Austell and Newquay (Steve Double), for Edinburgh North and Leith (Deidre Brock), for South East Cornwall (Mrs Murray) and for Taunton Deane (Rebecca Pow), and by the SNP spokesman, the hon. Member for East Dunbartonshire (John Nicolson).

It says something about the significant ramifications of Brexit that we are debating its impact on tourism. One would not normally think a constitutional referendum would lead to us debating the future of the UK tourism industry, so it is quite a surprise that it has come to this, but it shows how important the Brexit vote is to the future of the industry.

As has been pointed out, there has actually been a short-term boost to the tourism industry since the Brexit referendum. Despite the weather over the past few months, tourism in the UK has gone up; visitor numbers from outside the UK have risen since June 23. This July saw a 1% increase compared with the same period last year, while the number of staycations—visitors from inside the UK—has also risen since June. That is important. As hon. Members have said, tourism is an important industry that accounts for 9% of the UK's employment.

The principal reason for that increase in tourist numbers in recent months is the weakness of the pound, which has been caused by both the impact of the Brexit vote itself and, I am afraid, by the Government's mishandling of the aftermath of the vote. With each faltering step in their handling of Brexit, the pound has devalued further. Yesterday, its value against the US dollar dropped to below \$1.23. On UK visitors who are going to Europe on holiday, one of our colleagues was in Venice recently taking a hard-earned short break away from his constituency, and he told me he was getting parity when exchanging the pound for the euro while he was there.

Kevin Foster (Torbay) (Con): Will the hon. Gentleman give way?

Kevin Brennan: I will in a moment. What is not clear—perhaps the hon. Gentleman can clear this up for me—is whether the Government want a weaker pound.

Kevin Foster: If we want to talk about how things went over the summer, I must say it was a real spectacle to observe the hon. Gentleman's own party.

I was actually going to be slightly more positive and constructive and say that one reason why people see places such as Torbay as great places to come to is that we are a safe and welcoming country and do not have some of the issues that exist in other nations.

Kevin Brennan: I will come on to that, but I say to the hon. Gentleman that changing the subject because he has a weak argument is not always the most powerful way to make his point. We are talking about tourism and the tourism industry. I praise Torbay—I spent many happy weeks enjoying holidays there as a child and a young man, and it is a wonderful destination.

[Kevin Brennan]

My question is this: is the new weak pound—trading at parity with the euro in recent days, as I said—now the Government's economic policy? Following Brexit, are the Conservatives now the party of devaluation? Surely not, because I thought stable, sound money and a strong, stable pound, with the discipline that brings to productivity, was one of the central principles of a Conservative Government. Apparently not. Hon. Members will have heard at Scotland Office questions today—I am sure they were all there—the Secretary of State for Scotland bragging about record numbers of people coming to this year's Edinburgh Festival as a result of being attracted by the weak pound. Perhaps the Minister will confirm at the end of the debate that a weak pound is Government policy.

The effect on the pound is not the only impact of Brexit. Until the Government decide how freedom of movement is going to be reformed when we leave the EU, and how and whether those measures—[*Interruption.*] The hon. Member for Torbay (Kevin Foster) is free to intervene again if he wants to, rather than chuntering on from a sedentary position. Until the Government decide how and whether those measures will affect tourist entry into the UK, Britain's accessibility as a tourist destination carries a lingering question mark, given that 73% of foreign visitors to the UK in 2015 were from Europe. Any uncertainty of that kind left unaddressed is extremely unhelpful. That point has been made by Conservative Members, though perhaps not in the way I would have made it.

Another concerning issue that has been mentioned is the importance of EU workers to the tourism sector. As has been said, tourism-related industries account for 9% of UK employment, and quite a high proportion of those workers are non-UK citizens, particularly in London. The Association of British Travel Agents and Deloitte published a report prior to the referendum outlining the potential consequences of Brexit on tourism, which stated that limits to the sector's ability to employ people from outside the UK could lead to real difficulties in filling roles. It also found:

"Restrictions on employing EU nationals might thus exacerbate existing skills shortages. Ultimately this could have a detrimental effect on the sectors' ability to serve consumers at the standard they expect."

James Heappey: I agree with the shadow Minister. One of the advantages of the EU migrant workforce has been to provide a range of linguistic skills in a lot of our hotels and conference venues. If we are going to lose that, we could really do with some better language training in schools to replace it.

Kevin Brennan: I hope we are not going to lose it. I think we can have both, and that ought to be our aim going forward. I do not think the hon. Gentleman intended to say in any way that those people should be sent home and that we should, over a period of time, train their replacements. Of course we should improve language skills in our schools, and of course we should get more UK citizens to fill jobs in the tourism industry, but it is equally important that we do not suggest that we do not welcome diversity in our tourism industry in this country.

One problem is that some of the Government's post-Brexit messaging is potentially damaging to Britain's blue chip brand. At the Conservative party conference we saw the Home Secretary seriously announce, at least in the headlines, a misguided policy of publicly listing foreign workers. The Government have subsequently clumsily withdrawn that, but we have seen all this before. I have seen this movie many times over: at the Conservative party conference, Ministers announce right-wing policies that deliver plenty of tabloid headlines and claps in the conference hall, but then inevitably row back from that extreme position in subsequent days. The problem is that their message is heard, not just in Britain but overseas.

I am afraid that xenophobic sentiment, at the service of inflamed rhetoric to generate a lurid headline, keep the tabloid editors happy and send out a dog whistle to the right, is an ugly thing. Shame on the Home Secretary for risking Britain's reputation abroad for hospitality and tolerance for a few moments of glory on the front pages of the redtops. That sort of behaviour not only damages Britain's brand abroad but ultimately short-changes the British public. In the long run, British tourism will thrive not on the attractiveness of our weather but on the attractiveness of our welcome. It will thrive not because Britain is cheap because of the weak pound, but because Britain is rich in culture, heritage and hospitality. British tourism will flourish not by shrinking to little England slogans but by confidently projecting a greater Britain with a warm and open welcome to visitors to all of its parts—to Wales, to Northern Ireland, to Scotland and to England—often through the gateway of one of the world's most diverse cities, London.

Coming from Cardiff, I should mention before I finish that the Champions League final will take place there next year, and we hope that the road to Cardiff will lead to many visitors coming from overseas. UK tourism needs greater clarity from the Government on Brexit and clearer messaging that we are open and welcoming to the world, and that we want people from across the world to come here to enjoy our heritage, our countryside, our modern cities and sometimes even our weather, but most of all to feel that they are welcome. Devaluing the pound may work to the tourism sector's advantage for now, but devaluing our brand as a country will do the opposite. If that continues, it will cause lasting damage to our reputation and to our vital tourism industry.

Mr George Howarth (in the Chair): Before the Minister starts, she may be minded to leave a little bit of time for the mover of the motion to have the last word.

5.19 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Tracey Crouch): It is a pleasure to serve under your chairmanship, Mr Howarth. May I offer my congratulations to the hon. Member for Cardiff West (Kevin Brennan) on his appointment to his new role? I look forward to discussing this incredibly important issue with him on many occasions. I am grateful to my hon. Friend the Member for Mid Worcestershire (Nigel Huddleston) for raising this issue and giving me the opportunity to update the House on the position of the tourism sector following the momentous European Union referendum result in June this year.

It is fantastic to see so many colleagues here to talk about the amazing UK tourism sector. The industry's diversity has been demonstrated by the number of different points raised by Members, in terms of both threats and opportunities. I do not have time to respond to each point in detail, but I hope that my speech will, at a higher level, reassure them that their specific issues have all been discussed.

I want to make a quick point for our colleagues from Scotland and Northern Ireland. They will be aware that tourism is a devolved issue. However, VisitBritain works to promote the whole of the UK, and what a wealth of attractions and visitor experiences it has to market. I recommend that Scottish colleagues in particular look up the Nessie hunting campaign, which was designed especially for the Scandinavian market and is excellent. While I am on this issue, colleagues who said that the budgets of VisitBritain and the "Great" campaign should be increased should feel free to write to the Chancellor and make their cases much more loudly.

As we know, the British people voted to leave the European Union, and the Prime Minister has been very clear that their will must be respected and delivered. The task is now to establish what that means for the UK and its people, which includes the challenges and opportunities currently faced by the British tourism and hospitality industries.

As others have done, I will quickly run through how important tourism is to the UK. The industry contributes more than £60 billion to our economy. In 2015, we saw the greatest number of overseas visits to the UK on record, bringing £22.1 billion into the economy. Domestic overnight spend also hit a record high of £19.6 billion in England, and the industry provides 1.6 million jobs across the country. In short, the sector has been going from strength to strength, and Britain's tourism industry is likely to see further benefits as travel to the UK becomes more affordable and attractive to EU countries and international markets such as the USA, which is our highest value market. Moreover, domestic tourism and hospitality has seen a boost this summer, with more people deciding to holiday at home. We need to continue capitalising on such opportunities.

Figures released last month show that July was the highest month ever for inbound tourism to the UK, and overseas visitors to the UK spent £2.5 billion in July, which is 4% up on the same month last year. ONS figures also show that it was a record July for inbound visits from EU countries. Furthermore, there was strong growth from North America, including the US—which, as I said, is the UK's most valuable visitor market—with visits up 5%. Visits from the rest of the world were also up 6%.

Overall international visitor figures from January to July were up 3% from 2015, and Chinese visits showed massive growth of 40% between April 2015 and March 2016 compared with the year before. Just under half of accommodation businesses surveyed after the Easter holidays to July stated that advance bookings were very good, which is a record for the VisitEngland tourism business confidence survey. I think we can all agree that those are encouraging signs.

We should not forget why tourism is so successful in this country. To put it simply, we have a great deal to offer. We have extraordinary heritage, beautiful landscapes, great sporting events and some of the finest museums in

the world. That will not change in a post-Brexit world. That is proved by the news that has broken during this debate that we have won the bid to host the 2019 UCI road world championships in Yorkshire. That great sporting event will bring a huge boost to local tourism.

As my hon. Friend the Member for Mid Worcestershire mentioned, we published the Prime Minister's tourism action plan just before the August bank holiday. The document highlights our stunning scenery, monuments and cultural traditions, which will continue to draw visitors from both home and abroad. Furthermore, it reaffirms our commitment by setting out a series of new initiatives and measures to help Britain out-compete other major tourism destinations, to welcome more international visitors than ever before and to encourage more British people to holiday at home. It is vital to remember that our destinations, attractions and services across the UK will continue to deliver the same high-quality visitor experience to both domestic and international visitors as they always do. No matter what, the UK remains open for business, and we will always offer a warm welcome to our visitors.

Ronnie Cowan (Inverclyde) (SNP): I hear those wonderful figures on tourism across the UK, and I welcome them all, but my concern in Inverclyde is that we welcome more than 100,000 passengers off cruise ships every year. I wrote to the Minister for Immigration to clarify how we will handle visas. His response was, "The Prime Minister has been clear that Brexit means Brexit." I am afraid that that does not wash with me. Will the Minister shine some more light on this very difficult area? We have the product, but we cannot stop people at the borders and turn them away.

Tracey Crouch: I am sure the hon. Gentleman appreciates that visas are a matter for the Home Office, but I can tell him that we work closely on that key issue with our Home Office colleagues. My hon. Friend the Member for South East Cornwall (Mrs Murray) mentioned the new visa scheme between China and Britain, which is working very well, and I am sure we will look at that as a template for the future.

Dr Philippa Whitford (Central Ayrshire) (SNP): I want to raise the issue of people actually getting here. At the moment, we are part of the open skies initiative, which allows our airlines—particularly our budget airlines—to fly backwards and forwards to Europe and between countries within Europe. If we are outside, is ensuring that we keep that advantage on the agenda?

Tracey Crouch: I am delighted that the hon. Lady raised that point, because my very next paragraph answers her question. For the time being, there will be no immediate difference in the way people travel. Travellers are as free to move between the UK and the EU as they were before the referendum. European health insurance cards will remain valid, and the single aviation area remains in place. However, I can reassure her that these issues are all being discussed. If Members will allow me, I will hopefully give them the reassurance they need.

The sector is strong and resilient and has overcome enormous challenges in the past such as incredible flooding in particular areas. The UK will continue to face growing competition from overseas destinations.

[Tracey Crouch]

That has always been the case, but now is the time to think about how we can tackle this even better as we reshape our engagement.

I would like to explain what we are doing within the Department to engage with this important sector. The Secretary of State for Culture, Media and Sport held a roundtable with the tourism sector at the beginning of August to give experts a more prominent voice in policy making and to listen and learn more about the new opportunities and challenges being faced. I followed that up with a Tourism Industry Council meeting last month. That has continued the honest and useful two-way conversations between the sector and Government.

Through the Tourism Alliance we have a long and thorough list of issues affecting the industry, some of which indicate a challenge but many of which highlight an opportunity. I mean this with the greatest respect to Members, but not one of them raised a new issue in the Chamber today. These are all issues we are well aware of and are working on with people within the sector. In fact, the list is much longer than those raised by Members today.

Our consultations have told us a great deal. For example, one important issue for the tourism and hospitality industries is the Government's priority to exercise more control on the numbers of people coming to the UK, the free movement of people from Europe and crucially, as Members have mentioned, how that will impact on employment. The tourism industry employs 1.6 million people, 9% of whom—that is 144,000 people—are EU nationals, and 6% of whom are migrants but not EU

nationals. We have talent within the UK that we need to continue to promote and to retain. We must ensure we upskill the workforce, so that we can rely on our home-grown employment.

I am conscious of the time. All the issues raised today have been on the agenda and will continue to be. We take this incredibly seriously. It is an important sector for the future of the United Kingdom.

5.29 pm

Nigel Huddleston: I thank the Minister for her response and am somewhat reassured by her comments. I look forward, along with all colleagues in the room—who are from all corners of the UK, which is very reassuring—to continuing the dialogue. This is a complicated issue. The fragmented nature of the industry means it is challenging to engage with, and I appreciate all the efforts being made. I look forward to continuing the dialogue through the APPG, the Culture, Media and Sport Committee and all sorts of other vehicles. I appreciate the Minister's response.

Mr George Howarth (in the Chair): May I thank those who have taken part in the debate for their co-operation? We managed to get everybody in who had applied to speak, although I am mildly disappointed that nobody thought to mention Knowsley safari park.

Question put and agreed to.

Resolved,

That this House has considered the potential effect of the UK leaving the EU on tourism.

5.30 pm

Sitting adjourned.

Written Statements

Wednesday 12 October 2016

TREASURY

National Infrastructure Commission

The Economic Secretary to the Treasury (Simon Kirby):

I wish to update the House on the establishment of the National Infrastructure Commission as an Executive agency, and an associated Contingencies Fund advance.

The purpose of the National Infrastructure Commission is to provide expert, impartial analysis of the long-term infrastructure needs of the country. The Commission reports on high-priority issues and produces an in-depth, independent assessment of the UK's major infrastructure needs on a 30-year time horizon.

The Government consulted earlier this year on establishing the Commission using primary legislation. The Government consider that the Commission can achieve the same objectives without legislation.

The Government will therefore proceed to establish the Commission on a permanent basis as an Executive agency of HM Treasury. It will operate independently, at arm's length from Government, and will come into force in January 2017.

The resources for the operating costs of the Commission will form part of HM Treasury's supplementary estimate 2016-17, which is not expected to receive Royal Assent in the associated Supply and Appropriations Bill until mid to late March 2017. HM Treasury will therefore be utilising the Contingencies Fund to finance the Commission's operating costs that become payable prior to Royal Assent.

Parliamentary approval for additional resources of £5,000,000 for this new spending will be sought in a supplementary estimate for HM Treasury. Pending that approval, urgent expenditure estimated at £5,000,000 will be met by repayable cash advances from the Contingencies Fund.

A copy of the Charter for the National Infrastructure Commission has been deposited in the Libraries of both Houses.

[HCWS181]

COMMUNITIES AND LOCAL GOVERNMENT

Site Assessment Industry

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Percy): On 2 Oct 2015 the SSI steel works in Redcar was placed into compulsory liquidation and an official receiver (OR) was appointed as liquidator. On 12 October, following no buyer for the steelworks being found, the decision was taken by the official receiver to set about the hard closure of the site. Since that time the official receiver has been undertaking

a protracted liquidation of SSI, and in the absence of an owner, he has been overseeing the safe and secure hard closure of the site. Government, through the Department for Business, Energy and Industrial Strategy, are currently providing an indemnity to the OR so that he can carry out his duties as liquidator of the company and ensure its ongoing safety and security.

As recommended in Lord Heseltine's report on the Tees Valley "Opportunity Unlimited", in order to understand the scale and complexity of the site it is necessary to carry out a number of site assessments, which my Department has asked the Homes and Communities Agency to take forward. These site assessments will help inform: costs to decommission the site, costs to regenerate the site and provide the necessary due diligence to enable the future mayoral development corporation—subject to legislation, local processes and agreement—to take forward the regeneration of the area.

These site assessments do not fall within the current indemnity that Government are providing. Therefore Government will be providing an indemnity to the OR to indemnify him against all liabilities, costs, expenses, damages and losses suffered or incurred by him that are arising out of the site assessments. In the coming months the safe management of the site will move to a new Government-owned company with a new site manager. At this point the indemnity will be transferred to indemnify the new management.

It is not possible at this stage to accurately quantify the value of such indemnity. HMG has considered the risks of this indemnity and I believe the likelihood of such indemnities being called upon is low. The indemnity is limited to liabilities arising as a consequence of the site assessments and the current BEIS indemnity remains in place. If the liability is called upon, provision for any payment will be sought through the normal supply procedure.

As a matter of record I have attached a departmental minute for both Houses explaining the procedure followed and containing a description of the liabilities undertaken.

Attachments can be viewed online at:

<http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-10-12/HCWS182/>.

[HCWS182]

FOREIGN AND COMMONWEALTH OFFICE

Hong Kong (Sino-British Joint Declaration)

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): The latest six-monthly report on the implementation of the Sino-British Joint Declaration on Hong Kong was published today. It covers the period from 1 January to 30 June 2016. The report has been placed in the Library of the House. A copy is also available on the Foreign and Commonwealth Office website at:

<http://www.gov.uk/government/organisations/foreign-commonwealth-office>.

I commend the report to the House.

[HCWS178]

HOME DEPARTMENT

Justice and Home Affairs Pre-Council Statement

The Secretary of State for the Home Department (Amber Rudd): The first formal Justice and Home Affairs Council of the Slovak presidency will take place on 13 and 14 October in Luxembourg. The Minister for Policing and the Fire Service, my hon. Friend the Member for Great Yarmouth (Brandon Lewis), will attend the justice day and I will attend the interior day.

The interior day (13 October) will begin with a progress report on the implementation of the European Border and Coast Guard, which came into force on 6 October. As a Schengen measure, the UK does not participate. However, the Government support action by Schengen states to improve management of the external border and will support the European Border and Coast Guard's operations by mutual consent.

The presidency will then provide a progress report on information technology measures related to border management, including the proposal to introduce systematic checks at the external border and the revised smart borders policy proposal for an entry-exit system (EES). The presidency will also ask the Commission to update on plans for the evolution of the second generation Schengen information system (SIS II) and the forthcoming proposal for an EU travel information and authorisation scheme (ETIAS). We will intervene to support those member states arguing that systematic checks should be the default at all external borders and to argue that future amendments to SIS II should support more effective police co-operation within the EU. As Schengen measures, the UK does not participate in the systematic checks at external borders and EES measures, and will not participate in the ETIAS proposal.

Next on the agenda will be a discussion on migration. This is likely to focus on implementation of the EU-Turkey deal, with updates on the wider migration situation. We will reaffirm that the UK is continuing to play its part to address the migration crisis through our support for practical work to strengthen the EU's external borders, including hotspots.

Over lunch, the presidency will hold a discussion on progress towards establishing new migration partnership frameworks with five priority countries—Ethiopia, Mali, Niger, Nigeria and Senegal. We will welcome the emphasis on addressing migration issues as a major element of the European Union's relations with third countries, but caution against limiting that approach to the current priority countries. We should look strategically at which regions and countries offer the most opportunity for impact, including in the horn of Africa, middle east and Asia.

After lunch, the presidency will provide a progress report on the six proposals relating to reform of the common European asylum system (CEAS). This is likely to focus on law enforcement access to Eurodac and the extent of the mechanism for monitoring and assessing the asylum and reception systems of member

states in the EU asylum agency proposal. The UK has not opted into the EU asylum agency proposal and is considering whether to opt into the other five proposals. We will encourage the Council to support easier law enforcement access to Eurodac.

Following this, there will be a debate on a proposal for a common EU resettlement framework. The Government have previously stated that resettlement schemes are best operated at the national level.

Under any other business, the presidency will update Ministers on the third ministerial conference of the Prague process, in which the UK does not participate, and on the progress of current legislative proposals.

The justice day (14 October) will begin with a progress report and policy debate on the proposal for a directive on the fight against fraud to the Union's financial interests by means of criminal law (PIF directive), with a view to endorsing the development of a compromise that would bring serious VAT fraud within the scope of the directive. The UK has not opted in to this proposal on the grounds that it would infringe on member states' competence to control their own taxes.

The presidency will seek member states' support for a partial general approach on the European Public Prosecutor's Office (EPPO). The UK will not participate in an EPPO.

Under any other business, the Commission will provide information on combating hate crime in the EU, specifically on the framework decision on racism and xenophobia, in which the UK does not take part as our law provides similar levels of protection, and the presidency will update the Council on current legislative proposals.

Over lunch, the presidency intends to discuss the role of Eurojust in relation to counter-terrorism. We will make the point that the UK values the work of Eurojust in helping to co-ordinate investigations and prosecutions, including counter-terrorism cases, but clearly any activity should be within its remits.

[HCWS180]

Modern Slavery: Inter-Departmental Ministerial Group Report 2016

The Secretary of State for the Home Department (Amber Rudd): Today, I am publishing the 2016 report of the Inter-Departmental Ministerial Group on Modern Slavery. This group acts as a national rapporteur for the purposes of Article 19 of the European directive on preventing and combating trafficking in human beings and protecting its victims. The report sets out an assessment of the scale of modern slavery in the UK and outlines the actions being taken to combat it. The report covers the whole of the UK and has been drafted in collaboration with the Northern Ireland Executive, the Scottish Government and the Welsh Government.

A copy of the report will be placed in the Library of the House and also made available on the gov.uk website.

[HCWS179]

ORAL ANSWERS

Wednesday 12 October 2016

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