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HOUSE OF COMMONS
OFFICIAL REPORT

PARLIAMENTARY
DEBATES

(HANSARD)

Monday 13 March 2017

HER MAJESTY'S GOVERNMENT

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OFFICIAL REPORT

IN THE SECOND SESSION OF THE FIFTY-SIXTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 18 MAY 2015]

SIXTY-SIXTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES

VOLUME 623

THIRTEENTH VOLUME OF SESSION 2016-2017

House of Commons

Monday 13 March 2017

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

Service Family Accommodation

1. **Liz McInnes** (Heywood and Middleton) (Lab): What steps his Department is taking to improve standards in service family accommodation. [909186]

The Parliamentary Under-Secretary of State for Defence (Mark Lancaster): The provision of quality accommodation is at the heart of the armed forces covenant. Around 94% of UK service family accommodation is at decent homes standard or above. Only service family accommodation at those standards will be allocated to new occupants. Since April 2016, around 14,500 kitchens, bathrooms, roofs, doors and windows, and some 10,000 new boilers, have been installed.

Liz McInnes: I thank the Minister for that response, but the armed forces continuous attitude survey in 2016 showed a significant drop in satisfaction among those living in service family accommodation—there was a decrease of seven percentage points, to just 50%. Can he assure the House that a further drop in satisfaction will lead to urgent action by the Department?

Mark Lancaster: I can, but equally I am confident that, after the Secretary of State's intervention last year with CarillionAmey and the introduction of the get well plan, we have seen a significant improvement in satisfaction. That might not yet have filtered down into the survey, but recent stats show that the satisfaction rate on the service from CarillionAmey has risen from 40% to 61%. We take this matter very seriously, which is why I am keeping a close eye on it and am determined that the services standard should continue to improve.

Sir Julian Brazier (Canterbury) (Con): I congratulate my hon. Friend on the progress that has been made on the CarillionAmey contract. However, does he agree that continuing to have service family accommodation—the patch, as it is affectionately called—is critical in providing a supportive arrangement for families when their loved ones are away on operations or indeed extended exercises?

Mark Lancaster: What our families really want is choice and support, but I can say to my hon. Friend that only recently I visited Salisbury plain and saw in Tidworth, Larkhill and elsewhere some 1,000 brand-new service family accommodation homes being built, so we take the matter very seriously. I am confident that SFA, as it is referred to, will continue to be provided, and some of those homes really are of an absolute first-rate standard. However, this is about trying to support the modern lifestyle of our service families and the way in which they work.

21. [909206] **Dan Jarvis** (Barnsley Central) (Lab): A recent Army Families Federation survey on the future of military housing showed that if SFA were reduced in favour of a rental allowance, 30% of those surveyed would definitely leave the Army and a further 46% would consider leaving. What does the Minister think the Government's future accommodation model will do for retention rates?

Mark Lancaster: As I say, it is all about choice. If the hon. Gentleman looks at that survey, he will see that the overwhelming number of young soldiers, sailors and

airmen who are yet to be married support the model that we are proposing. We are yet to make any firm decisions. We have reduced the number of options to about seven, on which we are running a business case, but I will keep the House fully informed as we progress.

Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): I welcome the Minister's comments, but 40,000 members of the armed forces have still not been consulted on the future accommodation model. Among those who have, anxieties remain about whether SFA is still a real option for their families.

Mark Lancaster: I refer back to my earlier comments. Only recently I visited Salisbury plain, where we are building 1,000 new SFA units of an excellent standard. SFA will remain an option, but it is clear that one size does not fit all and that, depending on where one is serving in the United Kingdom, various options will have to be available.

Wayne David (Caerphilly) (Lab): Last November, the National Audit Office reported:

"Poor accommodation for service families is also affecting the morale as well as the recruitment and retention of service personnel."

In other words, the situation is deplorable. My concern is that only lip service is paid to those real worries. Surely to goodness, warm words and tinkering are not enough. Real action is needed. Why will not the Minister acknowledge that and introduce real improvements quickly?

Mark Lancaster: I am really disappointed to hear the hon. Gentleman's comments. Only last year, some £64 million was invested in service family accommodation. Next year, we will invest some £80 million in service family accommodation. Perhaps, rather than sitting on the green Benches in the Chamber, he would like to take up my offer to come to see some of the new build we are providing for our families on Salisbury plain.

Wayne David: I am waiting for the invitation.

Mark Lancaster: Then here it is—so come rather than sitting on the green Benches and constantly carping.

Mr Philip Hollobone (Kettering) (Con): When service personnel are on active service abroad, the last thing they need is problems with their domestic arrangements and accommodation at home, so will the Minister ensure that, when service personnel are on active deployment, the accommodation helpline works absolutely perfectly for their partners at home?

Mark Lancaster: My hon. Friend makes a valuable point. The point at which spouses are overseas on deployment is absolutely the time when we must focus on offering support to their families. I will look very carefully at what he says.

Christian Matheson (City of Chester) (Lab): Does the Minister agree that quality accommodation is central to satisfaction and retention rates, and does he therefore also agree that, having invested a large amount in service accommodation at Dale barracks in Chester, it would be a false economy to now close those barracks?

Mark Lancaster: The driver, of course, for the better defence estate strategy is military capability, but it is important that we have good-quality accommodation. As the hon. Gentleman knows, units will be relocated in his part of the world, and we will look carefully at that.

NATO

2. **Caroline Ansell** (Eastbourne) (Con): What recent discussions he has had with his US counterpart on NATO modernisation. [909187]

The Secretary of State for Defence (Sir Michael Fallon): I regularly discuss the need to reform NATO with my counterparts, including the new US Secretary of Defence, James Mattis, whom I met at the NATO defence ministerial meeting last month. We want NATO to become a genuinely adaptable alliance that is less bureaucratic, faster and better at making decisions, and able to respond more effectively to a wide range of threats, including cyber, hybrid, and international terrorism.

Caroline Ansell: I thank the Secretary of State for his response. With NATO's operation in Afghanistan still its most significant, will my right hon. Friend join me in paying tribute to all those who have served? Does he agree that this underlines that NATO has the capability to combat terror and that it will need to do that more?

Sir Michael Fallon: We remember the service and sacrifice of those who fought terrorism in Afghanistan. Our long-term commitment as part of NATO's Resolute Support mission remains crucial in helping to build the capacity of the Afghan security forces to defend their country. As my hon. Friend implies, it is NATO that has the mandate, the operational experience and the tools to help the fight against international terrorism, and we will continue to push NATO to do more in the middle east and north Africa.

Derek Twigg (Halton) (Lab): When the Secretary of State had discussions with his US counterparts, did he talk about NATO's capability to deal with any threat from Russia in the Baltics and elsewhere?

Sir Michael Fallon: This is the year in which NATO is deploying its enhanced forward presence. I am proud that Britain is leading that deployment in Estonia. The first wave of our troops will leave for Estonia this week, and we will also be deploying in Poland and Romania. The best way to reassure our NATO allies and to deter any Russian aggression is for NATO to stand up.

Richard Benyon (Newbury) (Con): It was made clear to us in a recent meeting of the NATO Parliamentary Assembly that NATO still has a lot of allies on the hill—on both sides of Congress. Does my right hon. Friend agree that we need to help them to continue to make their case by Europe stepping up to its commitment to spend at least 2% of GDP on defence?

Sir Michael Fallon: Absolutely. We all made that commitment—the United States, ourselves and the rest of NATO—back at the Wales summit two and a half years ago. We meet the NATO spending target, and we continue to press our other allies to step up to the plate and do so, too.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May I push the Secretary of State to tell the House what the Americans are saying about what size NATO should be? That is about not just the percentage of GDP, but how big NATO should be, how that compares with the strength of the Russians, and what we would do if the Russians invaded across some of the countries of Europe.

Mr Speaker: There were three questions, to be responded to with the legendary pithiness of the Secretary of State.

Sir Michael Fallon: The purpose of the alliance is defensive. Of course, the Americans want all its members to make a fairer contribution to its overall standing. The collective nature of our defence has been underlined by the fact that article 5 has been invoked only once before, in favour of the United States.

Armed Forces Covenant

3. **Simon Danczuk** (Rochdale) (Ind): What steps his Department is taking to ensure the effective delivery of the armed forces covenant. [909188]

15. **Holly Lynch** (Halifax) (Lab): What steps his Department is taking to ensure the effective delivery of the armed forces covenant. [909200]

The Parliamentary Under-Secretary of State for Defence (Mark Lancaster): The 2016 covenant annual report clearly demonstrates the progress that has been made since the covenant was enshrined in law. Today, I am pleased to announce a new initiative by the main broadband providers: personnel posted to a location not covered by their current provider can now cancel their broadband without incurring any additional fees. I thank BT, EE, Plusnet, TalkTalk, Sky and Virgin Media for their support.

Simon Danczuk: Councillor McCarthy and Rochdale Council go above and beyond when it comes to delivering the armed forces covenant. This includes having a dedicated council officer—Caen Matthews, a former veteran himself—to ensure that those who fought for our country are properly looked after in our town. Will the Minister congratulate Rochdale Council on its success, and will he encourage other councils to follow suit?

Mark Lancaster: I heartily congratulate all those at Rochdale Borough Council—and, indeed, the hon. Gentleman—and thank them for their efforts. They have introduced measures that make a real difference to the armed forces community, ranging from providing practical support to members of our ex-services community seeking social housing to the naming of streets in recognition of local armed forces heroes. I commend the council's good example to colleagues across the country and wish it well with its continuing work in support of the covenant.

Holly Lynch: Some amazing work is undertaken by the British Legion and other charities in my constituency and across the UK, but the head of SSAFA, the Armed Forces Charity, has recently warned that the “Armed Forces Covenant lacks bite”.

Many local authorities seem to feel that complying with the covenant is an option rather than an obligation. Will the Minister tell us what the Government are doing to reinforce the message of just how essential the covenant is?

Mark Lancaster: I think that there is an acceptance across the House of just how important the covenant is, and I am delighted that every local authority in Great Britain and four in Northern Ireland—has now signed it. Last year, we sent out a survey to try to establish best practice, and we are now moving on to the next stage, in which we will look carefully at those local authorities and other organisations that are not doing what they said they would do, and encourage them to remedy that. Ultimately we could revoke the agreement with them, but I would like to think that we would never get to that stage.

Mr Mark Francois (Rayleigh and Wickford) (Con): Will the Minister say a bit more about the corporate covenant—the business element of the covenant through which many companies make contributions to help service families and personnel? There has been quite a lot of success in that area.

Mark Lancaster: There has. As my right hon. Friend knows, we have now combined the community covenant and the corporate covenant into the armed forces covenant. I hope that some 1,500 businesses will have signed the covenant by later this week, and that is a testament to British business. It also illustrates the fact that this is a two-way deal, in that the skill sets that we give to our armed forces personnel will ultimately help our businesses as well.

Robert Courts (Witney) (Con): Will the Minister please tell the House how the Department will spend the savings made through the cancellation of the e-bluey contract to improve communications for serving personnel?

Mark Lancaster: Since its peak, the use of e-blueys has reduced by some 98%, meaning that an e-bluey can sometimes cost £17. The service will cease from 1 April, but all the money saved will be reinvested, and there is now nowhere overseas that does not have access to the internet. However, we are looking carefully at this to ensure that nobody will be disadvantaged when the new service is introduced.

Gavin Robinson (Belfast East) (DUP): During a recent sitting of the Defence Committee, I shared with the Minister correspondence from the then Health Minister for Northern Ireland, now the leader of Sinn Féin, who pointedly said:

“the Armed Forces Covenant is not in place here”.

What advice and guidance can the Minister give in the face of such intransigence?

Mark Lancaster: We all understand that the armed forces covenant applies throughout the United Kingdom. I appreciate that there are specific challenges in Northern Ireland, and I have already said that I intend to make that a priority for this year. To that end, I shall be visiting Northern Ireland shortly.

Royal Navy

4. **Oliver Colvile** (Plymouth, Sutton and Devonport) (Con): What operations the Royal Navy is currently engaged in. [909189]

The Minister for the Armed Forces (Mike Penning): In this year of the Royal Navy, the service is deployed at home and around the globe 365 days a year, protecting national interests and promoting our prosperity. Whether maintaining our continuous at-sea deterrent, providing reassurance to British overseas territories or conducting counter-piracy and counter-narcotics patrols, we will be there when we are needed.

Oliver Colvile: Given that the Ministry of Defence has confirmed that Plymouth will be the centre for the Royal Marines, has my right hon. Friend considered base-porting all the Type 23s in Devonport?

Mike Penning: We will look carefully at this as the new ships come on stream and as we spend £63 billion on the Royal Navy in the next few years. We will ensure that Devonport gets a very good look-in.

Mr Kevan Jones (North Durham) (Lab): I am not sure whether the Minister mentioned this, but one of the Royal Navy's key roles is to meet NATO commitments to protect not just this country but our allies. In that context, will he say whether the new Type 31 frigate will actually be able to meet those NATO commitments?

Mike Penning: I am sure that, when the Type 23 frigate comes in, it certainly will—[*Interruption.*] Type 31; I apologise. We have extensive NATO commitments around the world: HMS Ocean is just returning from six months in the Gulf and will be in Gibraltar soon; and HMS Daring is down off the strait of Hormuz. As for HMS Dragon, I was woken in the early hours because one of our civilian yachts was in distress with a crew of 14, some of whom were injured, and that Type 45 sailed 500 miles to rescue them. That is exactly what our Navy is for.

22. [909207] **Bob Blackman** (Harrow East) (Con): The role of the Royal Navy will clearly be even more important in the future, so will the Minister update the House on exactly how many ships will be bought and what type of ships they will be?

Mike Penning: We will have new frigates, new submarines, new aircraft carriers, new patrol vessels, and new aircraft to support them—£63 billion of expenditure in the year of the Navy and going forward.

Keith Vaz (Leicester East) (Lab): The Royal Navy is at the forefront of tackling the migration crisis in the Mediterranean by training the Libyan coastguard. Is it now allowed to enter Libyan waters, as opposed to remaining in international waters, because that is the way to stop the people traffickers sending boats in the first place?

Mike Penning: The right hon. Gentleman is absolutely right. That is exactly what we have been pressing for along with our coalition colleagues for some time. We have been training the coastguard, and we want to do more, but we cannot enter that area at the moment.

James Gray (North Wiltshire) (Con): For some two decades, NATO's focus has been largely land-based, particularly in Afghanistan, Iraq and other such hot and dusty places. However, we now acknowledge that the threat will increasingly come in the north Atlantic and Arctic, particularly with the reinvention of the Russian "Bastion" concept, and the Royal Navy and NATO will increasingly have to turn their attention back to that area of threat.

Mike Penning: We would all agree that the Royal Navy is capable of doing exactly what we ask it to do. As we are now turning back to eastern Europe, which we thought we had turned away from, with our land and air defences, that is exactly what the Royal Navy will be doing elsewhere.

Douglas Chapman (Dunfermline and West Fife) (SNP): We have Royal Navy Astute-class submarines that are too slow to keep up with US carriers. We have no maritime patrol aircraft and await a contract to be signed. We are waiting for the Type 26 contract to be signed and there is also still no sign of the shipbuilding strategy. At a time when Russian incursions into our waters are at cold war levels, does the Minister agree that it is time for the Scottish people to take decisions on how to defend their country?

Mike Penning: If the Scottish people want their armed forces to be run down and demoralised, they should listen to what the hon. Gentleman just said.

Dr Andrew Murrison (South West Wiltshire) (Con): The Royal Navy has run EUNAVFOR Operation Atalanta successfully for many years. Does my right hon. Friend agree that we should continue to usefully co-operate with our European neighbours on such things after we leave the European Union?

Mike Penning: We are leaving the European Union; we are not leaving Europe. We will continue to consider all the work that we can do with our European friends.

Brendan O'Hara (Argyll and Bute) (SNP): Last week, there were reports of increased activity in the number of ships moving unchecked through UK waters having deliberately deactivated their tracking system. On one occasion, a Cypriot ship called in at Algeria and then moored off the coast of Islay in my constituency. With that increased level of suspicious activity and Scotland's proximity to the high north and Arctic, does the Minister believe that a sufficient number of large surface ships are based in Scotland to meet that threat?

Mike Penning: The ships do not have to be based in Scotland—even though an extensive number of ships are based in Scotland—to protect Scotland and the United Kingdom. They are at sea, where they are doing exactly what they should be doing.

Brendan O'Hara: How can the Minister say that ships do not need to be based in Scotland to protect Scotland when the world's hotspot is the high north and Arctic? Let me ask this again: does the Minister think that having no large Royal Navy surface ships based in Scotland is the best way to protect Scotland, and to meet our obligations to our Nordic neighbours and allies in the high north?

Mike Penning: All our submarines, including those with the nuclear deterrent, which the Scottish National party wants to get rid of, are based in Scotland. Ships at sea is what we need, not ships hiding in ports.

Veterans: Civilian Workforce

5. **Chi Onwurah** (Newcastle upon Tyne Central) (Lab): What assessment he has made of the adequacy of support available to veterans entering the civilian workforce. [909190]

The Parliamentary Under-Secretary of State for Defence (Mark Lancaster): The Department's career transition partnership provides a robust and effective system to support service personnel entering the civilian workforce. The CTP provides one-to-one advice and guidance, and training and employment opportunities to about 15,000 service personnel each year.

Chi Onwurah: It is entirely unacceptable that the unemployment rate for veterans should be a third higher than that for non-veterans. Service personnel have told me that they might find it difficult to translate their important experience on the battlefield into the softer skills that industry requires today, such as teamwork, management and communication skills. What is the Minister specifically doing to address that point?

Mark Lancaster: I have no idea where the hon. Lady gets her facts from and I am slightly worried that we seem to be talking veterans down again. As a result of the CTP, some 85% of our service personnel find employment within six months—some 10% higher than the figure for the UK population as a whole.

Andrew Stephenson (Pendle) (Con): Service leavers have been highly trained and possess highly transferable skills which add value to any company in the civilian world. What more can be done to ensure that civilian employers understand the value of former service personnel?

Mark Lancaster: This is exactly where the armed forces covenant comes in and it shows why we must be so careful in this House when we seem determined sometimes to talk our veterans down. The sorts of skill sets that they can bring to civilian companies are very valuable, and this is something we absolutely enforce now that some 95% of our recruits join an apprenticeship scheme.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): Our veterans are some of the most hard-working, dedicated and experienced men and women any employer could ask for, yet many of us have heard troubling stories of discrimination against former servicemen and women in the jobs market. Does the Minister agree with the Labour party that we should act to make discrimination against the forces community illegal, in order to protect our veterans and service personnel from any prejudice they may face?

Mark Lancaster: I welcome the hon. Gentleman to the Dispatch Box, and could not agree more with his opening comments—perhaps he needs to educate some of his colleagues about that. This is precisely why we have the armed forces covenant. At this early stage, we

are trying through that mechanism to ensure that the value of our veterans is fully understood by wider society.

NATO Spending Target

6. **Nigel Huddleston** (Mid Worcestershire) (Con): What recent discussions he has had with his international counterparts on NATO's 2% GDP spending target. [909191]

The Parliamentary Under-Secretary of State for Defence (Harriett Baldwin): Ministers have regular discussions with international counterparts on NATO's 2% of GDP spending target. It is important that all NATO allies meet the 2% commitment they made at the Wales summit in 2014.

Nigel Huddleston: Will the Minister name which NATO allies do not currently spend 2% of GDP on defence? What reasons or excuses have they given for that?

Mr Speaker: Subject to the constraints of brevity, Minister.

Harriett Baldwin: Listing the 23 that do not spend 2% would take too long, but I reassure my hon. Friend that the five that do meet the target are the United States, the UK, Poland, Greece and Estonia. I am sure he can deduce from that the absentees.

23. [909208] **Mrs Madeleine Moon** (Bridgend) (Lab): Germany currently spends 1.23% of GDP—€36 billion—on defence and to spend 2% it would need almost to double that, to €60 billion. Does the Minister appreciate that a rearmed Germany would give concern not only to some of its neighbours, but to Russia, thus potentially increasing the difficulties we face with tensions on the Russian border?

Harriett Baldwin: With the greatest respect, we think it is incredibly important that all NATO members, who share joint responsibility for the defence of the alliance, committed at the NATO conference in Wales in 2014 to spend 2% of GDP. We welcome the fact that eight further countries are now on a clear trajectory to meet that target, and Ministers from across all Departments continue to have discussions to encourage them to reach it.

25. [909210] **Mr Peter Bone** (Wellingborough) (Con): I dissociate myself from the remarks made by the hon. Member for Bridgend (Mrs Moon); that was an extraordinary statement about Germany.

Since you have been here, Mr Speaker, how many Ministers have come to the Dispatch Box to say exactly the same thing—that we are encouraging other NATO members to meet the target? Some of our European partners take the whole thing for granted in the knowledge that we and the Americans pick up the bill. What are we actually going to do about it to get them to pay what they should pay?

Harriett Baldwin: I reassure my hon. Friend that there has been progress. Five countries now meet the 2% target, up from three in 2014; 10 countries now meet the 20% pledge on major equipment and research; and the

cuts to defence spending overall have been halted. I am sure, though, that everyone would agree with the sentiment he expressed: we cannot reiterate too often that we hope everyone will reach the 2% pledge soon.

Fabian Hamilton (Leeds North East) (Lab): Last month, the International Institute for Strategic Studies concluded that the Government have in fact missed the 2% NATO defence spending target, and that they would have missed it by even more had they not included budgetary headings such as pensions, which do not contribute to our defence capabilities and were not included when Labour was in government. Is it not time that we went back to the criteria used for defence spending when the Labour party was in power so that we may give our armed forces the resources they need?

Harriett Baldwin: Well, honestly, I wonder whether the hon. Gentleman has read the Defence Committee's report, which

“commends the UK Government's commitment to UK defence and finds that its accounting criteria fall firmly within existing NATO guidelines”—

as does NATO itself. It would be worrying if we were to follow his party leader, who wants to see cuts to defence spending, the abandonment of our NATO allies and the scrapping of the nuclear deterrent.

Dr Julian Lewis (New Forest East) (Con): May I helpfully suggest to the Minister that one way she could avoid these arguments about whether we have or have not scraped over the 2% line is to recognise that the last time we faced threats like those we face today was the 1980s, when we used to spend between 4.5% and 5% of GDP on defence? Let us settle for 3% so that we can avoid this sort of argument.

Harriett Baldwin: I appreciate my right hon. Friend's campaign. We are proud of the fact that we are spending substantially more than the 2% target; that we have a growing defence budget for the first time in many years; and that we are on track to have a £178 billion equipment plan over the next decade.

Daesh

7. **Wendy Morton** (Aldridge-Brownhills) (Con): What recent assessment he has made of progress in the international campaign to tackle Daesh. [909192]

14. **Ms Tasmina Ahmed-Sheikh** (Ochil and South Perthshire) (SNP): What recent progress has been made on the international campaign against Daesh. [909199]

18. **David Mackintosh** (Northampton South) (Con): What recent assessment he has made of progress in the international campaign to tackle Daesh. [909203]

The Secretary of State for Defence (Sir Michael Fallon): Iraqi forces continue to make good progress against Daesh. East Mosul was freed in January; west Mosul operations are on track. Yesterday, RAF Typhoons supported the Iraqi forces in Mosul by demolishing a Daesh base. Syrian Democratic Forces are less than 10 km from Daesh's stronghold in Raqqa, backed by RAF strikes, including one yesterday on a large Daesh headquarters.

Wendy Morton: Given the growing success in Iraq, will my right hon. Friend confirm that British forces and the coalition will continue to maintain pressure on Daesh in Syria and develop plans to liberate its other HQ in Raqqa?

Sir Michael Fallon: Yes, we need to keep up the pressure on both. With coalition help, Syrian Democratic Forces are making good progress in operations to isolate Raqqa. Senior coalition officers, including some from the UK, are now working on how the coalition might best support the liberation of Raqqa. They are visiting coalition sites in northern Syria as needed to co-ordinate coalition support and to engage partner forces.

Ms Ahmed-Sheikh: There have been recent reports from Iraq of mass graves being uncovered in territory formerly held by Daesh, including the discovery of 4,000 bodies at al-Khasfa, near Mosul. What support is the Ministry of Defence offering the Iraqi Government to ensure that the foul perpetrators are brought to justice swiftly?

Sir Michael Fallon: Yes, in the counter-Daesh coalition we are working to see how we can accumulate the evidence so that those from Daesh who may have committed the most heinous of crimes can properly be brought to justice, either in Iraq or, indeed, elsewhere.

David Mackintosh: Will my right hon. Friend update the House on how the coalition is monitoring the dispersal of Daesh fighters from Iraq who may be moving to other theatres?

Sir Michael Fallon: We work with other countries in the region to co-ordinate efforts to manage the threat posed by the dispersal of foreign fighters from Iraq and Syria. Around 30,000 to 40,000 extremists from around the world have travelled to Syria and Iraq since 2011. Many will be killed in combat or will relocate to other Daesh-held areas. Our current assessment is that a large-scale dispersal is unlikely.

20. [909205] **Callum McCaig** (Aberdeen South) (SNP): Independent monitors report that this month, in the space of one week, the international coalition killed as many as 370 civilians in air strikes in Mosul. Has the Secretary of State investigated those claims, and what assurances can he give us that UK air strikes will not involve civilian deaths in Mosul?

Sir Michael Fallon: Let me make it very clear that the Royal Air Force, in its precision air strikes, makes every effort to minimise the risk of civilian casualties. We work very closely with organisations such as Airwars. Where there are allegations that civilians have died as a result of coalition air strikes, we want those allegations fully investigated.

Jack Lopresti (Filton and Bradley Stoke) (Con): Will my right hon. Friend reassure the House that we are doing everything possible to help local indigenous forces on the ground with the liberation of Mosul and the defeat of Daesh, not only in relation to equipment and ammunition, but with regard to access to medical care, protective equipment such as helmets and body armour, and getting the right supplies and expertise for their wounded?

Sir Michael Fallon: Let me give my hon. Friend that assurance. I am proud that British forces have trained nearly 40,000 Iraqi and Kurdish troops over the past couple of years. Much of that training has been devoted to reducing the number of casualties that those troops are likely to have to face in operations in the Euphrates river valley and operations to liberate Mosul, and is exactly along the lines that he suggests.

Ruth Smeeth (Stoke-on-Trent North) (Lab): We have obviously seen significant success in Mosul in recent months, and I am sure that the whole House joins me in sending our prayers and gratitude to those serving in our forces, but can you tell us what lessons we are learning from our success in Mosul, so that we can apply them effectively to the battle in Raqqa?

Mr Speaker: I cannot, but hopefully the Secretary of State can.

Sir Michael Fallon: I shall do my best, Mr Speaker. The campaign in Mosul is particularly complicated. West Mosul, in particular, is a very densely urban area—it is twice the density of east Mosul—so precision strikes in support of ground forces are all the more difficult for coalition aircraft, but as the campaign goes on, the use of precision air power and the training that the Iraqi forces have received make it more and more likely that they will, in the end, be successful, both in Iraq and, later on, in Syria.

Sir Desmond Swayne (New Forest West) (Con): What can be done to ensure that liberated Sunni communities can be embraced by the political economy of Iraq?

Sir Michael Fallon: My right hon. Friend is absolutely right that we need to stabilise these areas as quickly as possible—again, not simply by giving them access to essential services, but by encouraging a process of political reconciliation that ensures that in the Sunni areas, particularly in the Nineveh and Anbar provinces, the Sunnis feel that they have a sufficient stake in the future development of Iraq. I have made that point to the Prime Minister of Iraq and its President, and to the coalition commanders.

Tom Brake (Carshalton and Wallington) (LD): Have the UK Government received any requests from their allies in the fight against Daesh to deploy ground troops in and around Raqqa? Can the Secretary of State confirm that, if that request came in, Parliament would have an opportunity to vote on the matter?

Sir Michael Fallon: I have been clear with the House that we are not committing combat troops to Syria. I referred to the presence there of some coalition commanders, who have been assessing the situation on the ground, but we are not committing combat troops to the fight in Syria, and if we were to do so, of course we would come back to Parliament.

Stephen Crabb (Preseli Pembrokeshire) (Con): Will my right hon. Friend confirm the importance that we place on our defence co-operation with the Egyptian Government, and pledge further support to Egypt as it seeks to contain the Daesh threat in north Africa and Sinai?

Sir Michael Fallon: Yes, I can confirm that. I met General Hegazy, the chief of the defence staff of Egypt, on his recent visit to this country. Of course, Egypt has a big part to play in ensuring that the different factions and loyalties in Libya can be brought together for a political settlement in that country.

Nia Griffith (Llanelli) (Lab): On my recent visit to Cyprus, I was privileged to meet the dedicated RAF crews who work night and day to keep up the fight against Daesh in Iraq and Syria. I am concerned that there is currently no specific medal to recognise the dedication and bravery of the servicemen and women on Operation Shader. In doing their duty, these men and women are protecting UK citizens from the threat posed by Daesh as well as defending civilians in the region. Will the Secretary of State now commit to recognising their service with a specific Operation Shader medal?

Sir Michael Fallon: I am glad that the hon. Lady had a successful visit to our forces in Cyprus. I am sure that the whole House will join her in recognising and thanking our brave servicemen and women, who have contributed tirelessly to this campaign for more than two and a half years. The operational recognition board at our permanent joint headquarters is keeping the issue of the medal under review. As soon as a decision is made on the appropriate medallic recognition for Operation Shader, an announcement will be made to this House.

Nia Griffith: I thank the Secretary of State for his answer. It is heartening to see the real progress that is being made to liberate Mosul and the role that our forces are playing in that, and yet we know that it is only part of a wider campaign to eradicate Daesh in the region. As the focus will soon turn to Syria, where there are considerably greater challenges, will he tell us in greater detail what role he expects the RAF to play in the battle for Raqqa and other Daesh strongholds?

Sir Michael Fallon: It is important to recognise that Daesh has lost a considerable amount of territory in Syria as well as in Iraq, not least due to the efforts of the coalition air operation in which the RAF is playing a major part in gathering intelligence and carrying out precision strikes, as recently as yesterday in the area immediately surrounding Raqqa. We will continue to play that part, providing precision air strikes, gathering intelligence from the air and doing what we can to ensure that Daesh is driven out of Syria, as I hope it will shortly be driven out of Iraq.

Royal Navy: UK Economic Interests

8. **Michael Fabricant** (Lichfield) (Con): What international operations the Royal Navy is conducting in support of UK economic interests and the Global Britain campaign; and if he will make a statement.

[909193]

The Parliamentary Under-Secretary of State for Defence (Harriett Baldwin): The 2015 national security strategy strengthens the historic role of the Royal Navy in promoting our national prosperity. Royal Navy ships

are deployed today around the globe, from the Falklands to the Gulf and the Caribbean, supporting the UK's economic interests.

Michael Fabricant: I thank my hon. Friend for her answer. I believe that she was waving the flag for Britain and our exports with HMS Penzance in Abu Dhabi recently. Does she agree that it is about not just protecting our seaways, but waving the flag and promoting Britain and our exports, particularly those from the west midlands?

Harriett Baldwin: Indeed, I was delighted to be welcomed on board HMS Penzance in Abu Dhabi and to thank the crew for the valuable contribution they are making in mine counter-measures. The Royal Navy will deploy ships to various ports throughout 2017. Only last week, HMS Ocean visited Beirut where the ship acted as a showcase for British industry—indeed midlands industry—including Jaguar Land Rover and Aston Martin.

Richard Drax (South Dorset) (Con): When the United Kingdom leaves the EU in two years' time, our military commitments are likely to increase. Will my hon. Friend assure me that we will have enough Royal Navy ships to ensure that our commitments on our shores, on our trade routes, to our dependants and to NATO are met?

Harriett Baldwin: My hon. Friend is absolutely right to highlight the importance of the Royal Navy. Of course, 2017 is the year of the Royal Navy as it prepares to welcome the new aircraft carriers, submarines, frigates, offshore patrol vessels and the aircrafts from which to fly.

Defence Estate Strategy

9. **Mike Weir** (Angus) (SNP): What progress he has made on implementing the defence estate strategy. [909194]

The Parliamentary Under-Secretary of State for Defence (**Mark Lancaster**): The Ministry of Defence is conducting a series of detailed assessments at affected sites, which is expected to take 12 to 18 months to complete. The assessments will more precisely define the exact moves, but good progress is being made.

Mike Weir: When launching the reviews, Ministers said that they would release land for housing and boost local economies. What weight is the Minister giving to projects for affordable housing and other community projects in determining the price that is asked?

Mark Lancaster: The disposal of land has to follow Treasury guidelines, but I am delighted that Angus Council has expressed an interest in purchasing the land at RM Condor in the hon. Gentleman's constituency. I am equally delighted that progress will continue on Thursday, when Defence Infrastructure Organisation officials will meet council officials.

Danny Kinahan (South Antrim) (UUP): What consideration has been given to the use of the Ballykinler site in Northern Ireland for social housing or housing for veterans?

Mark Lancaster: There have recently been discussions about the potential use of the accommodation at that site, and those discussions will continue.

Mr Speaker: The hon. Member for Sleaford and North Hykeham is, of course, also a doctor. That fact was erroneously not reflected on the Order Paper. I hope that will not happen again. I call Dr Caroline Johnson.

Cadet Units: State Schools

10. **Dr Caroline Johnson** (Sleaford and North Hykeham) (Con): What steps he is taking to increase the number of cadet units in state schools. [909195]

The Minister for the Armed Forces (**Mike Penning**): In 2015, the Government committed £50 million to increase the number of cadet units in the UK state school sector under the cadet expansion programme. This joint Ministry of Defence and Department for Education project targets areas of social and economic deprivation, and is on target to hit 500 cadet units in schools by 2020.

Dr Johnson: The Lincolnshire Army Cadet Force does valuable work with young people, particularly the Two Squadron detachment based in Sleaford. I am delighted that so many people in the county have the chance to become a cadet, but that is not the case everywhere. Will my right hon. Friend confirm that he will prioritise the approval of new units in areas where young people do not have the opportunity to become a cadet?

Mike Penning: I declare an interest in that I was an air cadet and an Army cadet before I joined the armed forces many, many years ago. St George's Academy—a comprehensive school—in my hon. Friend's constituency has expressed an interest, and we hope to give the school an indication of whether that has been approved in the autumn.

Closure of MOD Sites

11. **Rachael Maskell** (York Central) (Lab/Co-op): What assessment he has made of the economic and social effect on local communities of proposals in the defence estate review for the closure of Ministry of Defence sites. [909196]

The Parliamentary Under-Secretary of State for Defence (**Mark Lancaster**): "A Better Defence Estate" is a military-led review. This estate optimisation strategy was developed in consultation with senior military officers to optimise defence infrastructure to better support military capability. The MOD has engaged with, and will continue to engage with, local authorities in order to maximise and enhance local economic development as well as value for money for defence.

Rachael Maskell: "A Better Defence Estate" will result in more than 500 civilian and contractor jobs lost in York, where the local economy is already struggling with low wages and job losses. Why is the Minister not following joint service publication 507, which determines that an economic and social impact assessment has to take place first? Will he work across Government to ensure that we can secure jobs in York?

Mark Lancaster: Let us be clear that the site the hon. Lady mentions is due for disposal in some 14 years' time in 2031. We will be following all due process. The economic impact assessment is as much a useful document for the local authority to see what gaps there may be as a result of the estate being closed, so that we can work closely with the local authority to see how we can move forward.

Ms Margaret Ritchie (South Down) (SDLP): Further to my meeting with the Minister last week regarding housing at Ballykinler Army camp, and further to the question of the hon. Member for South Antrim (Danny Kinahan), will the Minister detail the nature of the further discussions he mentioned? What detail will be provided to ensure that those houses are released to meet unmet housing need?

Mark Lancaster: With respect to the hon. Lady, we discussed this in detail last week, so I will simply do as I said I would in that meeting and write to her in due course.

Departmental Funding

12. **Nick Smith (Blaenau Gwent) (Lab):** What recent discussions he has had with the Chancellor of the Exchequer on the level of funding for his Department. [909197]

The Secretary of State for Defence (Sir Michael Fallon): I have regular discussions with the Chancellor. The 2015 spending review set out spending plans for the remainder of this Parliament. The Chancellor confirmed last Wednesday that the Government are committed to growing the defence budget at 0.5% above inflation each year until 2020-21. We also have access to the joint security fund. With these commitments, the defence budget will rise from £35 billion this year to almost £40 billion by the end of this Parliament.

Nick Smith: Why does the Government's defence spending return to NATO include more than £1 billion of war and civilian pensions? These do not contribute to our defence and were not included under a Labour Government. Concern over these accounting tricks undermines confidence in our defence spending targets.

Sir Michael Fallon: The return we make to NATO captures all the spending that falls to the defence budget, and it is for NATO to decide whether that return is properly completed. Indeed, a Committee of this House found that the

“accounting criteria fall firmly within existing NATO guidelines.”

Surplus Land

16. **Rebecca Harris (Castle Point) (Con):** What steps he is taking to release surplus Ministry of Defence land. [909201]

The Parliamentary Under-Secretary of State for Defence (Mark Lancaster): As part of an ongoing programme, all land that is surplus to defence requirements is sold in accordance with the guidelines set by the Treasury. This release of sites supports the Department's contribution

to the Government's public sector land release target to reduce the housing deficit or contribute to economic development.

Rebecca Harris: I appreciate that some people will be concerned about the release of some MOD land, but does my hon. Friend agree that, for anyone who is anxious to have a home of their own or who needs new business premises, it often cannot come quickly enough?

Mark Lancaster: Indeed. I would point the House to the recent sale of the Hullavington site, which I was delighted was bought by Sir James Dyson. While it may not be going directly to housing, it will become the Dyson global research and development hub, which will bring much-needed economic development to the area.

Topical Questions

T1. [909211] **Neil Carmichael (Stroud) (Con):** If he will make a statement on his departmental responsibilities.

The Secretary of State for Defence (Sir Michael Fallon): My priorities remain operations against Daesh and implementing our strategic defence review.

Last Thursday, Her Majesty the Queen unveiled a monument to the service and sacrifice of our armed forces in Iraq and Afghanistan. For too long, those troops faced false allegations made by Mr Phil Shiner, and my Department supplied evidence that finally saw him struck off last month. I am therefore now pleased to confirm that the Iraq Historic Allegations Team will close by the summer.

Neil Carmichael: Does Sweden's announcing that it plans on reintroducing conscription signal an awareness in countries such as Sweden that there is an increasing problem from Russia and elsewhere, and should that be translated into an argument for spending 2% of GDP on defence?

Sir Michael Fallon: Well, yes. Europe faces a wide range of threats, including those from Russian aggression and international terrorism. European nations need the capabilities to respond and the funding to provide those capabilities. I reminded a meeting of EU Foreign and Defence Ministers last week of the importance of all of us who are members of NATO meeting that NATO spending target.

Nia Griffith (Llanelli) (Lab): The outsourcing of public services frequently results in lower levels of staffing, less continuity, less training and less vetting. Given that the MOD Guard Service was set up in the wake of the 1989 bombing of the Royal Marines building at Deal, when 11 marines died, and that failures by a private security firm were identified, will the Government recognise the sensitivity of the work done by the MOD guards and abandon plans to privatise the service?

Sir Michael Fallon: Let me make it clear to the hon. Lady that we are currently considering the options for the future provision of an effective unarmed guarding service throughout the United Kingdom, which, at the moment, is being provided by a multiplicity of different services. The aim is to achieve maximum value for

money to ensure that we can focus resources on military capability, but security remains a priority, and no decisions will be made that would compromise the security of our personnel, our information or our physical assets.

T5. [909215] **Pauline Latham** (Mid Derbyshire) (Con): Can my right hon. Friend recall a time when the deployment of British forces to a NATO ally has not had the support of the whole House?

Sir Michael Fallon: This House has a long history of supporting our armed forces as they serve and protect our country and our allies. I am obviously disappointed that the Leader of the Opposition has described this week's defensive deployments to Estonia and Poland as escalatory, and I hope the shadow Defence Secretary will take this opportunity to condemn those remarks today.

T2. [909212] **Conor McGinn** (St Helens North) (Lab): The Duke of Lancaster's Regiment headquarters and museum, Fulwood barracks, is to be sold off, while its 2nd battalion will lose over half its complement of soldiers and move to Aldershot. That will leave just one regular infantry battalion in the north-west by 2020 in that regiment, which as it stands has no headquarters identified after 2022. What message do the Government think that sends to serving personnel in St Helens and to the young men and women who want to follow in their footsteps and join Merseyside's county regiment?

The Minister for the Armed Forces (Mike Penning): The best message we can send to that unit—I know the hon. Gentleman will do this with me—is that it is one of the best units in the British Army. I have visited it on operations literally around the world. We will support it all the way through. At the same time, we must get the best estates for the best parts of the Army.

T8. [909219] **Amanda Milling** (Cannock Chase) (Con): Thirty-five years on, our armed forces still play a vital role in safeguarding the security of the Falkland Islands and other British overseas territories in the south Atlantic. Can my right hon. Friend confirm that this Government are committed to maintaining a strong armed forces presence in the Falklands?

Mike Penning: Thirty-five years on, we not only continue but will enhance the protection of the Falkland Islands. I know that many colleagues from the House have visited the Falklands recently and seen the excellent work that our armed forces do far away from home. We will continue to support that with the Typhoons, the Rapiers, and the other battalions that are there now.¹

T3. [909213] **Gill Furniss** (Sheffield, Brightside and Hillsborough) (Lab): Toolmakers in my constituency such as J. Adams Ltd have made high-quality military knives for the defence sector for six generations. The UK's manufacturing industry is more than capable of supplying the sector, but new Royal Navy Trident submarines and offshore patrol vessels are being built using foreign steel. When is the Ministry of Defence going to publish a proper defence industrial strategy so that we can start supporting UK steel and manufacturing instead of buying off the shelf from abroad?

The Parliamentary Under-Secretary of State for Defence (Harriett Baldwin): Of course we want UK steel to be used wherever possible. That is why last year we published the full pipeline of steel that we will need across the whole of Government. We work with our suppliers to encourage them to use British steel producers, where available, in that pipeline.

Jake Berry (Rossendale and Darwen) (Con): At Defence questions on 30 January, I asked the Minister how many people were currently working in defence procurement and what plans the Government have to reduce that number. She subsequently wrote to me to say that 11,500 people are currently working in procurement. Given that this equates to 149 people per ship in the Royal Navy, 14 people per aircraft in the Royal Air Force and one person per seven soldiers, will she now say what steps the Government are going to take to reduce this extremely large number?

Harriett Baldwin: I would like to emphasise to my hon. Friend that a lot of those people will in fact be uniformed. What often happens is that they rotate through the teams that are involved in procurement because there is no one better than our uniformed personnel to decide on the requirements that are needed. However, he is absolutely right that they are not immune to the need, across the whole of defence, to continue to find ways to spend more efficiently.

T4. [909214] **Martyn Day** (Linlithgow and East Falkirk) (SNP): Last week the Royal United Services Institute published a report demonstrating that the Royal Navy is no longer designed for sea control in the north Atlantic. Indeed, there is not one major surface vessel based in Scotland. Can the Minister confirm that the lesser spotted national shipbuilding strategy, if and when we eventually see it, will redress this strategic imbalance?

Mike Penning: Yet again Scottish National party Members want to run down the Royal Navy and the fantastic work it is doing. What is important is whether the Navy is there and whether our submarines are there. They are, and this is exactly what the Navy will be expected to do.

Mr Mark Francois (Rayleigh and Wickford) (Con): HMS Queen Elizabeth and HMS Prince of Wales, the two largest warships ever procured for the Royal Navy, are currently being built and fitted out in Scotland. As Scotland is much in the news today, will the Secretary of State take this opportunity to remind the House of the great defence benefits there are in Scotland remaining part of our United Kingdom?

Sir Michael Fallon: Yes. I visited both carriers last week. This will be a huge asset for the Royal Navy and for this country. Let us be very clear: Scotland is getting all the Royal Navy's submarines, a major Army base is growing at Leuchars, and there is huge investment at Lossiemouth with an additional Typhoon squadron and the deployment of our new maritime patrol aircraft. Scotland plays a huge part in the defence of the United Kingdom.

T6. [909216] **Jessica Morden** (Newport East) (Lab): The latest UK armed forces monthly figures show that while 6,690 people joined the reservists in the past 12 months, over 5,000 left. What more is being done to encourage the retention of reservists?

1. [Official Report, 14 March 2017, Vol. 623, c. 4MC.]

The Parliamentary Under-Secretary of State for Defence

(Mark Lancaster): I am pleased to say that we remain ahead of target in recruiting our reserves. The key to retention—I declare my hand as a serving reservist—is to make sure that we continue to offer interesting and exciting opportunities and training in the reserves, and we aim to do that.

Nusrat Ghani (Wealden) (Con): The Saudi-led Islamic military alliance to defeat Daesh has grown from 34 to 40 members. The role of Islamic countries in defeating Daesh, especially its poisonous ideology, is absolutely key. What update does my right hon. Friend the Secretary of State have from the Saudis on the progress made by the Saudi coalition?

Sir Michael Fallon: We welcome the role that the Kingdom of Saudi Arabia has taken in leading the effort to discredit the so-called ideology of Daesh. We, too, are leading work on strategic communications, and we recently hosted the very latest coalition conference, which brings together all our international efforts. I am particularly pleased that this campaign is being strengthened by the commitment of Saudi Arabia to rid this religion of its appalling extremism.

T7. [909218] **Mr Jim Cunningham (Coventry South) (Lab):** Following on from the answer that the Minister gave to my hon. Friend the Member for Sheffield, Brightside and Hillsborough (Gill Furniss), can she name the projects in which British steel is actually being used to safeguard British steelworkers jobs?

Harriett Baldwin: We are committed to building Type 26 frigates, and that forms part of the pipeline of defence procurement where we are going to need steel. Our main supplier is running a competition in which I believe five UK firms are participating.

Dr Julian Lewis (New Forest East) (Con): Did Ministers see the evidence given to the Select Committee on Defence last Tuesday by four eminent professors of law, indicating that there is no legal reason why a statute of limitations cannot be brought forward to prevent the hounding of our service personnel for pre-Belfast-agreement-related matters? Will Ministers work with the Committee by giving evidence to us that might enable such a statute to be brought forward?

Sir Michael Fallon: We have indeed been following the proceedings of my right hon. Friend's Committee with close interest. We want any legacy investigations in Northern Ireland to be fair, balanced and proportionate, given that 90% of the deaths there were caused by terrorists, not by members of the security forces. We would also not want to see cases reopened unless there is new and credible evidence to do so.

T9. [909220] **Lyn Brown (West Ham) (Lab):** We continue to hear stories of our service personnel being forced to live without heating and sometimes without being able to take a shower for days, as detailed in recent reports about the Wellington and Baker barracks. Do the Government really think it is acceptable to leave our brave servicemen and women in such squalid conditions?

Mark Lancaster: No, which is precisely why we invested £60 million last year and will invest £84 million this year to ensure that our service personnel's accommodation is very good. It is also why service personnel are not allowed to go into any new service family accommodation home that does not meet the decent homes standard.

Robert Courts (Witney) (Con): Carterton in my constituency has a large amount of Royal Air Force housing and land that will be available for much-needed housing. Will the Minister agree to meet me to discuss ways in which the land can be released for that urgently needed housing?

Mark Lancaster: I would be delighted to do so.

Vernon Coaker (Gedling) (Lab): What discussions has the Defence Secretary had with the US Government about the announcement over the weekend of the deployment of hundreds of US marines to northern Syria, what their purpose is and what co-operation will take place between us and the Americans with respect to that deployment?

Sir Michael Fallon: I reviewed the campaign in Syria with the United States Defence Secretary at our meeting in Brussels a couple of weeks ago. We are not deploying combat troops to this particular campaign in Syria, but the United States is committing more support forces and working as part of the international coalition to ensure that the Syrian Democratic Forces have all the assistance and advice they need.

George Kerevan (East Lothian) (SNP): Will the Secretary of State confirm that the deep maintenance and repair of the engines of all British F-35 fighters will be done in Turkey, and what, if any, security issues arise from this rather strange decision?

Harriett Baldwin: I will follow this up with the hon. Gentleman, but I can confirm—I am sure he shares my delight—that north Wales has been selected for the global hub outside the US for all the maintenance and repair of the avionics.

Kirsten Oswald (East Renfrewshire) (SNP): The Secretary of State will have seen reports of armed drones operated from RAF Waddington with a kill list targeting UK citizens. If those reports are right, what happened to the commitment to come to the House at the earliest opportunity if lethal force was used in self-defence, and does the kill list extend beyond geographical areas where military action has been authorised by this House?

Sir Michael Fallon: Let me just make it clear to the hon. Lady and to the House that those involved in supporting Daesh in Iraq and in Syria are certainly liable to be killed by coalition forces, and those who pose a very direct threat to this country are also likely, if there is no other way of forestalling that threat, to be targeted.

Steven Paterson (Stirling) (SNP): According to the National Audit Office, even if the defence estate strategy was implemented in full, we would still have an £8.5 billion budget shortfall caused by the deterioration of the estate. Is the strategy fit for purpose?

Mark Lancaster: The strategy is absolutely fit for purpose, and it is based on delivering military capability. Reducing the estate by some 30% means that we have less estate to look after, and that we can reinvest some £4 billion over the next 20 years.¹

Several hon. Members *rose*—

Mr Speaker: Order. We must move on.

Before I take points of order, I am pleased to inform the House that we are being visited today by the Catholic Archbishop of Yangon in Burma, a country with which, as colleagues will know, we have a programme of parliamentary capacity building. It is a delight to see Cardinal Charles Bo viewing our proceedings today. It is the second time he has come in recent months—he clearly cannot get enough of us—and I am sure colleagues will want to impress the great man with the decency of their behaviour.

1. [Official Report, 16 March 2017, Vol. 623, c. 8MC.]

Points of Order

3.36 pm

Patrick Grady (Glasgow North) (SNP): On a point of order, Mr Speaker. I seek your guidance about the convention that Members should notify each other when they visit their constituencies. On the way to my surgery on Saturday morning, I came out of Hillhead subway station and met a bunch of very drookit-looking Labour supporters, and when I asked them whether they were waiting for someone special, they said no. However, at the end of my surgery, I read on social media that the right hon. Member for Islington North (Jeremy Corbyn), the leader of Her Majesty's loyal Opposition, had in fact visited that street and undertaken a walkabout. I had received absolutely no notification of that. I understand that an email was sent to my hon. Friend the Member for Glasgow Central (Alison Thewliss), but he was not in Glasgow Central.

Mr Speaker: I am enormously grateful to the hon. Gentleman for his point of order. The details of the particular tribulations that afflicted him in the course of an obviously very busy and hectic weekend are of grave concern to the hon. Gentleman, but possibly not to every Member of the House in equal measure. There is a convention that Members should notify each other of their intention to visit their constituencies, and he is perfectly justified in drawing attention to it, although I am not entirely sure that his timing in doing so at this point was perfect.

Kate Osamor (Edmonton) (Lab/Co-op): On a point of order, Mr Speaker. On 11 March, the UN declared that the world faces the largest humanitarian crisis since 1945. More than 20 million people in South Sudan, north-east Nigeria, Somalia and Yemen face famine and starvation. Without a collective global effort, people will simply starve to death. My question to you is: have you received notice from the Secretary of State for International Development of when a written or oral statement will be made in the House so that we can discuss this urgent matter?

Mr Speaker: The short answer is no. I have received no indication of any intention on the part of the Secretary of State for International Development or one of her Ministers that they wish to come to the House to communicate on this subject. However, I am sure the hon. Lady's point will have been heard by those on the Treasury Bench on what, as she says, is an extremely important and very pressing matter. No doubt she will use her ingenuity in the coming days and weeks to find ways in which to ventilate the subject.

Reproductive Health (Access to Terminations)

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

3.39 pm

Diana Johnson (Kingston upon Hull North) (Lab): I beg to move,

That leave be given to bring in a Bill to regulate the termination of pregnancies by medical practitioners and to repeal certain criminal offences relating to such terminations; and for connected purposes.

In England and Wales, women have a legal route to an abortion through the Abortion Act 1967, introduced by David Steel as a private Member's Bill, but 50 years on it is right that the House has the chance to address one fundamental issue that the Act did not address. Abortion remains a criminal offence in this country, even if it is carried out early in the term, for the woman who has the abortion and anyone who assists her. Under sections 58 and 59 of the Offences Against the Persons Act 1861 and other legislation, termination of a pregnancy carries the maximum sentence of life imprisonment. That is the harshest criminal penalty of any country in Europe, underpinned by a Victorian criminal law passed before women even had the right to vote, let alone sit in this place.

The Abortion Act 1967 did not change the fundamental fact: it merely set out circumstances under which abortion could be legal—for example, the need for two doctors' signatures that specified conditions have been met, including a time limit now set at 24 weeks and, in exceptional circumstances, the conditions for abortions post-24 weeks. Unlike in other countries, that means that abortion remains illegal except in the limited circumstances in the Act. No other medical procedure is governed by legislation that old or that out of step with clinical developments and changing attitudes.

I want the House to reflect on the following comments from women who have sought help from online organisations to buy abortion tablets—something that no one would have imagined in 1967, let alone 1861—as, in so doing, they are committing criminal offences under the 1861 Act. The first woman says:

“I live in rural England and have no friends and the relatives I have I am not close to. I was hoping to have a termination in the comfort of my own home without judgmental eyes and without worrying about my husband knowing. I fear what would happen if he did. I have 3 children and my 3rd is 11 months old. I considered an abortion when he was conceived and had a terrible pregnancy and am still suffering from post natal depression. I will try to seek help, anonymously if possible. I'm in great need of help.”

Another woman says:

“I have visited my GP last week and he referred me to my local NHS service. They can only offer me a medical abortion with three visits to the hospital on separate days. On the second visit I am expected to stay there all day. I work full time and have two young sons so getting all that time off and childcare is going to be very difficult, probably impossible.”

Dr Rebecca Gomperts, the director of Women on Web, said about English women seeking help online:

“Yes, we get them all the time. We had an Islamic girl forbidden from leaving the house without a chaperone. How is she going to get to an abortion clinic? She can't. For her, her only option might be that she could get the medicine sent to her by post.”

[Diana Johnson]

Due to the accessibility of medication now available online, women are more than ever before at risk of breaking the law, and a few prosecutions have already happened. I wonder if any of us truly believe that those women, in such difficult circumstances, really should be seen as criminals. Let me be clear that decriminalisation will not mean deregulation. Parliament can decide to retain existing safeguards within a decriminalised environment, including the existing time limit of 24 weeks. Abortion would remain subject to the same complex mass of general, criminal, civil, administrative and other legal provisions that govern all medical procedures.

I ask that hon. Members also consider the fact that Poland, a traditionally Catholic country, does not criminalise women for having an abortion, and even the United States has not criminalised women for having an abortion since the Supreme Court judgment in 1973. When the current US President suggested last year that women should be punished for having abortions, he was forced to backtrack after the public outcry.

In proposing the Bill, I want to thank the many individuals and organisations that have helped me along the way, including the British Pregnancy Advisory Service, Abortion Rights and, particularly, Professor Sally Sheldon at the University of Kent law school.

I want to address specifically the concerns about decriminalisation. I want to be clear about what this Bill will and will not do. First, decriminalisation will not make it easier to access abortions post-24 weeks. Under the 1967 Act, abortions beyond 24 weeks are allowed only in exceptional circumstances—if, for example, the mother's life is at risk. The decriminalisation can apply these exact same conditions, and we know from countries that have already decriminalised, such as Canada and parts of Australia, that there is no evidence of an increase in late-term abortions.

Secondly, decriminalisation will not lead to a free-for-all with unlicensed practitioners providing abortions; as now, there will be strict regulation and licensing of health professionals. For example, both of the pills most commonly used in medical abortions are prescription only. That means they are covered under the Human Medicines Regulations 2012, which make it illegal to supply such drugs without a prescription. So with decriminalisation, Parliament would need to have an evidence-based debate about what kind of abortion provision up to 24 weeks would be in the best interests of women and agree appropriate safeguards.

Finally, decriminalisation will not permit gender-selective or non-consensual abortions. Some opponents of decriminalisation argue that the only way we can restrict these practices is to apply criminal law to everyone. I hope that hon. Members will appreciate that it is well within the capacity of this House to find a better way forward that does not criminalise all women and all practitioners. Let me be clear that under current law, women cannot obtain an abortion on grounds of the gender of the child. With decriminalisation, professional bodies that are best placed to take action can continue to prohibit this as a ground for abortion. It is worth pointing out that the current law does nothing about those who try to coerce women in those circumstances. On the issue of non-consensual abortions, such as when

a man assaults a pregnant woman, these would continue to be criminalised under other laws such as grievous bodily harm.

Now that all these potential objections are addressed, hon. Members can be left to ask themselves the fundamental question that gets to the heart of what my Bill is about: should abortion be an inherently criminal act, punishable by up to life imprisonment? In asking themselves this question, I hope hon. Members will bear in mind the vulnerable women who are ill served by our current laws and whether their care is now being compromised. There is also evidence that doctors are thinking twice about practising in this area of women's healthcare because of the threat of criminalisation. We do not use these laws for any other medical practices, so why do we do it for abortion? This is one of the many reasons why a range of expert groups, including the Royal College of Midwives and the British Pregnancy Advisory Service, support decriminalisation.

I hope that hon. Members will, like me, conclude that the criminalisation of abortion suits nobody. Women are poorly served by laws that state that even early-term abortions are inherently criminal, and doctors are poorly served by a criminal framework that does not apply to other areas of healthcare. We should create an environment in which the stigma of the criminal law is removed and in which women can come forward for advice and high-quality, woman-centred healthcare as early as possible in a pregnancy. I hope that hon. Members will join me in saying that in England and Wales in the 21st century, abortion should no longer be considered a criminal offence, and that the 1861 Act is now obsolete and no longer fit for purpose in this century.

In closing, I would like to repeat an observation on decriminalisation, which has, as I stated earlier, taken place in some Australian states. The quotation is this: the decriminalisation has resulted in

“a profound shift in the relationship between the state and its female citizens. It changes both nothing and everything. Nothing, because the number, rate and incidence of abortion will not change. And everything, because for the first time women will be recognised as the authors of our own lives. With that comes our full citizenship.”

3.49 pm

Maria Caulfield (Lewes) (Con): Ten minutes is too short a time to cover the many and serious issues surrounding the premise, content and implications of this Bill. In the time available, I will outline some of the central problems with it. Far from being progressive, the Bill would be a charter for unsafe abortion practices, not dissimilar to the back-street abortions that the Abortion Act 1967 was supposedly meant to end.

I thank the hon. Member for Kingston upon Hull North (Diana Johnson) for giving the House an opportunity to debate, briefly, an important area of policy. Too often today, debates about abortion—about the risks involved and the rights of the unborn child—are shut down; but I, and many colleagues who share my views, will not be silenced as we seek to be a voice for the voiceless, and as we argue for more modern and humane abortion law that upholds not only the dignity and rights of women but the dignity and rights of the unborn child.

I am against the Bill first because it is based on the false premise that women who seek ordinary abortions are living under the constant shadow of arrest. That is

clearly not the case. The rhetoric surrounding the Bill may alarm Members, but let us look at the actual facts. Abortion is widely available under the terms of the Abortion Act. Prosecutions are exceptionally rare—in many years there have been none at all—and in the past two years there were just two convictions, both of them in extreme and disturbing scenarios. One involved a man who had attacked a pregnant woman and caused her to miscarry. That prosecution is an example of the current law seeking to stand up for a woman and punish someone who has committed a terrible crime against her and her unborn child. The Bill may make it harder to prosecute that man in the future. What an unjust and regressive change—[*Interruption.*]

Mr Speaker: Order. The hon. Member for Kingston upon Hull North (Diana Johnson) was heard with courtesy. The hon. Member for Lewes (Maria Caulfield) must also be heard, and with equal courtesy.

Maria Caulfield: Thank you, Mr Speaker.

The hon. Lady cited the possibility of the growing availability of abortion pills as a reason to seek to liberalise the law, but if availability is increasing, that should motivate greater concern for women's safety and health, and make us more wary of further liberalisation of the law. Abortion is still a major and often risky procedure for the woman involved. If abortion pills can be so easily bought over the internet—perhaps by an abusive boyfriend or husband—that should lead us to take steps to protect young and vulnerable women from those potentially dangerous products.

Take the young teenager, terrified to discover that she is pregnant, who googles “abortion pills” online. What she needs are not fewer legal safeguards but support and information, which the Bill would take away. By repealing sections 58 and 59 of the Offences Against the Person Act 1861, on the basis of which the Abortion Act was constructed, it would make the Abortion Act, with its safeguards, obsolete and unenforceable. It would leave that young teenage girl less safe.

Take, for example, the requirement that two doctors must certify an abortion, which the Bill would remove. For a woman deciding what to do following an unplanned pregnancy, those conversations with a doctor can be important and safe opportunities to discuss the situation, and to make more informed decisions about the medical options and risks of a major and invasive procedure. What is more, they can give a woman in an abusive relationship what may be her only chance to speak to someone about the pressure that she has been put under to abort a child whom she may want to keep. Why should we take that opportunity away from women?

The campaign behind the Bill claims “We Trust Women”, but polling in 2014 showed that 92% of women believed that a pregnant woman should always be seen in person by a qualified doctor. Far from trusting women, the campaign seeks to change a central aspect of abortion provision in the United Kingdom, in direct opposition to the vast majority of British women's views. Proponents of the Bill claim to be pro-choice, but, as has been the case again and again in recent years, they seem to be firmly against helping women to make informed choices. Regardless of the issue and regardless of the facts, the only answer that they have is to liberalise the law.

This Bill would not protect women. Instead, it would embolden those men who pressurise women into abortions that they do not wish to have. Whether it is a controlling relationship or wider communal discrimination and pressure that tell a woman that she must abort a child because it is a girl, because it has Down's syndrome or because it has a disability, the Bill would make such women more vulnerable. One professor of medical law and ethics wrote to MPs last week saying that

“if section 58 were to be repealed, it is far from obvious that even the surreptitious administration of abortion pills to women would necessarily continue to constitute an offence.”

Indeed, by undermining all the safeguards and regulations on abortion up to 24 weeks, the Bill would become a charter for extreme abortion practices such as sex-selective abortions. Polling among women shows that 88% favour an explicit ban on sex-selective abortion, yet many of the organisations behind the Bill oppose that ban and the hon. Lady herself voted against a ban in 2015. So much for trusting women. One of the models mentioned today points to a Canadian law that has, according to the *Canadian Medical Association Journal*, turned Canada into

“a haven for parents who would terminate female fetuses in favour of having sons”.

Another model was mentioned—the law in Victoria, Australia, which has led to a reported 600% increase in late-term abortions in one hospital in just a two-year period. Is that something to celebrate or copy? Many UK midwives have spoken out against the Bill, with thousands joining the Not In Our Name campaign to stop it becoming law.

That brings me to the current state of the abortion industry in the UK. I am amazed that the Bill's backers, including private abortion providers, have the gall to propose these changes, which would remove regulations at a time when the UK abortion industry is knee-deep in revelations of unethical, unsafe and unprofessional practices. In recent years, we have seen doctors pre-signing bulk abortion forms and offering sex-selective abortions. We have seen live babies being left to die following abortions that have gone wrong. We have seen children aborted just for possessing minor disabilities such as a cleft palate or a club foot. Last year, the Care Quality Commission had to step in to protect women from potential harm at Marie Stopes abortion facilities. The CQC's subsequent report showed that women were left at risk of infection, staff were not trained in how to respond to deteriorating patients and post-surgery checks were completed before surgery had even started. Only last week, another exposé of Marie Stopes International revealed that abortions were being approved on the basis of telephone calls as short as 22 seconds with medically untrained call centre workers. No wonder these abortion providers are calling for a Bill that would get rid of the regulations and safeguards in the Abortion Act.

The Bill is a response to a non-existent threat. It would exacerbate the dangers posed by increased availability of abortion pills and it would remove some of the few protections and regulations in abortion law, fuelling unethical and unsafe practices in many UK abortion clinics and leaving women less safe and less informed.

A 21st-century approach to this area must be based on a fuller and richer understanding of human dignity and equality which does not treat a woman as a victim

[Maria Caulfield]

of her own body, which does not treat children as commodities and which does not treat marginalised people such as young girls or children with Down's syndrome as burdens or inconveniences. On that count, the Bill fails. It is not a serious or positive proposal. It helps neither women nor unborn children, and this House should firmly reject it.

Question put (Standing Order No. 23).

The House divided: Ayes 172, Noes 142.

Division No. 176]

[3.58 pm

AYES

Abbott, rh Ms Diane	Elmore, Chris
Abrahams, Debbie	Esterson, Bill
Alexander, Heidi	Evans, Chris
Ali, Rushanara	Fabricant, Michael
Allen, Mr Graham	Fitzpatrick, Jim
Allin-Khan, Dr Rosena	Flynn, Paul
Anderson, Mr David	Fovargue, Yvonne
Ashworth, Jonathan	Foxcroft, Vicky
Atkins, Victoria	Furniss, Gill
Barron, rh Sir Kevin	Gapes, Mike
Beckett, rh Margaret	Gardiner, Barry
Benn, rh Hilary	Godsiff, Mr Roger
Blackman-Woods, Dr Roberta	Green, Kate
Blomfield, Paul	Greenwood, Lilian
Blunt, Crispin	Griffith, Nia
Bottomley, Sir Peter	Haigh, Louise
Brabin, Tracy	Hamilton, Fabian
Bradshaw, rh Mr Ben	Harman, rh Ms Harriet
Brake, rh Tom	Harris, Carolyn
Brennan, Kevin	Hayes, Helen
Brown, rh Mr Nicholas	Hayman, Sue
Bryant, Chris	Healey, rh John
Buck, Ms Karen	Hopkins, Kelvin
Burden, Richard	Howell, John
Butler, Dawn	Huq, Dr Rupa
Cadbury, Ruth	Jarvis, Dan
Campbell, rh Mr Alan	Jenrick, Robert
Campbell, Mr Ronnie	Johnson, rh Alan
Champion, Sarah	Johnson, Diana
Clegg, rh Mr Nick	Jones, Gerald
Ciwyd, rh Ann	Jones, Graham
Coaker, Vernon	Jones, Mr Kevan
Coffey, Ann	Keeley, Barbara
Cooper, Julie	Kendall, Liz
Cooper, rh Yvette	Kinnock, Stephen
Corbyn, rh Jeremy	Kyle, Peter
Coyle, Neil	Lamb, rh Norman
Creagh, Mary	Lavery, Ian
Creasy, Stella	Lewis, Clive
Cryer, John	Lilley, rh Mr Peter
Cunningham, Alex	Lucas, Caroline
Dakin, Nic	Lynch, Holly
Danczuk, Simon	Mactaggart, rh Fiona
David, Wayne	Madders, Justin
Davies, Geraint	Mann, John
De Piero, Gloria	Matheson, Christian
Debbonaire, Thangam	McCabe, Steve
Doughty, Stephen	McCarthy, Kerry
Dowd, Jim	McCartney, Jason
Dowd, Peter	McDonagh, Siobhain
Duddridge, James	McDonnell, rh John
Eagle, Ms Angela	McGovern, Alison
Eagle, Maria	McInnes, Liz
Edwards, Jonathan	Miliband, rh Edward
Efford, Clive	Mills, Nigel
Elliott, Julie	Mitchell, rh Mr Andrew

Moon, Mrs Madeleine	Smith, Jeff
Morden, Jessica	Smith, Nick
Murray, Ian	Smith, Owen
Nandy, Lisa	Smyth, Karin
Olney, Sarah	Snell, Gareth
Onn, Melanie	Soubry, rh Anna
Onwurah, Chi	Stevens, Jo
Osamor, Kate	Streeting, Wes
Pennycook, Matthew	Stringer, Graham
Phillips, Jess	Stuart, rh Ms Gisela
Phillipson, Bridget	Tami, Mark
Poulter, Dr Daniel	Trickett, Jon
Powell, Lucy	Turley, Anna
Rayner, Angela	Turner, Karl
Reed, Mr Steve	Twigg, Stephen
Reynolds, Emma	Umunna, Mr Chuka
Rotheram, Steve	Vaz, Valerie
Ryan, rh Joan	Warman, Matt
Saville Roberts, Liz	Watkinson, Dame Angela
Shah, Naz	West, Catherine
Shapps, rh Grant	Whitehead, Dr Alan
Sharma, Mr Virendra	Williams, Hywel
Sheerman, Mr Barry	Wilson, Phil
Shelbrooke, Alec	Winnick, Mr David
Sherriff, Paula	Winterton, rh Dame Rosie
Shuker, Mr Gavin	Woodcock, John
Siddiq, Tulip	Wright, Mr Iain
Skinner, Mr Dennis	Zeichner, Daniel
Slaughter, Andy	
Smeeth, Ruth	
Smith, Angela	
Smith, Cat	

Tellers for the Ayes:

**Lyn Brown and
Mrs Sharon Hodgson**

NOES

Afriyie, Adam	Elphicke, Charlie
Aldous, Peter	Evans, Mr Nigel
Amess, Sir David	Fallon, rh Sir Michael
Ansell, Caroline	Fernandes, Suella
Bacon, Mr Richard	Field, rh Mark
Bellingham, Sir Henry	Fleelo, Robert
Benyon, rh Richard	Foster, Kevin
Bingham, Andrew	Fox, rh Dr Liam
Blackman, Bob	Francois, rh Mr Mark
Borwick, Victoria	Fuller, Richard
Brazier, Sir Julian	Fysh, Marcus
Bridgen, Andrew	Glen, John
Bruce, Fiona	Glindon, Mary
Burns, Conon	Goodwill, Mr Robert
Burns, rh Sir Simon	Graham, Richard
Burrowes, Mr David	Gray, James
Campbell, Mr Gregory	Grayling, rh Chris
Cash, Sir William	Green, Chris
Caulfield, Maria	Green, rh Damian
Chishti, Rehman	Halfon, rh Robert
Chope, Mr Christopher	Hall, Luke
Coffey, Dr Thérèse	Hands, rh Greg
Cooper, Rosie	Hayes, rh Mr John
Costa, Alberto	Henderson, Gordon
Davies, Byron	Hermon, Lady
Davies, Chris	Hoare, Simon
Davies, David T. C.	Hollobone, Mr Philip
Davies, Dr James	Holloway, Mr Adam
Davies, Philip	Howarth, Sir Gerald
Dodds, rh Mr Nigel	Huddleston, Nigel
Donaldson, rh Sir Jeffrey M.	Jackson, Mr Stewart
Donelan, Michelle	Jayawardena, Mr Ranil
Dorries, Nadine	Jenkin, Mr Bernard
Double, Steve	Johnson, Dr Caroline
Drummond, Mrs Flick	Jones, Helen
Duncan Smith, rh Mr Iain	Jones, Mr Marcus
Durkan, Mark	Kane, Mike

Kawczynski, Daniel
Kennedy, Seema
Kinahan, Danny
Knight, rh Sir Greg
Knight, Julian
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Letwin, rh Sir Oliver
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Lord, Jonathan
Mackintosh, David
Main, Mrs Anne
Mann, Scott
Maskell, Rachael
Menzies, Mark
Metcalfe, Stephen
Morton, Wendy
Murray, Mrs Sheryll
Murrison, Dr Andrew
Offord, Dr Matthew
Paisley, Ian
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Percy, Andrew
Pickles, rh Sir Eric
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Pursglove, Tom
Quin, Jeremy
Quince, Will
Redwood, rh John

Rees-Mogg, Mr Jacob
Ritchie, Ms Margaret
Robertson, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Selous, Andrew
Shannon, Jim
Simpson, David
Smith, Henry
Soames, rh Sir Nicholas
Spelman, rh Dame Caroline
Streeter, Mr Gary
Swayne, rh Sir Desmond
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Trevelyan, Mrs Anne-Marie
Turner, Mr Andrew
Vickers, Martin
Walker, Mr Charles
Wallace, Mr Ben
Warburton, David
White, Chris
Whittingdale, rh Mr John
Wiggin, Bill
Wilson, Mr Rob
Wilson, Sammy
Wragg, William

Tellers for the Noes:
Mr Peter Bone and
Mr David Nuttall

Question accordingly agreed to.

Ordered,

That Diana Johnson, Ms Harriet Harman, Barbara Keeley, Crispin Blunt, Norman Lamb, Caroline Lucas, Lyn Brown, Michael Fabricant, Andy Slaughter, Jo Stevens, Mrs Sharon Hodgson and Carolyn Harris present the Bill.

Diana Johnson accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 24 March, and to be printed (Bill 153).

EUROPEAN UNION (NOTIFICATION OF WITHDRAWAL) BILL (PROGRAMME) (NO. 2)

Motion made, and Question put forthwith (Standing Order No. 83A(7)),

That the following provisions shall apply to the European Union (Notification of Withdrawal) Bill for the purpose of supplementing the Order of 1 February 2017 (European Union (Notification of Withdrawal) Bill (Programme)):

Consideration of Lords Amendments

(1) Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion two hours after their commencement at today's sitting.

Subsequent stages

(2) Any further Message from the Lords may be considered forthwith without any Question being put.

(3) The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.—(Steve Brine.)

The House divided: Ayes 331, Noes 102.

Division No. 177]

[4.11 pm

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, rh Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, rh Karen
Brady, Mr Graham
Brazier, Sir Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, rh Alun
Campbell, Mr Gregory
Carmichael, Neil
Carswell, Mr Douglas
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Courts, Robert
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Davies, Byron
Davies, Chris
Davies, David T. C.

Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Davis, rh Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Sir Jeffrey M.
Donelan, Michelle
Dorries, Nadine
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Mr Nigel
Evennett, rh David
Fabricant, Michael
Fallon, rh Sir Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Francois, rh Mr Mark
Frazer, Lucy
Freeman, George
Fuller, Richard
Fysh, Marcus
Garnier, rh Sir Edward
Garnier, Mark
Gauke, rh Mr David
Ghani, Nusrat
Gibb, rh Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, rh Ben
Gyimah, Mr Sam
Halfon, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matt
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard

Harris, Rebecca
Harrison, Trudy
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, rh Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, rh Boris
Johnson, Dr Caroline
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kinahan, Danny
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, rh Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Sir Oliver
Lewis, rh Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, rh Sir Patrick

McPartland, Stephen
Menzies, Mark
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Osborne, rh Mr George
Paisley, Ian
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
Perry, Claire
Philp, Chris
Pickles, rh Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simpson, David
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
Soames, rh Sir Nicholas
Solloway, Amanda
Soubry, rh Anna

Spelman, rh Dame Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swayne, rh Sir Desmond
Swire, rh Sir Hugo
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Timpson, Edward
Tolhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Truss, rh Elizabeth
Tugendhat, Tom
Turner, Mr Andrew
Tyrie, rh Mr Andrew

Vaizey, rh Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whately, Helen
White, Chris
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williams, Craig
Williamson, rh Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Wright, rh Jeremy
Zahawi, Nadhim

Tellers for the Ayes:
Guy Opperman and
Heather Wheeler

NOES

Ahmed-Sheikh, Ms Tasmina
Alexander, Heidi
Ali, Rushanara
Bardell, Hannah
Black, Mhairi
Blackman, Kirsty
Boswell, Philip
Bradshaw, rh Mr Ben
Brake, rh Tom
Brown, Alan
Bryant, Chris
Carmichael, rh Mr Alistair
Chapman, Douglas
Cherry, Joanna
Clegg, rh Mr Nick
Clwyd, rh Ann
Coffey, Ann
Cowan, Ronnie
Coyle, Neil
Crawley, Angela
Creagh, Mary
Cunningham, Mr Jim
Davies, Geraint
Docherty-Hughes, Martin
Donaldson, Stuart Blair
Doughty, Stephen
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Farrelly, Paul
Fellows, Marion
Fitzpatrick, Jim
Gapes, Mike
Gethins, Stephen
Gibson, Patricia
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Hayes, Helen
Hendry, Drew
Hermon, Lady
Hillier, Meg
Hosie, Stewart
Kendall, Liz
Kerevan, George
Kerr, Calum
Kyle, Peter
Lamb, rh Norman
Lammy, rh Mr David
Law, Chris
Leslie, Chris
Lewis, Clive
Lucas, Caroline
MacNeil, Mr Angus Brendan
Mactaggart, rh Fiona
Marris, Rob
Maskell, Rachael
Mc Nally, John
McCabe, Steve
McCaug, Callum
McCarthy, Kerry
McDonald, Stewart Malcolm
McDonald, Stuart C.
McFadden, rh Mr Pat
McGarry, Natalie
Monaghan, Carol
Monaghan, Dr Paul
Moon, Mrs Madeleine
Mullin, Roger
Murray, Ian
O'Hara, Brendan
Olney, Sarah
Onn, Melanie
Oswald, Kirsten
Paterson, Steven
Pugh, John
Ritchie, Ms Margaret
Salmond, rh Alex
Saville Roberts, Liz
Sheerman, Mr Barry
Sheppard, Tommy

Skinner, Mr Dennis
Smith, Mr Andrew
Smith, Angela
Smith, Owen
Stephens, Chris
Stevens, Jo
Streeting, Wes
Thewliss, Alison
Thompson, Owen
Thomson, Michelle
Timms, Mr Stephen
Umunna, Mr Chuka

Weir, Mike
Whiteford, Dr Eilidh
Whitford, Dr Philippa
Williams, Mr Mark
Wilson, Corri
Wishart, Pete
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Noes:
Stella Creasy and
Jonathan Edwards

Question accordingly agreed to.

European Union (Notification of Withdrawal) Bill

Queen's consent signified.

Clause 1

POWER TO NOTIFY WITHDRAWAL FROM THE EU

4.26 pm

The Secretary of State for Exiting the European Union (Mr David Davis): I beg to move, That this House disagrees with Lords amendment 1.

Mr Speaker: With this it will be convenient to discuss Lords amendment 2, and Government motion to disagree.

Mr Davis: We introduced the most straightforward possible Bill necessary to enact the referendum result and respect the Supreme Court's judgment. This Bill has a simple purpose: to allow the Prime Minister to notify under article 50 and start the two-year negotiation process. The House of Commons has already accepted that, voting overwhelmingly to pass this Bill, unamended, last month. The House accepted that the majority of people, no matter which way they voted in June, want the Prime Minister to get on with the job at hand, and to do so without any strings attached. Despite the simple purpose of this Bill, it has generated many hours of debate in both Houses—quite properly, I say to those who debate whether it should have.

Over the past five weeks, we have seen Parliament at its best. Hon. and right hon. Members and peers have spoken on this subject with passion, sincerity and conviction. However, I was disappointed that the House of Lords voted to amend the Bill. The Bill is just the next step in the long, democratic process surrounding our exit from the European Union. That process will continue with future legislation, ranging from the great repeal Bill, which will convert EU law into UK law at the time we leave, to a range of specific Bills that we expect to introduce, such as on immigration or customs arrangements. Parliament will be closely involved in all those important discussions and decisions.

As we embark on the forthcoming negotiations, our guiding approach is simple: we will not do anything that will undermine the national interest, including the interest of British citizens living in the European Union, and we will not enter negotiations with our hands tied. That is not to say that I do not appreciate the concerns that lie behind these amendments. It is not the ends that we disagree on, but the means, and I will attempt to address these individually—

Alex Salmond (Gordon) (SNP) *rose*—

Mr Davis—after I have given way to the right hon. Gentleman.

Alex Salmond: The Secretary of State will have heard that many Members in this House, and a huge majority in the House of Lords, want a meaningful vote on the Government's terms of negotiation, which he defined yesterday as meaning accepting either the Government's terms or World Trade Organisation terms. When does he expect that vote to come to this place, and indeed to all the other Parliaments that it will come to? When roughly, within the two-year period, does he expect the House to get a vote, even on his terms?

Mr Davis: If the right hon. Gentleman will forgive me, I will come to the detail of the answer to that later, but in broad terms, although it is impossible to predict the month, the form of words that I crafted earlier was this: we intend and expect it to be before the European Parliament votes on the same matter. It will fit in at the beginning of the ratification process, as soon as the negotiation is complete. It is too soon to know when that will be.

Lords amendment 1 seeks to require the Government to act unilaterally to bring forward plans within three months to secure the status of European Union and European economic area citizens and their family members living in the United Kingdom. On this matter, the Government have been consistently clear: we want to secure the status of EU citizens already living in Britain, and the status of British nationals living in other member states, as early as we can.

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

Mr Davis: I will give way to my hon. Friend, but, as many Members wish to speak and time is tight, I will limit the number of interventions that I take.

David T. C. Davies: As somebody who is married to an EU citizen without a British passport, may I say that I wholeheartedly support the Government's approach to this matter? [*Interruption.*] It is absolutely right that we get reciprocity before we go ahead with any agreement with the rest of the EU.

Mr Davis: I thank my hon. Friend both for his intervention and for warming up the House.

European citizens already resident in the United Kingdom make a vital contribution to our economy and our society, including working in crucial public services such as the national health service. Without them we would be poorer and our public services weaker.

4.30 pm

Emma Reynolds (Wolverhampton North East) (Lab) *rose—*

Geraint Davies (Swansea West) (Lab/Co-op) *rose—*

Mr Davis: I will give way in a moment.

However, the European Union has been clear that we cannot open these discussions until the Prime Minister has given formal notification that the UK wishes to withdraw from the EU. That is why we must pass this straightforward Bill without further delay, so that the Prime Minister can get to work on the negotiations, and we can secure a quick deal that secures the status both of EU citizens in the UK and of UK nationals living in the EU, of whom there are around 1 million.

We take very seriously—I take very seriously—our moral responsibility to all 4 million UK and EU citizens. The Prime Minister has been clear that this issue will be one of the top priorities for the immediate negotiations. I also welcome the encouraging words from across the channel, particularly from Poland and Sweden, which fill me with confidence that we will reach a swift agreement with our European partners. Indeed, as Beata Szydlo, the Polish Prime Minister, has said:

“Of course, these guarantees would need to be reciprocal. It's also important what guarantees the British citizens living and working in other member states of the European Union will have.”

Several hon. Members *rose—*

Mr Davis: I did undertake to give way to the hon. Member for Swansea West (Geraint Davies), but then I will come back to my hon. Friend the Member for Ribble Valley (Mr Evans).

Geraint Davies: Is the right hon. Gentleman aware of the survey by the General Medical Council that shows that two thirds of EU doctors are thinking of leaving the UK? In general, EU citizens tend to be younger and working compared with their counterparts abroad who are older and retired. Does he not accept that there is an immediate need unilaterally to act in good faith to set the agenda to get reciprocity, rather than holding out until the final moment?

Mr Davis: I hear what the hon. Gentleman says. As I have said before, these issues are serious and important, and people hold their views passionately and with good reason, but the simple truth is that the Government have been very plain about what they intend. They intend to guarantee the rights of both British and European citizens and they will do so as quickly as possible.

Mr Nigel Evans (Ribble Valley) (Con): I am delighted to hear what my right hon. Friend has had to say about prioritising the negotiations as far as EU and British citizens are concerned. He has said that the negotiations could take up to two years, but there is no reason at all why an agreement on those citizens should not come a lot earlier. Will he give a guarantee that, once an agreement is reached, it will be made public to put out of their misery all the people who are going through this trauma at this moment in time?

Mr Davis: My hon. Friend makes a good point. It may well be that we need treaty change to put in law the guarantees that we want in place, but I aim to get all the member states, the Commission and the Council to commit—even if it is in an exchange of letters—so that everyone knows what their rights are and what their rights will be, which, therefore, deals with the issue that has quite properly been raised: people being afraid of things they should not be afraid of.

Emma Reynolds *rose—*

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

Mr Davis: Please forgive me for a moment.

That is very dependent of course on the commitment not just of ourselves, but of other member states. As I said, Beata Szydlo, the Polish Prime Minister, has made that point publicly here. Every single Minister of every member state that I have spoken to, either on the continent in their own countries or here on a visit, have reinforced the point that they want this matter to be at the top of the agenda. They want this to be dealt with first, and that is what we intend to do to help to achieve what my hon. Friend wants.

Mr John Baron (Basildon and Billericay) (Con) *rose—*

Mr Davis: Forgive me, but I do have to make some progress.

The proposed amendment may well force the UK to set out unilateral plans in any case. Such an approach would only serve to undermine the very attempts that I have just been talking about, and hamper a quick resolution for all those concerned.

Ms Ahmed-Sheikh: Will the Secretary of State give way?

Mr Davis: In a second.

I want to reassure people that Parliament will have a clear opportunity to debate and vote on this issue in the future, before anything else happens. The great repeal Bill will not change our immigration system. That will be done through a separate immigration Bill and subsequent secondary legislation. Nothing will change for any EU citizen in the UK without Parliament's explicit approval beforehand.

Ms Ahmed-Sheikh: I am very grateful to the Secretary of State for giving way. This Government's track record on contingency planning is as bad as their handling of the Brexit process, so if it is the case that they are not going to protect the position of EU nationals and it therefore becomes the case that the position of EU nationals is not protected, has the Secretary of State given any consideration to a deportation process then?

Mr Davis: The hon. Lady knows me very well, and I think—

Ms Ahmed-Sheikh: I thought I knew you better.

Mr Davis: That is the point. It is, frankly, incredible to me that anybody would imagine that I, of all people, would sign up to a deportation process. The answer here is simple, and I make the point again: I take as a moral responsibility the future guarantees of all 4 million citizens—European Union and UK together.

If I may move on, I will now address the issues created by Lords amendment 2. Let me be clear from the outset that this amendment does not seek to simply put what we have already promised on the face of the Bill, as was suggested by some. In fact, it seeks to go much further. But let me begin with proposed subsections (1) to (3), which do simply seek to put our commitment to a vote on the face of the Bill. I will repeat here our commitment: the Government will bring forward a motion on the final agreement to be approved by both Houses of Parliament before it is concluded. We expect and intend that this will happen before the European Parliament debates and votes on the final issue. This commitment could not be clearer, so proposed subsections (1) to (3) are wholly unnecessary. Our clear intention—an intention stated more than once at this Dispatch Box—and by far the most likely outcome, by the way, is that we will bring a deal back to the Houses of Parliament for them to approve.

Helen Goodman (Bishop Auckland) (Lab): I am grateful to the Secretary of State for giving way. If he is so confident about this, why can he not allow the rest of us to be confident by agreeing to Lords amendment 2?

Mr Davis: As I said last week, because it is unnecessary. When a Minister gives an undertaking at this Dispatch Box in this House, it is binding on the Government. Understand that point?

Several hon. Members rose—

Mr Davis: No, I will not give way.

On the more general point about votes—I say this with some personal interest—we should not underestimate the mechanisms at Parliament's disposal to ensure that its voice is heard. To paraphrase the wise words of Lord Howard of Lympne during the debate on the amendment in the other place, this place “will have its say” and “will have its way.” We do not need to put this into legislation, and making legislation when none is required only benefits lawyers.

Nicky Morgan (Loughborough) (Con): My right hon. Friend is a Member of long standing in this House, and he recognises—as, I think, other hon. Members do—that Parliament will find a way to have a say, whether a deal is reached or whether no deal is reached. If he recognises that, does he agree that it would be better for the Government officially to recognise that position from the Dispatch Box?

Mr Davis: I reiterate the point: of course, Parliament can, if it wishes, have a vote and debate on any issue. That is a matter for Parliament. It is not for a Minister to try to constrain that, least of all this Minister, who has used those opportunities before this day. But let me get to the point behind this. I agree with my right hon. Friend, but what we cannot have—I am coming to the second aspect of this amendment—is any suggestion that the votes in either House will overturn the result of the referendum. That is the key point.

John Redwood (Wokingham) (Con): Is that not exactly the point? It would completely cripple the Government in trying to get a really good deal for the UK. This is the time for Parliament to get behind the country, which made a decision, and to get the best deal. We cannot do that if the EU thinks it can undermine us.

Mr Davis: That point brings me to subsection (4), so let me deal with that in a little more detail. This new clause, effectively, seeks to prohibit the Prime Minister from walking away from negotiations, even if she thinks the European Union is offering her a bad or very bad deal. As I will get on to, the impact of this is unclear, but even the intent goes far beyond what we have offered or could accept. The Government will be undertaking these negotiations and must have the freedom to walk away from a deal that sets out to punish the UK for a decision to leave the EU, as some in Europe have suggested.

Of course, we are seeking a mutually beneficial new relationship, which we believe can and will work for everyone, but tying the Government's hands in this way could be the worst way of trying to achieve that deal. And let us not forget: in December, this House passed a motion that nothing should be done to undermine the negotiating position of the Government.

Stephen Kinnock (Aberavon) (Lab): The Minister is asking us to take him at his word—on trust. Given the record of the Conservative party recently on manifesto commitments, does the same principle of trust apply?

Mr Davis: I said before, and I will say it again: I take statements at this Dispatch Box as binding.

[Mr David Davis]

The important point here is that the idea that Parliament could force the Government to accept a bad deal will only incentivise those on the other side of the negotiating table to deliver just such a deal. As the Lords European Union Select Committee—hardly a Tory front organisation—said:

“The Government will conduct the negotiations on behalf of the United Kingdom, and, like any negotiator, it will need room to manoeuvre if it is to secure a good outcome.”

Mr Dominic Grieve (Beaconsfield) (Con): No one in this House, as far as I am aware, wishes to fetter the Government’s hands in negotiations, or indeed the Government’s right to walk away from the negotiations; the issue in subsection (4) is whether the Government come back to this House to explain their plan and policy in the event of that happening. I would expect that to be inevitable, and yet, curiously, when we have sought an assurance from the Government—no more than that; not this amendment—that they would do that, which seems to me to be blindingly obvious, we keep being told that they will not give that assurance. I do find that, I have to say to my right hon. Friend, a bit odd, and I wonder whether he could clarify that.

Mr Davis: My right hon. and learned—and old—Friend makes a good point. The simple truth here, however, as I have said before, is that nothing can constrain this House’s right to debate and vote on anything it sees fit, and that meets this.

What I am dealing with here is subsection (4), and there are even bigger problems with it. During the debate on this issue in the other House, the author of the amendment, Lord Pannick, himself admitted he did not know what would happen if Parliament voted against leaving the EU without a deal. This uncertainty is itself a strong argument against putting this amendment into statute.

However, a significant number of Lords supported this amendment—that may not be true in this House—such as Lord Wigley and Baroness Kennedy, and they made their intentions clear: if Parliament were to vote against leaving without a deal, the UK should seek to remain in the EU and reverse the result of the referendum. I should say to my hon. and right hon. Friends that the European Union member states and the European Union institutions read the proceedings of this House very closely; they will have read that, and it will have raised their interest, because that is precisely what they would like to happen. So while this has been badged as a meaningful vote, the reality is that there are some who would seek to use it to overturn the result of the referendum. [Interruption.] “Good idea” comes from across the Floor. That is exactly, I am afraid, what concerns us.

The Government and the Prime Minister have been crystal clear. The people of the United Kingdom have decided to leave the European Union. The Government will seek to implement this decision in the way that is most beneficial to both the United Kingdom and the European Union. What we will not do, however, is accept anything that will put the intention to leave the European Union in doubt.

4.45 pm

Several hon. Members rose—

Mr Davis: Will hon. Members forgive me if I do not give way, because I am coming to the end of my comments?

Any prospect that we might actually decide to remain in the European Union would only serve to encourage those on the other side to give us the worst possible deal in the hope that we will do exactly that. This amendment would not only restrain the negotiating power of the Government but would create uncertainty and complications throughout the negotiating process while lessening the chances of the mutually beneficial deal we are seeking.

I reiterate the three key points. First, the Bill was brought forward to implement the referendum result, respect the Supreme Court judgment, and nothing else. Secondly, these amendments are unnecessary as the Government have already made firm commitments with regard to both of the two issues, and we will deliver on those commitments. Thirdly, these amendments would undermine the Government’s position in negotiations to get the best deal for Britain, and that cannot be in the national interest. Therefore, it is clear to the Government that we should send back to the House of Lords a clean Bill. This House has already expressed its support of this view in Committee, and I ask us all to repeat that support once more.

Keir Starmer (Holborn and St Pancras) (Lab): I rise to support both of the amendments that have been passed in the other place. They started life as Labour amendments at the Committee stage in this House, Labour peers led on them and voted for them in the other place, and they will be supported by Labour MPs here today.

The question is this: are Conservative Members willing to listen to the arguments in favour of the amendments, to which I know many are sympathetic and have concerns about, or will they go along with the Prime Minister’s increasing obsession to pass a clean Bill, unamended, even if that means ignoring amendments that would improve the Bill and provide much better protection?

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): Will my hon. and learned Friend give way?

Keir Starmer: I will make some progress because lots of Members want to speak, and the more I give way now, the more irritating it is for those who want to make their own contribution.

The Government are about to embark on the most complex and challenging undertaking of any British Government since the second world war. The decision the Government make and the deals they strike will have profound consequences for almost every aspect of British life. It is therefore essential that the Government do not fail or take the country down the wrong path. Starting negotiations by guaranteeing the rights of EU nationals and ending negotiations with a meaningful vote will help to guard against that fate.

Let me turn to the amendment on EU nationals. My question for the Secretary of State and for the Government is this: what is the problem? This is not about delay.

The way to prevent delay is to accept the amendment and get on with it. The purpose of the amendment is to bring forward proposals

“Within three months of exercising the power”

to trigger article 50. The Secretary of State says that we want an early deal—well, if it is within three months, there is no problem with the amendment. The amendment only affects the Government’s approach if they do not get an early deal. That is why it is so important. To portray this as a delaying tactic is not to read the amendment and not to appreciate what it says: that the purpose is to bring forward proposals “Within three months”.

Charlie Elphicke (Dover) (Con): I have listened carefully to the argument the hon. and learned Gentleman is making. Four million people are affected by this. I put it to him that all 4 million should be dealt with fairly and on a level playing field, that we can only get that from reciprocity, and that this amendment would not achieve that.

Keir Starmer: I am grateful for that intervention: let me deal with it straight on. Of course there is a shared concern about UK citizens living in the EU, but this is a matter of principle. Are we prepared—

Several hon. Members *rose*—

Keir Starmer: I have not even set out the principle yet. Are we prepared to use one set of people—those who are living here—as a bargaining chip to get the right settlement for people in the UK? [*Interruption.*] That is exactly what it is. The whole argument about reciprocal rights is about bargaining and saying, “We will not do what we should do by this group of people until we get something in return for it.” That is a bargaining chip.

Chris Bryant (Rhondda) (Lab): The Secretary of State seeks to persuade us that, simply because he has stated from the Dispatch Box that this will all be fine and dandy, that is the end of the matter. He said several times, quite inaccurately, that a ministerial statement from the Dispatch Box is legally binding. Surely the truth is that saying that something said from the Dispatch Box is legally binding does not make it so.

Keir Starmer: The Secretary of State said that it was binding so far as he was concerned. That is not the same as a legal commitment, and Secretaries of State and Governments can change. That is why we need a commitment on the face of the Bill.

Let me fast forward to the second amendment. If there is really no problem with proposed subsections (1), (2) and (3), why not accept them along with proposed subsection (4) and put them on the face of the Bill? This is becoming an obsession with having a clean Bill: “Our Bill must not be amended, even when it is proper, right and decent to do so.”

Frank Field (Birkenhead) (Lab): How does my hon. and learned Friend answer the Brexit Secretary’s point that if and when we pass the Bill and it is given Royal Assent, the Government’s first priority will be to negotiate the rights both of people here who are from Europe and of our citizens abroad? Does my hon. and learned Friend not accept that if we pass this amendment and give those rights to European citizens here, there will be no incentive whatsoever for other European countries to concede those rights to our citizens?

Keir Starmer: I am grateful for that intervention, but it is important to focus on the words of the amendment, which asks Ministers to bring forward proposals within three months. That does not tie anybody’s hands or make anybody’s task more difficult. If the issue is resolved within three months—I hope that it is, for the sake of EU citizens living here and of UK citizens living abroad—the amendment represents no problem. It represents a problem only if the Government do not succeed in an early settlement of the issue.

The Labour party has been pushing the Government for many months to guarantee EU rights. My right hon. Friend the Member for Leigh (Andy Burnham) first tabled a Labour motion on the issue back in July 2016, just weeks after the referendum, but the Government have refused to take unilateral action. I remind the House that the International Trade Secretary, who is sitting on the Government Front Bench, said last year that to guarantee those rights to EU citizens

“would be to hand over one of our main cards in the negotiations”.

Henry Smith (Crawley) (Con) *rose*—

Conor Burns (Bournemouth West) (Con) *rose*—

Keir Starmer: I am going to make progress. I have taken interventions on the issue and it would not be fair to take more.

We do not believe that EU nationals are bargaining chips, and I think many other hon. Members agree. There are 3.2 million EU nationals who have made their homes and careers in the United Kingdom. Thousands do vital jobs in the NHS and in our universities and public services. They are our friends, colleagues and neighbours—they are valued members of our communities. It is often said that they make a contribution to our society; they do. They are also our society. This is a matter of principle and decency.

Several hon. Members *rose*—

Keir Starmer: I am going to make some progress. We should not bring unnecessary uncertainty and distress into those people’s lives, but that is exactly what is happening as a result of the Government’s approach.

The Brexit Select Committee’s report states that it has heard

“a wide range of concerns of EU nationals since the referendum, including stress, and anxiety and feelings of depression to practical concerns about pensions and healthcare, children being abused in the school playground and worries over the ability to work in the UK in the future.”

What have we come to, if we cannot deal with those levels of anxiety and stress? Many Members will have seen that in their own constituency surgeries. I certainly have: families have come to me in tears about the situation in which they find themselves. It is time for the Government to act; increasingly, it is only the Prime Minister and the Government who think otherwise. Trade unions and campaigns such as the 3million and New Europeans have made a very powerful and compelling case for this issue to be dealt with, as of course has the Brexit Committee in its report’s conclusions.

Mr Shailesh Vara (North West Cambridgeshire) (Con): Will the hon. and learned Gentleman give way?

Keir Starmer: I am going to make some progress.

Labour supports Lords amendment 1 not only because it is right in principle, but because it would help the negotiations by setting the right tone. We have to make it clear to our European partners that although we are leaving the EU, we are not severing our ties. We want a collaborative and co-operative future with our European partners. We want our closest and nearest allies to be strong, and for the European Union to succeed and prosper. We know that citizens will be richer and happier in the future if we work together with our EU partners to meet common challenges. That message is vital in securing our nation's future.

Rushanara Ali (Bethnal Green and Bow) (Lab): Does my hon. and learned Friend agree that given our Foreign Secretary's mixed record—both in committing to the £350 million a week for the NHS, and in failing to deliver on that—and the Government's poor relations with EU partners, it is right that we should show leadership and commitment by standing up for EU migrants and supporting this amendment?

Keir Starmer: I agree. I have said in the House on a number of occasions that the tone that the Government set is very important as we come up to the beginning of the negotiations. From my direct discussions with representatives of other countries in Brussels, I can tell the House that some of the jokes that have been made about the reasons why our EU partners feel so strongly about the EU have not been well received. Agreeing to the amendment would help to set the right tone.

Several hon. Members *rose*—

Keir Starmer: I am going to move on to the question of the meaningful vote in Lords amendment 2. I remind the House that as recently as December the Prime Minister was refusing to guarantee that Parliament would be able to vote on whatever agreement the Government reach with the European Commission. Under pressure, that position changed early this year, but it was only when Labour tabled an amendment to the Bill in Committee that the Government made a set of commitments on the Floor of the House.

Those commitments, which were set out by the Minister of State and have now been repeated by the Secretary of State, are: first, that Parliament would be able to vote on the final draft agreement; secondly, that Parliament would get a vote not just on the so-called divorce settlement—the article 50 agreement—but also on the agreement on the future relationship with the European Union; and, thirdly, that the votes in this Parliament would take place before any votes in the European Parliament. Lords amendment 2 will simply put those commitments into the Bill, which is why it is so wrong for the Government not to accept it in principle.

Stephen Doughty: Is my hon. and learned Friend aware of the ICM poll for Avaaz, published in just the past two hours, showing that a clear majority of the British public supports a meaningful vote, with 52% supporting such a vote and only 27% saying the opposite?

Keir Starmer: I have seen that poll, which is of course important, but this is a matter of principle. This is a question of whether this House should be able to vote

on the deal reached in two years' time before the European Parliament votes and should be able to have a meaningful say, and that is what it has been, in principle, from start to finish.

Mr Bernard Jenkin (Harwich and North Essex) (Con): The amendment does not simply give this House the right to vote on these matters; it also gives the other place the right to vote on these matters. Will the hon. and learned Gentleman explain what would happen if this House voted to accept what the Government want to do, but the other place dug in and rejected it? What would happen then?

Keir Starmer: There is a reason why the amendment spells that out in detail: it is precisely what the Minister said at the Dispatch Box should be the position last time this was debated. Lords amendment 2 carefully reflects what the Government say is their assurance, so such a question about the amendment should be put to the Secretary of State.

Catherine West (Hornsey and Wood Green) (Lab): Does my hon. and learned Friend agree that, given the high level of uncertainty, the only sage and proper thing to do is to give us one more chance before the European Parliament has an opportunity to—*[Interruption.]*

5 pm

Keir Starmer: I would not put it as “one last chance”. The negotiations will lead first—I hope—to an article 50 agreement; secondly, to transitional arrangements; and thirdly to a final agreement between ourselves and the EU. That will define the future of the UK for generations in Europe and beyond Europe, and it is imperative that this House has a vote on that at the end of the two-year exercise.

Mr Pat McFadden (Wolverhampton South East) (Lab): I am grateful to my hon. and learned Friend for giving way. The discussion so far has been about a parliamentary vote in the event of the Government reaching a deal. Is it his interpretation of the Secretary of State's speech today that, in the event of no deal, the Government seek the authority to default to WTO rules—which are not used by any major economy alone to trade with the EU—without this House having a say?

Keir Starmer: I am grateful for that intervention. That is my interpretation and it causes me great concern. We need to be clear: reaching no deal is the worst of all possible outcomes for Britain. The president of the CBI has described it as the “worst case scenario” for which many firms cannot even prepare because “the cost of change is simply too high to even consider it”.

Just yesterday, the director-general of the CBI, Carolyn Fairbairn, emphasised that no deal should not be “plan B”, but “plan Z”. I could not agree more.

Research published today by Open Britain warns that leaving the EU without a deal would leave Britain facing greater barriers to trade with the EU than any other G20 country. The cross-party Foreign Affairs Committee warned on Sunday that

“a complete breakdown in negotiations represents a very destructive outcome leading to mutually assured damage for the EU and the UK. Both sides would suffer economic losses and harm to their international reputations.”

That is why having a vote not only on a deal if there is one, but on no deal, is so important. It represents a check on the Prime Minister deciding to take the country down the most dangerous path. That is why I urge Members, including those on the Conservative Benches, to vote for the amendment.

Mr Baron: Does the hon. and learned Gentleman accept, at least in principle, that this Parliament made a contract with the British people at the referendum to respect their wishes with or without a deal? Does he agree?

Keir Starmer: There was one question on the ballot paper, and that was whether we should stay in the EU or leave the EU. There was no second question about the terms of leaving. It is impossible to extrapolate, but I would be staggered if most people thought that this House should not have a proper grip of the available options in two years' time and hopefully beyond. I expect that they would have said, "Of course we want Parliament to be fully involved. We would expect accountability and scrutiny, and we would expect votes."

I shall conclude, because we only have two hours and other people wish to speak. These are simple amendments that would improve the article 50 process. They have obtained cross-party support and large majorities in the Lords, they are the right amendments on vitally important issues, and the obsession with the idea of a clean, unamended Bill should not triumph over decency and principle.

Sir Oliver Letwin (West Dorset) (Con): I agree with what my right hon. Friend the Secretary of State said about amendment 1, but I wish to speak about amendment 2. The operative provision is subsection (4) which states—I want to remind the House as it is material to what I am about to say:

"The prior approval of...Parliament shall...be required in relation to any decision by the Prime Minister that the United Kingdom shall leave the European Union without an agreement".

I have already argued in past debates exactly what my right hon. Friend argued today—namely, that if that subsection were to have its intended effect, it would be inimical to the interests of this country, because it would have the undoubted effect of providing a massive incentive for our EU counterparts to give us the worst possible agreement. I agree with him about that. However, I think that the situation is worse—far worse—than he described, because the operative subsection is deeply deficient as a matter of law. The reason for that is not just the one that Lord Pannick admitted, or half-admitted, in the House of Lords, but because under very plausible circumstances this subsection will not have anything like its intended effect. Let me briefly illustrate why that is the case.

Article 50 of the treaty on European Union is, for once in treaties, entirely clear. Paragraph 3 of the article states:

"The Treaties shall cease to apply to the State in question...two years after the notification...unless the European Council... unanimously decides to extend this period."

Let us imagine that what the Secretary of State, the Government, all my hon. Friends and, I suspect, all Opposition Members hope will not be the case—namely, that the negotiations for a proper comprehensive free trade agreement break down—actually happens. We all

hope that will not happen, but we cannot preclude the possibility that it will happen. If it does happen, I think all Members on both sides of the House must have the emotional intelligence to recognise that in all probability that would be under circumstances of some acrimony.

How likely is it that under such circumstances, with agreement having broken down in some acrimony, the European Council would be able to achieve a unanimous agreement to allow the UK to remain a member beyond the two-year period? I speculate that it is very unlikely. If we assume that that were to occur, we need to ask ourselves what would actually happen under those circumstances. One thing can be predicted with certainty: there would be litigation. The litigation would ask, ultimately, the Supreme Court to decide the question, "What has happened here? Has the Prime Minister made a decision, or has the Prime Minister not made a decision?" That could be decided in one of two ways. I rather think that Members on both sides of the House would agree with me that the Supreme Court must decide either that the Prime Minister has made the decision or that the Prime Minister has not made the decision.

Let us suppose for a moment that the Supreme Court decides that the Prime Minister has not made a decision, because it has been made instead by the European Council—a perfectly plausible outcome of the Court's proceedings. In that case, subsection (4) is totally inoperable. It has no effect whatsoever, because what it does, purportedly, is to prevent the Prime Minister from making a decision without a vote. If the Prime Minister has, in the ruling of the Court, made no decision, it is impossible for her to have made a decision without a vote; therefore, the law has been conformed with, and Parliament is not given any ability to vote on the matter.

Sir William Cash (Stone) (Con): I entirely agree with my right hon. Friend, and there is a further point. When it comes to the competing legislation at that point, it would be for the courts to consider whether or not the provisions in the Lisbon treaty that dealt with the question of article 50 had somehow been qualified, amended or repealed by a subsequent enactment.

Sir Oliver Letwin: I entirely agree with my hon. Friend, but it seems to me that for this purpose we do not even need to raise that question, because there is only one other possibility in this Court action—that the Court decides that the Prime Minister has implicitly made the decision. I do not quite know how the Court would get to that answer, but we could speculate that if the Prime Minister had acted differently in the course of the negotiations, the European Council would have acted differently, so implicitly the Prime Minister has made the decision.

Under those circumstances, subsection (4) would, purportedly, come into effect. That is, I suppose, what its authors intended. However, if the European Council has not by the end of the two-year period made a unanimous decision and if the courts decided that the Prime Minister had thereby implicitly decided, the courts would be requiring Parliament to do something that it is impossible to do—namely, to get the Prime Minister to reverse a decision that, as a matter of ordinary language, the Prime Minister would not have made at a time when the Prime Minister could not undo a decision that, as a matter of ordinary language, the European Council had made.

[Sir Oliver Letwin]

I am perfectly aware that it is of the greatest importance for Members of this House to show due deference to the other place, and I also genuinely admire the skills of the authors of the amendment, but I put it to them that even the House of Lords in all its majesty cannot compel the Prime Minister to do something that is impossible. That is beyond the scope of any human agency.

John Redwood: Is that not evidenced by Lord Pannick himself arguing seriously in court that the letter is irreversible?

Sir Oliver Letwin: I agree with my right hon. Friend, although the Supreme Court went to great pains not to refer the matter to the European Court of Justice, for very good reasons, so we can leave even that argument aside.

My point is very simple. Either subsection (4) would have its intended effect or it would not. If it did, it would be inimical to the interests of this country, because it would induce the worst possible agreement to be offered—as a matter of fact, it will not have that effect in plausible circumstances—and if it did not, it would be bad law. I put it to you, Mr Speaker, that this House should not be passing legislation that either is inimical to the interests of this country or constitutes bad law, and that we should therefore reject the amendment.

Stephen Gethins (North East Fife) (SNP): This is a very timely debate about amendments that go to the heart of the situation in which we find ourselves. The Scottish National party has made it very clear that we want much more detailed reassurance—perhaps the odd detail or two from the Government—and that is where parliamentary scrutiny should have been involved. We should also be having a debate about the kind of country in which we want to live, and the kind of country that Scotland becomes and the United Kingdom becomes. That is where the amendment on EU nationals comes in.

The Secretary of State may have caught the First Minister's statement earlier today, in which she made it very plain that this was not the situation in which we wanted to find ourselves. In fact, the Scottish Parliament voted by 92 votes to zero, across political parties, that we should look at ways of securing our relationship with Europe. It is a critical relationship that we have with our European partners, one that has an impact on, and benefits, each and every one of us; but, nearly nine months after the EU referendum, we still do not have that much in the way of detail from an increasingly clueless Government.

The most detailed response to the referendum so far came in the form of a compromise proposed by the Scottish Government just before Christmas. That compromise—let us not forget this—would have meant Scotland leaving the EU against its will to protect our place in the single market. It was a big compromise, and it took a lot from the Scottish National party to put it forward, especially given that Scotland had voted overwhelmingly to remain part of the European Union. We did it in order to protect jobs, the economy, and opportunities for young people and their environment in the face of a hard Tory Brexit.

The Fraser of Allander Institute has suggested that we could lose up to 80,000 jobs in Scotland alone as a result of the Government's plans. We have a responsibility to protect those jobs, we have a responsibility to think about opportunities for young people, and we have a responsibility to think about the rights that we receive from our membership of the European Union. We have a responsibility not to just roll over in the face of a disastrous Tory plan.

Mhairi Black (Paisley and Renfrewshire South) (SNP): Last Friday I met representatives of a major bus company in Scotland, who said that 17% of the company's bus drivers were EU immigrants. They said that the only reason they were not experiencing the haemorrhaging of talent that their counterparts down south were experiencing was the First Minister's reasonable, sensible and inclusive message that EU nationals were welcome. Does my hon. Friend agree that the UK Government could benefit by conveying such a message?

Stephen Gethins: My hon. Friend makes an excellent point. I want to come on to the point about EU nationals shortly. It is not just in Scotland that jobs are threatened.

Crispin Blunt (Reigate) (Con): Perhaps the hon. Gentleman could tell us, on the same analytical basis, how many jobs would be lost in Scotland if it left the UK?

5.15 pm

Stephen Gethins: That is the extraordinary basis on which this is debated. My honourable colleague from the Foreign Affairs Committee forgets that it is his own Government who have already told the people of Ireland that they need not choose between the European Union and the UK, just as Scotland need not choose between trading with the UK and the rest of the EU.

Charlie Elphicke: Will the hon. Gentleman give way?

Stephen Gethins: No, I will make progress.

If we pass the Bill today, we will be passing this Government a blank cheque on one of the most crucial issues that this Parliament has ever discussed, an issue that will have an impact on each and every one of us and each and every one of our constituents. Let us not forget that we will be handing a blank cheque to a Government who are forced to deny their own tweets, who corrected a White Paper that had already been published and who are trying to defend yet another shambolic Budget. That is the Government this place would be handing over a blank cheque to. Frankly, I am not sure we could trust them to run a bath, or a bidet for that matter, never mind a complex set of negotiations.

The Secretary of State said that he has seen the best of parliamentary debate in this place over the course of the Bill. It is nice to hear him say that because he spent millions of pounds trying to prevent us from having that debate in the first place. The basis of a parliamentary democracy is that we can scrutinise and do not roll over and acquiesce in the face of damaging plans. That is exactly what we would be doing by handing over a blank cheque.

David Rutley (Macclesfield) (Con): Will the hon. Gentleman give way?

Stephen Gethins: Not at the moment.

It is the House of Lords, of all places, that has given us another opportunity today to save the House of Commons' blushes. We will be voting for a meaningful vote today, although of course we would also have wanted a greater role for the devolved Administrations.

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

Stephen Gethins: Not at the moment.

The lack of respect for the devolved Administrations, and the promises that were made and subsequently broken during the independence and EU referendums have led us to the situation we are in today. During the independence referendum, we were told that the only way Scotland could guarantee remaining part of the EU was to vote against independence. We were told that the only way to bring in powers over immigration was to vote to leave the EU—more costly and broken promises. That is why the First Minister is right to be looking at the electoral mandate that the SNP was given last year to hold another independence referendum.

The Government may not be big on manifesto commitments, but the SNP is. The SNP was returned to power with the largest number of votes since devolution was established, with 47% of the constituency vote, compared with a Tory Government who have brought us to this situation with 36% of the vote in the UK and less than 15% of the vote in Scotland.

Let me move on to EU nationals. This is critical. We must not forget the human element of this.

Joanna Cherry (Edinburgh South West) (SNP): My hon. Friend is talking about the human element for EU nationals. On Friday afternoon, my constituent, Diemanta McDuff, a Lithuanian, attended my surgery in hysterical tears, saying that the uncertainty caused by this Government and this Parliament is making her feel worse about her personal situation in Britain than she did in Lithuania under the Soviets. *[Interruption.]* Those are the words of a constituent. Does my hon. Friend agree that this Parliament should be ashamed to be causing such uncertainty?

Stephen Gethins: I thank my hon. and learned Friend for raising that point, which is important. Many of us have listened to EU nationals, who contribute so much financially and culturally and who would be a loss to this country—to the whole of the UK. Therefore, I am not sure why the Government cannot give us what we seek.

Mr Nigel Evans: As the hon. Gentleman knows, I feel very passionate about the fact that EU citizens living in the United Kingdom should be allowed to continue doing so; they add so much to our economy and culture, and it would be a human tragedy if they were forced to leave. However, I suspect that hundreds of thousands of Scottish people are living in other EU countries. Does he not believe that they too ought to be given the same guarantee at exactly the same time?

Stephen Gethins: The hon. Gentleman makes my point for me: the Scottish Government are looking to protect Scotland's relationship with Europe, and, what is more, if EU nationals are as important to Conservative Members as they are to us, they will vote with us tonight, to give them the certainty they need and deserve. I look forward to the hon. Gentleman joining me in the Lobby.

EU nationals who have made Scotland and the rest of the UK their home contribute much: they make this a better place in which to live and work, and they make our communities better. These are people with families and jobs. If the Conservatives care so much about them—and to give these people certainty—there is something very simple they can do: they can join us in the Lobby tonight, for a change. The House of Lords has given them another opportunity.

This goes to the heart of the question of the kind of country—*[Interruption.]* Conservative Members would do well to listen to the point being made this time. This goes to the heart of the question of the kind of country in which we would like to live. Do we want to live in a country that is open and inclusive, working in co-operation and collaboration with our European partners, or in a UK that is increasingly isolated in Europe and abroad? It now seems like this is a choice that people in Scotland are going to get.

Today, we are sitting on the edge of the abyss with this vote; the question is whether or not Scotland is going to be taken into the abyss with this Tory Government. I am glad that SNP Members have an alternative, and the alternative is clear. It is one that respects the will of the people of Scotland, that seeks to work with our partners on these islands and across Europe, and that will allow us to prosper as an equal and normal partner in the international community of nations. Therefore, we will be opposing the Government tonight.

Anna Soubry (Broxtowe) (Con): I am going to keep my comments as brief as possible so that as many Members as possible can speak. I spoke when we last considered, effectively, Lords amendment 2 in its new form, and I just say this: it is surely perverse that we are in a situation whereby if there is a deal it comes back to this place and we debate it and vote on it, but if there is the worst scenario—which is no deal—we are not entitled to that say that or vote. That simply cannot be right.

This is not a debate about Brexit. We have had that vote; I voted against my conscience in accordance with the promise I made to the people of Broxtowe that I would honour the referendum result, and I voted for us to leave the EU. So we have had that one; we are moving on.

This debate is actually all about parliamentary sovereignty, and there are some uncomfortable truths that need to be said. It took a few brave souls—and they were brave—to go to the High Court and then the Supreme Court to establish parliamentary sovereignty. That is why we now have this Bill—not because we did it in this place, and history will record all these things, but because of what they did. But to the credit of the Government, they accepted that.

I understand that there is a good argument to be made that this is a short and simple Bill, but the difficulty, and the reason why I found myself for the first time voting

[Anna Soubry]

against my Government, is this intransigence—this inability to accept that in the worst-case scenario this place is not going to be allowed a say. And for this Secretary of State, of all Members of this place, with his fine track record of establishing, and fighting at every opportunity for the sovereignty of Parliament, to be standing up and denying us that on this particular issue is deeply ironic.

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

Anna Soubry: Because I am being generous, I will.

Mr Baron: But does my right hon. Friend not accept the simple point that this place made a contract with the British people at that referendum—[*Interruption.*] The Scottish National party might not like it, but it is true. Therefore, if there is a good deal, we will take it, and if there is not, the Prime Minister has made it very clear that we will not accept a bad deal, so we move on, and we move out of the EU.

Anna Soubry: My hon. Friend forgets that there was just one question on the ballot paper—did we want to remain in or leave the EU—and 52% of the people who voted chose to leave. That is what we are doing. We—some of us—on this side have honoured that result and voted for us to leave. Now, however, we are talking about the sovereignty of this Parliament and about what would happen in the event that our Prime Minister does not strike a good deal. I trust our Prime Minister to do everything that she can, and I will support her in her efforts to get that good deal, but let us be under no illusion that if she does not do so, there will be no alternative but WTO tariffs, regulations and rules, and the people in my constituency certainly did not vote for that—

Mr Baron: So?

Anna Soubry: My hon. Friend says “So?” I can assure him that it is not only me but our Prime Minister who takes the view that falling off a cliff edge would be the worst possible outcome for the people of this country. That is the one thing that we must ensure does not happen. In the light of that, we in this place must assist the Government with what happens next.

There is going to be a remarkable set of negotiations to achieve three bespoke deals—on trade, customs and security—in what will actually be an 18-month timeframe. But let us say that that worst-case scenario happens and that there is no deal at the end of that. If I may, I should like to say to Opposition Members, especially those in the north of Ireland—

Mr Nigel Dodds (Belfast North) (DUP): Northern Ireland.

Anna Soubry: Northern Ireland. The right hon. Gentleman needs no lessons on my support for the efforts and work of Northern Ireland Members. The real danger that we face is the cliff edge and, as a result, the hard border in Ireland that none of us wants.

In two years’ time, things might well have changed remarkably in this country, not just politically but economically. Economically, having had the buoyancy of a devalued pound and people actually spending on

the basis of their savings, inflation might then have kicked in and we could find that our economy was no longer in the fine fettle that it appears to be now. Politically, we could be facing great harm in every way possible through the break-up of the Union, with the Scots going their own way following a referendum and, tragically for Northern Ireland, with talk of a united Ireland or a breakdown of the peace that has lasted for some years. In the light of that, all the options must remain open for us to debate and decide upon. We could, for example, decide to restore the free movement of labour and consider the benefits of the single market, which would solve the problem for Northern Ireland and for Scotland.

Paul Farrelly (Newcastle-under-Lyme) (Lab): Does the right hon. Lady agree that this is not only an issue of principle, in regard to parliamentary sovereignty and having a meaningful say, but an issue of good practice? We should not swallow the argument of an incentive to offer the worst possible deal. Lords amendment 2 would instil discipline and accountability in the Government as well as among our negotiating partners, because at any stage the Prime Minister would be able to say, “I can’t agree to that, because I have to sell it to Parliament.”

Mr Speaker: Order. Interventions must be brief. We have very little time.

Anna Soubry: I want to close by saying this, Mr Speaker. The idea that, by doing the right thing and allowing us to have a vote and a say in the event of no deal, we would somehow be weakening the Prime Minister’s negotiating hand is absolutely perverse. It is as though all these deliberations and all the divisions that still exist in our country are not being reported throughout the whole of Europe. It is as though all this is taking place in some kind of silence. Everyone in Europe knows how divided our nation is. They know about the deliberations in this place and in the other place. They also know that, of those who voted, only 52% voted for us to leave the European Union. I urge the Government, for the sake of bringing unity not only to our party but to the country at large, to allow Parliament’s sovereignty to reign and, in the event of no deal, to allow us to have a vote and a say.

Mr Nick Clegg (Sheffield, Hallam) (LD): I must declare an interest, because the political is personal for me on the issue of EU citizens in the United Kingdom, as I suspect it is for many other Members in this House. The two most important women in my life—my mother, who is Dutch, and my wife, who is Spanish—are directly affected by this. While they are of course special to me, I none the less think that their fate, and the uncertainty that they have endured, is typical of the constituents of many across the House. My mother has lived here for more than 50 years. She has raised four children. She has worked as a teacher. She has paid her taxes. My wife loves this country—most of the time. She does not love the weather, but she loves this country. She is raising children, paying taxes, and working as a lawyer. It simply beggars belief that people like them and millions of others have had a question mark placed over their status, their piece of mind, and their wellbeing in our great country because of the action, or rather the shameful inaction, of this Government.

5.30 pm

John Redwood: The question mark has been placed there by the EU, not by this Government. If the EU said today that our citizens abroad are safe, all EU citizens here would be safe.

Mr Clegg: The right hon. Gentleman would start blaming bad traffic on the EU if he could. It is absurd. We picked the fight, not the EU. His party picked the fight; the EU did not.

I have one observation that I want to press the Secretary of State on. Even if he gets the deal on the issue of EU citizens here and UK citizens there, which I sincerely believe he wishes to seek, and even if that goes as smoothly and quickly as he has suggested today, there is no earthly way that this Government can separate the 3 million EU citizens who are already here from the millions who may, after a certain cut-off date, want to live, study, and work here without creating a mountainous volume of red tape.

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

Mr Clegg: Remind me, was freeing ourselves from red tape not one of the principal reasons why the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) and so many others told us that we should leave the European Union? Yet this Government are going to create a tsunami of red tape, which EU citizens, including my mum and my wife, will rightly resent just as much as this Government have always resented red tape in Brussels. The particular irony is that the Secretary of State and I worked closely together in this Chamber as Opposition party spokespeople 12 years against the then Government's attempts to impose ID cards, yet I predict that he and his Government will have to introduce something not identical but strikingly similar to the paper trail behind ID cards.

Mr Duncan Smith *rose*—

Richard Graham (Gloucester) (Con) *rose*—

Mr Clegg: I must make progress; there is very little time.

Turning to the other, perhaps more meaningful amendment, the double standards that we have just heard about red tape are duplicated several times over by the double standards of Brexiteers saying, “We should free ourselves”—at any cost—“from the lack of democratic accountability in Brussels,” when the first thing they do is undermine and weaken the principle of democratic accountability in this House. I have listened closely to the Government's case for rejecting that amendment, including today, and there is no first principle argument against it, because they concede to the principle of a vote; they just do not like us having the freedom to decide what that vote should be on.

The Government have come up with laughable arguments, which we have heard repeated here today, including that if we have just the bog-standard, plain vanilla accountability exerted by the House of Commons and the other place on any announcement made by the Prime Minister in two years, that will serve as an incentive for the EU to give us a bad deal. By that logic,

the only Governments who can successfully negotiate good international agreements are dictatorships. They are not; they are democracies. Democracy can co-exist with good international agreements.

I have come to the conclusion that the reason the Government are digging their heels in as stubbornly as they are is that they somehow think that they will strut their stuff and impress our soon-to-be EU negotiating partners by indulging in parliamentary and procedural machismo here. Who do they think they are kidding? Do they think that Angela Merkel has put everything aside to look at this debate this afternoon? Do they think that she has said, “Oh, look at the way that No. 10 unceremoniously evicted Lord Heseltine and other venerable parliamentarians from their jobs. We had better give them a good deal”?

Does the Secretary of State think that Michel Barnier, whom I know well and know the Secretary of State knows well—a hardened EU negotiator if ever there was one—is saying, “Oh well, we'd better lower the price tag because they are being so tough with their own people”? It is a ludicrous assertion. So I simply say to Government Members, at this last, 59th second of the eleventh hour of this debate on these amendments: stubbornness can be a sign of suspicion and weakness, not strength; rejecting the rightful, conventional role of the House of Commons and the other place to apply democratic accountability to the actions and decisions of the Executive can be a sign of weakness, not strength; and this specious argument that condemns the lack of democratic accountability in Brussels while undermining it here, in the mother of all Parliaments, is a sleight of hand that should not be lightly forgotten.

Mr Mark Harper (Forest of Dean) (Con): It is a particular pleasure to follow the right hon. Member for Sheffield, Hallam (Mr Clegg), as he and I spent a number of years working together in coalition government. I know that was not enormously fruitful for all those on my side, but I thank him for his remarks.

Let me deal with one opening point and then refer to the amendments, rather than making a general speech. One observation to make, which comes back to the right hon. Gentleman's point about process, is that we sent to the House of Lords a short, well drafted and tightly focused Bill. Usually, the House of Lords argument and its criticism of this House is that we send it long, badly drafted and ill thought through legislation, which the House of Lords then has to improve. In this case, we sent the other place a short, tightly focused, well drafted Bill that does one very specific thing; it then made the Bill longer and reduced the quality of the drafting. We should help their lordships out this afternoon by getting rid of their poorly drafted amendments and sending the Bill back to them in the same expertly drafted form in which it started.

Sir Edward Leigh (Gainsborough) (Con): The simple truth is this: deal or no deal, vote or no vote, positive vote or negative vote, this process is irreversible; we are leaving the EU and that is what the people want.

Mr Harper: I am grateful to my hon. Friend for that.

Let me now deal with the two Lords amendments that my right hon. Friend the Secretary of State is inviting the House to disagree with. The first one relates

[Mr Harper]

to EU nationals, and I have listened carefully to the debate we have just had on it. I believe I heard the hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) suggest to the Secretary of State during it, from a sedentary position, that he could put people's minds at rest by accepting the amendment. I fundamentally disagree with that.

If we read what the amendment actually says, as opposed to what people have asserted it says, we find that all it says is that the Government should bring forward proposals within three months to deal with people who are legally resident in Britain. I think this is faulty for three reasons. First, the inclusion of "three months" puts in place an arbitrary time limit, which will be decided by judges if people challenge it. This may happen in the middle of the negotiation process that the Secretary of State is going to carry out to secure the rights of British citizens and it could well disrupt that process.

The second and more important point is about the fact that the amendment refers to those who are "legally resident" in the country today. Two groups are involved here, and I would like to be more generous to one and less generous to the other. The first group comprises those whom we have discovered perhaps did not understand EU legislation, which says, "You are legally resident here if you are a student or you are self-sufficient only if you have comprehensive health insurance." Many people fail that test; I think it would be sensible for us to take a generous approach when legislating for people to be able to stay here, but the amendment, as drafted, does not suggest we do that. I think the Government could be more generous to EU nationals who are making their lives here than the amendment proposes—I think that would be welcome.

John Redwood: Does my right hon. Friend agree that if we get to the point where all our proceedings, debates and votes have to be put into legislation and are subject to court action, we cannot proceed—we will cease to be sovereign?

Mr Harper: That point is very well made and it leads me on to my next point. There is another group of EU nationals, who are unlike those we have already been talking about, whom we all want to protect and are here working and contributing. A significant number—although they are only a small percentage—of EU nationals in Britain have broken the criminal law. There are 4,500 EU nationals in prison. They are legally resident in this country. Lords amendment 1 would mean that when they were released from prison after they had served their sentence, it would be very difficult for my right hon. Friend the Home Secretary, who is sitting on the Front Bench, to remove their right to stay in this country and deport them to their home country, which is what I want us to do. I would like us, as a country, to be more generous to those who come here to work, contribute and study, but to be less generous to those who come here to break our laws and violate the welcome we give them and the trust we place in them. I do not want to fetter the hands of Ministers in doing that. The amendment is poorly drafted and does not provide that reassurance, so I ask the House to reject it.

The final thing I shall say about EU nationals relates to the point made by the hon. and learned Member for Edinburgh South West (Joanna Cherry). I listened carefully to what she said about her Lithuanian constituent—I hope her constituent will forgive me, but I did not catch her name. I hope that when she was talking to her constituent, the hon. and learned Lady was able to reassure her by explaining the clear assurances that the Prime Minister of her country has placed on the record about wanting to make sure that people like that constituent are able to stay.

Joanna Cherry: Will the right hon. Gentleman give way?

Mr Harper: I hope the hon. and learned Lady is able to confirm to the House that she said that.

Joanna Cherry: I am very happy to confirm exactly what my constituent said, as the right hon. Gentleman has brought it up. She cannot apply for permanent residency because she does not have comprehensive sickness insurance. I advised her that the Exiting the European Union Committee, on which I serve, has asked the Government to rectify that matter and that, as yet, they have not done so.

Mr Harper: I am pleased that the hon. and learned Lady made that point. Had she listened to my remarks, she would have heard me say that there are constituents who thought they were here legally, but who, because they do not have comprehensive health insurance, are not actually legally resident. As drafted, Lords amendment 1 would not provide such people with reassurance. I said that, as a former Immigration Minister, I would be minded to be generous to constituents like the hon. and learned Lady's, which is why I want a deal and for my right hon. Friend the Home Secretary to introduce immigration legislation to sort out the situation. The amendment would do no such thing, and people should not mislead anyone by telling them that it would. My hon. Friends should reject it.

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

Mr Harper: If my hon. Friend will forgive me, I shall move on to Lords amendment 2, because I am conscious that other Members wish to speak.

Lords amendment 2 is about a meaningful vote. Essentially, the issue falls into two parts. The Government have already said that they will bring decisions before the House if the Prime Minister strikes a good deal both on our article 50 divorce negotiations and on our future trade relationships. There is, though, a good reason for not putting this in statute: as soon as we do, we enable people to challenge the process—to go to court and frustrate the ability of this House and the Government to conclude the negotiations.

On the final part of Lords amendment 2, which my right hon. Friend the Member for West Dorset (Sir Oliver Letwin) set out very carefully, there are two parts to my objection. First, I do not agree with the Labour party. If we say that either the House of Commons or the House of Lords is able to frustrate our leaving the EU in the event of getting a deal that we do not think is a good one, I think they will absolutely do so. I listened

carefully to what my right hon. Friend the Member for Broxtowe (Anna Soubry) said, and I could not help but think that the conclusion to her remarks was that she wanted us to stay in the EU if we got a bad deal. That seemed to be the conclusion of what she said.

Anna Soubry: I am grateful for the opportunity to make myself clear. I said that if we do not get a deal, the matter should come back to Parliament and we should consider all options, given the circumstances that we would find ourselves in. It may well—[HON. MEMBERS: “Ah!”] I am so sorry; I thought we lived in a democracy, but I have obviously got that completely wrong. It is hard to see how we would go back on our decision to leave the EU.

Mr Harper: I listened carefully to my right hon. Friend. As I have said before in the House, the referendum asked an unconditional question: whether we should remain or leave. We did not say to the public—though some people think that we should have done—“If we get a really fabulous deal, we should leave.” I was on the remain side of the argument, but I accept that the people of the United Kingdom made a different decision. It behoves us all to support the Prime Minister in getting the best possible deal, given that we are leaving. Even if there is a bad deal that we cannot accept, we are still leaving the European Union. That is why I urge my hon. and right hon. Friends to disagree with both Lords amendments.

Several hon. Members *rose*—

Mr Speaker: Order. Only 40 minutes remain. I am keen to call as many hon. and right hon. Members as possible, but I need Members to help each other.

5.45 pm

Hilary Benn (Leeds Central) (Lab): The right hon. Member for Forest of Dean (Mr Harper) argued that we should not support the two amendments because they are justiciable; on that basis, we might as well pack up and go home, because everything that we put in legislation is justiciable.

I rise to support the two amendments, and I draw the House’s attention to the unanimous recommendation of the Select Committee on Exiting the European Union, which I have the privilege of chairing: the Government should now make a unilateral decision to safeguard the rights of EU nationals in the United Kingdom. I say to the Secretary of State that the only argument against doing that, and against the Lords amendment, is that someone might be prepared to put the status of those 3 million EU citizens into play in the negotiations. That raises the question of how exactly that would be done, and to what purpose. It is precisely because the Secretary of State, and indeed the Prime Minister, have been so clear in saying to the House “We intend to ensure those people’s status and rights” that no one in the Chamber believes that the Government would be prepared to put those people’s status into play in the negotiations. If the Government are not prepared to do that, why not do the right thing now, and tell those people that they can stay?

Mr Chuka Umunna (Streatham) (Lab): Is the Government’s position on EU citizens not based on a fiction? If they did not grant EU citizens the right to

stay, presumably they would remove those who could not stay from the United Kingdom, but the Minister for Immigration has said that the Government do not know where EU citizens are in order to remove them from the United Kingdom. It is an empty threat, so why cause all this stress?

Hilary Benn: I agree with my hon. Friend entirely. The whole House knows that that course of action cannot be contemplated, so the Government should follow the advice of the Select Committee.

On Lords amendment 2, I listened carefully to the arguments that the Secretary of State advanced, but I say to him gently that I do not think they would have persuaded him in his previous incarnation, before he became Secretary of State for Exiting the European Union. Let us just pause for a moment on the point that the right hon. Member for Sheffield, Hallam (Mr Clegg) raised about the incentive to offer a bad deal. If that argument holds any sway, it held sway when Ministers said at the Dispatch Box, “Yes, we will give you a vote on a draft deal.” It cannot be the case that if the Government offer a vote on a draft deal, it does not raise the possibility of a bad deal being offered, whereas if we in this House vote to put that vote on a deal on the statute book, it does raise the possibility of a bad deal being offered. The two arguments are wholly inconsistent, and the House is not persuaded.

I also listened carefully to the language used by the Secretary of State, who I see is engaged in earnest conversation. He talked about our being able to act without our hands being tied, and to pass the Bill “without any strings attached”. We in this House are not strings; we are part of our democracy, and we are very attached to that democracy. Lords amendment 2 is not about seeking to reverse the decision of the referendum. Like the right hon. Member for Broxtowe (Anna Soubry), I and many others voted for this legislation because we respect the outcome of the referendum, but it is about Parliament deciding, in either eventuality, on how we leave the European Union. There is a terrible irony here. We are hearing the voices of those who, in the course of the referendum, used the restoration of parliamentary sovereignty as one of their principal arguments for voting to leave the EU, but whose enthusiasm for that sovereignty disappears in a puff of smoke when the House is asked to put that sovereignty on the statute book.

Finally, I say to the right hon. Gentleman that it is now time to put behind us the matter of who voted leave or remain in the referendum. We should come together and put aside division, including the division that is being urged on us by others in this Chamber. I say to him that having Parliament behind him in these negotiations and knowing that, in the end, the Government must account to Parliament for what they are able to achieve in those negotiations is not a weakness for this country, but a strength, and the sooner the Government recognise that, the better.

Seema Kennedy (South Ribble) (Con): I campaigned for remain in last year’s referendum, believing that it was in the best medium-term economic interests of my constituents. I did so having stood on a manifesto that promised the British people a vote on our membership of the EU and that promised to honour the result of the referendum whatever the outcome.

[Seema Kennedy]

We must remember in this place that a record number of people—a massive 72% of electors—turned out to vote on 23 June, bucking recent electoral trends. Many of my constituents, already in their 40s, had never ever voted before because they thought that, until then, their voices and their votes did not count. They voted in June for the first time. Contrary to what commentators on both the left and the right say, these people are not simpletons, and they are not children; they are adults with as much right to vote as any of us. They knew the risks of voting to leave and they did so anyway. We must respect that decision and not seek to undermine it.

Geraint Davies *rose*—

Seema Kennedy: No, I will not give way, because there are so many Members who wish to speak.

The Bill before us is the legal mechanism by which the Prime Minister can begin withdrawal negotiations. All Members, on whichever side of the House they sit and whichever nation they represent, must wish that these negotiations are successful. There is no doubt that those negotiations will be protracted and difficult, but it is in the best interests of our constituents that we give our Prime Minister and her team of Ministers the strongest hand possible. Lords amendment 2 hampers that ability.

Helen Goodman: How?

Seema Kennedy: If the hon. Lady listens, I will elucidate.

The preconditions required would mean that whatever the British negotiating team were to say, our EU counterparts would think that they could frustrate, delay or even veto any deal. Certainty was the No. 1 priority in the Prime Minister's Lancaster House speech. How can there be any certainty for our businesses, our constituents or even our European partners if there is a prospect of endless review by this place?

Stella Creasy (Walthamstow) (Lab/Co-op): Will the hon. Lady give way?

Seema Kennedy: I have already said that I will not give way.

Lord Hill, who is a man of great experience in EU negotiations, said this of our European counterparts:

"They need to know that what our negotiators say our negotiators can deliver."—[*Official Report, House of Lords*, 20 February 2017; Vol. 779, c. 32.]

I therefore urge all right hon. and hon. Members to reject the Lords amendments and give the Prime Minister the strongest possible hand in her negotiations.

Alex Salmond: I have only three points to make in the time that I have available.

When my hon. Friend the Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) asked the Secretary of State whether he would be prepared to deport these European nationals in our midst, he said, rather significantly, "No, of course not, not somebody with my liberal credentials stretching over so many years." That is the case, and it would be the case for every Member here—with perhaps one or two exceptions whom we shall not

name. The vast majority of this House would not countenance ever doing that, which is why, as the right hon. Member for Leeds Central (Hilary Benn) has just said, those European nationals cease to be any sort of bargaining chip. Even if we thought that the International Trade Secretary was right to say that they were an important card to play—even if we thought that that was acceptable language—they are not a card that we can play. It is like a nuclear deterrent: if we are not going to press the button, it is not a deterrent. If we are not prepared to follow through on deportation or to use people in that way, it cannot be a bargaining chip or a card to play. Therefore, the correct course of action for the Government is, unilaterally, to accept and secure the position of our fellow citizens working and contributing among us. There is no possibility of their being effective as a bargaining chip in negotiations. I call on the Government to do the right thing and accept Lords amendment 1.

Yesterday, the nation was transfixed as we tried to interpret the latest Government policy on Brexit. Should we follow the advice of the Foreign Secretary, who was on one channel, when he said that it would be no problem if we had to resort to World Trade Organisation terms? Or should we follow the advice of the International Trade Secretary, who on another channel was saying, yes indeed, it would be a problem? In fact, we were all watching the wrong people. We should have been watching the Brexit Secretary on the "Andrew Marr Show", because he was actually getting to the guts and the nub of the problem. Andrew Marr asked, "So what happens if they don't accept it?"—referring to our voting down the deal that the Government bring to us in a meaningful vote. The Brexit Secretary answered, "That is what's called the most favoured nation status deal with the World Trade Organisation."

When this Bill was in Committee, the right hon. Member for Leeds Central and others were trying to tempt a commitment out of the Minister of State when he appeared at the Dispatch Box with a flourish—with as much of a flourish as the Minister's parliamentary style allows—and told us that the Government intend us to have a meaningful vote. Member after Member asked him what would happen in this meaningful vote if we decided to reject the Government's terms. We had the answer yesterday from the Brexit Secretary: WTO terms. It is absolutely clear: our deal or no deal; our way or the highway. No vote can be described as meaningful if the alternative is the damage of WTO terms.

Given your injunction to be brief, Mr Speaker, I will come to my final point. We are asked why we do not just accept the word of the Brexit Secretary and these other chaps and chapesses in the Government when they tell us that we do not need to put things into legislation. Can I quote a little bit of history here and show Members what assurances we have been given in Scotland on this legislation? On 15 July last year, *The Daily Telegraph* said:

"Theresa May has indicated that...she said she will not trigger the formal process for leaving the EU until there is an agreed 'UK approach' backed by Scotland."

I admit that that does not come from *Hansard*, but surely *The Daily Telegraph* is the nearest the Tories can have to an *Official Report*. That promise has been swept away. That commitment has been broken, as indeed was the reaction to the Scottish Government's argument to

keep us all within the single market. It was not regarded seriously, and we were not even consulted before the Prime Minister dismissed that as an alternative.

Then there was the compromise: let Scotland stay within the single marketplace, even if this Government are determined to drag the rest of the UK out of it. That was not even given serious consideration. We have had no substantive reply in the past three months, because, in their arrogance, this Government believe that the views of the 48% across the UK, of the Members of the House of Lords, of the Tory Back Benchers who have their doubts, and of the nations in this country, two of which voted for remain in the referendum, do not matter. They can be swept aside as we proceed headlong to the hard Brexit cliff edge. Today, in Scotland, perhaps the Government were disabused of that notion, because there might not be a meaningful vote in this Chamber, but there shall be a meaningful vote in Scotland about protecting our millennium-long history as a European nation.

Several hon. Members *rose*—

Mr Speaker: Order. With extreme brevity now from both sides of the House, I call Sir William Cash.

Sir William Cash: First, this is a very simple Bill that is merely about notification and triggering. It is as simple as that. Secondly, the plain fact is that judicial review, which my right hon. Friends the Members for West Dorset (Sir Oliver Letwin) and for Forest of Dean (Mr Harper) dealt with so well, would be a gift to the courts and the lawyers. It really is completely inappropriate. My third point is on the question of parliamentary sovereignty. The fact is that the issue today is not about parliamentary sovereignty. In fact, it is about undermining a decision that has been made by a referendum of the British people that was itself conferred by a sovereign Act of Parliament. That is the distinction and that is what we need to concentrate on.

My last point is simply this: we cannot tie the Prime Minister's hands. It is inconceivable that we would legislate, make that judicially reviewable and, at the same time, pass amendments the effect of which would be to introduce a Committee of Parliament that would decide on questions that have to be decided on by the Government. Our constitution operates by parliamentary government, not by Committee of Parliament, otherwise we would go back to the 17th century; and I invite people to look at the Barebones Parliament.

6 pm

Emma Reynolds: I rise to make two brief points. First, if we do not deal, now or in the next three months, with the issue of EU nationals here or UK nationals in the EU 27, those people will get caught up in the negotiations, because the Council is due to respond to the triggering of article 50 in May or June, after the French elections on 7 May. We expect the Council to give Michel Barnier a mandate at around that time. If the Government continue to drag their heels on this issue, which is important not only for EU nationals here, but for our nationals elsewhere, the certainty and uncertainty provoked will affect those people and their livelihoods for two years. What are the Government going to do once the formal negotiations begin on article 50, on the money and on all the things about

which there will be such acrimony? How will the Government avoid EU nationals here and UK nationals in the EU being part of those negotiations? The Secretary of State did not provide an answer to that question. We have a short window of time, which will probably start tomorrow and end sometime in May or June.

Secondly, I reiterate something said by the right hon. Member for Broxtowe (Anna Soubry) in her eloquent speech. Some hon. Members on the Government Benches want us to leave without a deal, but what deal is worse than no deal? I find it difficult—in fact, impossible—to conceive of one. There is not one, and the right hon. Lady said that very clearly. Is falling back on WTO rules, with all the tariffs and obstructions to trade that go with that, better than some other deal that the Government can conceive of? What is this weird deal that they are talking about? There simply is not one. This House needs to have a say, whether there is a deal or not.

The Government have given very little clarity about what happens if—we are told that they are preparing for this eventuality—a deal is not agreed between the UK and our European partners. That would be the very worst situation. The Secretary of State has spent his political career espousing and promoting parliamentary scrutiny and sovereignty—well, he used to, before he got his current position. Could we really leave the EU without a deal and without this Parliament having a say? Of course we could not. Why do the Government not just admit that and put it on the face of the Bill?

Several hon. Members *rose*—

Mr Speaker: Order. A three-minute limit on each Back-Bench speech will now apply.

Mr Grieve: I want to support the Government in carrying out an efficient and effective Brexit but, after listening to some of the contributions this afternoon, I think I am living in wonderland.

I will focus solely on Lords amendment 2, particularly subsection (4). The first thing to understand is that, as matters stand, there will be a need not for resolutions of this House, but for primary legislation to complete the process. In fact, there will be a need for primary legislation even if we have no deal at all. I do not know when the Government want to deal with that. They could conceivably try to do it during the course of the great repeal Bill, but they have not suggested that that is what the great repeal Bill—which is, in fact, an entrenchment Bill—is all about. So it seems that if there is no deal at the end of the process, there will have to be primary legislation passed by this House, if that has not already been done.

Interestingly, far from the Lords trying to lead to great litigation, their view—if the Government bother to read Lord Hope's speech—was that litigation could be avoided by tabling the amendment and providing for a resolution mechanism at the end. I can promise my hon. and right hon. Friends who think that there is some whizzo way of getting around the litigation that, if they do not follow proper constitutional process, there will be litigation, and that litigation will hold matters up.

Now, I am not so concerned about amendment 2. I am concerned about getting an assurance from my right hon. Friend the Secretary of State for Exiting the European Union that, if there is no deal at the end of

[Mr Grieve]

the process, which will be a very significant moment in this country's history, Parliament has an opportunity to debate and vote on that. Far from that being an obstruction of the process, I would expect it to be part of the normal constitutional process and the Government to seek the endorsement of the House for that very significant act. I worry that my right hon. Friend—who, I think, personally may well agree with me—has been prevented from saying that at the Dispatch Box. I am afraid that I am not prepared to follow processes that appear to be, frankly, deranged.

There is a clear way of doing things. If we follow them, we will come up with the right decisions at each point; if we do not, we will mire ourselves in chaos. I want to support the Government, but I have to say, most reluctantly, that if we persist with this, I cannot support the Government this evening when it comes to amendment 2. I am very sorry about that. I would like to be able to support the Government because the critique of the Lords amendment has some force, but someone has to put down a marker that we have to follow a proper process in the way in which we carry out Brexit.

Chris Leslie (Nottingham East) (Lab/Co-op): I commend the right hon. and learned Member for Beaconsfield (Mr Grieve) for his speech. Notwithstanding my obvious support for the Lords amendment on EU nationals, I urge Government Members to think carefully about what they are being asked to do by Ministers today. The Lords have already inserted into the Bill the amendment to give Parliament a meaningful vote, and Ministers are asking hon. Members tonight to wrench that out of the Bill and delete it. As the Bill stands, it provides that parliamentary scrutiny and authority. Government Members should ask themselves whether they really want actively to go through the Lobby and delete that from the text of the Bill.

Ministers have asked hon. Members to do a number of things. They say, “Don’t tie the hands of the Prime Minister. Whatever you do, give her unfettered power to negotiate in whatever way she likes.” I say to those Ministers and to hon. Members that we should not be putting power entirely in the hands of one person—the Prime Minister—without any insurance policy whatever. With the greatest respect to Ministers, the Prime Minister decides who is on her Front Bench, and parliamentary democracy is the insurance policy that we need throughout the process. We should not be frightened or shy of that. We should welcome it because it is a strength and it is a part of the process.

The Government say, “Take back control.” Yet at the same time they are asking us to muzzle Parliament for the next two-year period by saying, “Well, whatever happens, Parliament may not have a say on that.” We could find ourselves in circumstances where the European Union offers a really good deal but the Prime Minister, singularly, on her own—or his own, of course, because it depends on who the Prime Minister is in two years’ time—could say, “Absolutely no deal.” This Parliament would have no choice but to accept that. We would have no say on the matter.

Ministers ask us to accept their verbal assurances. Well, Ministers are here today, but could be gone tomorrow. May I speculate that we could have a different Prime Minister

by the time we get to spring 2019? Who knows? It is possible that the right hon. Member for Uxbridge and South Ruislip (Boris Johnson)—the Foreign Secretary, no less—could be Prime Minister one day. He said at the weekend that it would be

“perfectly okay if we weren’t able to get an agreement.”

He could be Prime Minister—Government Members do not know—and that would be the situation we would have to face, with no votes and no rights for Parliament. Verbal assurances are not sufficient.

Mr Duncan Smith: Under your instructions, Mr Speaker, I am going to be brief. I want to deal specifically with the first amendment—I thought the second amendment was well dealt with by my right hon. Friends the Members for West Dorset (Sir Oliver Letwin) and for Forest of Dean (Mr Harper).

We have heard a lot in this debate, and we heard a lot in the other place, about the emotional end of what it is to give EU citizens some kind of reassurance, and I myself am publicly on the record as saying I would like to have done that by this point. However, I remind people that we also have UK citizens. The ex-leader of the Liberal Democrats, the right hon. Member for Sheffield, Hallam (Mr Clegg), rightly went on about his own family, but I have a sister who has lived and worked in Italy pretty much all her life, and she has retired there. It behoves this place not to dismiss the concerns and worries of such UK citizens quite as lightly as they were dismissed in the other place and have been dismissed here today. I actually heard it said from the Opposition Benches that the reason we should not be so concerned about those UK citizens is that many of them are older and, therefore, pensioners, so they are less important. That is wrong, and I encourage the Government to stick to their plans to deal with the two issues together.

However, the thing about the amendment is that it is not actually what all this emotional argument is about. For those who want to guarantee these rights, this is not the amendment for doing so—it actually does the exact opposite, and that is for two reasons. First, it does not reassure EU nationals over here. I have had conversations with various EU nationals, and they do not feel in the slightest bit reassured by the idea that we are going to call the Government back three months after we have triggered article 50 to ask them what they plan to do. That is no reassurance, and it does not give EU nationals their rights, so we are not voting to reassure them at all.

The second element is that the amendment actually damages the Government’s position in the negotiations. Let us imagine there has been no agreement about what to do with UK citizens. On the three-month mark, the European Commission knows full well that the Government will be dragged back to the House to explain publicly what their plans are, regardless of the negotiations. I can think of nothing worse than to bind their hands in the worst way possible and make sure that UK nationals do not get reciprocal arrangements.

My point tonight is that, whatever the realities of what people want, neither amendment satisfies the requirement to protect EU nationals or to give this Parliament a meaningful vote without damaging the prospects for the Government’s negotiations. I urge the House not to vote for the amendments, and I remind those on the Opposition Benches who talk endlessly about parliamentary sovereignty that, for the 25 years I have sat in this place,

all the arguments about the EU have been dismissed on the basis that we were not allowed to amend a single European treaty.

Helen Goodman: I wish to speak particularly to amendment 2, which is very similar to new clauses 99 and 110, which we debated about a month ago.

Conservative Members have complained about Lord Pannick's drafting. When Ministers make that complaint, I feel it is slightly disingenuous, because they had the opportunity to amend the amendment. If they really felt the other place should not be involved, they could have changed the drafting to say not "both Houses of Parliament" but only "the House of Commons", or they could have taken out subsection (4), which provides for what we do if there is no agreement with the EU. They have not done that, so they are making the bar higher for their colleagues behind them. In any case, either it is a problem that the House of Lords has a veto, because it is an unelected Chamber, or it is not a problem. It seems the Prime Minister made a promise that the vote would come to both Houses, so she does not seem to think it is a problem, and I do not know why it is being put up as a problem now.

The right hon. Member for West Dorset (Sir Oliver Letwin) took us on a long perambulation about what might or might not happen. That was completely unnecessary: if we had the amendment on the face of the Bill, we would, in effect, make it part of the constitutional arrangement, which, under article 50, has to be respected by the EU counter-parties in the negotiation.

Mr Grieve: The hon. Lady makes a very good point, because in the last debate we had, we discussed the possibility of being up against the wire. However, it seems to me on reflection that, in actual fact, if our own constitutional processes are not finished, we could not simply fall off the edge of the cliff until we had finished them, and I believe that to be the view of the lawyers in the European Commission as well.

6.15 pm

Helen Goodman: I am very grateful to the right hon. and learned Gentleman for that intervention.

The point I was going on to make was that it is obviously reasonable for us in this House to have a vote, not just because we all believe in democracy, and not just because the campaigners for leaving argued on the basis of parliamentary sovereignty, but because the European Parliament will have a vote. How can Ministers stand at the Dispatch Box and say it is all right to have constitutional arrangements that give Members of the European Parliament a vote and do not give us a vote?

There is one final thing I want to say about the risks of leaving without an agreement. The right hon. Member for Broxtowe (Anna Soubry) set out extremely well what the problems are, but I think they could be even worse than leaving on WTO terms. For us to have an agreement with the WTO, we require every member of it to agree that we should have one. After everything that has happened, does the Minister really think that the President of Russia is going to do us that favour?

Several hon. Members *rose*—

Mr Speaker: Order. I would like to accommodate a number of other colleagues. It is not compulsory to speak for the full three minutes. There is a prize for anybody who can do it in a minute.

Dr Julian Lewis (New Forest East) (Con): Until the right hon. Member for Gordon (Alex Salmond) spoke, I was afraid I was the only person who was having a bit of a flashback to the endless nuclear arms control negotiations of the 1980s, and there are, indeed, a couple of parallels, to which I will allude very briefly.

The first, on Lords amendment 1, is that the question we are asking ourselves is whether we should make a one-sided gesture, regardless of the fact that it would leave our own citizens exposed. We made it clear from the outset that we would agree to guarantee the rights of EU citizens here if other countries would do the same for our citizens in those countries. Why is it that that suggestion has not been seized with both hands? One has to say that that indicates that there are some problems with the way in which the EU intends to go about its negotiations with us.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): Will the right hon. Gentleman give way?

Dr Lewis: No, I will not.

The way forward would have been for the EU to say straightaway, "Yes, you're making this offer. We accept it. No problem."

However, the second point, on the second amendment, is the more important one. We have heard it said repeatedly from the Opposition Front Bench and from elsewhere in the Chamber that no deal is the worst possible outcome for Britain. Put another way, that is like saying that any deal at all is better than no deal, and I would like to draw a parallel with those arms negotiations in the 1980s. The most successful negotiations were those that led to the treaty in 1987, when we got rid of all the cruise missiles and Pershing missiles on our side, and the Russians got rid of all the SS-20s. It happened like this: we carried out our threat in the negotiations, and the other side walked away from the negotiating table, but when they saw we meant it, they came back, and they gave us a better deal. What we have to remember is this: no deal may lead to a better deal a year or two down the road. If you are determined to take any deal rather than no deal, you will end up with a much worse deal than you might otherwise have had.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): I shall vote against both the amendments on the simple basis that this Bill has one purpose and one purpose only: to give legal effect to the decision of the people on 23 June. Any amendments that go beyond that are inappropriate to the Bill.

However, I look to the Secretary of State to give firm assurances that his top and first priority will be the rights of EU citizens; that he acknowledges that that will require a bespoke EU citizenship right to remain, to accommodate such problems as health insurance; and that we will act on that as our opening gesture in the negotiations, to set the right tone.

Several hon. Members *rose*—

Mr Speaker: Order. Let us try for two speeches of two minutes each.

Mr Dominic Raab (Esher and Walton) (Con): I will vote against the amendments tonight. I want briefly to address amendment 2 on the final vote. As others have said, it is quite wrong for noble Lords to abrogate for the other place a right of unelected peers to veto Brexit at the 11th hour. But more than that, it would be entirely counterproductive as a matter of diplomatic practice, with Jean-Claude Juncker talking about the possibility of the UK rejoining the EU, to start these negotiations signalling that a lousy deal might lead the UK to reverse its decision. That would be surest way to elicit the worst terms. I understand the legitimate concerns and anxieties in all parts of the House at this very delicate moment for our country's history, but the truth is that we cannot legislate away legitimate concerns that we have, whether we voted leave or remain, and we cannot legislate for every permutation of these negotiations. We have to trust the Government and support the Government. Yes, scrutinise this, but for heaven's sake do not weaken it at the very outset of these crucial negotiations. We have debated a one-clause Bill for six weeks.

In summing up, I want to draw approvingly on the view expressed in other place by the noble Lord who headed up the remain campaign—Lord Rose. He made it very clear that in his view the Government should be given the flexibility they deserve and need to get the best deal for the country, and that it is incumbent on all politicians of all parties to rally behind the Government so that they can get the best deal for the whole country. I commend the noble Lord, and I will vote against the amendments.

Several hon. Members *rose*—

Mr Speaker: Order. The Secretary of State would like a minute to wind up, with the leave of the House. I am bound to say that that seems reasonable, but I require the co-operation of the hon. Member for Brighton, Pavilion (Caroline Lucas) and of the House.

Caroline Lucas (Brighton, Pavilion) (Green): We live in very strange times. The campaign to leave the EU was based to a very great extent on the idea of restoring parliamentary sovereignty. Indeed, the Government's White Paper asserts:

“The sovereignty of Parliament is a fundamental principle of the UK constitution.”

Yet Ministers seem set on opposing any attempt to guarantee a meaningful role for Parliament in the process of withdrawing from the EU. Instead we are being asked to write a blank cheque to give Ministers power to withdraw the country from the EU on whatever terms they like—or worse, on no terms at all. Ministers seem to regard their colleagues as little better than lemmings. Faced with the prospect of falling off the cliff edge, we are apparently meant to suspend all judgment and blindly follow wherever they lead. But to allow Ministers to proceed in this way would be an extraordinary and unforgivable abdication of parliamentary responsibility. The manner and terms on which we withdraw from the EU will have implications for the rights and interests of every citizen and business for many years to come, and Parliament must take responsibility for these decisions.

The final deal on trade with the EU will almost certainly need to be ratified at both national and federal level of each EU member state. Lords amendment 2 simply gives the UK Parliament the same power. Do Ministers really want this Parliament to be the single most underpowered of all European Parliaments during that process?

I appeal to colleagues to defy the whipped-up anger of the anti-European press, and to stand up to the ridiculous notion that any and every attempt to give Parliament a role in the Brexit process is somehow a betrayal of the will of the people. It is no such thing—it is simply the exercise of the judgment that we were elected to bring to this House. We were not elected to be lemmings.

Mr David Davis: With the leave of the House, in 60 seconds, Mr Speaker. I start by thanking hon. Members for their valuable contributions. We have heard some formidable speeches. Perhaps that reflects on me. I liked best the ones that were made at my expense.

I will deal very quickly with some of the more important issues. The right hon. Members for Wolverhampton South East (Mr McFadden) and for Sheffield, Hallam (Mr Clegg), and the hon. Member for North East Fife (Stephen Gethins), spoke passionately about the rights of the 3 million. I agree. I care equally passionately about the 4 million. I am afraid that I do not agree with the Chairman of the Brexit Committee or the right hon. Member for Gordon (Alex Salmond) in saying that we are using these people as bargaining chips. We are not. By treating them as 4 million, we are stopping any of them being bargaining chips and getting an outcome that will reflect well on this House and on the European Union.

With regard to amendment 2, my right hon. Friend the Member for West Dorset (Sir Oliver Letwin), in a brilliant exposition of the Alice in Wonderland consequences of subsection (4), told us why my right hon. Friend the Member for Forest of Dean (Mr Harper) was right to say that we should stay out of the law in these matters.

The simple truth is that last time round we in this House passed this Bill unamended by a majority of 372. I hope that we will send it back with a similar majority and that the House of Lords respects that rejection of the amendments.

6.26 pm

Two hours having elapsed since the commencement of proceedings on consideration of Lords amendments, the debate was interrupted (Programme Order, this day).

The Speaker put forthwith the Question already proposed from the Chair (Standing Order No. 83F), That this House disagrees with Lords amendment 1.

The House divided: Ayes 335, Noes 287.

Division No. 178]

[6.25 pm

AYES

Adams, Nigel	Argar, Edward
Aldous, Peter	Atkins, Victoria
Allan, Lucy	Bacon, Mr Richard
Amess, Sir David	Baker, Mr Steve
Andrew, Stuart	Baldwin, Harriett
Ansell, Caroline	Barclay, Stephen

Baron, Mr John	Ellis, Michael	Huddleston, Nigel	Newton, Sarah
Barwell, Gavin	Ellison, Jane	Hunt, rh Mr Jeremy	Nokes, Caroline
Bebb, Guto	Ellwood, Mr Tobias	Hurd, Mr Nick	Norman, Jesse
Bellingham, Sir Henry	Elphicke, Charlie	Jackson, Mr Stewart	Nuttall, Mr David
Benyon, rh Richard	Eustice, George	James, Margot	Offord, Dr Matthew
Beresford, Sir Paul	Evans, Graham	Javid, rh Sajid	Opperman, Guy
Berry, Jake	Evans, Mr Nigel	Jayawardena, Mr Ranil	Osborne, rh Mr George
Berry, James	Evennett, rh David	Jenkin, Mr Bernard	Paisley, Ian
Bingham, Andrew	Fabricant, Michael	Jenkyns, Andrea	Parish, Neil
Blackman, Bob	Fallon, rh Sir Michael	Jenrick, Robert	Patel, rh Priti
Blackwood, Nicola	Fernandes, Suella	Johnson, rh Boris	Paterson, rh Mr Owen
Blunt, Crispin	Field, rh Frank	Johnson, Dr Caroline	Pawsey, Mark
Boles, Nick	Field, rh Mark	Johnson, Gareth	Penning, rh Mike
Bone, Mr Peter	Foster, Kevin	Johnson, Joseph	Penrose, John
Borwick, Victoria	Fox, rh Dr Liam	Jones, Andrew	Percy, Andrew
Bottomley, Sir Peter	Francois, rh Mr Mark	Jones, rh Mr David	Perry, Claire
Bradley, rh Karen	Frazer, Lucy	Jones, Mr Marcus	Philp, Chris
Brady, Mr Graham	Freeman, George	Kawczynski, Daniel	Pickles, rh Sir Eric
Brazier, Sir Julian	Freer, Mike	Kennedy, Seema	Pincher, Christopher
Bridgen, Andrew	Fuller, Richard	Kirby, Simon	Poulter, Dr Daniel
Brine, Steve	Fysh, Marcus	Knight, rh Sir Greg	Pow, Rebecca
Brokenshire, rh James	Garnier, rh Sir Edward	Knight, Julian	Prentis, Victoria
Bruce, Fiona	Garnier, Mark	Kwarteng, Kwasi	Prisk, Mr Mark
Buckland, Robert	Gauke, rh Mr David	Lancaster, Mark	Pritchard, Mark
Burns, Conor	Ghani, Nusrat	Latham, Pauline	Purglove, Tom
Burns, rh Sir Simon	Gibb, rh Mr Nick	Leadsom, rh Andrea	Quin, Jeremy
Burrowes, Mr David	Gillan, rh Mrs Cheryl	Lee, Dr Phillip	Quince, Will
Burt, rh Alistair	Glen, John	Lefroy, Jeremy	Raab, Mr Dominic
Cairns, rh Alun	Goodwill, Mr Robert	Leigh, Sir Edward	Redwood, rh John
Campbell, Mr Gregory	Gove, rh Michael	Leslie, Charlotte	Rees-Mogg, Mr Jacob
Carmichael, Neil	Graham, Richard	Letwin, rh Sir Oliver	Robertson, Mr Laurence
Carswell, Mr Douglas	Grant, Mrs Helen	Lewis, rh Brandon	Robinson, Gavin
Cartlidge, James	Gray, James	Lewis, rh Dr Julian	Robinson, Mary
Cash, Sir William	Grayling, rh Chris	Liddell-Grainger, Mr Ian	Rosindell, Andrew
Caulfield, Maria	Green, Chris	Lidington, rh Mr David	Rudd, rh Amber
Chishti, Rehman	Green, rh Damian	Lilley, rh Mr Peter	Rutley, David
Chope, Mr Christopher	Greening, rh Justine	Lopresti, Jack	Sandbach, Antoinette
Churchill, Jo	Grieve, rh Mr Dominic	Lord, Jonathan	Scully, Paul
Clark, rh Greg	Griffiths, Andrew	Lumley, Karen	Selous, Andrew
Cleverly, James	Gummer, rh Ben	Mackinlay, Craig	Shannon, Jim
Clifton-Brown, Geoffrey	Gyimah, Mr Sam	Mackintosh, David	Shapps, rh Grant
Coffey, Dr Thérèse	Halfon, rh Robert	Main, Mrs Anne	Sharma, Alok
Collins, Damian	Hall, Luke	Mak, Mr Alan	Shelbrooke, Alec
Colvile, Oliver	Hammond, rh Mr Philip	Malthouse, Kit	Simpson, David
Costa, Alberto	Hammond, Stephen	Mann, Scott	Simpson, rh Mr Keith
Courts, Robert	Hancock, rh Matt	Marris, Rob	Skidmore, Chris
Cox, Mr Geoffrey	Hands, rh Greg	May, rh Mrs Theresa	Smith, Chloe
Crabb, rh Stephen	Harper, rh Mr Mark	Maynard, Paul	Smith, Henry
Crouch, Tracey	Harrington, Richard	McCartney, Jason	Smith, Julian
Danczuk, Simon	Harris, Rebecca	McCartney, Karl	Smith, Royston
Davies, Byron	Harrison, Trudy	McLoughlin, rh Sir Patrick	Soames, rh Sir Nicholas
Davies, Chris	Hart, Simon	McPartland, Stephen	Solloway, Amanda
Davies, David T. C.	Haselhurst, rh Sir Alan	Menzies, Mark	Soubry, rh Anna
Davies, Glyn	Hayes, rh Mr John	Mercer, Johnny	Spelman, rh Dame Caroline
Davies, Dr James	Heald, rh Sir Oliver	Merriman, Huw	Spencer, Mark
Davies, Mims	Heapey, James	Metcalfe, Stephen	Stephenson, Andrew
Davies, Philip	Heaton-Harris, Chris	Miller, rh Mrs Maria	Stevenson, John
Davis, rh Mr David	Heaton-Jones, Peter	Milling, Amanda	Stewart, Bob
Dinenage, Caroline	Henderson, Gordon	Mills, Nigel	Stewart, Iain
Djanogly, Mr Jonathan	Herbert, rh Nick	Milton, rh Anne	Stewart, Rory
Dodds, rh Mr Nigel	Hinds, Damian	Mitchell, rh Mr Andrew	Streeter, Mr Gary
Donaldson, rh Sir Jeffrey M.	Hoare, Simon	Mordaunt, Penny	Stride, Mel
Donelan, Michelle	Hoey, Kate	Morgan, rh Nicky	Stringer, Graham
Dorries, Nadine	Hollingbery, George	Morris, Anne Marie	Stuart, rh Ms Gisela
Double, Steve	Hollinrake, Kevin	Morris, David	Stuart, Graham
Dowden, Oliver	Hollobone, Mr Philip	Morris, James	Sturdy, Julian
Drax, Richard	Holloway, Mr Adam	Morton, Wendy	Sunak, Rishi
Drummond, Mrs Flick	Hopkins, Kelvin	Mowat, David	Swayne, rh Sir Desmond
Duddridge, James	Hopkins, Kris	Mundell, rh David	Swire, rh Sir Hugo
Duncan, rh Sir Alan	Howarth, Sir Gerald	Murray, Mrs Sheryll	Syms, Mr Robert
Duncan Smith, rh Mr Iain	Howell, John	Murrison, Dr Andrew	Thomas, Derek
Dunne, Mr Philip	Howlett, Ben	Neill, Robert	Throup, Maggie

Timpson, Edward
Tolhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Truss, rh Elizabeth
Tugendhat, Tom
Turner, Mr Andrew
Vaizey, rh Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt

Watkinson, Dame Angela
Wharton, James
Whately, Helen
White, Chris
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williams, Craig
Williamson, rh Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Wright, rh Jeremy
Zahawi, Nadhim

Tellers for the Ayes:

**Heather Wheeler and
Jackie Doyle-Price**

NOES

Abbott, rh Ms Diane
Abrahams, Debbie
Ahmed-Sheikh, Ms Tasmina
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Allin-Khan, Dr Rosena
Anderson, Mr David
Arkless, Richard
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bardell, Hannah
Barron, rh Sir Kevin
Beckett, rh Margaret
Benn, rh Hilary
Betts, Mr Clive
Black, Mhairi
Blackford, Ian
Blackman, Kirsty
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Boswell, Philip
Brabin, Tracy
Bradshaw, rh Mr Ben
Brake, rh Tom
Brennan, Kevin
Brock, Deidre
Brown, Alan
Brown, Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Richard
Burnham, rh Andy
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Mr Alan
Campbell, Mr Ronnie
Carmichael, rh Mr Alistair
Chalk, Alex
Champion, Sarah
Chapman, Douglas
Chapman, Jenny
Cherry, Joanna
Clegg, rh Mr Nick

Clwyd, rh Ann
Coker, Vernon
Coffey, Ann
Cooper, Julie
Cooper, Rosie
Cooper, rh Yvette
Corbyn, rh Jeremy
Cowan, Ronnie
Coyle, Neil
Crausby, Sir David
Crawley, Angela
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
David, Wayne
Davies, Geraint
Day, Martyn
De Piero, Gloria
Debbonaire, Thangam
Docherty-Hughes, Martin
Donaldson, Stuart Blair
Doughty, Stephen
Dowd, Jim
Dowd, Peter
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Elliott, Tom
Ellman, Mrs Louise
Elmore, Chris
Esterson, Bill
Evans, Chris
Farrelly, Paul
Farron, Tim
Fellows, Marion
Ferrier, Margaret
Fitzpatrick, Jim
Fletcher, Colleen
Flint, rh Caroline
Flynn, Paul
Foxcroft, Vicky

Furniss, Gill
Gapes, Mike
Gardiner, Barry
Gethins, Stephen
Gibson, Patricia
Glass, Pat
Giindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Lillian
Greenwood, Margaret
Griffith, Nia
Gwynne, Andrew
Haigh, Louise
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendrick, Mr Mark
Hendry, Drew
Hepburn, Mr Stephen
Hermon, Lady
Hillier, Meg
Hodgson, Mrs Sharon
Hollern, Kate
Hosie, Stewart
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Gerald
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Keeley, Barbara
Kendall, Liz
Kerevan, George
Kerr, Calum
Kinahan, Danny
Kinnock, Stephen
Kyle, Peter
Lamb, rh Norman
Lammy, rh Mr David
Lavery, Ian
Law, Chris
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, Mr Ivan
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
MacNeil, Mr Angus Brendan
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marsden, Gordon
Maskell, Rachael
Matheson, Christian

Mathias, Dr Tania
Mc Nally, John
McCabe, Steve
McCaig, Callum
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, Dr Alasdair
McDonnell, rh John
McFadden, rh Mr Pat
McGarry, Natalie
McGinn, Conon
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McLaughlin, Anne
McMahon, Jim
Meale, Sir Alan
Mearns, Ian
Miliband, rh Edward
Monaghan, Carol
Monaghan, Dr Paul
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Mullin, Roger
Murray, Ian
Nandy, Lisa
Newlands, Gavin
Nicolson, John
O'Hara, Brendan
Olney, Sarah
Onn, Melanie
Onwurah, Chi
Osamor, Kate
Oswald, Kirsten
Owen, Albert
Paterson, Steven
Pearce, Teresa
Pennycook, Matthew
Phillips, Jess
Phillipson, Bridget
Pound, Stephen
Powell, Lucy
Pugh, John
Qureshi, Yasmin
Rayner, Angela
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Robertson, rh Angus
Robinson, Mr Geoffrey
Rotheram, Steve
Ryan, rh Joan
Salmond, rh Alex
Saville Roberts, Liz
Shah, Naz
Sharma, Mr Virendra
Sheppard, Tommy
Sherriff, Paula
Shuker, Mr Gavin
Siddiq, Tulip
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth

Smith, rh Mr Andrew
Smith, Angela
Smith, Cat
Smith, Nick
Smith, Owen
Smyth, Karin
Snell, Gareth
Spellar, rh Mr John
Starmer, Keir
Stephens, Chris
Stevens, Jo
Streeting, Wes
Tami, Mark
Thewliss, Alison
Thomas-Symonds, Nick
Thompson, Owen
Thomson, Michelle
Thornberry, rh Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Turner, Karl
Twigg, Derek

Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Watson, Mr Tom
Weir, Mike
West, Catherine
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Whitford, Dr Philippa
Williams, Hywel
Williams, Mr Mark
Wilson, Corri
Wilson, Phil
Winnick, Mr David
Winterton, rh Dame Rosie
Wishart, Pete
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Noes:
Nic Dakin and
Jeff Smith

Question accordingly agreed to.

Lords amendment 1 disagreed to.

The Speaker then put forthwith the Question necessary for the disposal of the business to be concluded at that time (Standing Order No. 83F).

Question put, That this House disagrees with Lords amendment 2.

The House divided: Ayes 331, Noes 286.

Division No. 179]

[6.40 pm

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, rh Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, rh Karen
Brady, Mr Graham
Brazier, Sir Julian
Bridgen, Andrew

Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Cairns, rh Alun
Campbell, Mr Gregory
Campbell, Mr Ronnie
Carswell, Mr Douglas
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishty, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Courts, Robert
Cox, Mr Geoffrey
Crabb, rh Stephen
Crouch, Tracey
Danczuk, Simon
Davies, Byron
Davies, Chris
Davies, David T. C.

Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Davis, rh Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Sir Jeffrey M.
Donelan, Michelle
Dorries, Nadine
Double, Steve
Dowden, Oliver
Drax, Richard
Drummond, Mrs Flick
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Elliott, Tom
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Mr Nigel
Evennett, rh David
Fabricant, Michael
Fallon, rh Sir Michael
Fernandes, Suella
Field, rh Frank
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Francois, rh Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Garnier, rh Sir Edward
Garnier, Mark
Gauke, rh Mr David
Ghani, Nusrat
Gibb, rh Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, rh Ben
Gyimah, Mr Sam
Halfon, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matt
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Harrison, Trudy
Hart, Simon
Haselhurst, rh Sir Alan

Hayes, rh Mr John
Heald, rh Sir Oliver
Heapey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hoey, Kate
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kelvin
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Huddleston, Nigel
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyins, Andrea
Jenrick, Robert
Johnson, rh Boris
Johnson, Dr Caroline
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kinahan, Danny
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, rh Andrea
Lee, Dr Phillip
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Sir Oliver
Lewis, rh Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, rh Sir Patrick
McPartland, Stephen
Menzies, Mark
Mercer, Johnny

Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Newton, Sarah
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Osborne, rh Mr George
 Paisley, Ian
 Parish, Neil
 Patel, rh Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prentis, Victoria
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 Robinson, Gavin
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Scully, Paul
 Selous, Andrew
 Shannon, Jim
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, David
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry

Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Spelman, rh Dame Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stringer, Graham
 Stuart, rh Ms Gisela
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swayne, rh Sir Desmond
 Swire, rh Sir Hugo
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, Mr Andrew
 Vaizey, rh Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Watkinson, Dame Angela
 Wharton, James
 Whately, Helen
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wilson, Sammy
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Ayes:
Heather Wheeler and
Jackie Doyle-Price

NOES

Abbott, rh Ms Diane
 Abrahams, Debbie
 Ahmed-Sheikh, Ms Tasmina
 Alexander, Heidi
 Ali, Rushanara
 Allen, Mr Graham

Allin-Khan, Dr Rosena
 Anderson, Mr David
 Arkless, Richard
 Ashworth, Jonathan
 Austin, Ian
 Bailey, Mr Adrian

Bardell, Hannah
 Barron, rh Sir Kevin
 Beckett, rh Margaret
 Benn, rh Hilary
 Betts, Mr Clive
 Black, Mhairi
 Blackford, Ian
 Blackman, Kirsty
 Blackman-Woods, Dr Roberta
 Blenkinsop, Tom
 Blomfield, Paul
 Boswell, Philip
 Brabin, Tracy
 Bradshaw, rh Mr Ben
 Brake, rh Tom
 Brennan, Kevin
 Brock, Deidre
 Brown, Alan
 Brown, Lyn
 Brown, rh Mr Nicholas
 Bryant, Chris
 Buck, Ms Karen
 Burden, Richard
 Burgon, Richard
 Burnham, rh Andy
 Butler, Dawn
 Byrne, rh Liam
 Cadbury, Ruth
 Cameron, Dr Lisa
 Campbell, rh Mr Alan
 Carmichael, rh Mr Alistair
 Champion, Sarah
 Chapman, Douglas
 Chapman, Jenny
 Cherry, Joanna
 Clegg, rh Mr Nick
 Clwyd, rh Ann
 Coaker, Vernon
 Coffey, Ann
 Cooper, Julie
 Cooper, Rosie
 Cooper, rh Yvette
 Corbyn, rh Jeremy
 Cowan, Ronnie
 Coyle, Neil
 Crausby, Sir David
 Crawley, Angela
 Creagh, Mary
 Creasy, Stella
 Cruddas, Jon
 Cryer, John
 Cummins, Judith
 Cunningham, Alex
 Cunningham, Mr Jim
 David, Wayne
 Davies, Geraint
 Day, Martyn
 De Piero, Gloria
 Debbonaire, Thangam
 Docherty-Hughes, Martin
 Donaldson, Stuart Blair
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Dromey, Jack
 Dugher, Michael
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Edwards, Jonathan
 Efford, Clive
 Elliott, Julie
 Ellman, Mrs Louise
 Elmore, Chris
 Esterson, Bill
 Evans, Chris
 Farrelly, Paul
 Farron, Tim
 Fellows, Marion
 Ferrier, Margaret
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flint, rh Caroline
 Flynn, Paul
 Foxcroft, Vicky
 Furniss, Gill
 Gapes, Mike
 Gardiner, Barry
 Gethins, Stephen
 Gibson, Patricia
 Glass, Pat
 Glindon, Mary
 Godsiff, Mr Roger
 Goodman, Helen
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Green, Kate
 Greenwood, Lilian
 Greenwood, Margaret
 Griffith, Nia
 Gwynne, Andrew
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harman, rh Ms Harriet
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue
 Healey, rh John
 Hendrick, Mr Mark
 Hendry, Drew
 Hepburn, Mr Stephen
 Hermon, Lady
 Hillier, Meg
 Hodgson, Mrs Sharon
 Hollern, Kate
 Hosie, Stewart
 Huq, Dr Rupa
 Hussain, Imran
 Jarvis, Dan
 Johnson, rh Alan
 Jones, Diana
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Keeley, Barbara
 Kendall, Liz
 Kerevan, George
 Kerr, Calum
 Kinnock, Stephen
 Kyle, Peter
 Lamb, rh Norman
 Lammy, rh Mr David
 Lavery, Ian
 Law, Chris
 Leslie, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Clive
 Lewis, Mr Ivan

Long Bailey, Rebecca
 Lucas, Caroline
 Lucas, Ian C.
 Lynch, Holly
 MacNeil, Mr Angus Brendan
 Mactaggart, rh Fiona
 Madders, Justin
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Gordon
 Maskell, Rachael
 Matheson, Christian
 Mc Nally, John
 McCabe, Steve
 McCaig, Callum
 McCarthy, Kerry
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart Malcolm
 McDonald, Stuart C.
 McDonnell, Dr Alasdair
 McDonnell, rh John
 McFadden, rh Mr Pat
 McGarry, Natalie
 McGinn, Conor
 McGovern, Alison
 McInnes, Liz
 McKinnell, Catherine
 McLaughlin, Anne
 McMahan, Jim
 Meale, Sir Alan
 Mearns, Ian
 Miliband, rh Edward
 Monaghan, Carol
 Monaghan, Dr Paul
 Moon, Mrs Madeleine
 Morden, Jessica
 Morris, Grahame M.
 Mulholland, Greg
 Mullin, Roger
 Murray, Ian

Nandy, Lisa
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Olney, Sarah
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Owen, Albert
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Phillips, Jess
 Phillipson, Bridget
 Pound, Stephen
 Powell, Lucy
 Pugh, John
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Steve
 Rees, Christina
 Reeves, Rachel
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, rh Angus
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Salmond, rh Alex
 Saville Roberts, Liz
 Shah, Naz
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Shuker, Mr Gavin
 Siddiq, Tulip
 Skinner, Mr Dennis
 Slaughter, Andy
 Smeeth, Ruth
 Smith, rh Mr Andrew

Smith, Angela
 Smith, Cat
 Smith, Nick
 Smith, Owen
 Smyth, Karin
 Snell, Gareth
 Spellar, rh Mr John
 Starmer, Keir
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Tami, Mark
 Thewliss, Alison
 Thomas-Symonds, Nick
 Thompson, Owen
 Thomson, Michelle
 Thornberry, rh Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Derek
 Twigg, Stephen

Umunna, Mr Chuka
 Vaz, rh Keith
 Vaz, Valerie
 Watson, Mr Tom
 Weir, Mike
 West, Catherine
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan
 Whitford, Dr Philippa
 Williams, Hywel
 Williams, Mr Mark
 Wilson, Corri
 Wilson, Phil
 Winnick, Mr David
 Winterton, rh Dame Rosie
 Wishart, Pete
 Woodcock, John
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Noes:
 Nic Dakin and
 Jeff Smith

Question accordingly agreed to.

Lords amendment 2 disagreed to.

Motion made, and Question put forthwith (Standing Order No. 83H), That a Committee be appointed to draw up reasons to be assigned to the Lords for disagreeing to their amendments 1 and 2;

That James Berry, Paul Blomfield, Stephen Gethins, Mr David Jones, Jessica Morden, Christopher Pincher and Jeremy Quin be members of the Committee;

That Mr David Jones be the Chair of the Committee;

That three be the quorum of the Committee.

That the Committee do withdraw immediately.—
(Graham Stuart.)

Question agreed to.

Committee to withdraw immediately; reasons to be reported and communicated to the Lords.

Ways and Means

Budget Resolutions

AMENDMENT OF THE LAW

Debate resumed (Order, 9 March).

Question again proposed,

(1) That it is expedient to amend the law with respect to the National Debt and the public revenue and to make further provision in connection with finance.

(2) This Resolution does not extend to the making of any amendment with respect to value added tax so as to provide—

- (a) for zero-rating or exempting a supply, acquisition or importation;
- (b) for refunding an amount of tax;
- (c) for any relief, other than a relief that—
 - (i) so far as it is applicable to goods, applies to goods of every description, and
 - (ii) so far as it is applicable to services, applies to services of every description.

6.56 pm

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): It is entirely right that at this pivotal and exciting moment in this country's—*[Interruption.]*

Mr Speaker: Order. Before the right hon. Gentleman develops his speech, may I gently say to those Members who—unaccountably—are leaving the Chamber before the oratorical fireworks the Foreign Secretary will volunteer that it would be greatly appreciated if they could do so quickly and quietly, so that we can proceed with the debate and the right hon. Gentleman can enjoy the certainly quiet and even possibly—if he is lucky—respectful audience that he seeks?

Boris Johnson: As I was saying before your kind advice to Members, Mr Speaker, it is right that at this pivotal and exciting moment in our international economic relations, not just with the EU but of course with the 93% of the world that does not live in the EU—shortly to be 94%—that I should be the first Foreign Secretary in more than 10 years to open a Budget debate. I do so with pride, because this is a Budget that will sustain the momentum of what is already one of the fastest growing economies in the west, with unemployment at its lowest for 11 years, the stock market 1,000 points higher than it was on 23 June, to pick a date entirely at random, and with more people in work—

Geraint Davies (Swansea West) (Lab/Co-op): Will the Foreign Secretary give way?

Boris Johnson: I want to make a tiny bit of progress. I will give way many times, but let me get to the end of my second sentence—more people in work than ever before. This is a Budget that continues and enables the biggest programme of infrastructure investment this country has seen since Victorian times. It offers our young people the funding and technical qualifications to enable them to realise their full potential. As Britain prepares for re-entry, as I call it, into the global economy and for forging new relationships and partnerships around the world, the Budget—

Tom Brake (Carshalton and Wallington) (LD): On forging new relationships, can the Foreign Secretary explain how he will do that when the Foreign and Commonwealth Office budget will be cut so substantially?

Boris Johnson: As the right hon. Gentleman well knows, we manage to run a world-class network—the most developed diplomatic network in the world—on approximately two thirds of the budget that the French spend, and we will continue to exercise the greatest prudence in managing our budget. I am fortified in that by the support that I have from the current Chancellor of the Exchequer, who was, of course, my predecessor in office. It is thanks to the Chancellor's wisdom in his Budget that young Britons will be able to compete with confidence.

This is a Budget for global Britain. It is this Government's argument not only that Britain is more outward facing by history and by instinct than any comparable economy, but that its global character is profoundly in the interests of the British people. A truly global Britain is a prosperous Britain, and it is Britain's engagement with the world that means this country plays an extraordinary and indispensable role in the security, stability and prosperity of the world.

Jake Berry (Rossendale and Darwen) (Con): Specifically on the issue of global Britain and our new trading relationship, does my right hon. Friend acknowledge that one of the ultimate ways in which we could project the soft power and prestige of Britain around the globe and promote trade is to recommission a new royal yacht for Her Majesty the Queen as a floating trade mission to be used by industry around the globe in the interest of our nation?

Boris Johnson: May I say how much I admire my hon. Friend for the indefatigable campaign he is running to create such a vessel? It is my view that it would indeed add greatly to the soft power of this country, which is already very considerable, if we were to have such a vessel, always provided—I know that this is part of his prospectus—that the new Britannia should not be a call on the taxpayer. If it can be done privately, I am sure it will attract overwhelming support.

Several hon. Members *rose*—

Boris Johnson: I believe that measures such as a new royal yacht—*[Interruption.]*

Madam Deputy Speaker (Mrs Eleanor Laing): Order. Why are people making such a noise when the Foreign Secretary is saying things that might be important? *[Interruption.]* Order. I would like to hear the Foreign Secretary.

Boris Johnson: I am grateful, Madam Deputy Speaker.

The new royal yacht is one of a number of measures that I am sure this Government will be able to consider. In the meantime, we have before us a Budget that is helping to create the conditions in which this economy can continue to flourish.

The first of these conditions—

Several hon. Members *rose*—

Boris Johnson: If Labour Members will allow me, I shall say a couple more sentences.

The first of the conditions that are essential for the prosperity of global Britain is security. Unlike the Labour party, whose idea of a nuclear deterrent is to send our submarines to sea without a nuclear missile aboard so that the whole nation is literally firing blanks, this Government see the vital importance of maintaining our defences. This Budget therefore provides once again for the United Kingdom to set an example to our European partners by spending 2% of our GDP on our armed forces, thereby giving vital credibility to NATO, which of course serves as the guarantor of the security of all our major trading partners on either side of the Atlantic.

Chris Leslie (Nottingham East) (Lab/Co-op): On the point about our trading relationships, at the weekend, the right hon. Gentleman said that it would be perfectly okay for the UK to leave the European Union with no deal and to fall back on World Trade Organisation rules. Lord Heseltine said, “Well, that’s rubbish, isn’t it?” Is it rubbish?

Boris Johnson: I repeat what I said at the weekend, and I am delighted that the hon. Gentleman was paying attention. I do not believe, by the way, that it will come to that, because we will have no difficulty over the next couple of years in doing a deal that is very much in the interests of both sides. I shall come on to that later.

To get back to the defence of the planet, let me remind Members that we are not only committed to transatlantic defences, as we will also spend £3 billion east of Suez in the Gulf region over the next 10 years. In fact we are reopening and restoring our role east of Suez, arguably for the first time since 1967. We are reopening a naval base in Bahrain, which makes perfect economic sense as well. If Labour Members cared about these things, they would understand that there is an absolute connection between our security and our economic prosperity, because the region of the Gulf—the Opposition probably do not know this—is our largest and fastest-growing export market apart from the EU and the US.

It does not end there either, because we are also committed to the security of the wider world, including Asia. Last year, as the House will know, the Royal Air Force sent Typhoon fighters to Japan, South Korea and Malaysia, proving that Britain remains one of the handful of countries able to deploy air power 7,000 miles from its shores. Soon the Royal Navy will have two giant aircraft carriers, each of them longer than the Palace of Westminster—the biggest warships this country has ever possessed, HMS Queen Elizabeth and HMS Prince of Wales.

Owen Smith (Pontypridd) (Lab) *rose*—

Boris Johnson: I do not know whether the hon. Gentleman opposes those aircraft carriers as well. Perhaps he does. Perhaps he will enlighten us.

Owen Smith: Much as I am enjoying the Foreign Secretary’s travelogue, could we get back to the business in hand, which is the Budget? Will he confirm that the Office for Budget Responsibility has said that we are going to see less trade and less economic activity as a result of Brexit, and that we are going to borrow an extra £100 billion as a direct consequence of Brexit?

Boris Johnson: With great respect, I think we have heard enough of that sort of stuff over the last year or so. It has been proved convincingly to be wrong. As I said, the stock market is 1,000 points up. As for the deficit, which the hon. Gentleman mentions, we are bringing it down to below 3% for the first time since 2007—thanks to the prudent management of this country’s finances, and thanks to the Conservative-led Administration who had to take over the catastrophic mess that needed to be cleared up after his party was in office.

Owen Smith *rose*—

Boris Johnson: I would be obliged if the hon. Gentleman resumed his seat. I do not intend to give way to him again.

Sir Gerald Howarth (Aldershot) (Con): Will my right hon. Friend give way to me?

Boris Johnson: I will.

Sir Gerald Howarth: I am grateful. May I say how much I support the Government’s commitment to the 2% minimum on defence spending? However, does my right hon. Friend agree that we are going to need every penny of it, given in particular that the Chinese—my right hon. Friend mentioned east of Suez—are seeking to colonise militarily a number of uninhabited atolls in the South China sea, which is destabilising the region? Given that we are signatories to the five power defence arrangements, does he agree that we need to take action on that, and therefore increase the defence budget and not keep it steady where it is?

Boris Johnson: I am delighted that my hon. Friend makes that point. He reminds me that it was the leader of the Labour party, the current Leader of the Opposition, who said that he did not think this country needed a defence policy at all. I think he said that we do not even need an Army, let alone any spending on the security and stability of the South China seas. I remind my hon. Friend that 25% of the world’s trade goes through the straits of Malacca, so it is more vital than ever that we have a truly global commitment.

Mike Gapes (Ilford South) (Lab/Co-op) *rose*—

Boris Johnson: I shall give way in a moment or two. I wish to return to the Budget. [*Interruption.*]

Madam Deputy Speaker (Mrs Eleanor Laing): Order, Mr Gapes.

Boris Johnson: I will give way in due course, but I wish to make this point, because I have been asked to return to the Budget. I do so with absolute pleasure, because it is thanks to the careful stewardship of this country’s finances that we are able to deploy not only hard power on the scale that I have mentioned—we are the second biggest military contributor to NATO—but soft power on a scale unmatched by any of our European partners. The BBC, our universities and the British Council, an absolute gem of this country and its culture—an unsung gem, I might add—give the United Kingdom a cultural penumbra across the world that is of massive economic value.

Mike Gapes: The Foreign Secretary has mentioned the British Council. As he knows, the British Council will no longer receive any funds from the British Government. At the same time, there are continuing pressures on our diplomatic missions around the world as a result of the budget crisis with which the Foreign and Commonwealth Office has had to deal. Can the Foreign Secretary tell us how many additional diplomats will be appointed to increase the FCO's budget so that it is able to deal with the consequences of Brexit, which is what the Foreign Affairs Committee called for in a recent report?

Boris Johnson: I have to say that I am deeply disappointed that I finally gave way to the hon. Gentleman, because he has shown the most staggering ignorance of the British Council, of Foreign Office spending and of the success of our diplomatic network. However, I will give him the answer to his question. In response to the challenge and the opportunities that we have, we are increasing our representation: just in our European posts, 50 more diplomats and 25 new trade experts have been recruited. We are expanding a fantastic network, and that is on top of the enormous soft and hard power that we have. As I am sure the House will know, the United Kingdom is the third biggest contributor to development finance in the world, after the United States and the European Union. That is an extraordinary record, of which I think every Member in the House—certainly every member of this Conservative Government—should be proud.

Rushanara Ali (Bethnal Green and Bow) (Lab): I am glad to hear the Foreign Secretary talk about Britain's soft power and its global reputation. Does he agree that he poses the biggest risk to both by putting his foot in his mouth on too many occasions?

Boris Johnson: I am terribly sorry; I missed the second half of that question. However, if the assertion was that British diplomacy is in any way falling short, let me say this. I believe that in the last few months we have seen an understanding of what the country wants, and a growing warmth towards our objectives, because they are, after all, shared with our European friends and partners.

As I have said, one of the things that are most admired by our colleagues around the table, not just in Brussels but in the United Nations, the G7 and the G20—all the bodies whose meetings I attend—is the fact that, as they realise, our Government have an extraordinary record of giving development aid. As we sit here now, the Department of my right hon. Friend the Secretary of State for International Development is helping the Pakistani Government to put 6 million girls through school in the Punjab alone. I think everyone appreciates that that is the best way of promoting economic growth, curbing infant mortality and reducing the pressures of a growing population.

We do not spend our aid budget—0.7% of gross national income—just because that is the right thing to do, although surely it is morally the right thing to do. I am not embarrassed to say that it is also the best way of promoting the development of the economies concerned, and thereby spurring the growth of our export markets. In that sense, a global Britain—*[Interruption.]* I did not

think Labour Members would like that, because they are not interested in any policy that is so obviously of economic benefit to the country, but that is one of the reasons we are doing this. I speak as a defender of, and a believer in, globalisation, because millions of British people in our country—tens of millions, indeed—depend for their jobs and their livelihoods on the benign force of global free trade, which in turn requires safe and open shipping lanes, clear rules and effective institutions. None of that can be taken for granted.

Geraint Davies: Will the Foreign Secretary give way?

Boris Johnson: I think I have already given way to the hon. Gentleman. *[Interruption.]* I am sorry; I have not. Go on.

Geraint Davies: In the context of global free trade and, in particular, the judgment of the international financial markets, does the Foreign Secretary not accept that since 23 June our economy has slipped from fifth biggest to sixth biggest, and that those markets have deflated its value by 15%, which is why we have devalued and everyone's wages and all our assets are 15% lower? That is not a success; it is a failure.

Boris Johnson: One would have thought that they would learn. One would have thought that the merchants of this kind of thing would have understood that there is no point in continually standing up and running our country down when, in fact, we are back up at No. 5. We have seen record investment in the United Kingdom, and we continue to see that the fundamentals of the British economy are strong and getting stronger.

Crispin Blunt (Reigate) (Con): Will my right hon. Friend give way?

Boris Johnson: I will in 10 seconds.

One of the reasons for that is the active role that we play in protecting and insisting on rules-based international order. And with that, I give way to my hon. Friend.

Crispin Blunt: My right hon. Friend talks of the importance of the development budget and what it brings to the United Kingdom. Will he at least accept that there is an issue over how that money is invested in, for instance, the British Council, and, indeed, cross-invested in elements of his budget? Will he accept that that policy can only be applied to the developing world, that it is rather more important for him to have the tools to present global Britain across the whole world, and that the policy should not be constrained by the source of the expenditure?

Boris Johnson: My hon. Friend speaks with great wisdom and authority. I know that the Foreign Affairs Committee, which he chairs, has made some useful recommendations on how we can maximise our overseas spending, and co-ordinate it so that it helps to deliver not only our security but our economic objectives. I totally accept that point.

In the pursuit of the system that we want to see, our diplomats and intelligence officers and our serving men and women, backed up by the Department for International

Development, are striving every day to preserve the essentials of the rule-based order, thereby helping to protect jobs and the safety of our constituents here in the United Kingdom.

Mr George Howarth (Knowsley) (Lab): Will the Foreign Secretary give way?

Boris Johnson: Let me just conclude my thought about trade. Back in 1990, about 37% of our fellow human beings world wide lived in absolute poverty. Today, that figure has fallen to less than 10%, which is all the more remarkable when we consider that the world population has risen by 1.8 billion in the interim. That dramatic fall in poverty, unparalleled in history, coincided with the biggest expansion of free trade and open markets that the world has ever seen. Conservative Members believe in that policy implicitly.

Mr Howarth *rose*—

Boris Johnson: I think that the right hon. Member for Knowsley (Mr Howarth) will agree with me when I say that the rules-based international order which we uphold in global Britain is an overwhelming benefit for the world as a whole.

Mr Howarth: Of course I agree with the Foreign Secretary. It is just a pity that on some occasions he does not seem to project that view when he travels abroad—but that is another problem.

A moment ago, when my hon. Friend the Member for Ilford South (Mike Gapes) asked him some questions, the Foreign Secretary dismissed them as ignorant. When the Chair of the Foreign Affairs Committee, the hon. Member for Reigate (Crispin Blunt), asked him exactly the same questions, he agreed with his hon. Friend. He cannot be right in both cases.

Boris Johnson: With great trepidation, I must correct the right hon. Gentleman. We travelled abroad together and both spoke the same sort of language at the time. Alas, the hon. Member for Ilford South (Mike Gapes) revealed the profoundest misunderstanding—let me put it no higher than that—of the exact state of the British Council's finances. That was regrettable and worth correcting.

Thanks to my right hon. Friend the Chancellor, we are able to continue to support an active global Britain through the Budget, but there is of course much more to be done. Once we leave the EU, the Government will—we will all—regain a power that this country has not been able to deploy for 44 years, and that is the ability to conclude free trade agreements. The first and most important of those deals will be with our friends and partners in the EU. As the Prime Minister has repeatedly said, we are leaving the EU but we are not leaving Europe. To those who seriously doubt that we can pull it off in the next two years, let me remind them of the most essential point—that deal is profoundly in the interests of our friends and partners on the other side of the channel, who have a massive net balance of trade with us. They are optimistic. They are determined. I sometimes wish that we could have a little more of the same spirit from the Labour party.

Owen Smith *rose*—

Boris Johnson: Perhaps the hon. Gentleman will now say that he is abandoning his gloomadon-popping and that he is going to come up with something supportive of the British negotiating position.

Owen Smith: I am going to seek to support the Foreign Secretary's getting back to the question of the Budget. He talks about trade being increased in future—as a result of Brexit, I presume. Does he therefore disagree with the view of the independent, Tory-created Office for Budget Responsibility that trade will be reduced as a result of our leaving the EU?

Boris Johnson: I must respectfully say to the hon. Gentleman that, again, he is being too pessimistic. If we look at the UK's trade with the rest of the EU over the past 20 years, regrettably we see that it has been declining as a proportion of our exports. I would like to see it increasing again—why not?—but I would also like to see my right hon. Friend the Secretary of State for International Trade, who I am delighted to see sitting next to me, doing those free trade deals around the world. As the House will know, there is massive excitement and enthusiasm among our global partners to do just that. There is literally a queue of countries that want to do significant and substantial free trade deals.

Rachael Maskell (York Central) (Lab/Co-op): Does the Foreign Secretary agree with the Select Committee on Foreign Affairs, which just yesterday said:

“The possibility of ‘no deal’ is real enough to”

justify planning for it and that not to plan would be a mistake and constitute a serious “dereliction of duty” by the present Administration. That is your Foreign Affairs Select Committee.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. No, it isn't. It is the Foreign Secretary's Select Committee.

Boris Johnson: Madam Deputy Speaker, thank you. If I may, I will remind the hon. Lady of my optimism. I urge Labour Members to contain their pessimism. They asked me to name the countries that wish to do free trade deals. There are dozens. They have heard what the United States of America wants to do and that will be hugely in the interests of every part of this country. Right hon. and hon. Members may not know this, but at the moment the United States still has an embargo not only on British beef but on Scottish haggis. I do not know whether Members of the Scottish parties agree with that, but there is no way of liberating the haggis to travel across the Atlantic again unless we do a free trade deal with the United States.

Alan Brown (Kilmarnock and Loudoun) (SNP): I appreciate the—[*Interruption.*]

Madam Deputy Speaker (Mrs Eleanor Laing): Order. This point might be about haggis and the House must listen to it.

Alan Brown: I appreciate the Foreign Secretary's concern for Scotland's exports. Does he still believe that a pound spent in Croydon is of far more value to the country than a pound spent in Strathclyde?

Boris Johnson: What I certainly believe is that a free trade deal with the United States and free trade deals for this country would be of profound benefit to the whole of the United Kingdom.

Since the hon. Gentleman has interrupted me, let me remind him that today is Commonwealth day, which provides an opportunity for us all to celebrate that remarkable institution which embraces one third of humanity and now includes some of the fastest-growing economies in the world—a free association of 52 countries, spread across every continent and dedicated to advancing the values that we share. I am proud to say that Britain will host the Commonwealth Heads of Government summit next year. Although we may not be able to sign free trade deals with our Commonwealth friends now, we can see them in outline and taking shape. Let me say this to our friends from the Scottish nationalist party, who seem so determined to wrench themselves out of the UK, even though they had a decisive referendum on the matter, as Members will recall, only a couple of years ago: never mind haggis; Scotch whisky exports to the Indian whisky market, a potentially huge market—the Indian thirst for whisky is colossal—account for only 4% of Indian whisky consumption. That is because at the moment, without a free trade deal, the Indian Government impose a 150% tariff on Scotch whisky.

Imagine a free trade deal that lifted the exports of Scotch to India by only a few per cent.—to, say, 6% or 10%. Dare to dream that Scotch whisky, which everyone in the House would concede is the original and authentic whisky, were slaking just 15% of that gigantic Indian thirst for whisky. We would be talking about an increase in profits for the Scotch whisky industry, for this country and, above all, for Scotland every year running into hundreds of millions of pounds. That means jobs, growth and investment for Scotland. It means the prosperity that comes with having a truly global outlook, which unfortunately Members on the Opposition Benches signally seem to lack.

Christian Matheson (City of Chester) (Lab): Will the Foreign Secretary give way?

Boris Johnson: Let me make some progress.

In that global marketplace, this Budget will allow young Britons to compete with the best by investing in the talents and skills of the rising generation—more than a hundred new free schools provided for; a thousand more PhD places specifically for science, technology, engineering and mathematics; and another £270 million for biotech, robotics and electric vehicles. There will be another £16 million for 5G mobile technology. That is building on and fostering a global reputation for innovation. Last year, we were ranked the third most innovative country in the world. We were one place above America, seven places ahead of Germany, 15 higher than France, and fully 21 places above China. That is the measure of the extraordinary intellectual fecundity of this country.

Cambridge University alone has produced more Nobel laureates than every university in Russia and China added together and multiplied by two. When those breakthroughs take place, when that spark of innovation takes place, we foster it, we encourage it and we give business every possible incentive to turn those brilliant ideas into world-beating products.

From next month, my right hon. Friend the Chancellor will cut corporation tax to 19%, and it will be 17% by 2020—the lowest of any G20 economy. And it is by creating the right business environment—by investing in infrastructure, skills, housing and technology—that we are not only building a platform for sustainable growth but creating a launch pad for the most extraordinary exports. As I never tire of telling my friends, we export tea to China and cake—chocolate cake—to France; we export bicycles, I am proud to say, made in London to Holland; we export TV aerials to South Korea, and boomerangs to Australia, I believe; I think we have at least once in the past exported sand to Saudi Arabia, and Nigel Farage to America, I am delighted to say.

On Friday—

Several hon. Members *rose*—

Boris Johnson: On Friday—[*Interruption.*] Opposition Members mock, and they may mock the entrepreneurial spirit and the exporting drive and originality of this country—[*Interruption.*]—but let me tell them that on Friday—

Several hon. Members *rose*—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. The Foreign Secretary will give way when he is ready to give way; meanwhile, no shouting.

Boris Johnson: I will conclude with these thoughts.

Last Friday, I was in my constituency of Uxbridge and South Ruislip, and I am proud to say that I visited a business on a backstreet in Uxbridge that has more or less cornered the market in manufacturing the fancy display cabinets used to sell delicacies such as Toblerone in every airport in Saudi Arabia, and it is expanding. Thanks to the ingenuity and enterprise of that business, if we go to a Saudi Arabian airport and buy a Toblerone, we will buy it over a counter made in Uxbridge.

Given the ingenuity that this nation is showing, I believe—

Dr Rosena Allin-Khan (Tooting) (Lab) *rose*—

Boris Johnson: I will not give way.

I believe that we have every reason to be confident in what we can achieve together, as one United Kingdom. This is a nation that in the last 300 years has become prosperous and successful precisely because it adopted a uniquely global outlook—active, engaged, and trading with every corner of the planet—not just for the benefit of the people of this country, but, I dare to say it, for the benefit of the entire world. This is once again the course on which we are now embarked, and this Budget will help us to fulfil our potential as a truly global Britain.

7.32 pm

Emily Thornberry (Islington South and Finsbury) (Lab): Let me start by saying that, like many other Members, it was my privilege this afternoon to attend the service of celebration for the Commonwealth at Westminster Abbey, in the presence of Her Majesty the Queen. In the context of tonight's debate, it was a reminder of the powerful and historical ties that Britain enjoys all over the world; we are a country that will always face outwards and never turn in on ourselves, and, like the Secretary of

State, I hope that at next year's service we will have another member of the Commonwealth present, as a democratic Gambia completes the process of re-admission.

I thank the Secretary of State for opening this evening's debate on the Budget and Britain's place in the world. It is an issue of vital importance, and yet one that, it is fair to say, has not been centre stage in the five days of the debate on the Budget. If someone had told us last summer that going into article 50 week the Prime Minister and the Chancellor would be at each other's throats, at war through the media, and engaged in a desperate blame game, while the Secretary of State for Foreign and Commonwealth Affairs would be sent into the television studios to act for the Government as the voice of calm and unity, no one would have believed them. However, if this is indeed to be the Foreign Secretary's new role—if he is going to be the new Willie Whitelaw figure, or, dare I say it, the new John Prescott—I congratulate him and wish him the very best of luck in the future.

Of course, there will be some unkind souls who look at the row between No. 10 and No. 11 and think it is exactly what the Secretary of State needed this weekend. In their cynical minds, had it not been for that row, much more attention would have focused on Sunday's real heavyweight contest, the one the public really wanted to see explode, the one between the two Tory blond heavyweights: Hezza versus Bozza; Tarzan versus the Zip-Glider; the Dog-Killer versus the Dave-Slayer. We were denied a true fight, but we were left with these immortal words from Lord Heseltine:

"When I listen to Boris...he has turned the art of political communication into a science"

of using

"waffle, charm, delay, anything to stop actually answering questions."

In the rest of my speech, I intend to ask some very straightforward questions on the Budget and Britain's place in the world, and I hope that the Secretary of State will be able to answer them without waffle or delay, and with no more charm than he feels is absolutely necessary.

It is striking that we are here to debate a Budget that has almost nothing to say about Britain's place in the world, and with even less to offer for it. I am sure that we could all have predicted some of the rhetoric that we have heard from the right hon. Gentleman tonight about re-entry into world markets, a truly global Britain and an active global Britain. I predict that we will hear more about "brand Britannia" and terms such as "dynamic", "agile", "cutting edge", "global powers", "global reach" and "global influence", and about the yacht and exporting boomerangs and so forth—but the question is this: what is the strategy for achieving all that ambition, and how does the Budget provide the resources to back it up? So far, we have seen no evidence of either.

It is not enough simply to want a relationship with Europe that has all of the benefits and none of the costs, and to be a leading global power at the same time, or to say, like Tinkerbell, that all we have to do to make it happen is believe that it is possible. Indeed, the right hon. Gentleman almost seems to be implying that if we do not believe, or if we ask awkward questions, somehow these things will not happen, and that fairies will start falling from the skies.

It has been said in this debate—no doubt it will be said again—that the Government are meeting their commitments to spend both 2% of GDP on defence and 0.7% on development, but while these seem like clear commitments, when we scratch the surface there are many unanswered questions, about how funding is split between the Foreign and Commonwealth Office, the Ministry of Defence and the Department for International Development, and about how, where, why and on what this money is actually spent.

It seems likely that a large part of the Foreign Office budget over the next few years will come from funding streams that are nominally shared across Departments, most of them with blandly unobjectionable names such as the conflict, stability and security fund and the prosperity fund. The idea of shared funding is perfectly valid in principle, but we need to know how these funds will be used by the Foreign Office. How much will be classed as "aid" spending, and how much as "defence", and, for that matter, how much will be classed as both? We need to know why there is so little transparency on this issue, and what kind of oversight there is to make sure that these funds are used responsibly. One might, if one was of a suspicious frame of mind, even conclude that the Government are being wilfully opaque in this matter, but I am sure that the Secretary of State will bristle at the very suggestion, and will want to do all he can to dispel such a thought from the debate.

Of course, the reliance of the Foreign Office—perhaps the over-reliance—on funding from outside its budget settlement is really just symptomatic of a much larger and much more damaging trend under this Government. Unlike defence or overseas aid, our diplomatic service lacks the financial security of a politically or legally binding spending target, and I am sorry to say that it shows. Of the three Departments that share most of the responsibility for "Britain's place in the world"—the Foreign Office, the Ministry of Defence and the Department for International Development—the FCO's budget accounts for just 3% of the combined total, despite the fact that it is every bit as essential as the other two.

I am sure the right hon. Gentleman saw the *Financial Times* on Friday, which highlighted the real change in Departments' resource budgets between 2016-17 and 2019-20. It is no surprise—there was a great deal of fuss about this—that there has been a cut of 37.2% to Department for Communities and Local Government budgets, but which Department has the largest cut of all? It is the Foreign and Commonwealth Office, which has a minus 38.1% change to its budget. The Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for Bournemouth East (Mr Ellwood) may shake his head, and if I am wrong, he should please tell me. I would be interested to see him go into battle with the *Financial Times* on this matter.

The Department's budget is already very small, and it comes as no surprise that these cuts have had serious consequences for our standing in the world and for our global reach and influence. To start with, there has been a loss of expertise. We have seen the Government repeatedly being caught by surprise on events of great global significance such as the Arab spring, the crisis in Ukraine and the attempted coup in Turkey. There has been a hollowing out of expertise in these critical areas, not to mention a loss of skilled linguists. If the Secretary of

[Emily Thornberry]

State can tell us what progress has been made on recovering Russian and Arabic language capabilities, for example, I should be very grateful.

Mike Gapes: My right hon. Friend is making a powerful case about the hollowing out of the FCO's budget. On the question of linguists, has she seen the report on Russia from the Foreign Affairs Committee that we published last week? It describes the lack of expertise in the FCO for looking at Russia. Does she agree with me and the Committee that the FCO needs more resources if we are to confront and understand the problems being caused by Russia's behaviour towards its neighbours?

Emily Thornberry: It is because I have read that report that I mention Russian language capabilities. In my view, the reports produced by the Foreign Affairs Committee are thoughtful and informative, and I recommend them to the Secretary of State. The Committee has raised a number of flags that need to be carefully considered, because changes are happening to our precious Foreign Office and we are losing capabilities that it will be very difficult to redevelop.

Mr Stewart Jackson (Peterborough) (Con): The right hon. Lady is making a reasonably cogent case—[HON. MEMBERS: "Ooh!"] She is most welcome—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. Hon. Members must not object when a Member is polite to someone on the other side of the House. That is being honourable.

Mr Jackson: That is a rare phenomenon in respect of the right hon. Lady, sometimes, Madam Deputy Speaker. On a serious point, is it not only fair to record that those of us who occasionally travelled to central and south America witnessed a shrinking of our footprint and our soft power as the previous Labour Government closed many of the embassies there? We also downgraded the Chevening scholarships. This is something that we now need to review urgently as we go forward post-Brexit.

Emily Thornberry: I am surprised to find myself agreeing with the hon. Gentleman to the extent that I do. It is important that we should stop and have a review. We need to look carefully at the 38% cuts that are being implemented by his Government at this crucial time for Britain. That is the point that I am making in this Budget debate. I believe that these issues need to be seriously addressed, and questions and answers about haggis are not sufficient when it comes to dealing with cuts of 38% to the Foreign and Commonwealth Office.

It is not just language skills that have suffered. Let us consider BBC Monitoring, a vital service that monitors and translates foreign news reports and serves as an indispensable source of intelligence for Government Departments, including the Foreign Office. By transferring the responsibility for its funding from the taxpayer to the BBC itself, the Government have left BBC Monitoring open to cuts, and last year saw the announcement of 96 job losses and the closure of 20% of its posts overseas. Is that responsible behaviour, at a time like this? Cuts such as those will continue to have effects as incalculable as they are far-reaching.

It turns out that what a Government choose to fund, or not to fund, can tell us a great deal more than just the short-term spending priorities of the Government as a whole. For the Foreign Office, those decisions can identify the most basic principles underlying the Government's foreign policy approach. For perhaps the best example of that, we need look no further than the downgrading of human rights as a priority for the Department. They are now considered far less important than the so-called prosperity agenda—[*Interruption.*] I hear people saying that that is entirely untrue. Let me pray in aid the permanent secretary to the Foreign and Commonwealth Office, who has said precisely that. That decision has been confirmed as a more or less direct consequence of the cuts imposed by the Government.

It was not so long ago that a Tory Foreign Secretary, William—now Lord—Hague, was able to say with a straight face that there would be “no downgrading of human rights” under his Government. He argued that it was neither in our interests nor in our nature to have what he called a “foreign policy without a conscience”.

I could not agree more, and he must surely be sharing our disappointment to see a Tory Foreign Secretary and a Tory Prime Minister practically tripping over each other to cosy up to the likes of Donald Trump. We used to think that there were some world leaders who would always unite the opinion of this House, and that Members on both sides would always have the courage to speak out against those who did not share our values. These days, the Government's values are obscure, to put it politely, beyond being in favour of trade, so the question is not just one of how much the Government are prepared to spend on the world-class diplomatic service that they want, important though that is; it is also a question of what they are prepared to do with the resources that they have.

David Rutley (Macclesfield) (Con): The right hon. Lady is making her points from the Opposition Front Bench, but does she not agree that the Government have made important strides on freedom of religion or belief? They held a conference a few months ago to help to promote those issues, not just in the Commonwealth but globally. As a member of the all-party parliamentary group on international freedom of religion or belief, I really appreciate that sort of action. It is very important, and it should not be downgraded by such talk from the Opposition Benches.

Emily Thornberry: That is to be acknowledged, but we must also look at what is happening within the various missions and at the posts that are being stripped out. Those whose job it was to make contact with human rights activists and with civil society within those countries—[*Interruption.*] If the Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for Bournemouth East, wishes to intervene on me, I will have no problem with that. However, if he is not going to intervene, could he just be quiet and let me finish my speech? I would appreciate that.

I want to talk about what our foreign policy is, in essence. Ministers are fond of speaking of the opportunities that leaving the EU could provide. On foreign policy, a fundamental rethink of the Government's approach could be one of those opportunities, but in fact it is more than that: doing so is an absolute imperative.

As the Government start to think—however belatedly—about the kind of relationship they might want with Europe, they should also consider what kind of relationship they want us to have with the rest of the world. In doing so, we need more than just warm words from the Government—we need a plan. Our Foreign Office has been at its very best when it has been allowed in its foreign policy to give proper weight to British values as well as to British interests. I hope that the Secretary of State will look to that legacy and embrace and build on it, rather than undermining it any further. In the more immediate term, we need the Government to start thinking sensibly about Europe as a matter of urgency. We know little more about Ministers' intentions than that they are prepared to break the British economic model if they feel that that is needed if we do not get a deal.

I heard the Secretary of State say at the weekend that we would be “perfectly okay” if we left the EU without a deal. So why is the Chancellor of the Exchequer briefing that he is going to hoard £60 billion because of Brexit? Perhaps it is to fund the extra £350 million a week that the Secretary of State promised for the national health service. If so, I hope that the Secretary of State has asked the Chancellor about it, because £60 billion would provide three years, three months and one week's-worth of extra money for the NHS. At the moment, he seems to be doing no more than crossing his fingers and hoping for the best. This is a serious situation. We need clear thinking about our future in Europe and in the wider world, and simply talking about Toblerone display cabinets in Saudi Arabia is not sufficient. We need clear thinking and a clear plan, and we need them without any further delay.

Several hon. Members *rose*—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. It will be obvious to colleagues that a great many people want to speak and, although we have plenty of time, I am going to set a time limit immediately for Back-Bench speakers. Otherwise, the people who speak at the beginning will take three times as long as the people who speak at the end, which is what happened last week. So we will start with a time limit of eight minutes.

7.49 pm

James Morris (Halesowen and Rowley Regis) (Con): I totally agree with the Foreign Secretary that today—at this moment—we are presented with a massive opportunity to create a new form of global Britain. I particularly agree with his points about Britain's soft power. Just to clarify the point about the British Council, the figures actually show that there will be a 43% rise in FCO funding by 2020, reflecting the seriousness with which we take the opportunities for Britain's soft power.

The opportunities for global Britain are of particular importance to my constituents and to people in the Black country part of the west midlands. The announcement of the midlands engine strategy in the Budget is a significant moment for the people of the Black country. The Budget sets aside £55 million of new investment for the area, building on the significant investment made in the previous Parliament when, through the city deals, £1 million was invested in an advanced science, technology and engineering centre at Halesowen College. Significant progress has already been made in investment in the

Black country, and the area is one of the UK's fastest growing sub-regions, with more jobs and better skills, but we need to do more.

As we build the global Britain that the Foreign Secretary talked about, areas such as the Black country face five key challenges. The first is skills. Even though the number of young people not in education or training in the Black country is below the national average—we have made significant progress—skills gaps still exist in the area that I represent. I welcome the £7 million of new capital investment for further education that was announced in the Budget as part of the midlands engine strategy, but more is needed for investment in technical skills and to tackle historical levels of educational underperformance in the Black country and the wider west midlands. Skills gaps hold the Black country back as we seek to develop this global Britain.

The second challenge is transport and infrastructure, where historical under-investment is also holding the west midlands back. I welcome the announcement of £25 million to tackle congestion as part of the midlands engine, and we need a longer-term focus on the potential benefits of HS2, the development of Birmingham airport, and our rail and road network across the Black country and the west midlands.

The third big challenge addressed in the Budget, and one that we need to consider in the long term, is innovation rates. The Black country is becoming a world leader in, for example, the automotive, aerospace and advanced manufacturing sectors, with products such as Bugatti brakes and even the chairs used on “Match of the Day” being produced in the area, which is developing a worldwide reputation for design and product manufacturing.

The fourth challenge, which is a cumulative impact of the others, is relatively low productivity. It is a puzzle that we are yet to solve, and we need to tackle it by approaching it from all angles: improving skills, improving education at primary and secondary levels, and investing in transport infrastructure and the wider social realm.

The fifth challenge for the Black country is exporting, inward investment, and the potential opportunities of Brexit. With a 49% increase in exports since 2010, the west midlands' export performance has been excellent in recent times and better than many other UK regions. We must be positive about the future and position the west midlands front and centre in our global trade plans to take advantage of the opportunities presented by Brexit. That is why I welcome, as part of the midlands engine strategy, the move towards the creation of a midlands trade and investment programme to develop markets to which the west midlands does not currently export. It has a good record in China and the United States, but we have the opportunity to open up and exploit new markets in many other countries.

Jeremy Lefroy (Stafford) (Con): Does my hon. Friend agree that foreign language skills are one of the most important things that we lack? That is intimately associated with our relatively poor export performance in the past, and we need better learning and teaching of foreign languages in order to penetrate those new markets.

James Morris: My hon. Friend is absolutely right. Foreign languages are one key component, but the challenge in areas such as the Black country is to raise

[James Morris]

education performance levels more broadly. Standards need improving at primary and secondary levels, and we need to focus on technical education. The west midlands must face outwards and take advantage of the global opportunities that are currently presented.

Critically, the Black country and the west midlands are too often talked about as though they are a relic of Britain's industrial past, but that is wrong. The Black country is increasingly in the vanguard of our industrial future. It is a leading player in high-tech manufacturing and has an increasingly competitive, productive economy. We do not need to focus on managing decline. The Black country is not some kind of industrial museum to look back on with fondness as part of Britain's industrial greatness. The area is becoming a world leader in critical parts of our economic future.

As we take a forward view of global Britain, it is important not to focus just on London and the south-east; part of our long-term strategy should be the rebalancing of the economy. It is taking a long time, but we have made a lot of progress towards achieving that rebalancing. We must redouble that effort, invest in the appropriate skills and in the future of the businesses in the west midlands, and take away the barriers to growth, which include our transport infrastructure. It is simply too hard to get around the Black country and the wider west midlands, and the evidence is that transport bottlenecks make it increasingly difficult for the west midlands to realise its economic potential and achieve productive growth. As I said, we are not managing decline or nostalgically looking back to a mythical golden age; we seek to embrace the future of the Black country and of our young people in a global Britain.

7.58 pm

Kirsty Blackman (Aberdeen North) (SNP): It is a pleasure to speak in this Budget debate. I had the same pleasure last year, and I appreciate the opportunity. I want to talk about quite a few things. The Foreign Secretary talked about global Britain, but we are in fact looking at a broken Brexit Britain. We are looking at a package of unfairness not only in the Budget, but in the austerity that the Government have followed for years. Ordinary working people have not been supported by this Government or the previous Government.

The UK Government have their head in the sand, and they have it there for two good reasons. First, they do not have the faintest idea of what Brexit will actually mean. What they do know about the outcome of Brexit is that it will be bad, so they do not want to tell us what they know. Secondly, the Government talk all the time about how things will affect the ordinary working person, but most Conservative Members—or at least too many of them—do not actually have a clue about what it is like to be an ordinary working person. They do not have a clue what it is like to push a trolley around the supermarket and feel inflation going up, as it has done over the past three months. Inflation has gone up to its highest level in ages during the past three months. People are seeing a 15% increase in the price of butter and a 6% increase in the price of tea. Those things have a real impact on families' budgets, because they are everyday essentials which people regularly buy, so when they go up in price people are disproportionately affected.

In Scotland, 48.4% of adults have less than £100 in savings. Across the UK families owe, on average, £2,770—that is the debt that families have. This is a really tight situation for people. People are struggling; they are not able to save and they have levels of debt.

People who have had a mortgage in the past eight years have never seen interest rates above 0.5%. Therefore, if the Bank of England decides to raise interest rates because of the weakness of the pound, which is not inconceivable, these people will be hit by increased mortgage costs that they did not expect, because they had never seen such increases before and so have not planned for them. This Government are doing nothing to help the budgets of these people. I spoke to some of my friends about how they feel the economy hits them. Too many of them told me, "I lie awake at night worrying because I have no savings. What if my partner gets laid off? We have no money. We have no slack in our budgets." With rising inflation, because of Brexit, and the fact that the UK Government are not willing to take action now to combat it, people's budgets are going to be squeezed even more tightly.

We have also seen wage stagnation as part of this package of unfairness. In 2022, average earnings will be no higher than they were in 2007. The UK Government need to take action—they need to be spending—to counter that and to make sure that people's everyday budgets and everyday family incomes balance.

Jeremy Quin (Horsham) (Con): Just to put this into perspective, the Office for Budget Responsibility's forecasts are for inflation to be 2.6%, then 2.4% and then coming down to 2%. Although that is higher than we would like—it is above the target—it is not the kind of inflation we have seen in the past under other Governments. The hon. Lady is talking about a fiscal reflation—throwing more money into the economy—but that would increase inflation.

Kirsty Blackman: I am talking about putting more money into infrastructure, things that actually create jobs, and research and development. What we have seen in the UK is pitiful productivity. In Scotland, we are beginning to counter that, as our productivity has grown much faster than the level in the rest of the UK. That is partly because of the fiscal stimulus given by the infrastructure packages we have put in place, which has allowed us to make a difference to productivity. If the UK Government intend to take us out of the single market and to make it more difficult for us to have trading relationships and to export, they will need to make sure that they are increasing productivity to counter that, otherwise we will face a real issue on the lack of wage growth.

The Chancellor stood up and said, "It is fabulous what we are doing for the oil and gas industry. We are going to make it easier for oil and gas companies to transfer late-life assets." This is really important, because the oil and gas industry will continue to take oil out of the ground for a very long time to come. Some fields are nearing maturity and may be operated by one of the big operators, and we need to make it easier for those assets to be transferred to some of the newer, smaller operators so that they can "sweat" them: get the maximum economic recovery out of those assets. My problem with what the UK Government announced is that they announced it

last year and did not do it; they announced this exact thing on late-life assets last year and it has not been done, so I hope they will forgive me for not dancing around in excitement at the fact that there is now going to be a panel of experts to look at this thing that the Government announced last year—it would have been nice if they had actually done it back then.

I want to mention the £350 million of extra money that is going to Scotland. It was kind of the Chancellor to stand up and say, “We are giving £350 million of extra money to Scotland,” but this is rubbish—it is not what is happening at all. Because of how the Barnett formula works, if the Government spend more money in England and Wales, it just so happens that Scotland gets an extra slice as a result. The Chancellor cannot pretend that he is giving lots of money to Scotland while asking Departments to make 6% cuts and in the face of continuing austerity. He cannot stand up and say that the Government are giving Scotland all this money, given that we have had a £2.9 billion real-terms cut over the decade from 2010. It is ridiculous that we are in this situation.

I wish to touch on a couple of things that the Foreign Secretary said. In response to an intervention, he talked about falling back on WTO rules and how it would be “perfectly okay”. I am interested to see the analysis that he has done on that, because I do not think it would be perfectly okay. I think he is guessing, imagining, inventing—[*Interruption.*] He is hoping with his fingers crossed, as my hon. Friend the Member for Argyll and Bute (Brendan O’Hara) says. I say that because falling back on WTO rules and most favoured nation status is a harsh reality for our exporters, particularly for our small and medium-sized enterprises.

On SMEs, the Foreign Secretary said that people on my side of the House were mocking entrepreneurial spirit. He is from the party that has made changes to the national insurance contributions of the self-employed and he is accusing us of mocking entrepreneurial spirit! We are supporting entrepreneurs. We are supporting those people in small businesses, particularly the incredible numbers of women and people on lower incomes who have started businesses and taken on the mantle of self-employment. This is really important. These people have decided to become self-employed and now this Government are taxing that aspiration.

This Budget has dodged far too many of the important issues. It has not spoken about the real fallout from Brexit. The Government are unwilling to give the OBR any real information, and the improper forecasts that they have therefore been provided with have allowed them to dodge those issues. Despite all the comments in the run-up to it, this Budget has been shambolic. It has dodged the issues, taxed aspiration and done absolutely nothing for the oil and gas industry beyond what was promised last year. This is not a Budget that is promising for Scotland. It has increased the package of unfairness and consigned ordinary working people to a long-term lack of prosperity.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. May I just say that we will introduce a six-minute limit, so if Members could stay tight to that, we will be able to get everybody in?

8.8 pm

Jeremy Quin (Horsham) (Con): It is a great pleasure to follow the hon. Member for Aberdeen North (Kirsty Blackman), although I did not agree with a great deal of what she said. None the less, Scots have played such a valuable role in shaping the foreign affairs of the United Kingdom over such a long, protracted period, and, through that, those of the fifth largest economy of the world and, through that, the affairs of the world. I trust and hope they will continue to do so for many, many years to come.

It will not come as a great surprise to you, Mr Deputy Speaker, to learn that I am not much of a mountaineer, but I have been told by those who are that the most dangerous point in climbing any mountain is after one has made the stupendous effort and reached the summit, and one then begins the so-called “easy descent”. In fiscal terms, after nine long and difficult years, the House finds itself nearing the summit. The struggle to rein in public debt is an immense and ongoing undertaking, but, according to the OBR, public sector net debt as a percentage of GDP peaks in 2017-18—this coming year—and in every successive year thereafter it falls. Whatever the very real temptations, encouraged by some one-off factors this year, to slow further the pace of deficit reduction, we owe it to future generations to finish what we have begun.

We are now in our eighth year without a recession. Unlike others, Conservatives do not pretend that we can abolish the business cycle. It is critical to our domestic economy and to our standing in the world that we rebuild our financial firepower so that we can tackle anything that comes our way. The 2% of GDP on defence and 0.7% on overseas aid, to which my right hon. Friend the Foreign Secretary referred, give us great hard and, indeed, soft power, but our allies need to know that our commitments are real and sustainable.

It was frustrating to hear the passionate words of the right hon. Member for Islington South and Finsbury (Emily Thornberry). She bemoans efficiencies being made in the public sector, without recognising, in this Budget debate, how critical it is that we bring down the deficit and show our ability to act credibly abroad and to achieve long-term sustainable finances.

With our national debt topping out at some £1.8 trillion, our annual interest payments also represent the entire combined annual spend on defence and policing, as the Chancellor pointed out. That is why the proper, sensible husbandry of our resources is critical. Despite the huge increase in the national debt, we are currently spending the same on interest as we were 15 years ago. With the base rate bound to rise—something on which I agree with the hon. Member for Aberdeen North—that is not sustainable in the long term. The risk is compounded by demographic shifts, notably the retirement of the baby-boomer generation. Demographic changes are projected to increase the cost of the state pension by 40% and to drive up health and social care spending.

I recognise the efforts being made to enhance our productivity with T-levels; the half billion of extra spending on technical education for 16 to 19-year-olds; and the £300 million commitment to support the brightest research talent, including 1,000 new PhD places in science, technology, engineering and maths. Combined with transport spending, that will help to narrow our relative productivity gap.

[Jeremy Quin]

Education is the key. I have literally studied line by line the financial projections of some of the schools in my Horsham constituency, so I can assure the Chancellor that, after years of being relatively underfunded, they run an extremely efficient and tight ship, with staffing costs often accounting for 85% of total spend. Schools in historically well-funded areas have much to learn from schools such as those in West Sussex and could potentially do more than is currently being asked of them. I am grateful for the Secretary of State for Education's commitment to look carefully, as part of the fair funding consultation, at the minimum funding required by schools to deliver the standards and curriculum that students, and we, have every right to expect.

National insurance contributions have been much discussed in the media. I welcome the Taylor review, and feel sure that later this year his report will outline many ways in which the Government can support the genuinely self-employed and clarify the position of the virtually employed. The self-employed population is higher than ever before and steadily growing. It is a simple matter of maths that such growth undermines the tax base on which future generations will rely.

The Government are introducing a package of measures: the changes to class 2 and class 4 NICs and the enhancement to pension provision for the self-employed are coming in over the next two years and cannot be viewed in isolation. Some 60% of those affected by the changes to NICs will gain. For those at the higher end of the earnings bracket, the impact is capped at around £600 a year, and the average annual additional contribution is £240 a year. Meanwhile, self-employed pension benefits will be enhanced by £1,800 a year—a benefit which, if purchased in the open market, would cost some £50,000.

Those measures will help to support the self-employed in retirement. They are progressive, while still ensuring that being self-employed has tax advantages. Of course we will support the entrepreneurs who will help to drive our country forward in the new post-Brexit environment, but by helping them to meet the costs of retirement while also narrowing the potential reduction in our tax base, these are proportionate, long-term steps in a Budget focused on the long-term financial health of the country, which I commend.

8.14 pm

Mr Ivan Lewis (Bury South) (Lab): The test of the Budget should be whether it tackles the big challenges facing our country now and in future. I shall focus on three of those challenges: the need for support for business to alleviate the inevitable uncertainty that will prevail throughout the Brexit negotiations; the need to tackle the inequality that is dividing our society more each and every day; and the need to provide sustainable funding to build a new integrated NHS and care system that can cope with ever-increasing demand. On all those counts, the Budget is a missed opportunity.

The increases to business rates and national insurance contributions for the self-employed have raised questions about the Government's competence, integrity and business credentials. Even David Cameron has expressed concern that a clear Tory manifesto commitment has been broken. At a time when Brexit is causing so much uncertainty for business, it is unforgivable that the Government

should make the situation worse, not better. Alongside that, the Budget failed to identify any measures to begin the process of mitigating the impact of the UK no longer being a member of the single market. As that is the Government's stated objective, they have a duty to take it fully into account from now on when they introduce measures that will affect business.

Inequality is fuelled by many factors, but wage stagnation is one of the worst. The Government should commit to phasing in a proper living wage over this Parliament, not the bogus living wage they are currently implementing. I propose a register whereby every three years companies would be required to publish their profits and the pay increases they have awarded their staff, from the boardroom to the shop floor. If companies are struggling, or if they are start-ups, it is totally right that job protection, not wage rises, should be a priority. However, if significant profits are being made, it is immoral that workers are not seeing an increase in their pay.

Perhaps the most grotesque symbol of inequality in today's society is the epidemic of rough sleeping we are seeing in many of our towns and cities. I welcome the Homelessness Reduction Bill and the work of the hon. Member for Harrow East (Bob Blackman) that made it possible, but it will not solve the problem alone. The Government should have used the Budget to make specific resources available to ensure that local authorities and third-sector organisations can come together to offer people who are sleeping on the streets emergency accommodation and a package of support to enable them to reintegrate into the community. In the longer term, the Chancellor must consider new ways to enable councils and housing associations to access finance so that they can build a mix of social and affordable housing.

On the NHS and social care, I welcome the extra money for social care in the Budget, but the gerrymandering of public money to favour political friends brings the Government into disrepute. The extra money will not change the fact that in the vast majority of local authorities, the eligibility criteria that determine access to publicly funded social care mean that people have to deteriorate to a very poor state before they receive any help whatsoever. People whose financial means make them ineligible for funding are all too often not even offered advice and support to choose the right care and support for themselves and their families.

As a former social care Minister, I can testify that successive Governments have been reluctant to tackle the social care funding issue because there is no credible solution that will not require the public to pay more. Unlike the NHS, social care has always been means-tested. Higher taxes and/or national insurance, greater individual and family contributions, payments out of inherited estates, and an insurance-based system for social care are all difficult options. Any solution, therefore, must not be a political football, and any work must be done on an all-party basis.

I am sorry to say that the Budget commitment to yet another Green Paper on social care funding matches neither the scale nor the urgency of the challenge. I reject the view of those on the right who argue that the NHS as a system free at the point of use, funded by general taxation, cannot be sustained. It must be sustained as a non-negotiable and enduring statement of unique British values.

The Government rightly talk about the importance of shifting the focus of public services to prevention and early intervention, yet their slash-and-burn approach to council funding is having the opposite effect. My local authority, Bury, will be required to make cuts of approximately £30 million between 2017 and 2020, and the situation is made worse by an unfair local government funding formula. If Bury were funded at the English average, it would equate to an additional £9 million per year. The reality is that Bury and local authorities are having to shut preventive and early intervention services rather than invest in them.

The Budget exposes, once again, the illusion that the Government have been economically competent or successful. Not only have they failed using their own measures of success—deficit reduction and borrowing—but they have failed to address low pay and the rising cost of living for too many of our fellow citizens. They have also failed to address the growing under-employment of young people, the impact of benefit sanctions, child poverty and cuts to grassroots and frontline public services, all of which are creating a deeply divided society—a division that both contributed to and was reflected in the Brexit vote.

The incompetence of this Budget has brought the Prime Minister's honeymoon period to an end. She can talk as much as she likes about standing up for working people and those struggling to get on, but unless her Government change course, that will not happen, and furthermore her legacy will be a deeply divided country, and a party once again viewed by many as the nasty party. That would be both an irony and a tragedy for the first Tory politician with the courage to face up to the reality of her party's reputation.

8.20 pm

Nigel Huddleston (Mid Worcestershire) (Con): It is an honour to follow the hon. Member for Bury South (Mr Lewis), though, in contrast to him, I believe that there is much to praise in this year's Budget. I was particularly pleased to see the focus on investing in technical skills, school buildings, broadband infrastructure, transport and road infrastructure, and of course the increased funding for social care.

The Chancellor absolutely struck the right tone in outlining the overall state of the British economy. He highlighted the record employment numbers, increasing GDP and wages, and lower debt, while underlining that Government debt remains stubbornly high, at an astonishing £62,000 per household. That is one of the figures that really stood out for me in the Budget speech. Of course, another term for that level of debt is deferred taxation; it has to be paid off at some point, and we need to take responsibility for doing that, rather than leaving it to future generations.

While we are paying off the debt, the reality is that despite all the comments about cuts and all the rhetoric about austerity, Government spending overall is increasing by significant amounts; it was £754 billion last year, versus £716 billion five years ago. In the last five years alone, spending has increased by more than £11 billion on the NHS, £2 billion on overseas aid, £7 billion on transport, £4 billion on education, and £13 billion on welfare and pensions. We may well, and do, disagree on how Government money has been spent, and whether the spending is enough—certain areas have been cut—but

the fact cannot be avoided: Government spending has increased by about 9% since the last Labour Government, and it is expected to reach £800 billion by 2018.

The theme of this debate is Britain's place in the world. It is worth remembering that we are world leaders in many aspects of our economy, including in the pharma industry and precision engineering. We have some of the best universities in the world, and we are one of the world leaders, if not the world leader, in the digital space. At 12.4% of GDP, our digital economy is the largest in the G20—something that we should be immensely proud of and should shout from the rooftops. As the Budget indicated, investing further in digital skills, technology and broadband will enable us to keep that leadership position.

On the subject of changes in the landscape, it is heartening to hear some indication and recognition that perhaps taxes like business rates have had their day—ones based on bricks and mortar, as opposed to clicks and order. We need to change the dynamics of the economy, reflect the fact that the economy has changed, and tax appropriately. I am looking forward to the debate that I am sure that we will have in the House looking at ways of raising business rates that are fairer to companies, including small businesses, that have a presence on the high street, as opposed to the likes of Amazon. I also ask the Chancellor and the Treasury team to look again—I am sure that they will—at cases such as individual cinemas, which seem to have been unfairly hit by the changes in business rates.

Finally on Britain's place in the world, there was perhaps one missed opportunity in the Budget, which I am sure will be taken in the November Budget: air passenger duty. Perhaps as early as April next year, the Scottish Government are likely to reduce air passenger duty by 50%. That would immediately put English airports at an unfair disadvantage. Many of us have been discussing with the Treasury whether, or how, we should respond on air passenger duty. It is absolutely vital that we support our aviation industry; it is the third largest aviation industry in the world, and at this time of Brexit, there is great uncertainty about the future of the aviation industry; after all, there are no non-WTO alternatives, should we not reach a deal. The share price of easyJet has fallen by a third, and £2 billion has been wiped off its value since Brexit. I look forward to playing my part in further discussions about APD and how we can support the aviation industry, and I look forward to further statements on the subject in the November Budget.

8.24 pm

Mr Gavin Shuker (Luton South) (Lab/Co-op): May I begin by agreeing with the comments of the hon. Member for Mid Worcestershire (Nigel Huddleston) about air passenger duty and the effect of Brexit on UK aviation?

The former Chancellor, the right hon. Member for Tatton (Mr Osborne), did not have many great reforming achievements, but let me praise one: the emergence of the Office for Budget Responsibility, which is essentially the benchmarking organisation that lets the Government know what fiscal room they have to work in, and lets us all know where the bodies are. The OBR made a series of assumptions in its central forecast for the Budget. The first was that the UK would leave the EU in April 2019. The second was that the money that we

[Mr Gavin Shuker]

spend on the EU would come back and be spent broadly on the same things as before. The third was that we would need to make no exit payment, and the fourth was that no changes to taxes levied and payments made through the EU would be made over the period that the OBR looked at. It said:

“While the Government has now set out some of its objectives more formally, there is understandably little detail about how it intends to achieve them.”

Each of those assumptions is questionable at best; that is the fault not of the OBR, but of the Government. Each assumption will have a huge impact on the public finances. This was a Budget with a black hole at its very heart. Brexit is mentioned just once in the Red Book, yet we are entering the chilling reality of a hard Tory Brexit at a time when they have presided over seven years of economic failure and missed deficit reduction targets year after year. Short-term fixes have meant that the past decade’s most intractable economic problems have not been dealt with. Let us examine those assumptions.

The first assumption was that we would leave the EU in April 2019. I have no reason to question that after the Bill on article 50 passed through the Commons today, but we know that there could be a hard landing on to WTO terms, or a transitional deal. We could be doing this against the backdrop of one of our nation states leaving the other three.

The second assumption was that after Brexit, our money would return from the EU. The sum of £350 million a week was spoken about quite a lot during the referendum campaign. Where did that come from? It was an inflated figure; the actual cost to us is about £8 billion a year. Provided that we are able to do everything as efficiently as we do now—now, we pool the resources of 28 member states, but we will shift from sharing costs to them being borne by one state—and provided that we choose not to contribute any additional sums to our farmers, regional development, or university research, we will get back that £8 billion a year, but if the economy was just 1% bigger, borrowing could be some £14 billion lower each year. The Institute for Fiscal Studies says that if leaving the EU were to reduce national income by just 0.6%, that would be enough to outweigh the positive effects on the national finances. Bear in mind that the effect is cumulative; 0.6% lower in one year means that the economy is 0.6% smaller in every year going forward. That is because of lower tax receipts, higher debt, a larger deficit, and less to spend on public services such as our schools or the NHS.

The third assumption was that no exit payment would be made. The figure being talked about in Brussels is in the range of £50 billion or €60 billion. We have built up liabilities, commitments, and pension funds, and without settling those, we will not get the kind of deal that we want with the rest of the European Union. We have bailed out the banks, but actually we have had significant amounts of that money back. This will be a one-off payment that we will need to make, and it was not reflected in the Budget that we discussed this week.

The fourth assumption, which is no changes to taxes levied through the EU, rather begs the question: why are we doing this in the first place when we know that we are going to diverge over this period? What did we learn? We learned that economic growth is down, not up, from Brexit; that we will have lower tax revenues;

that lower immigration will hurt us, not help us; and that a weaker pound will drive inflation, storing up the inflationary effects into 2017, 2018 and 2019. On trade and exports, UK trade will fall, slowing the pace of export growth for 10 years; business investment will be lower and will drop; and EU students and exports will drop off as well, taking money out of the real economy.

Last week, we learned that the Vauxhall van plant in Luton, where my dad and his dad before him worked, will be sold to a European firm. Despite the fact that that organisation is one of the most efficient and profitable parts of the business, the long-term future of that plant will be down to the kind of deal that we get on Brexit. Frankly, with an eight-year lead time on the van that we build there, I am perfectly content that the workers will see that through, and I thank PSA Group for its assurances. The reality is that when we look at Ellesmere Port, where a decision has to be made on a new vehicle coming in at the back end of 2018, it becomes abundantly clear why those of us on Labour’s Benches and some on the Government Benches say pushing for the hardest possible Brexit available is a bad choice; it comes at exactly the wrong moment for the kind of investment that we want. A hard Brexit is not some big bang, but the slow deflation of a balloon as the air comes out.

In conclusion, this Tory Budget amounts a massive hit to the public finances—around £100 billion. Targets have been abandoned, and there are no rules of the road. There is a lack of acceptance that the effects of this Budget will last for a long period of time. If we are going into a storm, the ship is in a poor state and the captain is driving us harder and harder into those choppy seas.

8.30 pm

Maggie Throup (Erewash) (Con): It is a pleasure to follow the hon. Member for Luton South (Mr Shuker). I have to say that although we do not always agree, he has put forward some good points.

It is well recognised that Britain is a world leader in science and technological research. As we saw earlier at a STEM event in Portcullis House, many advances, which begin as just glimmers of ideas, are developed by our amazing entrepreneurs and commercialised. Such entrepreneurs are vital in helping Britain to succeed in a global economy. However, that is not a reason to shy away from bringing parity into the tax system, between the employed and the self-employed. Before being elected to this place, I was self-employed for 19 years. When I first ventured down that path, I did not think, “I must become self-employed to pay less national insurance.” I went self-employed because I had a business idea and relished the challenge of making a success of it, and I wanted the freedom of being my own boss.

After my first year of trading, I was quite surprised to see just how little national insurance I was paying. Although I recognised that there were many benefits that I would not be able to access as a result of being self-employed, I felt that the advantages outweighed those disadvantages. I welcome the news that Matthew Taylor is looking at the differing employment practices that we now find across the industry. I also welcome the review, because this is the time not to tinker around the edges, but to make lasting reforms to the tax system that are fit for the changes that we are seeing in today’s employment environment in the gig economy and also to keep us at the forefront of the global market.

I also want to spend a little time in welcoming the additional funding for social care. As the Chancellor quite rightly said in his Budget statement, the social care system is under a great deal of pressure, which in turn puts pressure on our national health service. As someone who has family experience of great working practices, I can say that this is about not only money, but how we implement processes and spend the money.

I am a member of the Health Committee, which has taken evidence from people about great working practices. Although I welcome news of the extra £2 billion over the next three years, with £1 billion for the next financial year, we must ensure that that money comes with reform. What is wrong is when stakeholders, clinical commissioning groups, local authorities, health trusts, primary care trusts and third sector providers are not willing to come together to make the changes that are so necessary.

Sustainability and transformation plans are necessary. We cannot continue to do what we have always done and then expect to get different results. The future of the NHS and social care has got to be two-way: reform must come alongside additional funding. That is why I welcome the Chancellor's announcement of a Green Paper on the future financing of social care later this year. As with the reforms to the tax system, these reforms cannot tinker at the edges and think that the job is done.

As a midlands MP, it would be remiss of me not to mention the midlands engine. As an east midlands MP, it would also be remiss of me not to remind people that the midlands engine covers both the west midlands and the east midlands. Sometimes that gets glossed over. I welcome the focus on skills and training, and the investment in transport infrastructure at pinch points. However, more needs to be done. I have called for an additional motorway junction between junctions 25 and 26 on the M1, which would really help to alleviate some of the congestion throughout my constituency. Alleviating congestion helps productivity.

It is important to remember that investment in skills, training and infrastructure across the whole of the midlands, as part of the midlands engine for growth, will really benefit small towns and large cities. My message to the Chancellor is that we need to continue that investment to ensure that we hold our place in the global economy and at a local level.

8.35 pm

Dame Rosie Winterton (Doncaster Central) (Lab): I listened carefully to the contribution from the hon. Member for Erewash (Maggie Throup), who brought her personal perspective and that of her constituency to the debate. But it is more than clear that the Chancellor will have to rethink his plans for national insurance contributions for the self-employed not only because he is widely seen as having broken a manifesto commitment, but also because his scheme has been devised in such a cack-handed way that it looks as though those with the lowest earnings will be the hardest hit.

My hon. Friend the Member for Pontypridd (Owen Smith) estimates that a large number of low-income families whose main earner is self-employed will see their income fall by a sixth. I welcome the fact that the Chancellor's plans are going to be re-examined and I support the call for an impact assessment of the changes, but I very much hope that the Chancellor will re-examine his plans in the context of the much wider problems of

insecurity at work. I hope the Chancellor will put his review alongside the work being carried out by Matthew Taylor, which was referred to previously in the debate and in the Brexit White Paper. It is a clear example of where economic policy should be aligned with policies and negotiations on leaving the European Union, even though the Chancellor failed to mention Brexit in his speech. There has been a huge growth of insecure work in recent years, whether that is in low-paid self-employment, insecure temporary work through agencies, casual or seasonal work, or the explosion in the number of workers on zero-hours contracts.

Staff at the Department for Work and Pensions office in Doncaster tell me that whereas one or two companies would have been using zero-hours contracts 20 years ago, it is now almost the norm for many of them. The number of self-employed nationally has risen by about 1 million, and the number of workers on zero-hours contracts has risen by about 700,000. Insecure work is bad for workers, families and our communities. And, as the Chancellor must recognise, it is bad for the Treasury too, as it is punching a massive hole in the public finances. Zero-hours contracts cost the Treasury billions because they lead to a lower tax take and higher spending on in-work benefits. Zero-hours workers pay significantly less in income tax and national insurance contributions than people in more secure employment. A recent study by Landman Economics shows that this has created a £1.9 billion hole in the public finances. It says that the true costs are higher still, as those on zero-hours contracts are more likely to need to rely on in-work benefits such as tax credits and housing benefit.

Overall, the TUC has estimated that over the past decade there has been a net loss to the Treasury of £5.3 billion due to insecure working—equivalent to just over a third of the social care budget for England, as set out by my hon. Friend. People in insecure work tend to be paid lower wages. Some employers use zero-hours contracts or bogus self-employment to manage their financial risk and leave the public finances to pick up the bill. Inevitably, employers who prefer to keep employees on insecure contracts are the least likely to invest in proper skills and training, which is again bad for our overall economy and has a huge impact on productivity.

As well as the increased use of agency staff by employers, there has been a growth in employers encouraging workers to set up as a limited company. This bogus self-employment has a knock-on effect on other parts of the economy. Last week, one of my constituents told me of the experience of her and her partner when trying to get a mortgage. She said:

“My partner went from working as an agency worker to being a limited company; however he remained working for the same company on the same if not higher wage. This meant getting a mortgage was particularly difficult as we were unable to use his wage as income as he didn't have enough years limited company accounts, despite the fact he remained at the same company for 2 and a half years and it was just the way his wages were paid which had changed. Neither of us had any other outstanding credit and we had saved 25 per cent of the house price.”

Her father acted as guarantor, and that was the only way she could get a mortgage. Insecurity at work affects the whole of our economy, and the Government should tackle its root causes. They should strengthen legal protections for workers on zero hours and clamp down on bogus self-employment and agency employment.

[*Dame Rosie Winterton*]

This is not only a UK issue; it is affecting other EU countries, as well as EU migrants in this country, who are often kept in insecure, undercutting work. That is why having a proper review of this area, and linking it to how migration between the UK and the remaining EU countries post-Brexit will operate, is something the Government should get on with as a matter of urgency.

8.41 pm

Jeremy Lefroy (Stafford) (Con): It is a real honour to follow the right hon. Member for Doncaster Central (*Dame Rosie Winterton*), who made some extremely important points, particularly about those who are self-employed.

I believe the Budget was extremely balanced and very sensible, not trying to do too much, but trying to do the right things and, by and large, succeeding. The concentration on technical skills—the T-levels—on infrastructure and on living within our means was welcome. We saw money put into the right places, including business rate relief, addressing a problem for a number of companies in my constituency and, no doubt, in the constituencies of all right hon. and hon. Members.

There was also a substantial increase in the investment in social care. I believe this is just the start; we need to see a radical revamp of the financing of health and social care. In announcing a Green Paper on social care, the Chancellor took a first and firm step in that direction, and it needs to be followed by others, but I very much welcome the increased investment in social care.

Of course, there has been some discussion about the ways in which the additional revenue was found, but let us not forget that this was a balanced Budget: the Chancellor did not seek to increase borrowing—absolutely rightly—and nor did he seek to cut spending any further than was already planned in some Departments. He sought to raise the revenue to pay for the additional investment in social care. That is absolutely the right way to go about it, and I commend him and his team for that.

Raising the revenue through national insurance contributions was absolutely understandable given the constraints, but I welcome the fact that there will be a closer look at this whole area. As the right hon. Lady said, self-employment will be with us increasingly in the coming years, and more and more people are becoming self-employed. That is something to be welcomed, and I have been self-employed in the past. As my hon. Friend the Member for Erewash (*Maggie Throup*) said, it is something we should encourage, but, at the same time, we have to recognise the risks involved.

In future, as we look to raise additional revenue, we ought to look at some of the reliefs available to the higher paid, whether that is reliefs on national insurance and pensions, or reliefs available through schemes that have perhaps outlived their usefulness and that relate only to people at the higher end of the income scale.

That brings me to an important point. As a Parliament and a nation, we have to decide what level of income—what percentage of our GDP—we will raise in taxation and what percentage we will spend. We tend to raise approximately 37% of GDP in taxation, and that will continue through to 2020-21. We spent 40% in 2015-16, and that will go down to about 37% at the end of this Parliament. If we

are to maintain the kind of commitments in all areas that we, and the Government, wish to, whether on defence, international development, looking after the elderly through social care, increasing investment in health or increased pension costs, we will find it very difficult to stick to a level of 37% of GDP in terms of both income and expenditure—it will be nearer 40%. That is still well below almost all our fellow European countries, certainly France and Germany. However, we have to take this seriously. It is not legitimate for us to stand here and advocate the kind of investment that, rightly, we want to see, while retaining our footprint as global Britain, and not be prepared to pay for it.

I serve on the International Development Committee, and a couple of weeks ago was privileged to see the work that DFID-supported organisations do in Tanzania with some of the poorest people on this planet in supporting them in their education. We have seen many other such schemes around the world. In Congo last year, we saw DFID working in a place where pretty much nobody else was working—apart from the Congolese people and Government themselves—to bring water schemes to people for the first time.

I was there with the hon. Member for Ealing, Southall (*Mr Sharma*). I think he will remember that visit, where we washed our hands together having drawn water from a pump that had just been put into a village—the first water that those people had not drawn directly from the river. This work supported by DFID is absolutely priceless. As the Foreign Secretary said, it gives Britain a global presence. However, the point made by another speaker about funding for the Foreign and Commonwealth Office is also valid. We have to remember that as we withdraw from the EU there are many Foreign Office missions around the world where we do not have a DFID presence and yet a lot of British development is going on through the European Union. That will now have to be picked up by the Foreign Office. We need to look very carefully at the funding for that.

I would like to say many other things, but time is limited. I make just one plea. The British Council does fine work, as we saw in Tanzania. It wants to teach people English and there is huge demand for that, so we need to give it the necessary resources.

8.47 pm

Mr Virendra Sharma (Ealing, Southall) (Lab): It is a pleasure to follow the hon. Member for Stafford (*Jeremy Lefroy*).

We have heard many Members speak of the positives and negatives of our imminent departure from the European Union. I voted both in my constituency and in this place to remain. However, I wish to draw our attention to matters a little further afield—first, to the USA. It does our place in the world no good to be seen as too keen an ally of the American President. As America loses influence, we will be dragged down, tarred by his racist policies. When the Prime Minister visited Washington, we saw that she and this Government do not intend to question his policies or to counsel a different course. His racist policies have already led to a climate of fear in which two Indian men were shot in Kansas, and one killed. It is being investigated as a hate crime. We must not allow the same climate of distrust and malice to grow in this country.

With that sober warning behind me, I wish to turn to more positive matters. I look to India, once the jewel in the crown, offering succour today in a way it once did to our predecessors sitting here. I hope I can offer a different perspective from that of some other Members in this Chamber. I am a British Member of Parliament of Indian origin born in India. India must be not only our key strategic partner but our friend and ally at the crossroads of Asia. We have much to gain from each other, not just financially but culturally. There are deep-rooted bonds. Indians and the British understand each other. The Indian diaspora in the UK acts as a bridge between the UK and India. The Indian legal system is modelled on our own, and English is a shared language for almost everyone.

Those relationships, however, cannot be nurtured by business as usual. During the February recess, I led a cross-party delegation to India and we met many businesses. They want to work with Britain, increase trade and create jobs and opportunities, but many are frustrated by the punitive visa policies in place. When we met the Indian Prime Minister, he was keen to stress how much he valued a strong relationship with the United Kingdom. However, good will on the Indian side is not enough; it must be met with actions from us—actions that show that we, too, value the strong relationship. Platitudes alone are not enough.

Wages are still 10% lower than they were before the financial crisis. There are financial black holes in social care, education and the NHS. Some 4 million children are living in poverty. Britain is a wealthy nation, so how can we be proud of that? The Budget does not offer anything to address the real issues facing Britain. We need support for real trade policies that do not hurt smaller and poorer nations and that show real respect to long-term allies and partners, and a foreign policy that leads the world by acting responsibly towards children from Syria. If we are to maintain our place in the world, we should offer proper leadership. The Budget fails to show any, but perhaps our foreign policy can do so.

8.51 pm

Robert Courts (Witney) (Con): The Budget's measures include those that will be welcomed by constituents of mine who are concerned about business rates. Equally, the investment in social care will be of great relief to people who are worried about that. Likewise, schools have received welcome funding.

In the brief time available, I want to concentrate on skills. As we discuss Britain's place in the world and forge a new identity for ourselves as a global Britain outside the European Union, it is right that this Budget puts in place the financial and fiscal measures that will enable us to make a success of Brexit. I believe that the Budget does that, and I want to focus on the skills associated with it.

There are strong underlying factors in the economy. We are an outward-facing, open and globally trading nation. Our economy grew by 1.8% in 2016, second only to Germany of the advanced nations. The growth forecast for 2017 has increased from 1.4% to 2%, and the deficit has been reduced by two thirds since 2010. That is all a testament to the underlying strength of our economy.

My constituency has a number of high-level technical businesses that are very skilled and, in many ways, world beaters. These companies include Polar Tech and Siemens in Eynsham, STL Communications in Witney, and home-grown businesses such as Darke and Taylor in Hanborough. There are also businesses that have not been grown in West Oxfordshire but that have come to make their home and invest in my area, including Airbus, Boeing and Thales in Carterton.

For many years, however, we have not been training the young people that those companies need, so home-grown workers do not have the skills required to work in my area. The CBI estimates that 75% of companies will need higher-skilled workers and that 40% will require intermediate-skilled workers. We are 16th in the OECD rankings, so I welcome the measures in the Budget that promote training people to make a success of our economy, both locally in West Oxfordshire and as we look to become a global nation.

Measures being brought in by the Budget include T-levels, with a fund of £300 million in this Parliament. This is the greatest reform of 16-plus education since the introduction of A-levels. It has long been time that that country had parity between academic education and technical education. That has never been more true than in my constituency, where we have so many excellent, world-beating companies that need highly skilled technical workers. These people, who make things and have ideas, drive our country and its economy forward. I wish to support them, and I am glad that the Budget does so as well.

I therefore applaud measures introduced in the Budget, such as the 15 specific routes to employment, the high-quality work placements and the maintenance loans for higher education students, meaning that such forms of education are seen in the same way as the academic sector. There is a £90 million fund to provide 1,000 PhD places beneath the underlying umbrella of the industrial strategy, of which 85% are in STEM disciplines and 40% are collaborations between business and academics, again under industrial partnerships. That is critical for companies like Abbott Diabetes Care in my constituency which need such a system of STEM education so that their workers have the level of education they require.

Lastly, I will touch very briefly on research and development, about which I am equally pleased. I welcome the £23 billion national productivity investment fund. It will focus on an area of enormous significance to my constituency, and it will improve the productivity of the country and its economy as a whole. I will quickly mention full-fibre broadband, which is of massive importance. My constituency is full of innovative, intelligent, creative and thoughtful people, but they need high-speed broadband to ensure that their businesses can operate and export to the world. It is very much the same with transport networks: the A40 has long been a source of contention for such people, and it is a real brake on the ability of my constituency to achieve the full potential of its economy that is just within its reach. Technology is important, as is housing that people can afford to live in, so that they can come to work in and remain working in the areas that they have grown up in and that are near all the wonderful companies I have mentioned. I welcome the measures on research and development and skills that the Budget will bring in. It is a Budget that underlines and supports the skills our economy needs, and I commend all these measures to the House.

8.57 pm

Kate Green (Stretford and Urmston) (Lab): It is a great pleasure to follow the hon. Member for Witney (Robert Courts). I warmly endorse much of what he said about investment in technical skills and in our industries.

Today, we are debating the elements of the Budget that relate to Britain's place in the world. I want to start by saying that I found it absolutely extraordinary that, apart from a passing preliminary reference, the Chancellor had absolutely nothing to say in his Budget speech about the most significant event affecting our position in the world, which is of course Brexit. We know that Brexit is bound to bring economic shocks and economic instability and that it will create economic uncertainty, including in relation to the divorce settlement itself. The European Parliament has been very clear that that settlement has to include our meeting our financial obligations, whatever the Foreign Secretary and the Government may believe.

In my constituency, people are already feeling the effect of rising prices as a result of the devalued pound. More importantly for a manufacturing and exporting constituency such as mine, local businesses have highlighted to me the impact on them of the rising cost of imports. In that context, it is deeply worrying that the Government seem so determined to pull us out of the single market at all costs, while leaving their intentions about our engagement in a customs union quite murky. Failing to protect our maximum access to the single market will be deeply damaging for the many businesses in my constituency that have a long and deep trading relationship with the European Union.

I of course support measures to tackle exploitation in the labour market, which can be exacerbated by the free movement of workers, but as my right hon. Friend the Member for Doncaster Central (Dame Rosie Winterton) said, the insecure position of those in low-paid, unstable unemployment is not addressed at all in this Budget. As many hon. Members have said, for the self-employed, the position is particularly troubling. I agree that there should be consistency in treatment both of contributions and benefits between the self-employed and those in employment, and that we should crack down on the bogus self-employment that is really employment in disguise, but it is not right for the Government to put the cart before the horse in a way that will be unfair to many self-employed people by increasing their contributions without fully aligning their benefits with those in paid work.

I am particularly troubled by those self-employed people in low-paid self-employment, the group the OBR identifies as rising fastest. Some of those will be the newly self-employed, who in practice are in low-paid self-employment because they cannot find the permanent employment that many would prefer. I hope that in developing this measure—I understand that the Government will now take a little time to think more carefully about it—Ministers will publish a detailed impact assessment of who will be affected, in which industrial sectors and how the effect will vary across regions, age groups, and how long people have spent in self-employment.

In the context of this debate's theme of Britain in the world, I also express my concern at the Budget's failure to address our environmental obligations. Last week,

the Chancellor missed the opportunity to announce measures that would have reduced the number of diesel vehicles on our roads, but it has been estimated that nearly 40,000 early deaths a year can be linked to air pollution in the UK, and the cost to the Treasury is more than £27 billion. It is therefore disappointing that the Chancellor did not announce an increase in vehicle excise duty for new diesel vehicles, or have anything to say about a scrappage scheme.

On our ability to compete in the world, I want to say something about the education and skills announcements in the Budget. I agree with the Chancellor about their importance to improving our productivity, but the proposed back to work support of £5 million is frankly derisory. I am dismayed by the announcements on schools—£320 million on new free and selective schools, increasing to £655 million in 2021-22, but only £216 million for all other schools combined. That funding is only for the next three years with no additional funding in the long term. Trafford schools already face losing £443 per pupil according to teaching and support unions, but the Government are to pour more money into new free schools that will educate only a minority of our children, with no evidence that they will raise standards or the attainment of our most disadvantaged kids.

To add insult to injury, there will be money for children on free school meals to travel to selective schools—that amounts to fewer than 3% of children. In Trafford, parents of children with special educational needs have to pay for home to school transport. Last week, a primary school serving a disadvantaged intake in my constituency was unable to take up the offer of a free health and wellbeing session at Lancashire cricket club because it could not afford the bus fare to get there. It is iniquitous that transport to school should be prioritised only for those going to selective schools.

I do not see this Budget as one that works for everyone. It is a Budget that will leave us poorer, more isolated, and more divided, especially for those of my constituents in low-paid work, who are just about managing, if they are lucky, but more likely struggling to get by. In betraying the next generation, it will do nothing to enhance Britain's status in the world.

9.3 pm

Neil Parish (Tiverton and Honiton) (Con): It is a great pleasure to speak in this debate. It is interesting that the Opposition keep telling us that we must spend more, when of course we inherited a deficit of £150 billion from them, so every year we were borrowing £150 billion more than we were earning. Now we are finally getting that down to £50 billion, but we still have a £50 billion deficit. It is right that the Chancellor takes strong action to get down our deficit. Until we remove our deficit, we will not get debt down—debt will rise. The Opposition will then start saying, "Debt's going up." Of course it is—because we inherited such as basket case of an economy from them.

I very much welcome taking many of the lower paid out of tax altogether, and I welcome the fact that work actually pays. I have some concern, however, when we look at the self-employed. This Government have rightly reduced corporation tax so that large businesses can come to this country and existing businesses can do well from lower corporation tax. Many small businesses and

companies in my constituency and across the country are not, however, incorporated, so trying to tax the self-employed more is not the right way forward.

I look forward to the Taylor report. There may be some abuses where people set up bogus businesses and act as self-employed, but the genuinely self-employed who have set up their businesses and struggled to start them without earning much money do not get all the benefits of the employed, so they need to be helped through that situation.

As we move into Brexit and away from the European Union—whether or not we are in the single market—the one thing this country will need is a lot of good businesses, and we have got them. We have seen a reduction in the value of the pound. We might not necessarily have engineered that as a Government, but after the Brexit vote the pound dropped by about 18%, which has created a huge stimulus to the economy. We must make sure that we benefit from it by allowing these businesses to develop. As these self-employed businesses develop, they will create employment, which is what we need. It is another great success of this Government. Millions of jobs, we were told, were going to be lost when the coalition Government came into power in 2010. Instead of that, we have created millions of jobs—something that seems to be lost in the forecast of Opposition Members.

Let me deal in my remaining three minutes with the situation in my constituency. It is great to see that, on the basis of previous Budgets and this one, we are still very much looking at infrastructure. What has happened on the A303 and the A30 is a great innovation, but we must make sure that we do not stop at Ilminster, but get through to Honiton, because there is a bit of a gap at the moment. I have been talking about this matter for some time.

When it comes to social care and our hospitals, I very much welcome the little bit of extra money in the Budget, but many Members always have little local difficulties, which is the case for me, too. At the moment, we have hospital beds both in Honiton and in Seaton, but there is a proposal to remove those hospital beds from both of those places. That will create an area of approximately 100 square miles without any hospital beds. The administrations of the health service need to realise the size of Devon and the distance people have to travel in order to get to hospital, including those who want to visit their loved ones. The cottage hospitals have a great advantage in reducing some of the pressures on the acute hospitals, so we need to ensure that we find some funding for them. We need to care for people more in their homes, but we also need to care for people in hospital.

There was a little mention of more funding for schools and education. Devon has been able to educate its children across the county with a very low budget. Over the years, we have had a poor share of the overall budget. Now we have seen an increase in that share, which is welcome, but as always we need some more cash. Although this is not down to the Chancellor, we also need a little more flexibility when it comes to how Devon spends its cash. If we had that flexibility, we could make the money go further.

Great education for our children is what we will need when we move into this brave new world. I voted to remain, but I am now very much committed to the fact

that our economy is strong and that this country will be great—in or out of the European Union, and in or out of the single market. We must make sure that we get our trade deals, look after our farmers and have great food, as we do these Brexit deals. The one thing we must do is always talk up this country—never down.

Mr Deputy Speaker (Mr Lindsay Hoyle): George Howarth: follow that.

9.9 pm

Mr George Howarth (Knowsley) (Lab): It is a pleasure to follow the hon. Member for Tiverton and Honiton (Neil Parish). He described the health and social care crisis in his constituency as “a little local difficulty”. It is a funny that “a little local difficulty” seems to affect every constituency in the country.

I want to deal with three Budget issues as they affect my constituency. The first is school funding. Teachers’ unions contacted me recently to express—rightly—concerns about funding cuts. Over the next few years, such cuts will have a considerable impact on schools in Knowsley, and the council predicts, as a result, a significant rise in the number of schools that will go into deficit or, in some cases, be forced either to merge or to close.

The Government’s decision to cut school funding while preparing to spend money on creating additional places in grammar schools and offering schools incentives to become academies is counterproductive, certainly in Knowsley. The Government’s policy will do nothing to deal with deprivation in Knowsley, or with the challenges posed by its above-average number of pupils on free school meals and high levels of absenteeism: that simply is not going to happen. The Department for Education has confirmed that there will be no inflationary increase in Knowsley’s dedicated schools grant for 2017-18. This will be the seventh consecutive year with no inflationary increase. If the grant had been increased by the average rate of inflation over that period, it would have grown by about 20%, so there has been a significant real-terms cut in school funding.

Training is one of the key drivers for long-term increased economic growth. It is also critical to ensuring that young entrants to the labour market are properly prepared for the opportunities for skilled people that a modern economy can offer. In some cases, however, skill training alone is not an option. Employers whom I speak to in Knowsley often cite another problem: young people who are ill prepared for any form of employment. The reasons for that vary from case to case. In some cases it results from challenging family circumstances, in others from poor attendance, or non-attendance, at school. There are projects—such as Knowsley Skills Academy, a charity that I chair—which can help by providing a structured framework that helps to address those problems, but it is increasingly difficult to fund such approaches, although they are overwhelmingly successful in putting young people back on track.

Having been an engineering apprentice originally, and having taught in further education, I know that skill training should be straightforward. Under successive Governments, however, we have succeeded in over-complicating the process, at best focusing on the names of technical qualifications, and at worst passing off tick-box training as a substitute for the classroom and the workplace. Calling something an apprenticeship is

[Mr George Howarth]

entirely different from actually providing apprenticeship training worthy of the name. The key, which will benefit our economy, is providing skills that are transferable, and not just relevant to a single workplace. That can be achieved only by day release to colleges that can provide transferable skills that are both valued and recognised. If the Government are serious about meeting the economic challenges of the future through training programmes, they need to engage in a radical rethink about skill training.

The second issue is health and social care. Chronic underfunding and increased cuts in local government budgets have created a health and social care crisis. The supplementary funding through the improved better care fund—in Knowsley’s case, it amounts to just under £9 million over three years—is completely inadequate to cover the needs of local residents appropriately. A large proportion of that extra money will be taken up solely by the cost of implementing the national living wage. Lack of resources threatens the financial stability of care homes at a time when they are badly needed.

Finally, Government cuts in local government grant funding have meant that Knowsley has had to save £86 million since 2010, with another £14 million needed over the next three years. Knowsley will have reduced its spending on key local services by £100 million between 2010 and 2020. The funding provided by central Government will have been cut by 50% by 2020. In Knowsley, it is simply not possible to generate enough funds to cover that, so this is a Budget that is unfair to schools, those who need social care, local authorities and those who depend on their services.

9.15 pm

Jack Dromey (Birmingham, Erdington) (Lab): In his contribution, the Foreign Secretary undertook a global perambulation, bumbling for Britain. May I bring the debate back to Birmingham, a city of 1.5 million people—I am proud to represent Erdington—the city of Chamberlain, and an ambitious, growing, young city that is determined to build on its strengths?

There are some welcome steps in the Budget. We have worked cross-party to secure the midlands engine initiative and local growth deals, but those steps are modest in the extreme. There is £392 million for the entirety of the west and east midlands, and £54 million for job creation in Birmingham and Solihull. That pales into insignificance given the £700 million of cuts already made to Birmingham City Council and the fact that London, in the autumn statement, got nearly 10 times more than the entirety of the west and east midlands, and that was for housing alone. Once again, Birmingham loses out to London.

Time and again, there is a grotesque contrast between how Birmingham is treated and how the leafy Tory shires are treated. The Surrey sweetheart deal on social care is now legendary. On other fronts, the Government talk about social mobility, yet for our nursery schools in Birmingham, which are absolutely vital to giving kids the best possible start in life, final baseline funding is set to drop by 5%, the maximum allowable and the biggest in the country. However, in the Prime Minister’s constituency, in Windsor and Maidenhead, funding per hour goes up. Every school in Erdington bar one is losing out on the funding formula.

On safety and security in the west midlands, crime is rising—little wonder; there has been a cut of 2,000 police officers. Crime is rising by 9%. Violent crime is up by 20%. Yet the west midlands has been hit five times harder than Surrey in terms of police funding since 2010. It goes on.

Time and again, what we hear from the Government is talk of all this being about fair funding. Fair funding? It is shameful doublespeak because it pays no regard to need. One in three children in Birmingham are in poverty. Infant mortality rates in Birmingham are twice the national average. Birmingham is ranked first for the total number of fuel-poor households. There is the extraordinary statistic that, if a man gets on the train at New Street and gets off at Erdington or Gravelly Hill, he is likely to live seven years less than if he continues on that train to Four Oaks in leafy Sutton Coldfield.

It is true that Birmingham is a great city, but it is a city of high need. I always say about my constituency of Erdington that it is rich in talent but it is one of the poorest in Britain. It has the seventh highest level of unemployment. Despite all that, the city and my constituency have been failed by a Government, and a Tory leadership in Birmingham and the west midlands, who have lamentably let Birmingham down. To add insult to injury, they then blame the city for the problems created by the combination of the mess inherited by a Labour council from a previous Tory administration on the one hand and what the Government have done to the city of Birmingham on the other. It is little wonder that in Birmingham people are not impressed by the Budget.

On other fronts, the Government failed to listen to appeals for justice, but nevertheless imposed additional burdens on working people in Birmingham. They failed to listen to the appeal for justice. There were 100 WASPI—Women Against State Pension Inequality—women down last week, who were utterly dismayed that there was not one penny in the Budget to put right that terrible wrong. For example, there is a woman in my constituency who is 62 and cannot now retire until she is 66. Her husband died two years ago, and her father died a week later. She has never done a cleaning job in her life—not that there is anything wrong with cleaning jobs—but is now having to do three part-time cleaning jobs to make ends meet. She had hoped that her appeal for justice would be listened to by the Government, but there was not one penny in the Budget for her.

There are also the additional burdens imposed on working people. If there are 37,000 WASPI women who feel let down, there are over 60,000 of the self-employed who feel that they have been hit hard by a Government who are oblivious to the consequences of their actions. Little wonder that a Kingstanding white van man on Saturday told me how bitter he was that he is being treated in the way that he is, with no additional rights but having to pay more national insurance. What he said is true of so many in the city who feel let down by this Government: “I’ll never believe any promise from the Conservative party again.” He will not be alone.

9.21 pm

Tom Brake (Carshalton and Wallington) (LD): I welcome this debate. One thing that the Budget shows is that we cannot have properly funded schools and hospitals with a Tory hard Brexit. My schools confirmed that in a

meeting I held with the Minister for School Standards and representatives from both a selective and a comprehensive school, both of whom felt that they were going to be under very severe financial pressure as a result of Government funding for schools. Also, on what the Government have offered in terms of health and social care, while the £2 billion over three years is welcome, it clearly will not suffice. As a number of Members have said during the course of various debates, I am sure that in just a year's time we will have to return to that.

The Budget would have been an opportunity for the Government to roll back their proposed changes to personal independence payments. They claim the withdrawal of mobility funding from people with mental health problems was what was intended in 2012. I urge Ministers to go back and look at the Government response to the consultation in 2012, because that clearly indicated that they did not intend to withdraw those benefits from people with mental health problems.

However, I want to focus most of what I say today on the Foreign and Commonwealth Office, as it was the Foreign Secretary who opened the debate. Perhaps I have misunderstood the departmental resource budgets, but they seem to show very clearly that the FCO is going to suffer very severe budget cuts, going from £2 billion to £1.2 billion in 2017-18; to £1.2 billion in 2018-19; and to £1.3 billion—going up slightly—in 2019-20. If I have misunderstood those figures, I hope someone will explain them to me, but the Foreign Secretary seems not to be aware of what is happening to the funding for his Department. Perhaps he is thinking that if we add up the budgets of the other Departments that have been created—those for Exiting the European Union and for International Trade—we miraculously we get to roughly the same figure. Well, we do not; we get to less than the £2 billion allocated to the FCO for this year. I hope we will get some clarity on that when the Minister responds, because it is difficult to see how the Foreign Secretary's claim that this will be a Budget for a global, outward-looking nation will be achieved at a time when the FCO's budget is plunging.

Other Members have referred to the issue of staff with language skills. We know from a freedom of information request that in June last year fewer than 500 staff in the FCO spoke Russian, Mandarin or Arabic. I wonder what progress has been made on that, given the necessity to strengthen staff numbers in all those areas. The Foreign Secretary was rather dismissive of the concerns being expressed about human rights issues, but I say to him and to the Economic Secretary to the Treasury, who will respond to the debate, that the Government's position on Bahrain, Burma, Turkey, Saudi Arabia and Yemen makes it clear that human rights are not a priority for them, although trade and arms sales are. This is something that the Government need to take seriously.

There is an area of funding on which I can support the Government, and it relates to the Department for International Development. However, I am worried that the Government are losing their focus on eradicating poverty. There has already been controversy over the envelope for the CDC. I think it was the spokesperson for the official Opposition who raised the issue of the prosperity fund and the conflict, stability and security fund. Organisations might be doing valuable work,

but it is not entirely clear what they are doing or where their funding is coming from. I am waiting for a response to a parliamentary question asking when these funds and activities are going to start appearing on the development tracker, so that we can see what is being spent and, I hope, confirm that it is being spent sensibly on DFID's priority of eradicating poverty, rather than on slightly less deserving priorities. I hope that the Government will mount a vocal defence of the work that DFID does. I am pleased that the Foreign Secretary did so earlier, because it is clear that the Department and its budget are under a huge amount of scrutiny, if not assault, from certain parts of the press who would be quite happy to see its budget slashed. That is something that the Government must defend against.

I should like to finish on a specific issue. I rarely praise the Foreign Secretary, partly because I hold him personally responsible for the decision on Brexit, which I believe is going to do permanent damage to the UK's economy and to our global influence. He has been outspoken on the issue of Israel and Palestine, however, and I hope that in this anniversary year of the Balfour declaration, he will ensure that the Government recognise Palestine. That would be something of which he could be proud. It would leave a legacy that would be widely recognised internationally, and it would benefit the Palestinians and, in the long term, the Israelis.

9.27 pm

Mike Gapes (Ilford South) (Lab/Co-op): In the Foreign Secretary's introduction to the debate today, we heard his typical bluster, lack of detail and "winging it" approach, which augurs very well for his forthcoming visit to Russia. His speech gave a complete fantasy view of what is likely to happen to our international trade. We were told that we were going to get a trade deal with the United States, yet the Trump Administration have already torn up the Trans-Pacific Partnership. In any trade negotiations with the UK—with our 65 million population, compared with the EU's 550 million—the US Administration's desire to put America first and make America great again will mean that they insist on getting more than they give. Are this Government prepared to accept food from the United States that is pumped full of steroids? Are they prepared to lower our health and safety standards? That is what will happen if we no longer have EU regulations and we accept the American model of trade.

Fortunately, we have the possibility of an agreement with Canada based on the EU-Canada agreement that was negotiated over seven years. Similarly, the EU-South Korea agreement could provide a model for something that would be beneficial to us. However, as my hon. Friend the Member for Ealing, Southall (Mr Sharma) pointed out, as for the idea that we can just export thousands of crates of whisky to India, as implied by the Foreign Secretary, in some kind of great trade agreement, India generally does not want to consume vast amounts of whisky—certainly not Prime Minister Modi, who I understand is a teetotaler. The reality is that India will desire access for its young people to study in this country and a loosening of the visa regime. So much for this Government's 100,000 yearly immigration target. The forecasts on which the OBR's economic growth assessments are based assume 185,000 people coming to this country. How can that be reconciled?

[Mike Gapes]

This is a Government of smoke and mirrors, and the Foreign Secretary's pathetic performance today is a great example of that.

Similarly, the Budget states that the Government are going to put £325 million over three years into financially challenged sustainability and transformation plans in the NHS. The STP in my area of north-east London has a predicted deficit of £575 million, which must be eliminated within three years. That is just one STP. The Government say that they are providing £100 million for capital spend on new A&E departments. If the plan to close the A&E at King George hospital in my constituency goes ahead, they will need almost that amount just to replace the beds and wards on the site of the Queen's hospital in Romford, which is part of the STP. This is Mickey Mouse economics, and it does not make sense.

I do not have time to comment on the underfunding of our schools, the wasting of money on free schools, or the damaging consequences for local government of the continuing cuts. There is a sticking-plaster solution to assist for two years with the social care crisis, but there is no long-term plan. We need a more serious Government who consider such issues.

Then, of course, there is the NICs crisis. As *The Daily Telegraph* headline said, the Tories are no longer the low-tax party. That is the perception of millions of people in this country. If we had a credible Opposition, we would be able to challenge on that issue effectively and avoid diversions into other matters. Twenty years ago, Labour was 20 points ahead in the opinion polls and on course for a landslide victory, and I say to all Labour supporters, "Things can only get better."

9.33 pm

Alex Cunningham (Stockton North) (Lab): I do not want to accuse the Chancellor of any dodgy activity, but I would love to know where he has hidden his stash—his cash stash to help us make our way in the world as we ride out the storm of a low pound, rising prices, and uncertainty as we leave the EU. Everywhere we look, we see our companies working harder than ever to sustain their business and to persuade their often overseas-based bosses to invest in the UK rather than somewhere else. I am particularly worried about the future of our energy-intensive industries, such as steel, chemicals, and ceramics. Nothing that I have seen from the Chancellor does anything for any of them.

The North East England chamber of commerce was disappointed last week and said:

"What we needed to hear were optimistic and supportive policies which would help existing and potential exporters access new markets."

It said that small and medium-sized businesses will be particularly affected by the fluctuation of the pound and will be hit the hardest by increased import costs.

The Chancellor also announced £90 million of roads cash for "the north", but what did the area covered by the new Tees valley mayor get? It looks like it will be a set of traffic lights and some minor improvements to a junction on the A19—this is worth less than a million pounds. That is not a serious commitment to infrastructure

in the north-east of England. What a great day it would be if we could just have 1% of all the money invested in London and the south-east, and HS2.

Other areas in which we could establish a place in the world and lead are in carbon capture and storage, and the decommissioning of North sea oil and gas infrastructure. The Chancellor did refer to a discussion document about maximising the extraction of oil and gas from wells that are nearly depleted. That is welcome, but he missed a trick by not extending that to plans to create thousands of jobs in areas such as Teesside from the decommissioning of oil and gas rigs. The Government have invested money in Decom North Sea, but no work and no jobs appear to have followed other than in the organisation itself. Teesside is ideally placed for this, with the right riverside facilities, furnaces to receive the metal and many people who are qualified for the jobs that would result from this decommissioning.

I am sure Ministers will be aware of the Teesside Collective, a cluster of leading industries with a shared vision to establish Teesside as the go-to location for future clean industrial development by creating the UK's first carbon capture and storage-equipped industrial zone. Labour's mayoral candidate for the Tees valley, Sue Jeffrey, joined me in a direct plea to the Minister to back the Teesside Collective, and although we received kind, warm words, they were simply that: just kind, warm words. I think we can expect a strategy some day from the Government, but I just wonder when that will be and whether it will be backed by funding in the autumn Budget.

Seven years ago, the Tory-Lib Dem coalition axed the new hospital in my area, and the North Tees and Hartlepool Hospitals NHS Foundation Trust has been forced to make do in an area where health inequalities are a major issue. Don't get me wrong, the trust does a good job but in very difficult circumstances. The capital spending cuts across the Parliament and the £5 billion shortfall in NHS maintenance means there is no hope of our Teesside people being provided with the same facilities enjoyed elsewhere. Our people need to be healthy if we are to make our way confidently in the world, and that includes being mentally healthy. But we know people are not getting the support they need, and I illustrated that when I raised a constituent's case at Prime Minister's questions. The Prime Minister said she would "take up" the case, but she passed the buck to the Health Secretary and I am still waiting for a reply.

The Chancellor did mention social care, and I remember the Tory cheers when he announced £2 billion extra—and then the rather pale faces opposite when they realised they had been had and it was not per year, but spread over several years. They have also been had on the whopping great tax increases on self-employed people, 2,600 of whom live in my constituency. I wonder how many more will put up with this manifesto betrayal. Another tax is to be increased, with probate fees set to rise from a flat rate charge of as little as £155 to a minimum of £300 and as much as £20,000—that is a nice little earner from the Tories' very own and very real death tax.

There was some good news with the announcement of £500 million for further education, but we should not forget that it replaces less than a third of the money taken away since 2010. The scheme to merge colleges across the country is in tatters and, after a year of talks,

in the Tees area the proposals are falling apart and one of the colleges in Redcar is going bust. Now that mergers are collapsing, not just in the north-east, but across the country, what will happen to that cash? Will it be invested in our young people or will it just be swallowed up by the Treasury?

Finally, the Chancellor gave us half a smile when he talked about wage growth, but he chose to ignore the public sector workers who have actually faced a real-terms loss of about 10% in wages since 2010. I am talking about the nurses and doctors who look after us when we get ill, the care assistants who look after the elderly and vulnerable day in and day out, and the teachers who are educating the minds of the future. Clearly this Government have no plans at all to help those who put everything into public service in this country, yet their wealthy friends face more tax breaks.

If Britain is to maintain its place in the world, rather than end up as some kind of low-wage, backwater economy, we need to invest in our people, our industries and our public services, and keep our people happy and healthy.

Several hon. Members *rose*—

Mr Speaker: Order. I am sorry, colleagues, but at least 15 hon. Members are seeking to contribute, and if I am to accommodate each, I am afraid that a limit of four minutes on Back-Bench speeches is now required. I am sorry, but it means that people get in, rather than not, as was commonly the case in the past.

9.40 pm

Clive Lewis (Norwich South) (Lab): It is always a pleasure to follow my hon. Friend the Member for Stockton North (Alex Cunningham), as well as, of course, the Toblerone tour de force that came from the Foreign Secretary earlier.

It is strange to be debating Britain's place in the world in the context of a Budget statement that refused to address the single issue that will completely dominate our place in the world for an entire generation: Brexit—a word the Chancellor managed to avoid using even once in his speech. His announcement that he will spend £500 million of new money on technology such as artificial intelligence sounds wonderful, but when we look at what is happening in the real economy, we see that our high-tech businesses are actively considering whether they can afford to remain in the UK at all if we leave the single market.

Only last week, UKIE—the Association for United Kingdom Interactive Entertainment—which represents the UK's dramatically successful gaming industry and has several members in my constituency, reported that 40% of its members are considering relocating all or part of their businesses abroad because of Brexit. Of course, the same figure, or higher, will be found in many other parts of the UK economy. The Chancellor knows that, and that it was always likely to be the case, which is why he—along with the Prime Minister, of course—opposed Brexit in the referendum.

Has the Chancellor, then, made any allowance in his forecasts for future losses in tax revenue yielded by the taxes of EU citizens working in the UK, who may be given no choice but to leave rather than be forced

through the humiliation of expulsion? Some 7% of the UK workforce are EU citizens, and the Office for National Statistics estimates that they have been net contributors of more than £20 billion in the past decade. Why did he make no mention of the tens of billions of pounds the UK will be asked to pay in exit-related costs? The OBR is clear that he has made no contingency for this huge cost, which may be more than £50 billion—why?

As time passes it becomes clearer that the Government have been hijacked by a small gang of ideological fanatics who want the hardest of hard Brexits, and against whom the Prime Minister and her Chancellor appear powerless. This hard Tory Brexit rests on nothing more than wishful thinking—on the fantasy that the UK will be able simply to stroll up to negotiating tables around the world and come away with deals that favour us and our industries, as if the likes of China, India and a Trump-led USA are unaware of how isolated and desperate our position will be.

Last June, the British people did not vote to apparently reclaim their sovereignty, laws and rights from Brussels only to see the Government auction them off to the highest bidder, behind closed doors. We are talking about our NHS, our Climate Change Act, and our employee rights. Nor did the British people vote to divide the Union, yet the Government's hard Brexit is the key reason Nicola Sturgeon has given for requesting a second referendum. The First Minister wants the people of Scotland to have a choice, just as the Government now have a choice: do they want hard Brexit or do they want to retain the Union?

We must be on our guard. We stand to lose much more than the economy and the Union if we continue down this path. The world that the Donald Trumps, Geert Wilders and Marine Le Pens want to build is a genuinely dangerous one. It is a world of protectionism, bragging nationalism and domestic politics dominated by the empty, angry rhetoric of scapegoating. As any student of 20th-century history will tell us, these are ominous tidings indeed. The world around us is rapidly changing, and not always for the better. Out there, there is a sense that things are out of control. The term “going to hell in a handcart” is one we hear frequently. In this climate of uncertainty and instability—

Mr Speaker: Order.

Clive Lewis: I shall finish there.

9.44 pm

Geraint Davies (Swansea West) (Lab/Co-op): That excellent speech by my hon. Friend the Member for Norwich South (Clive Lewis) was certainly much more entertaining than the after-Budget speech we heard from the blond Bullingdon bombshell, who told of his experience selling Toblerone, whisky and boomerangs, after an apprenticeship in selling pork pies to the British public over Brexit. Hon. Members will remember that he promised us £350 million a week for the NHS, though it has not materialised in the Chancellor's Budget—or, should I say, fudge-it?

Since 23 June, there has of course been a 15% reduction in the size of the economy due to the devaluation of the pound, which is reflected in asset values and people's wages. Our economy has shifted from the fifth to the sixth largest. We are about to hurtle forward with triggering article 50, giving all the power to determine

[Geraint Davies]

what happens to the EU 27, without us having a vote in the House. They will impose tariffs. We send 43% of our exports to the EU, and 7% of their exports come to us; we are much more reliant on them than they are on us. Only two countries—the Netherlands and Germany—have a net export surplus with us; the others have an interest in imposing tariffs and making sure that it is not worth while for others to leave the EU, so things do not look too good.

I have spoken to the CBI, particularly in Wales, and it is worried about what is happening to cars—and not just Vauxhall, and Ford in Bridgend; there are other problems: Nissan wants under-the-table deals, and we have seen Rolls-Royce devalued by €4 billion, thanks to the revaluation of the pound. Our second biggest export is chemicals; we are told that 20% of chemical manufacturers are relocating to Ireland, or at least thinking of doing so.

We are told that if we lose trade with the EU, we can go to the emerging markets. Of course, those markets want to trade market access for migration and visas, in the same way that there is a trade-off with the EU between migration and intervention, so there is no obvious net benefit. Donald Trump said on his inauguration that countries are ravaging his economy, taking his jobs, selling his products, and stealing his companies, and he will not have a deal that does not give a net benefit to the United States, so things are not looking too good there.

As for Swansea West, which I represent, there was no news about the Swansea bay lagoon. There was no money for the city deal. There was no bringing forward of rail electrification; it is going to Cardiff in 2018, but it will not arrive in Swansea until 2024. Overall, in Wales, 70% of exports go to the EU, compared to 43% from the UK, so people are naturally concerned. We are told that the economy has grown by 2%, but that has been fuelled by consumer borrowing, which is unsustainable. We know that inflation will grow, which will further undermine people's wages. Debt has risen from 45% of GDP under Labour to 90% under the Tories. What a failure! If we look at the Red Book, productivity has been flatlining since 2010.

John Maynard Keynes famously said:

“When the facts change, I change my mind. What do you do, sir?”

The vote for Brexit was predicated on more money, market access and less migration. All that is cast into question. We in this place, regardless of the votes earlier today, will have to look again at the situation that arises, and my prediction is that the British public will rise up against market failure, economic failure by the Government, and their decisions.

9.48 pm

Brendan O'Hara (Argyll and Bute) (SNP): As my hon. Friend the Member for Aberdeen North (Kirsty Blackman) said so eloquently, there is so much wrong with the Budget that it is difficult to know where to start. In the little time available to me, I would like to look at the Chancellor's decision to reinstate the alcohol duty escalator and raise duty by 4%. I should declare an interest as the chair of the all-party parliamentary group on Scotch whisky.

The Chancellor's decision was particularly galling given that on 3 March, the Prime Minister praised the industry, describing it as

“a truly great Scottish and British industry”,

only for her Chancellor to undermine that same industry with a huge tax grab just five days later. The Chancellor's decision to raise duty is a major blow to an industry on which so many in my Argyll and Bute constituency depend. He has undone, in one fell swoop, all the good done in the last couple of years, in which the previous Chancellor, the right hon. Member for Tatton (Mr Osborne), cancelled the duty escalator, cutting duty by 2% in 2015, and freezing it the following year. When he cut duty by 2%, it was estimated in the Treasury's own Red Book that it would create a revenue shortfall of £185 million. However, the reality was very different, because that 2% cut in 2015 actually increased the tax take to the Treasury by more than £100 million, with a further 4.2% rise in revenue from spirit duty in 2016. In cutting duty, the Chancellor sent out a message to potential investors that confidence in the industry was high.

The initial duty freeze followed by the cut gave confidence to investors who, for the first time in decades, believed that the Government no longer saw the whisky industry as a cash cow. Their investment saw more than a dozen new distilleries opening in the past two years, with no fewer than 40 in various stages of planning, hoping to come on stream over the next two decades. It allowed existing production sites to grow and it helped distilleries to expand the very lucrative tourist/visitor side of their business. I fear that the signals sent out by this excise duty increase threaten to stall that investment and damage industry confidence.

In this Budget, 36p was put on a bottle of Scotch whisky, which means that the excise duty paid on 70 cl bottle of scotch is a whopping £8.05, taking the total tax take on a bottle to £10.20. That means that the tax on an average priced bottle of Scotch whisky now sits at an eye-watering 79%. A total of £4 in every £5 spent domestically on Scotch whisky now goes directly to the coffers of the Treasury in either duty or VAT. Sadly, this tax hike is little more than a cash grab by the Chancellor because, as I have said, it goes against the evidence of the past couple of years when duty was cut and then frozen. I fear that the days of the Chancellor using Scotch whisky as a cash cow have returned with a vengeance.

9.51 pm

Thangam Debbonaire (Bristol West) (Lab): On Wednesday, I listened to the Chancellor's statement and waited for the elephants in the room to be addressed: Brexit, the housing crisis, and infrastructure in the west of England—but I waited in vain. This Budget could have set out a great future for our country, but it did not. Businesses of all sizes in Bristol have told me that, to continue to secure jobs and growth for the region, they need the benefits that we currently get from full membership of the single European market. From the aerospace industry to the financial services sector to traders on the Gloucester Road, Bristol businesses say to me that they face huge uncertainties as our future relationship with the EU is negotiated, and yet the Chancellor said virtually nothing about Brexit in the Budget.

On housing, Bristol's fantastic Labour mayor, Marvin Rees, and his team are working hard to tackle our city's homelessness crisis and to get more homes built.

Bristol West is in the midst of a housing crisis, which particularly affects young people, with soaring house prices and rents, and yet the Chancellor said nothing about housing.

In her speech last week, my hon. Friend the Member for Bristol East (Kerry McCarthy) described how this Budget fell short on infrastructure in the west country. Bristolians have put up with the inconvenience and cost of railway electrification work, followed by its postponement. We have had all the bother with none of the benefits. Time and again, I have impressed on the Government that we need action, not least to eliminate the dangerous air pollution in our city, and yet the Chancellor said nothing about infrastructure in the west. However, what the Chancellor did say gave me cause for concern, particularly the proposed rise in national insurance contributions for the self-employed. The Office for National Statistics estimates that there are 12,800 self-employed people in my constituency, which is well above the national and regional averages. That includes freelancers in the technology and creative sectors, taxi drivers and car mechanics, decorators and plumbers, hairdressers and musicians. All earn, on average, 40% less than employees, but now face having to pay more in taxes in an already uncertain economy.

My hon. Friend the Member for Bristol South (Karin Smyth) said last week that this Budget shows just how much Bristol was better off under a Labour Government than under these Tories. Then we had new schools and hospitals, Sure Start children's centres, the education maintenance allowance and tax credits and so much more that has now gone. Under coalition and Tory Governments, we have had cuts to school budgets. Real-terms funding per pupil is set to fall and there will be a total budget cut of £3 billion by 2020—the worst funding cut since the 1970s. There are mounting pressures on the NHS, cuts to local government causing real suffering in social care, and further problems in hospitals when people cannot be discharged. This Chancellor dealt with none of those problems. There was also no mention of mental health issues, which particularly affect young people in my constituency.

I am disappointed. This could have been a Budget to prepare our country for the journey ahead, to reassure the people, universities, mayor and businesses of Bristol, and to put Britain's families, schools and hospitals on a firm financial footing. It could have put minds at rest, and helped us to look outwards to fulfil our potential in the global economy. It could have been a Budget that invested properly in mental health, physical health and social care, that tackled the housing crisis, and that showed we value older people, who have a great deal to offer and deserve to feel secure, and children and young people, who need a decent education.

The Foreign Secretary says that we are not being patriotic, and thinks that we can just snap our fingers and summon up trade deals, but this Budget is not patriotic. Instead, it threatens jobs, growth and the vibrancy of Bristol West. It is a Budget built on oversights and blind spots, which revised down Government estimates for growth and earnings for the next five years. It is a Budget that fails to face up to the issues threatening our nation. That is not patriotic; that is letting down the country.

9.55 pm

Dr Rosena Allin-Khan (Tooting) (Lab): This is my first Budget in the House. I sat here last week with real hope and anticipation, only to be let down, but as I come from the NHS, I am used to being let down by this Conservative Government.

Last Wednesday—International Women's Day—was the perfect opportunity for the Government to take concerted action to ensure progress towards true equality for women, but they did not deliver. They simply provided cash handouts to keep women quiet. Yes, I welcome the three measures for women announced in the Budget, but £30 million spending in a Budget of more than £800 billion is simply a distraction from the fact that this Budget does very little for women. It does nothing to enhance their lives or living conditions. If anything, it entrenches them further. Why were women only considered in three measures? Why not throughout the entire Budget?

There is an old quote:

“Don't tell me where your priorities are. Show me where you spend your money and I'll tell you what they are.”

In the choices we make, we demonstrate what we care about, what we value and what is important to us. It is clear that this Government do not care about or value women, nor deem women important in our society. Throughout this Budget on International Women's Day, the Chancellor proved himself to have little to no understanding of the struggles facing women today. The Chancellor has proved himself to be so far removed from women who are just about managing, women who are doing all they can to put food on the table, and women who simply wish to contribute to the economy. The Government had the opportunity to take the burden off women's shoulders, but they did not. The Chancellor refused to ensure that women would receive the same pay as their male counterparts when returning to work after a career break.

I visited Burntwood School in Tooting last week, where more than 200 sixth-form students told me that they were concerned about gender inequality. I apologise to those students and all students in Tooting for this Government's inaction on ensuring that women are seen and treated as equals. I apologise that this Budget not only lets women down, but ensures that it will take until well after the retirement age of those sixth-formers for the gender pay gap to close.

A Budget is not just numbers. It affects real people, real lives and real families. However, that seems to be something that the Chancellor so easily forgets. Food bank usage is soaring. I see families week in, week out in my constituency surgeries who simply cannot cope, who get halfway through the month and are unsure how they are going to provide food for their children. We on the Opposition Benches have a responsibility to protect this country's citizens. Forcing women to prove that their third, fourth or fifth child is a product of rape in order to be eligible for further child tax credit and universal credit is simply moving the burden of spending away from one area on to another. The Treasury has chosen to make a series of tax cuts that will actually cost £41 billion a year by 2020—more than the £37 billion saved from social security cuts.

[Dr Rosena Allin-Khan]

Fundamentally, on a day to celebrate women—all they do and the potential they have—the Chancellor chose to segregate them further in society, and to silence them with cash handouts that will not even touch the sides of improving their day-to-day lives. If it is true that how someone spends their money shows us what they care about, we can only conclude that this Government do not care about true equality for women. This Conservative Government love to focus on having two female Prime Ministers, but it is a Labour Government who will congratulate themselves on how they treat 32.5 million women in the UK. Whatever headlines the Government try to spin, whatever jokes the Chancellor has tried to make and whatever cash handouts they provide—

Mr Speaker: Order.

Dr Allin-Khan: The fine print tells us—

Mr Speaker: Order. A Member must not continue when told to sit down, otherwise we will have anarchy in this place. It is not acceptable; it just must not happen. I call Rachael Maskell.

9.59 pm

Rachael Maskell (York Central) (Lab/Co-op): Thank you, Mr Speaker, for calling me this evening. As has already been—

10 pm

The debate stood adjourned (Standing Order No. 9(3)).

Motion made, and Question put forthwith (Standing Order No. 15),

That, at this day's sitting, proceedings on the Amendment of the Law motion may be proceeded with, though opposed, until 11.00 pm.—(Guy Opperman.)

Question agreed to.

Debate resumed.

Main Question again proposed.

Rachael Maskell: As has been spelled out by my hon. Friend the Member for Swansea West (Geraint Davies), the economy has shrunk by 15% since June, and that cannot be ignored. Labour Members did not talk about economic cliff edges, but we did talk about the impact that leaving the European Union would have, and that has, of course, escalated, with the Prime Minister's call to leave the single market and the customs union now weighing heavily on our economy. The pound fell to £1.14 against the euro and £1.22 against the dollar this weekend, and it is down 12% against the euro and 20% against the dollar since June, showing just how fragile our economy is—it is not an economy in recovery. And before someone pipes up about how well FTSE 100 companies are faring, I would remind them that that is due to the strength of the trade in dollars, not sterling.

All that means that our nation is poorer, so the lack of attention in the Budget to building economic resilience was really quite astounding. I believe everyone voted last June with a legitimate aim: to see a better country. They put their trust in this sovereign Parliament to

deliver that, but they are being badly let down. Half the country voted to achieve that aim by staying in the EU, and half voted to achieve it by leaving the EU, but no one talked about leaving the single market or the customs union. Of course, that is now impacting, with the increase in food and fuel prices really hitting the people in our constituencies on the front line—the consumers—who can least afford it. No one voted to become poorer, but people will have £21 less a week to spend as a result of the Government's economic failing, with wages dropping below the level before 2007 and the economic crash.

Businesses in my constituency are also seriously challenged, even with the tweaking of our business rates, because the extortionate, over-inflated rents they pay on their properties are pushing up business rates. The sticking plasters do not go far enough to address these issues.

This is not a story of economic recovery. As we look at the £1.5 trillion of personal debt burdening people across our country, and at the national debt of £1.7 trillion, we no longer hear those calls from the Government Benches about confidence in the long-term economic plan, because we have long-term economic incompetence, and the eerie silence is echoing not just in this Chamber but throughout our land.

My concern is this: the Prime Minister has made her decision—hers alone—about what future we will have. We will be pulling out of the single market and the customs union—a hard Brexit, not a people's Brexit—and that is destabilising our economy further. When we reach the end of this period of negotiation, and we judge the Prime Minister against her Lancaster House objectives, I think we all know what the truth will be: she will have failed.

What did not come forward in the Budget? There was nothing on how the Government are going to mitigate economic risks such as the loss of jobs, businesses going overseas, the fall in the pound and the shrinking of our public services. When will the Government seriously say, "Stop. We have had enough. We need to put people's interests and the economy at the forefront of these negotiations"? We need to shift the negotiation priorities to stabilise the market, recognise the benefit of the single market—I will be the first to say it should be reformed—and make sure we are part of the customs union.

Economic competence is about showing that risk can be mitigated and managed—something the Chancellor failed to do last week. Before triggering article 50, I trust that the Government, perhaps even in their response today, will set out how they will respond to that risk.

10.4 pm

Steve McCabe (Birmingham, Selly Oak) (Lab): It has not taken long for the gloss to come off this Budget. We have learned just how clueless those in charge really are. The reckless national insurance blunder told us what we need to know about the Chancellor; they saw him coming as he fell for a classic Treasury bottom-drawer policy. In the old days, it could take at least until the weekend for a Budget to unravel, but this Chancellor seems to have set a new record by producing one that disintegrated before the day was out.

What is worrying about this dreadful performance is that it is beginning to look like a pattern. As each day passes, we learn that this Government make it up as

they go along, with Ministers woefully unprepared and in some cases just not up to it. We have had the City Minister relieved of key duties and an Education Secretary who hides from the press, goes around closing schools and pretending that huge cuts in funding are fair, and thinks she can sell grammar schools by promising an easier 11-plus. The health service is on its knees, so the Secretary of State for Communities and Local Government is planning to take an extra £4.3 million in business rates from Queen Elizabeth hospital in Birmingham, and has not even had the time to discuss the implications with Health Ministers. One measure they should have announced is that they are going to treat NHS hospitals like their private counterparts and exempt them from business rates. At the head of this shambles, we have a Prime Minister without a mandate who thinks that as long as she repeats it often enough, people will believe her: no sweetheart deals, the Home Office getting more efficient, Brexit means Brexit. The more she repeats it, the more we see right through her. Even the Chancellor's allies are describing her key aides as economically illiterate.

I acknowledge that the performance on the Labour Benches is not always good enough, and that may be partly responsible for the extraordinary complacency we are now witnessing from Conservative Members, but that is no reason for them to think that they can get away with providing the British people with second-rate government. It is quite incredible that in this non-event Budget the Chancellor had nothing to say about preparations for Brexit, especially as we learn that the Government are seriously contemplating crashing out of the EU without a satisfactory deal. That is not respecting the will of the British people—it is abusing the referendum result to embark on a reckless course that threatens people's jobs and businesses large and small, and guarantees the most enormous hike in food prices.

When will this nonsense stop? When will we stop having to listen to the Foreign Secretary? I never thought I would be grateful to the right hon. Member for Surrey Heath (Michael Gove) for anything, but I am beginning to think he did us all one enormous favour. They cannot agree on anything. The Foreign Secretary thinks it will all be all right on the night, the International Trade Secretary warns that leaving without a deal will be a problem, and the Secretary of State for Exiting the EU says he is thinking about a back-up plan. It is like a live performance by the Three Stooges. Just how much longer are these people going to try pull the wool over our eyes?

This Budget could have been the opportunity to clarify some of the confusion over Government policy. They could have tried to sort out the mess on the apprenticeship levy before it is too late. They could have done something about energy prices, and the fiasco that if someone puts in a smart meter and then changes supplier, it has to be turned off. If they persist with this, that is £11 billion of Government money down the drain. There are plenty of things that they could have done in this Budget, but of course what is wrong with this Budget is that this Government do not know where they are from one day to the next.

10.8 pm

Carol Monaghan (Glasgow North West) (SNP): It is astounding that as we face a harsh cliff-edge Brexit there was practically no mention of the economic impact

of Brexit in the Budget. However, I will focus on the challenges facing higher education, which have not been addressed.

The UK currently has a world-leading research base with academics from across the globe. Many of these researchers are EU nationals. In order to protect the quality of this sector, the Prime Minister should be rolling out the red carpet for these staff, begging them to remain here, but instead the Government have only offered vague and confusing messages to EU citizens without providing any guarantees as to their right to stay. This has left many of our EU national friends and colleagues, world leaders in their fields, looking elsewhere for positions. This impacts significantly on the economy. International students, both EU and non-EU, are worth over £25 billion to the UK economy and provide a significant boost to regional jobs and businesses. Research conducted for Universities UK on the economic impact of those students shows that in 2014-15, spending by international students supported more than 200,000 jobs in university towns and cities, with the transport and retail sectors benefiting greatly from their spending.

The UK is currently the second most popular destination for overseas students, after the US. In 2014, the 400,000-plus international students in the UK made up 19% of all students registered at UK universities. They come here not because they like the weather, but because of the quality of courses on offer and the research being conducted. Without international research expertise, we will struggle to attract those students and we will feel the economic pinch.

The picture in Scotland, of course, is similar to that in the UK as a whole. Scotland's higher education institutions benefit greatly from EU funding programmes, but how much longer that continues is currently in the hands of the UK Government, and that is a huge worry. Through Horizon 2020, Scottish higher education has secured more than €217 million. That funding is vital for attracting skills and talents and for keeping our research institutions at the top of international league tables. Without that funding stream and the associated collaborations, our institutions may struggle to remain internationally competitive. As well as losing international students, we could fall behind other economies in terms of productivity and innovation.

The Chancellor has not made clear how the UK Government are going to match that threatened funding. To not do so would just prolong the uncertainty, which is already causing much anxiety in the sector. Securing our future in Horizon 2020 and its successor programme should be a priority.

I am really positive about the £300 million being offered in England to support 1,000 new PhD places and fellowships in STEM subjects, but I do wonder where the supervisors and lecturers will come from. Will EU nationals be welcome to apply for those posts? Will they be welcome to stay?

There is £320 million of funding for 110 new free schools and grammars, but we know that the single most important resource in ensuring excellence in education is the teacher. We have already seen an erosion in the terms and conditions of teachers in England under this Tory Government. Can the Tories now guarantee that nationally agreed pay scales and conditions such as

[Carol Monaghan]

maternity and sick pay will be guaranteed? At least Scotland now has the possibility of a new and brighter future.

10.12 pm

Melanie Onn (Great Grimsby) (Lab): This year's Budget coincided with International Women's Day, whose theme was "Women in the Changing World of Work: Planet 50-50 by 2030". It is nearly 100 years since women were first granted the right to vote in the UK, but there is still much to do to achieve gender equality, both here and around the world.

The last Labour Government achieved so much for women. We introduced the minimum wage, created tax credits, increased maternity and paternity leave and pay, introduced pension credits, expanded childcare, and introduced the Equality Act 2010. That all made a massive difference to women in this country.

Gender equality means delivering long-term, tangible change for women, including securing women's economic freedom, providing secure work and promoting women's access to innovative technologies. The Budget could have taken greater steps to achieve some of those aims. Instead, the Tory Government, in their seventh year, have failed to redress the disproportionate impacts experienced by women as a result of tax and benefit changes and public spending cuts since 2010. From tax credit cuts to the crisis in social care, it is women who have consistently been hit hardest by the Tories' policies.

Yet again, this Government have made no assessment of how their policies impact on women in the UK. As of the 2017 spring Budget, £80 billion—more than three quarters of all savings—have come from women, with a disproportionate impact on women from black and minority ethnic backgrounds. Even the lauded £5 million for returning-to-work mums works out at a pretty useless £10 a mum. What exactly will that buy?

That is why I support the recent announcement by my hon. Friend the Member for Rotherham (Sarah Champion), the shadow Secretary of State for Women and Equalities, that she will seek to introduce an economic equality Bill, which will eliminate obstacles that prevent women from reaching their economic potential. Part of that will be the need to provide more secure work. The number of those working without guaranteed hours or baseline employment rights has shot up by more than 660,000 over the past five years. How is a working parent—a working mother—supposed to plan childcare when they do not know the hours they will be working? Never mind the fact that, under this Government, only a third of local authorities actually believe there will be enough childcare available in their area for eligible families.

The reality is that women still make up the majority of part-time, non-permanent full-time and zero-hours contracts. Of the 900,000 workers—nearly 1 million—on zero-hours contracts, 55% are women. That should come as no surprise because, in almost any labour market in the world, social care work is performed by an insecure and largely female workforce. In the UK care sector, companies delivering social care for cash-strapped councils are, in a bid to remain viable, offering more zero-hours contracts than ever, which means even less protection for these workers.

Equality must take more of a priority than this Government are currently affording it. One way to do that would be for the Government to provide a clear commitment to play a much more active role by promoting women's access to innovative technologies to help them to be successful entrepreneurs and leaders in innovation; encouraging women to enter and thrive in the tech industry; creating the conditions necessary for change at all levels; and encouraging women to enter typically male-dominated sectors, such as the energy and renewables sector. That is happening in my constituency, where the likes of DONG Energy and E.ON are providing excellent apprenticeships for young women. The Government used to talk about that, but they have now gone suspiciously quiet.

We should do much more than the Government's Innovate UK initiative, which is seeking to invest £200,000 to help more women to be successful entrepreneurs and leaders in innovation, as this one-off initiative essentially offers just 12 women a tailored package of support, of whom just four will actually receive a financial package worth up to £50,000. That is not a ringing endorsement of women by this Government.

10.16 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): This was supposed to be a new start with a new Chancellor, yet we have ended up with the same shambles and the same post-Budget fallouts.

Yet again, Scotland did not really feature in the Budget. It was mentioned twice: once in terms of increased productivity, and once with regard to Barnett consequential. The way this Budget process works is that at no time do the UK Government ever ask the Scottish Government what they need. All that happens is that there are some panicked health and education allocations in the Budget, Scotland gets some Barnett spin-offs and we are meant to be eternally grateful. That is not mature Budget setting.

As my hon. Friend the Member for Argyll and Bute (Brendan O'Hara) said, the tax system is outdated, especially in the way it treats whisky. Why should whisky be taxed at 79%? Why do we not tax real luxury goods that only the wealthiest can afford and increase taxes that way? If the concern is about alcohol harm, why do the Government not look at minimum unit pricing, instead of crippling the Scottish whisky industry?

The Chancellor mentioned clamping down on tax avoidance, yet there are only two new additional income streams in the Budget. They are predicted to bring in only an extra £200 million over five years, which is a paltry amount compared with the Budget. Meanwhile, tax credit debt collection is predicted to bring in half a billion pounds in just over four years. We must ask ourselves whether the Government are clamping down on tax avoidance, or on hard-working families that have gone into tax credit debt due to failings in the tax credit system. It is another Concentrix waiting to happen.

The Chancellor told us he wants to leave some gas in the tank, yet he has left us all the tax giveaways: he has not revisited them or slowed down on them. We have £23.5 billion in giveaways with corporation tax, £2.8 billion with inheritance tax relief and £3.7 billion in lifetime ISA tax relief, which is £30 billion of tax giveaways in just a few lines. Yet the very same Chancellor sees fit to

take £2 billion in national insurance contributions off the self-employed. The self-employed are struggling and do not get holidays, and many of them were forced to go self-employed because of Tory austerity measures in the first place. These people have been hailed as the new entrepreneurs who are going to take the country out of recession, yet they are getting hammered by national insurance contributions.

Meanwhile, for other hard-working people £1 billion is being recouped from salary sacrifice schemes, £1 billion from the realignment of primary and secondary national insurance contributions, £1.7 billion from changes to termination payments—more people are having to take voluntary redundancy than ever before—and £4 billion from insurance tax premiums. That is £10 billion from those who are just about managing, or are struggling to get by in work. Then there is the £6 billion to come from the two-child tax credit policy. Not mentioned in the Budget were the 2016 measures that have already kicked in—£30 billion from the benefits freeze and the welfare cap. We have already heard tonight about the WASPI women. There was nothing in the Budget for them, even though the SNP has a costed proposal for £8 billion, which is easily affordable compared with the tax giveaways. It is clear that the tax giveaways come on the backs of the most vulnerable in society.

On energy, there was nothing for the oil and gas industry; nothing on carbon capture and storage; nothing on renewables where investment will fall by 95% by 2020 and one in six jobs is at risk; nothing on decarbonisation and transport; nothing on Brexit; and nothing for farmers in Scotland. This is a poor Budget and it is only hidden by the Brexit shambles.

10.20 pm

Neil Gray (Airdrie and Shotts) (SNP): The Chancellor made several errors in his Budget. Somehow within hours he managed—in one of the thinnest Red Books for years and with a Budget of so little detail and so little action—practically to unite his Back Benchers, the Opposition and the press in calling for a U-turn on his central announcement on national insurance contributions.

I will be slightly kinder to the Chancellor than the former Prime Minister, because I know what he was trying to do. I can understand it: there is a worrying and growing trend of companies outsourcing their employees as self-employed contractors to save on employer NICs costs. Self-employment is a good choice for many workers in the UK, but when workers do not have the choice and the employer drives the change, it tends not to be in the best interests of the workers. Raising employee NICs is not the way to solve the problem, and I suspect that the Chancellor may have to go back to one of his infamous spreadsheets soon.

The Chancellor's biggest errors, for people up and down these isles, were errors of omission, and I plan to speak briefly about three of them—the employment and support allowance work-related activity group, WASPI and squeezed family budgets.

There was nothing from the Chancellor on ESA WRAG. In November I tabled a motion that was supported by Members from nine parties—that does not happen often—and it called on the UK Government at least to pause their cuts to ESA WRAG until the work and health Green Paper had been considered and implemented. People receive ESA WRAG because they have been

assessed as unfit for work—they have long-term health conditions or disabilities that slow their path to employment. It has always been considered right that given their increased costs in finding work because of their disability or health problems, and the fact that they need support for longer than those on jobseeker's allowance, they should receive a higher weekly payment. On 1 April that extra £30 a week will be cut away.

During the debate in November, the hon. Member for Enfield, Southgate (Mr Burrowes) garnered an important commitment from the Minister that financial mitigation and new regulations to help those falling in and out of work would both be in place before the cut came into force. We are less than three weeks from ESA WRAG being cut and we have heard nothing from the Government. The motion I tabled in November was deliberately consensual. It was a final appeal, a last pitch to the Government to act. Hon. Members on both sides of the House are now fast losing patience: time is running out and the Government need to act now.

The Budget included nothing on WASPI. On Budget day I joined a huge rally of women outside Parliament to call on the Chancellor to act on the injustice served to thousands of women born in the 1950s who have seen their state pension age increased at a faster rate than promised with little or no warning. Three of the 3,500 women affected in my constituency were there and it was a pleasure to speak to Ellen Connelly, Joan Cassels and Margaret Nisbet. It is not sustainable for the UK Government to keep trying to ignore those women—women who have suffered workplace injustice throughout their careers. The Government should do the right thing by those women and give them appropriate transitional relief.

All the people affected by those errors of omission were victims of this Brexit Budget as the Chancellor set aside £26 billion as a down payment on exiting the EU. Ironically, however, there was barely a passing mention of the greatest economic, social and constitutional challenge to face this or any other Government for decades. Inflation is expected to rise, further squeezing households that are facing social security cuts and painfully slow wage growth. Cuts to support for sick and disabled people, cuts to women's pensions, hundreds of thousands more in child poverty, slow wage growth and poor productivity—not so much spreadsheet Phil as the Dickensian Chancellor.

10.24 pm

Helen Hayes (Dulwich and West Norwood) (Lab): I am grateful for the opportunity to contribute to this debate on the Budget and Britain's place in the world. I want to speak about the Budget proposals for education and the risks they present to our children who, in the context of Brexit and changes across the world, face an uncertain future. Our education system must be equipped and resourced to deliver the best possible education for all our children and young people to provide them with the skills, knowledge and confidence to navigate our uncertain world and to be truly global citizens of it.

I am fiercely proud of the schools in my constituency and everything they deliver for local children. The transformation of the quality of education in London was one of the proudest achievements of the last Labour Government. In my constituency alone, we saw four new secondary schools, and this record of delivery is

[Helen Hayes]

continuing with a further new secondary school that opened last year as a result of a strong campaign by parents and local councillors. Every day, teachers in our local schools are delivering brilliant imaginative lessons, helping our children to be the best that they can be and achieving excellent results.

Yet the resources that the schools in Dulwich and West Norwood need to continue their excellent work are under threat. The Government have broken their manifesto commitment to protect per pupil funding for our schools. The NAO confirmed that the Department's overall schools budget is protected in real terms, but does not provide for funding per pupil to increase in line with inflation. In addition, the Government have loaded further significant costs on to our schools that are not funded: national insurance contributions, the national minimum wage and the apprenticeships levy. Each of those costs are important in their own right, but it is entirely unfair of the Government to impose them without also funding them.

Schools in my constituency are already reducing staffing numbers to cope with these additional costs. On top of these burdens, the Government are proposing to cut the funding for London schools in order to deliver a fair funding formula for schools across the country. I support the objective of fair funding for our schools, but there is nothing fair about taking vital funds away from some schools. This will have a direct impact on the quality of education our schools are able to provide, and it will affect the competitiveness of the UK economy. The Budget does nothing to address this. Instead of committing to increasing the education budget by just 1% to ensure that all schools can access fair funding without any school losing out, it commits funding in order to open new grammar schools which, by any measure and definition, can deliver only for a small number of children.

As we contemplate the future of the United Kingdom outside the European Union in a rapidly changing global economy, it is not a time for nostalgia to be the defining force in education policy. It is a time to be learning from the success story of London schools—investing in our education system to ensure that it is fit for purpose to equip our children with the knowledge, skills and confidence to thrive in a challenging and uncertain world. The Foreign Secretary may trivialise the challenge of global trade with reference to boomerangs and Toblerone, but I want our schools to be able to equip all our children with the values of tolerance, diversity and internationalism, and with the skills and qualifications to pursue careers in science and technology, culture and the arts, green industries, health and social care, construction and many other fields. By cutting the funding for our schools, this Government and this Budget are failing them.

10.28 pm

Liz McInnes (Heywood and Middleton) (Lab): Since the Budget statement last week, this Government have been heckled by headteachers, nobbled by national insurance and slated by the self-employed, as they blatantly break manifesto promises. The Chancellor appeared to have spent far too much time polishing up his stand-up routine and far too little on the finer details of what his party promised in their 2015 manifesto. The fact that

the Prime Minister has now been forced to announce that the increase in national insurance contributions for the self-employed will be pushed back to the autumn shows a Government in disarray and does nothing to give security and certainty to working people. The Federation of Small Businesses is scathing about the national insurance rise, saying that it should be seen for what it is—a £1 billion tax hike on those who set themselves up in business.

The Chancellor claims that the economy grew more than expected last year, but this does not mean that everyone is better off. Indeed, the growth in the economy is on the back of a rise in employment coupled with a shift towards lower-paid jobs, with this growth largely driven by rises in self-employment and part-time jobs. In fact, while in most other countries, including France and Germany, both the economy and wages have grown, the United Kingdom is the only big, advanced economy in which wages contracted while the economy expanded. For the one in five public sector workers in the UK whose average pay is now more than £1,000 lower in real terms than it was in 2010, the Chancellor's boast of growth in the economy is cold comfort for those who are not "just about managing", but are really struggling to cope with a constant fall in living standards.

The Chancellor's statement was remarkable more for what it did not say than for what it did. There was barely a mention of Brexit, there was nothing for WASPI women, and there was no mention at all of the previous Chancellor's failure to deliver a promised surplus by 2020. The right hon. Member for Tatton (Mr Osborne) now seems to be devoting himself to creating his own personal surplus, having failed to deliver on his promises for the UK economy. He was the Chancellor who used to talk about strivers and shirkers; the current Chancellor is now attacking the self-employed strivers and shirking his own manifesto promises.

The £2 billion for social care is welcome, but that money is needed now to address the crisis in social care, rather than being spread over three years. Moreover, it is well short of the £4.6 billion shortfall in social care funding in the last Parliament.

As the Chancellor was at pains to point out, Budget day coincided with International Women's Day. It is a sad fact that women are bearing the brunt of Tory austerity. Since 2010, 86% of the Tories' net savings to the Treasury through tax and benefit measures will have come from women. Nothing in the Budget will reverse that trend, and, in yet another example of women being unfairly hit by this Government, the Chancellor has once again failed to address the hardship caused to millions of women by poorly handled changes in the state pension age.

As for our young people, the Chancellor claimed:

"We on this side of the House will not saddle our children with ever-increasing debts."—[*Official Report*, 8 March 2017; Vol. 622, c. 811.]

This from a party that trebled tuition fees, scrapped education maintenance allowance, abolished maintenance grants and NHS bursaries, and denies the so-called national living wage to those below the age of 25.

The Chancellor told a lot of jokes last week, but people in my constituency are not laughing. This is not a Budget for women, for the young or for business entrepreneurs, and it does not work for everyone.

10.32 pm

Jim Shannon (Strangford) (DUP): The first thing that we should celebrate is the fact that the European Union (Notification of Withdrawal) Bill has come back from the other place, and this House is now, at long last, free to implement the Brexit will of the people. That is good news.

This is a difficult time of the year for those who have the dubious honour of lifting that red case. There are always groups who are happy to see a cut or happy not to see a cut in some sectors, depending on their opinion, but we all know that rises are inevitable when the aim is to cut one's coat to suit one's cloth.

I want to speak about the increase in national insurance for the self-employed. Some 4.8 million self-employed workers in the European Union will be affected by it. The rate of class 4 national insurance contributions is to rise by 1% to 10% in April next year, with a further rise planned for 2019. There have been some murmurs from the Government that the move may be reviewed. I know that some Conservative Back Benchers are not happy about it, and I hope that the Minister will tell us what the position is.

Given that small and medium-sized enterprises in Northern Ireland employ more people than large companies and the public sector combined, it is essential that we provide support rather than further burdening a group who pay more than their share in tax. I have, of course, heard the cries from Conservative Members that the increase is "only a few pounds a week", but that refers to last year's Budget. The fact is that the cumulative rise will put more pressure on those who work so hard as it is. I do not think it is right for the Government to take this approach at this stage. Again, I look forward to hearing the Minister's response.

The Budget is a curate's egg, containing some good things and some bad things. It is good news for the NHS that it will receive £425 million in Government investment over the next three years, and congratulations should be given where they are due. However, the British Medical Association has expressed concern, saying that "the plans need at least £9.5 billion of total capital funding to be delivered successfully."

Can the Minister confirm that there are indeed no plans to privatise further any aspect of the NHS?

I want to speak about health issues, too. The number of full-time GPs has fallen by nearly 100, while overall there has been no real increase in the number of GPs working in GP practices. I ask the Government and the Financial Secretary to the Treasury, who is looking responsive—as a former Health Minister, that is important—what steps are being taken to ensure that students are encouraged to take up the GP mantle. Some things could be done. I am aware of incentives last year that offered golden handshakes of up to £20,000 to become a GP in an understaffed area. Again, I am not saying that that will be the norm for the Government, but we need to address those issues in a positive way. Whatever way we recruit more GPs, I ask that consideration be given to that.

I conclude on one issue that really concerns me and many in this House. No specific funding has been allocated to children's palliative care. Research by Together for Short Lives on equitable funding for children's palliative care shows that voluntary sector children's palliative

care organisations receive just 22% of their funding from statutory sources, compared with 30% for adults. The Government have stated that commissioners and providers of services must prioritise children's palliative care in their strategic planning. What steps are the Government taking to ensure that that happens? Will they provide further guidance to commissioners of children's palliative care charities to address the inequity in financial support received by these organisations, which do tremendous work, deserve to be helped and provide lifeline care to children with life-limiting and life-threatening conditions, and their families?

As I said earlier, this is a curate's egg of a Budget. There are good things and there are bad things in it. Among the things we need to address are the health issues. Among the good things is the extra money that has been set aside.

10.36 pm

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): It has been a privilege to listen to the Budget debate today and to be able to respond on behalf of the Opposition. We have heard 32 Back-Bench speeches, two thirds of which have come from the Labour Benches, but in many ways it is understandable that so few Conservative Members wished to speak today. It was surely quite an achievement that the Chancellor managed to deliver a Budget that was so thin on announcements yet could generate so much criticism in response. In many ways, it was a Budget that pleased no one—apparently, not even the Prime Minister or, as we have learnt, the former Prime Minister.

For those of us hoping to see real help for public services, especially health and social care, there was only disappointment. For people who wanted to see how the Government would tackle the squeeze on living standards and persistent low pay, there was only consternation and outright anger at the national insurance rise. For anyone wondering what the path to prosperity will be for this country as we leave the European Union and seek a new place in the world, there were no answers at all. The Chancellor may be known as "Spreadsheet Phil", but on this occasion he certainly did not Excel.

The Chancellor did, however, surprise us all by revealing that he likes to make a joke himself. I particularly liked his opening anecdote about Norman Lamont delivering his last spring Budget and being sacked as Chancellor just 10 weeks later. However, I imagine that that started to feel a bit less funny when the Chancellor saw his own headlines the next day.

Let me begin by considering the most controversial item, which has been mentioned by many hon. Members today: the significant hike to national insurance for the self-employed. On the Labour Benches, we simply do not accept the Conservatives' belief that self-employed people now receive the same rights as employees. Self-employed people do not receive sick pay, maternity pay or paternity benefits. They are not eligible for industrial injuries disablement benefit and they cannot be auto-enrolled into a workplace pension scheme. The law may now give them similar access to state pension benefits, but receipt of that is decades away for most. Simply put, while they are in work, they are on their own. Most significantly, as one of my constituents said to me on Friday, if they lose their business, they are not even

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eligible for contributory jobseeker's allowance. So to increase the tax burden on them, without a commensurate increase in benefits, is simply unfair and we will oppose the Government on it.

We recognise absolutely that there is a need to tackle bogus self-employment. I have constituents who are construction workers who have been forced to register as self-employed, who are paid the minimum wage and then receive the remainder of their salary as dividends. I believe that to be completely wrong. But it seems clear to me that an arrangement such as that is primarily designed to avoid liability for employers' national insurance and for other benefits, and that is surely where the Government's attention should be. To punish the self-employed, beginning with those earning above just £16,250 a year, while at the same time pressing ahead with very large reductions to corporation tax, to inheritance tax and to the bank levy, is a sign of a Government who simply have the wrong priorities—and to break a manifesto commitment to do that represents a profound lack of judgment.

Those misplaced priorities were also evident elsewhere. Social care in this country is in crisis—although, to be frank, the word “crisis” does not seem strong enough. As several Members have said today, that view is widely held on both sides of this Chamber. In the last Parliament, over £4.5 billion was taken out of adult social care alone. The King's Fund and the Nuffield Trust say that the social care funding gap for just this coming financial year is £1.9 billion. We did get that from the Chancellor, but spread over three years with nothing additional scheduled after that. I say this to the Conservative MPs who make speeches about tough spending choices: yes, the decisions we make here in this place on a Budget are not easy, but they are not where the toughest decisions lie. The toughest decisions are actually taken by people on the frontline: by professionals struggling to reconcile their budgets with the real people and the real need they see in front of them.

This year, public spending on social care in real terms was less than it was 2009-10. As we have an ageing population, it is fairly clear that that is a not a sustainable position. Some 400,000 fewer adults are receiving publicly funded social care today than in 2010. Age UK says over 1 million older people have to get by without the support they need.

Of course, this is not just about older people: a third of social care spending goes on adults with learning difficulties—a situation that directly affects me and my family, so I declare an interest in that. These are all areas where we, as a society, should come together and ensure that we are willing to protect and take care of vulnerable people. There can be no area more in need of a long-term consensus than this one, so I reiterate again the offer from the Opposition to the Government: we would join formal cross-party talks aimed at finding a sustainable and long-term solution, as many Members have asked for in this debate.

On the biggest issue of all—Brexit: what it will mean and how we will prepare for it—there was almost nothing. In fact we could be forgiven for thinking that the Chancellor does not think very much is going on right

now, but we face some fundamental decisions, at a time when living standards for many people have taken a real hit, and they do not feel the economy works in a fair way for them.

This is the worst decade for pay in 70 years. Real pay rates are still lower today than before the financial crisis. We have 6 million people earning less than the living wage, and 4 million children living in poverty, two thirds of whom have a parent who is in work.

Against that backdrop, this Budget was simply inadequate. Where was the contrition that this has been the slowest recovery since the 1920s? Where was the recognition that we need to see a much greater and fairer distribution around the UK of investment in things like transport, so that we can ensure that each region fulfils its potential? Where was the plan to increase business investment? Fixed capital formation is lower today than it was in the 1970s.

There has been speculation that the Chancellor did so little because he wants to keep a Brexit “failure fund” as a war chest in case things go wrong, but surely it is his job to make those decisions now, to ensure that things do not actually go wrong to begin with. At a minimum, with changes to immigration rules almost certain, we might have thought that the Government would rethink cuts to school budgets and focus on the education of people here in the UK, but no such commitment was forthcoming.

On the issue of spending choices, I understand that when the Government are taking a hit for their poor decisions they always seek to deflect the attention back to the Opposition, but the accounting envelope for the decisions taken in this Budget is very clearly set out in the Government's own documents. To take just one example, on page 30 of the Red Book it is clearly stated that the decision to further cut corporation tax will cost £2.2 billion in 2017, a further £2.2 billion in 2018, £3.1 billion in 2019, £4.9 billion in 2020, and £5.2 billion in 2021. Of course we want a globally competitive rate of corporation tax, but there is such a thing as a diminishing return. The average rate of corporation tax in the OECD is 25%, and a bargain basement level of corporation tax will do us no good if we do not have sufficient infrastructure across the country or we lack a workforce with the skills that businesses need, or if we have to fund that low level of corporation tax by hammering small businesses with unreasonable business rates or increase the tax burden on the self-employed.

To take another example, on the big cut to inheritance tax, phasing in the new couples' allowance of £1 million in 2017 costs £265 million this year, £565 million next year, £610 million in 2019, £650 million in 2020, and £725 million in 2021. Incidentally, of the nearly 3,000 houses sold in my constituency last year, only six were sold for values above the current inheritance tax threshold of £650,000. I thank my hon. Friend the Member for Leeds West (Rachel Reeves) for her research and campaigning on that issue. This is a Budget dictated not by poor financial constraints but by poor Conservative choices. It is defined by the unfairness of the choices it makes, by the hypocrisy of a broken manifesto commitment and by its total, abject failure to offer a coherent plan for the UK's prosperity and for our future place in the world.

10.45 pm

The Economic Secretary to the Treasury (Simon Kirby):

This debate has focused on our future. It has asked what kind of Britain we want to be as we write an important new chapter in our history. In opening the debate, my right hon. Friend the Foreign Secretary expressed, in his very clear style, the fact that Britain must now, as ever, continue to play an active, engaged and constructive role on the international stage. Many hon. Members have echoed that sentiment, and I thank the 32 right hon. and hon. Members who have spoken for their thoughtful and varied contributions this evening. In the short time available, I will do my best to address the points that they have raised.

Many hon. Members have focused on that most pressing of priorities: how we make Brexit—I will say the word—a success for the whole country. In summing up this debate, I want to look beyond that to how we want the rest of the world to view 21st-century Britain. For me, and I hope for the hon. Member for Bristol West (Thangam Debbonaire), that means a prosperous country that is open for business and that is pioneering global developments in science and technology. So let me make a few remarks on that theme and respond to some of the points that we have heard today.

First, there is the need for a prosperous, stable and economically successful Britain. Once again, I remind those who do not acknowledge it of the absolute importance of Britain living within its means. Everyone should agree on that. For the sake of our long-term prosperity and for the good of our public services, we simply have to put our national finances on a stable and sustainable footing. So we are going to keep preparing Britain for whatever comes, getting the structural deficit below 2% of GDP and getting our debt falling during this Parliament.

We are also focusing on growing our economy. We want the world to see Britain as a country that is open for business, backing entrepreneurs, creating jobs and attracting foreign investment. That is the best way to raise living standards for people right across our society and up and down our country. That is why we have established a competitive tax environment. Corporation tax, which the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) mentioned, will this year be the lowest in the G20 at 19%, falling even further to 17% in 2020. I should point out to him that when it was reduced from 28% to 20%, it resulted in a 28% increase in tax revenues and in more jobs. Also, there are an additional two thirds of a million new jobs in the forecast period, meaning more money, more businesses doing well and more people with a wage packet at the end of the week.

Alan Brown: Will the Minister give way?

Simon Kirby: I will not give way.

Let me move beyond tax, because there are many other ways in which we are making Britain more productive and more attractive as a place to start or run a business. The big investment in skills—half a billion pounds a year—will benefit hundreds of thousands of our young people, giving them the best choice since A-levels were introduced 70 years ago and bringing forward the next generation of talent that businesses will rely on. The changes

that we have made to invest in current and new schools and to make our technical education as good as that of our international competitors are important for everyone. Not only are they good for business, they will make a huge difference to the lives and careers of our young people. It is a good policy for everyone.

Something else that shows the world that Britain is open for business is the £23 billion investment package that we announced only weeks ago in the autumn statement: the national productivity investment fund. The Budget set out some of the important improvements that the fund will make, such as addressing pinch points on our national road network and investing in the digital infrastructure that modern businesses depend upon. There is much going on to establish Britain as a world-leading country for business.

The Government are ensuring that Britain plays its part at the forefront of tomorrow's technology. More than half a billion pounds was allocated at the Budget to help our innovators compete on the international stage, including support for trailblazing advances such as electric vehicles, robotics, and artificial intelligence. Investing in upholding the UK's reputation as a world leader in R and D is not only a point of pride; it is a valuable boost to jobs and opportunities for British people.

I tell the right hon. Member for Islington South and Finsbury (Emily Thornberry), my hon. Friend the Member for Stafford (Jeremy Lefroy), and the right hon. Member for Carshalton and Wallington (Tom Brake) that we have protected the FCO's budget in real terms to promote British interests around the world. I say to the right hon. Member for Carshalton and Wallington that both trade and human rights are clearly important.

My hon. Friend the Member for Halesowen and Rowley Regis (James Morris) raised the important issue of the Black country, making good points about productivity, transport infrastructure and skills. To the hon. Members for Aberdeen North (Kirsty Blackman) and for Airdrie and Shotts (Neil Gray), I say that living standards grew at their fastest rate in 14 years in 2015 to reach their highest ever level and are forecast to have gone even further in 2016. My hon. Friend the Member for Horsham (Jeremy Quin) made a skilful speech and commended the skills measures in the Budget—the biggest change in post-16 education in 70 years.

The hon. Member for Bury South (Mr Lewis) asked about uncertainty, and I should make it clear that the Prime Minister's first objective in the negotiations is to provide certainty and clarity. The hon. Member for Luton South (Mr Shuker) asked about the type of Brexit, but the Prime Minister has been abundantly clear that we are aiming for a comprehensive deal based on the highest levels of goods and services. My hon. Friend the Member for Erewash (Maggie Throup) made an important point and is clearly a strong voice for her constituency and her region. The right hon. Member for Doncaster Central (Dame Rosie Winterton) raised the important issue of protecting workers' rights. We are, after all, the party of workers, and we will do all that we can in that area.

I tell the hon. Members for Ealing, Southall (Mr Sharma) and for Glasgow North West (Carol Monaghan) that the Government have been clear that the UK will remain open for business, outward facing, and global looking. The benefits of immigration will be retained, but immigration will not be uncontrolled. My hon. Friend

[Simon Kirby]

the Member for Witney (Robert Courts) applauded measures relating to skills and R and D, and I thank him for doing so. The hon. Member for Stretford and Urmston (Kate Green) asked about the Budget's lack of environmental measures. We will consult on a national air quality plan in a matter of weeks. Along with the right hon. Member for Knowsley (Mr Howarth) and the hon. Member for Dulwich and West Norwood (Helen Hayes), the hon. Member for Stretford and Urmston also asked about school funding, and I remind them that the Government are giving more money to schools than ever before, reaching over £40 billion this year.

To my hon. Friend the Member for Tiverton and Honiton (Neil Parish) I say that the Government remain committed to devolving powers to support local areas to address their specific productivity barriers. To the hon. Member for Ilford South (Mike Gapes) I say that the Government remain committed to controlling migration and living within our means.

On business rates, I point out to Members that the £435 million package is in addition to the £3.6 million transitional relief scheme. The Government are also reducing business rates for all rate payers over the next five years—this is costing almost £9 billion—and that includes taking 600,000 businesses out of paying business rates altogether.

National insurance contributions were mentioned by the hon. Members for Kilmarnock and Loudoun (Alan Brown) and for Birmingham, Erdington (Jack Dromey). The Prime Minister has made it very clear that the changes to national insurance will require legislation later this year, which will be brought forward after we publish a paper explaining the full effects of the changes, along with the changes to rights and protections for self-employed workers.

We have heard questions about regional infrastructure, and as far as the north is concerned we have put in place £90 million to tackle congestion. The hon. Member for Norwich South (Clive Lewis) asked me about businesses relocating, and I can assure him that we will be seeking a bold and ambitious free trade agreement. The hon. Member for Swansea West (Geraint Davies) said that the Budget is not doing enough for Wales, but I wish to point out that the Welsh Government's resource budget will increase by almost £150 million through to 2020. The hon. Member for Argyll and Bute (Brendan O'Hara) mentioned an increase in alcohol duties. We do recognise the importance of the Scottish whisky industry and I am pleased that those exports have increased.

The hon. Member for Tooting (Dr Allin-Khan) asked us to show her the money, and I would say that £2.4 billion over the next three years for social care is quite a lot of money. She, along with the hon. Members for Great Grimsby (Melanie Onn) and for Heywood and Middleton (Liz McInnes), also asked about supporting women, and I wish to point out that the gender pay gap is at a record low and there are more women in work than ever before. The hon. Member for York Central (Rachael Maskell) talked about the economy shrinking, but ours was the second fastest growing major advanced economy in 2016. I wish to point out that the NHS is free at the point of delivery and that is not going to change.

In closing, let me say that as the UK takes a new direction, we are paving the way for a Britain that is economically strong and stable; a Britain that is open for business; and a Britain at the forefront of technological progress. In short, this is a Britain that takes its place in the world as a prosperous, forward-leaning, outward-facing country. It is a truly global Britain and a country that works for everyone.

Ordered, That the debate be now adjourned.—(Mark Spencer.)

Debate to be resumed tomorrow.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

COMPANIES

That the draft Reporting on Payment Practices and Performance Regulations 2017, which were laid before this House on 31 January, be approved.—(Mark Spencer.)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

CONTRACTS

That the draft Limited Liability Partnerships (Reporting on Payment Practices and Performance) Regulations 2017, which were laid before this House on 31 January, be approved.—(Mark Spencer.)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

PENSIONS

That the draft Automatic Enrolment (Earnings Trigger and Qualifying Earnings Band) Order 2017, which was laid before this House on 2 February, be approved.—(Mark Spencer.)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

SOCIAL SECURITY

That the draft Bereavement Support Payment Regulations 2017, which were laid before this House on 12 January, be approved.—(Mark Spencer.)

The Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 15 March (Standing Order No. 41A).

Motion made, and Question put forthwith (Order, 28 February, and Standing Order No. 118(6)),

ELECTORAL COMMISSION

That an humble Address be presented to Her Majesty, praying that Her Majesty will appoint Professor Elan Closs Stephens as an Electoral Commissioner with effect from 13 March 2017 for the period ending on 12 March 2021.—(Mark Spencer.)

BUSINESS, ENERGY AND INDUSTRIAL STRATEGY

Ordered,

That Kelly Tolhurst be discharged from the Business, Energy and Industrial Strategy Committee and Antoinette Sandbach be added.—(Bill Wiggin, on behalf of the Committee of Selection.)

JUSTICE

Ordered,

That Marie Rimmer be discharged from the Justice Committee and Jo Stevens be added.—(*Bill Wiggin, on behalf of the Committee of Selection.*)

SCIENCE AND TECHNOLOGY

Ordered,

That Dr Roberta Blackman-Woods be discharged from the Science and Technology Committee and Gareth Snell be added.—(*Bill Wiggin, on behalf of the Committee of Selection.*)

Leaving the EU: Poultry Producers

Motion made, and Question proposed, That this House do now adjourn.—(*Mark Spencer.*)

11 pm

Ian Paisley (North Antrim) (DUP): I declare that I am a member of the British Veterinary Association. It is a pleasure to introduce this Adjournment debate tonight, especially after the landmark Brexit Bill has finally passed both Houses. As we will be debating the effect of leaving the EU on the UK's poultry meat sector, that is an important landmark.

I shall put the scale and importance of the poultry industry into some perspective for the House. UK agriculture contributes £46 billion to the economy, and for every pound invested in farming we generate £7.40. Poultry is a key part of that offering. The recent Oxford Economics report on the economic impact of the poultry meat industry included the following important facts. The poultry meat industry supported £4.6 billion of gross value added contribution to gross domestic product, which is the equivalent of 0.2% of the United Kingdom's entire economic output. For every £1 million of economic activity that the industry generates, it supports a further £1.33 million elsewhere. In total direct and indirect employment, it supports 84,500 people throughout the entire United Kingdom, or 0.3% of the total UK workforce. The industry directly employs 37,300 people, and it supported £1.1 billion in tax contributions in 2014, or 0.2% of all tax receipts collected that year. If I were to say it is an important industry, I would be a master of understatement.

In Northern Ireland, we contribute to the vast industry I have described. In fact, one in every four chickens consumed is produced or processed in Northern Ireland. Moy Park is one of Northern Ireland's largest employers; it is a major employer in our country. Of the 37,300 employees in the sector throughout the UK, 11,750 are employed by Moy Park. Of the £4.6 billion the industry contributes to GDP, Moy Park contributes £226 million in staff costs—a significant contribution given that Northern Ireland has a population of only 1.7 million. Of the 2,500 farms in the UK that produce poultry meat, 800 are contracted to the Moy Park supply chain. Northern Ireland accounts for more than a quarter of the 19 million birds that are slaughtered in the UK each week—in other words, 5 million birds a week.

Jim Shannon (Strangford) (DUP): I thank my hon. Friend for bringing to the House for consideration an important issue for my constituency. Is he aware that the poultry sector does not receive any moneys directly from the common agricultural policy? Does he therefore feel that, post-Brexit, there is an opportunity for the poultry sector to grow, not only throughout Northern Ireland but particularly in Strangford?

Ian Paisley: I intend to come on to a number of challenges for the industry, but will also offer the Secretary of State for Exiting the European Union and the Secretary of State for Environment, Food and Rural Affairs the opportunity to address some of the issues. My hon. Friend the Member for Strangford (Jim Shannon) is absolutely right: most people think that the CAP supports every aspect of farming, but of course there are many

[*Ian Paisley*]

areas that it does not, and that is why we need a new, British agricultural policy, tailor-made to the needs of farms across Great Britain and Northern Ireland. I look forward to that opportunity, which this House has helped to create through the legislation that was passed today.

Moy Park, which I mentioned, invested £27 million in its business in the last financial year to make it better, stronger, and more efficient and effective. Poultry is a safe, nutritious, affordable and enjoyable food, and is part of the UK's staple diet. It also gives us the important luxury of food security: we know where it was raised and slaughtered, and how it gets from farm gate to plate. That food security gives us an important aspect of agri-food protection that we should cherish and encourage, and it is imperative that it be a priority in the Brexit negotiations that will follow the triggering of article 50. The purpose of this debate is to signal poultry's importance and outline the challenges, which I want to address one by one.

The first challenge is the labour market. Of the industry's 37,300 employees, 60% are non-UK workers. They make an obvious and valuable contribution to the United Kingdom and to the rich tapestry of the culture here. They will require certainty about their contracts. They are not employed in some low-skilled or semi-skilled industry; they are well educated, contribute to the towns and villages in which they live, and are employed in a sector to which it is difficult to attract our local, home-grown workforce. That sector will have a turnover of about 6,000 jobs a year going forward. It is important that the industry addresses that and ensures that it has access to a vibrant workforce. If the industry grows, more workers will be required, so the challenge must be met head-on. The Government must look at a favourable visa and immigration scheme that stabilises the situation and ensures that need is met in the coming years.

I will identify a number of key solutions that I hope that the Brexit Secretary and the Minister will have on their desk and will keep referring to as the United Kingdom's Brexit negotiations go forward. I have mentioned one of them: a simplified work visa system that allows in workers who are needed in particular areas, such as the poultry sector, so that those workers' rights are taken care of and they are provided with opportunities.

A UK food and farming policy that supports the promotion of UK farming at school and a greater focus on apprenticeships will encourage UK labour into the sector. It is clear that local workers will not go into the sector; we must encourage them by educating and training them, and by providing them with the opportunity to get into the sector. A UK food and farming policy that puts British food at the centre of public food procurement is also a necessity. Our hospitals, schools and prisons should serve British food; that is essential. We must have dedicated Government support for opening third-country markets to trade, supported by a strong British food brand. Government support for British food and farming, through focusing support on infrastructure and the regeneration of rural areas, should form part of the new British farm policy in a post-Brexit world.

We need a UK food and farming policy that backs UK food security and increases the self-sufficiency of the poultry meat sector—the only sector that could scale

up quickly to meet food security demands. We are not producing enough poultry; demand for poultry is increasing. That creates a viable opportunity for a country that can clearly grow and harvest poultry, and efficiently and effectively process meat that the consumer likes. That is an opportunity that we should seize.

As I wish to leave the Minister with some time to respond to my points, I have just a few brief points to make on trade access. The major component of poultry costs is the feed. Feed is a commodity that is globally traded. The EU currently controls the tariffs, but that could change after Brexit to protect EU feed compounders. How the UK responds to those changes will impact on production costs one way or another. It is important that the availability of feed remains unrestricted. That will be a huge challenge for the Ministers in the future, and it is an area on which they must focus. We cannot have feed supplies being increased so much that it makes our poultry sector unviable. I hope that that will become a significant focus in the days ahead.

We also know that the imports of some poultry meat are essential, because our demand is so high. That creates an opportunity for us to increase production. If we are to import white meat, there is an issue with regard to tariffs. We hope to continue to trade with the existing nations in the EU after we leave. If the UK decides to increase the cost of purchasing white meat from the EU, this would be an opportunity for UK producers to increase production and provide a substitute for those imports. I hope that that opportunity will be considered.

We also export a lot of our dark meat and other co-products. I hope that we are allowed to continue to do that. When the UK is outside the EU, the UK wholesale prices of chicken could increase, making it difficult for local exports to compete with the unrestricted access available to EU members within the internal market without reducing their basic costs to remain competitive.

In addition to our dark meat exports, co-products represent almost 50% of our revenue sold offshore. We rely on Europe and other key global markets to trade the balance of our co-products and we face significant competition, thus the need to have a spread of sales channels at our disposal. Every support will be of the utmost importance to ensure that we have ready access to key global markets well beyond the EU.

Asia, and particularly China, hold great potential as a trading partner, and the Government should prioritise steps to open trade with this market for poultry products. Getting into the far east is absolutely critical for us.

I wish to make two other points before I sit down. America, both north and south combined, is one of the largest poultry exporters in the world. We must be able, in a post-Brexit environment, to compete in that world, which means that that we must also engage very heavily with America, both north and south, to be able to compete in that new global world.

The issue of environment and energy is very specific to Northern Ireland. Our poultry litter disposal includes a project where we export most of our poultry litter, a byproduct of poultry production, to the Republic of Ireland. Poultry litter can be exported to the Republic of Ireland for use in producing biogas in an anaerobic digester. Similarly, feathers are transferred from Northern Ireland to the Republic of Ireland for processing as there

is no such facility in Northern Ireland. That means that we have something in common with the Republic, and an opportunity to ensure that, once again, the frictionless border that people talk about is properly addressed.

Finally, we wish to secure the best possible environment after we exit the EU. We support our Government wholeheartedly and wish them well in those negotiations. The terms that we secure should be equal to, if not better than, what we have in the EU. I know that our trade, our labour and our food security and finance will form a very important part of that negotiation.

The relative importance of the agri-food industry in Northern Ireland, which is at least twice that of the rest of the UK average by gross value added and percentage total employment, and the presence of a unique land border with the EU, emphasise the need for the region's interests to be given due consideration and, therefore, to engage fully with the Northern Ireland representatives here who understand the industry and want to ensure that it is given fair wind.

11.14 pm

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): I congratulate the hon. Member for North Antrim (Ian Paisley) on securing this debate about the effect of UK exit from the EU on poultry production. As the hon. Member for Strangford (Jim Shannon) pointed out, the poultry industry has traditionally not been supported through the common agricultural policy. It has tended not to receive subsidies and, as a result, has tended to be more market focused, productive, innovative and efficient.

The poultry industry is a dynamic and valuable sector, contributing around £3.3 billion annually to UK GDP. It is especially important in Northern Ireland, as the hon. Member for North Antrim explained. In 2015, the value of egg production to the UK was £681 million, and the value of poultry meat production was £2.2 billion. The industry supports about 73,000 jobs in the UK. The sector is even more significant for Northern Ireland. In 2015, the value of output for the poultry and egg sector was over £300 million, and the industry provided direct employment to more than 4,800 people. Moy Park, which is based in the hon. Gentleman's constituency, is an important contributor to the economy. It is the largest employer in Northern Ireland, a major supplier to UK supermarkets and restaurants, and the owner of a range of well-known brands. It is clear that the poultry industry is an important part of our economy. As we negotiate to exit the EU, we will work hard to get the best possible deal for the sector.

The hon. Gentleman covered the issue of trade in great detail. Our aim for the future is to get the best possible trading relationship with the EU and the rest of the world. High-quality poultry and eggs are key components of many of the UK's most famous brands and value-added exports. We already export our world-class produce around the world, with UK exports of poultry meat totalling £250 million in 2016. Obviously, there has been a setback more recently with the outbreak of avian influenza, but we do want to build on our success. Action is under way to promote UK food and drink overseas, break down trade barriers and open up new international markets. That is set out in the joint Government and industry "UK Food and Drink -

International Action Plan 2016-2020" from the Department for Environment, Food and Rural Affairs and the Department for International Trade.

On exit, we want the best possible terms of trade between the UK and the EU. That includes, as the Prime Minister said, a bold and ambitious free trade agreement that removes as many barriers to trade as possible. Leaving the EU gives us an opportunity to forge our own free trade deals around the world. We will work with the industry as we shape the priorities and interests for the UK agri-food sector, and explore global trade opportunities.

Underpinning our ability to trade will be effective disease control, which will always be a DEFRA priority. Disease outbreaks damage the livestock industry and undermine confidence. The need to protect the country from the risks to animal health associated with international trade is a key objective for the Government. The UK's exit from the EU will not change that. In fact, we will become more vocal on the world stage through forums such as Codex Alimentarius and the OIE, which set standards in international food safety and animal welfare. The Government have a manifesto commitment to promote high standards in animal welfare in future trade deals, and we intend to promote that agenda globally.

I turn to the UK-Ireland relationship, which is obviously of great importance to the poultry sector in Northern Ireland.

Jim Shannon: Just before the Minister moves on from global trade, my hon. Friend the Member for North Antrim (Ian Paisley) mentioned Northern Ireland's trade with China. Northern Ireland has already done massive trade deals with pigmeat, and has shown that the market can grow. The poultry sector in Northern Ireland is another potential market for growth, and that backs up what my hon. Friend said. The Chinese market, in particular, could be developed greatly.

George Eustice: The hon. Gentleman makes an important point, and I wanted to come on to some other issues on trade, one of which is China. There are opportunities in relation to what is called the fifth quarter; it never ceases to amaze me that chicken feet are apparently a delicacy in China and can attract a high value there—far higher than in the UK. However, there are real opportunities to create value from parts of the carcass for which there is no market in the UK or, indeed, Europe.

Another point I would make is that, as the hon. Member for North Antrim pointed out, there has always been quite a worldwide trade in poultry. We consume more white poultry meat than we can produce, so we traditionally import white meat, but we have also exported dark poultry meat, which is in demand in other parts of the world.

We have set up the Great British Food Unit to break down some of these barriers to get access to markets such as China. The hon. Gentleman mentioned the cost of feed and the importance of making sure that we have open markets so that we can buy competitively priced inputs. Obviously, once we have left the European Union, it will be within our gift to decide our tariffs and the access we give to feed from other parts of the world, but the vast majority of animal feeds coming into Europe already come from other parts of the world, and we

[George Eustice]

would probably not want to do anything that would disrupt that flow because it is crucial to the economics of the sector.

The final thing I would mention on trade is the US, which is a major producer and exporter. I am aware that there are concerns about the standards of production in the US. It has lower standards of animal welfare and lower standards of food safety, and it allows approaches that are not currently allowed in the European Union, such as chlorine washes. It is important, as we contemplate any future trade deal, that we do not put our industry at an unfair disadvantage, as the hon. Gentleman pointed out, and we will clearly take very earnest account of that as we consider future trade deals.

Let me turn to the UK-Ireland relationship. I begin by reiterating the reassurances provided by the Government's White Paper on the UK-Ireland relationship. The UK and Irish economies are deeply integrated, particularly so in the case of food, farming and agriculture. The Irish Republic is the UK's top destination for poultry meat, with £68 million of exports in 2016. Over 14,000 people regularly commute between Northern Ireland and the Irish Republic, and we recognise that for them the ability to move freely across the border is an essential part of daily life. Therefore, as the Prime Minister stated in her speech in January, we will work to deliver a practical solution that allows the maintenance of the common travel area with the Republic of Ireland, while protecting the integrity of the United Kingdom's immigration system.

There are, of course, many specific issues related to the border between Northern Ireland and the Irish Republic, and we are working across Government and with the devolved Administrations to identify a potential solution to them. That includes looking at precedents in other agreements, and colleagues in the Government are considering the extent to which digital solutions could help to make sure that we have a frictionless border. They are keen to learn from free trade agreements in parts of the world that are not part of a customs union but that are nevertheless able to accommodate quite complex integrated supply chains, to see what lessons we can learn as we develop solutions to this particular challenge.

The hon. Gentleman mentioned labour, and I recognise that it is an important issue for the poultry industry. Last year, I spoke at the egg and poultry industry conference, where these concerns were very vocally laid at my door. I recognise that, particularly in the last 12 years or so, the sector has become quite dependent on migrant labour. The important thing is this: just because we are leaving the European Union and ending

the presumption of the free movement of people, that does not mean that we are pulling up the drawbridge and ending all immigration. In fact, it is incredibly important that we put in place a new type of partnership with the European Union that enables us to control immigration, but that, crucially, allows us to enable some people to come here and work, be that on temporary work permits—that could be for some low-skilled people—or on longer-term permits, for some of the more skilled positions. The crucial thing is that it will be, in effect, in our gift to decide what those future policies would be and what arrangements we put in place. We do recognise that this is an important issue for the poultry industry, and we will take care to ensure that it and other sectors of the farming industry have access to the labour that they need.

The hon. Member for Strangford mentioned support for the industry. As we design a replacement for the common agricultural policy, we have been clear that we would like to look at the opportunities to promote higher standards of animal welfare and to see how we could incentivise that by rewarding livestock farmers who go above and beyond a regulatory minimum. That could involve some support for the poultry industry to enable it to invest in different approaches to animal husbandry that are better for welfare and might reduce our reliance on antibiotic use, which is another important challenge facing the sector.

The hon. Member for North Antrim mentioned encouraging new people to enter the industry and trying to inspire young people—the next generation—to get involved. I agree that this is important. We have an ambition as a Government to treble the number of apprenticeships. We have been looking at opportunities to use the apprenticeship levy in other parts of the supply chain, potentially enabling us to get more apprentices on to farms. There are projects such as Bright Crop that send young graduates into schools to encourage teenagers choosing their GCSEs to pick the subjects that might enable them to go into exciting careers in the food and farming sector. This is an important area that we are continuing to develop.

We have had a very free-ranging debate to end a rather long day here. The hon. Gentleman has made some important points. We do recognise the importance of this vital industry—a competitive industry—and we will ensure, as a Government, that as we design policies for after we leave the European Union, we get them right for our poultry sector.

Question put and agreed to.

11.27 pm

House adjourned.

Westminster Hall

Monday 13 March 2017

[MRS MADELEINE MOON *in the Chair*]

Child Abuse Offences (Sentencing)

4.30 pm

Mrs Madeleine Moon (in the Chair): Before I call Catherine McKinnell to move the motion, I remind Members that the House's sub judice rule precludes reference in debate to cases before the courts. In criminal cases, that means from the time when charges are brought until the verdict and, if applicable, the sentence. The resolution also applies to active appeal proceedings. I call Catherine McKinnell.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): I beg to move,

That this House has considered e-petition 166711 relating to sentencing for child abuse offences.

I am pleased to serve under your chairmanship, Mrs Moon, although the subject that we are discussing is possibly one of the most difficult that I have ever held a debate on or spoken about in Parliament. Entitled "April's Law" and signed by over 126,500 people, the e-petition reads:

"We the undersigned call on the prime minister to make all sex offenders remain on the register for life no matter the crime, for service providers and search engines to be better policed regarding child abuse images and harder sentences on those caught with indecent images of children."

Before I consider that, I want to reflect for a moment on the tragic and appalling events that led to Jazmin Jones, April's sister, setting up the online petition. I imagine that all of us here remember watching the story of April Jones's death unravel on the news. Only five years old at the time, she was abducted in October 2012 outside her mid-Wales home and later murdered by Mark Bridger in a crime that deeply affected people up and down the country. As a parent of three young children, I cannot even begin to comprehend the heartbreak of losing a child in such terrible and violent circumstances. What made the crime even more horrifying was that Mark Bridger had been looking at indecent images of children on the day he committed the murder, and he had at least 100—but it is thought that there were nearer 500—indecent images saved on his laptop. That is where the April's law petition comes in.

I particularly want to recognise the efforts of Jazmin Jones, along with the rest of her family. They all deserve to be commended for their efforts in seeking to ensure that what happened to April does not happen to anybody else. The petition that April's family established calls for all sex offenders to remain on the sex offenders register for life, for service providers and search engines to be better policed regarding child abuse images, and for harsher sentences for those caught with indecent images of children. All of us here understand the absolute depravity of indecent images of children and those who produce or look at them, as well as the severity of the crimes that we are talking about and their lifelong impact on those affected. I will start by addressing the issue of sex offenders remaining on the list for life.

As many right hon. and hon. Members are aware, part 2 of the Sexual Offences Act 2003 provides various measures that enable the police in England and Wales to monitor and manage sex offenders living in the local area. Certain sex offenders, including those convicted of rape, assault by penetration, serious sexual assault, sexual assault of a child under 13 and other child sex offences, are automatically required to notify the police of personal information such as their name and address and to update the police whenever that information changes. Those notification requirements are commonly referred to as signing or being on the sex offenders register. As well as applying automatically to a number of sex offences committed in the UK, the notification requirements can also be imposed on sex offenders who have been convicted overseas. They are imposed for a fixed or an indefinite period, depending on the severity of the sentence received.

Controversially, sex offenders who are subject to an indefinite notification period can apply to the police for a determination that they no longer pose a risk and should therefore no longer be subject to notification requirements. However, the earliest point at which they can do so is 15 years after the date of their first notification—or eight years in the cases of those aged under 18 when they were convicted.

I completely understand the fear about the fact that dangerous men, and indeed women, who could pose a risk to our children and society at large are able to come off the sex offenders register. I particularly understand the concern that those convicted of the gravest offences may be able to overturn a previous decision that they should be on the register for life, following the Supreme Court's 2008 ruling that indefinite sex offender registration without the right for review was incompatible with article 8 of the European convention on human rights. However, as I am sure the Minister will explain, the latter group of offenders must go through an extensive process before they are removed, with anyone deemed to remain a threat remaining subject to ongoing notification requirements.

Having implemented the Supreme Court ruling that a review mechanism of indefinite notification requirements must be in place, the Government have strengthened reporting measures by making it mandatory for all registered sex offenders to notify the police of all foreign travel; their whereabouts on a weekly basis when registered as having no fixed abode; when they are living in a household with a child under the age of 18; and their bank account and credit card details, as well as information about their passports or other identity documents. Yet I also understand the need for the public to be reassured that those who have possessed indecent images of children, or who have been involved in sexual offences against children, will remain on the sex offenders register for life.

I would therefore appreciate it, as would those following the debate, if the Minister clarified the circumstances that allow someone to be taken off the register and whether any monitoring of activity is undertaken for those who are no longer subject to notification requirements. Is she aware of the number of people who have left the sex offenders register who have gone on to commit further sex crimes? Indeed, just how many sex offenders have had their indefinite notification requirements overturned on review following the Supreme Court ruling? What certainty can she provide to April's family—

[Catherine McKinnell]

indeed, to all the families up and down the country whose lives have been torn apart by sex offenders—that the Government are doing everything in their power to stop those criminals from posing a danger to society?

E-petition 166711 also calls for search engines and internet service providers to be better policed on child abuse images. We have seen some progress in recent years with Google, for example, reporting an eightfold reduction in child sexual abuse image searches since it changed its algorithms to ensure that indecent images and videos do not appear in results. However, we can clearly do more to pressure organisations to avoid becoming complacent.

An organisation that works tirelessly on this issue is the Internet Watch Foundation, set up in the UK in 1996. It is world-leading in its work to eliminate child sexual abuse imagery online and to ensure that we continue to make progress. Europol has stated:

“IWF is one of the most active and effective European hotlines fighting against child sexual exploitation. The work developed by IWF in the process of notice and takedown, in close cooperation with Law Enforcement, is an example to follow.”

IWF’s work has meant that only 0.2% of child sexual abuse content is hosted in the UK, that 100,000 reports of sexual abuse images or videos have been processed and that an international reporting hotline has been set up. One of the most impressive IWF advances has been an “image hash list”, which allows companies automatically to find indecent images or even to prevent them from being uploaded. In a world now dominated by social media, it is somewhat reassuring that Twitter is also using the technology. Twitter has commented that the hash list system

“has added significant capacity to our ability to detect, remove and report”

child sexual abuse images.

I strongly believe that we should commend the Internet Watch Foundation for working tirelessly to make our internet safer. However, more can undoubtedly be done, as was highlighted only recently when the BBC reported that it had alerted Facebook to 100 images on its website that appeared to break the social media site’s guidelines, including: pages explicitly for men with a sexual interest in children; images of under-16s in highly sexualised poses with obscene comments posted beside them; Facebook groups with names such as “Hot XXX Schoolgirls” containing stolen images of real children; and an image that appeared to be a still from a video of child abuse, with a request below it to share child pornography.

Facebook’s initial response was to report the BBC journalists involved to the police and, most disturbingly, to remove only 18 of the 100 images because the other 82 apparently did not breach its “community standards”. The National Society for the Prevention of Cruelty to Children said:

“Facebook’s failure to remove illegal content from its website is appalling and violates the agreements they have in place to protect children. It also raises the question of what content they consider to be inappropriate and dangerous to children”.

I agree, and I believe that the case raises a number of troubling questions. How easily can adults access and share images of child sexual abuse via social media and other sites? How easily can our children be groomed on

that site, given that children as young as 13 years old can create a Facebook account? Finally, how easily can our children stumble across indecent images of other children being sexually abused—and perhaps even think that that is somehow normal or acceptable behaviour? Facebook executives must take the issue more seriously, and UK law enforcement needs to clamp down when companies do not remove content. What engagement have the Government had with large companies to ensure that indecent images of children are proactively policed and taken down by the companies themselves, especially given that those on Facebook had to be reported to Facebook by the BBC?

As I outlined earlier, the UK hosts 0.2% of sexual abuse content. That is, of course, 0.2% too much, but it also means that more than 99% is hosted internationally. In 2014, the UK held the first WeProtect summit, which brought together representatives from more than 50 countries, 26 leading technology companies and 10 non-governmental organisations. At the summit, the then Prime Minister, David Cameron, pledged to donate £50 million over five years to the UNICEF global protection fund, saying:

“This is money that will help put those lives back together again and I’m proud that Britain is pledging it and once again leading the way.”

Can the Minister confirm that Britain is still leading the way and is continuing to contribute to UNICEF’s global protection fund? I ask not least because child sexual abuse images and videos created abroad are viewed by paedophiles in the UK. We owe protection to children, regardless of where they are from, from such appalling crimes. We must not turn a blind eye to vulnerable children around the world.

We must also not turn a blind eye to people accessing indecent images of children that are produced in Britain. The Marie Collins Foundation said:

“All too frequently, we hear the people who view images of child sexual abuse defending themselves by saying: ‘I only looked at pictures, I didn’t actually hurt anyone.’...Every time an abusive image is viewed it means that the victim in the image is re-abused. No victim should have to suffer in this way.”

The National Police Chiefs’ Council lead for child protection, Chief Constable Simon Bailey, commented recently that paedophiles accessing such images should not be charged or prosecuted, and therefore not imprisoned, unless they pose a physical threat to children. Such comments massively threaten to downgrade the impact on the victims in those images. The case of Mark Bridger clearly demonstrates that people who look at images of child sexual abuse can be an enormous risk to our children.

What is more worrying is that one of Britain’s most senior police officers cannot identify a feasible solution to the growing numbers of people accessing such images online. Chief Constable Bailey made his comments in the context of an 80% increase in the number of child abuse reports over the last three years, and 400 men arrested by the police and the National Crime Agency every month for viewing indecent images of children. He states that that is just the tip of the iceberg. Estimates also suggest that there are around 500,000 people sharing indecent images of children, but I believe that we cannot remove the threat of prison without devaluing the crime, even though our prison population now stands at more than 85,000.

Gareth Johnson (Dartford) (Con): The hon. Lady is making an excellent speech. Does she agree that it is wrong that the prosecution cannot appeal sentences imposed by the courts for creating or distributing images of child sexual abuse, no matter how lenient they are, because those offences do not fall under the unduly lenient sentencing scheme?

Catherine McKinnell: The hon. Gentleman raises a valid concern. I am keen to hear from the Minister what the Government's view is. It may be a matter to take up with the Law Officers and the Solicitor General, who I know takes up unduly lenient sentences on behalf of the Government. We must consider how to increase understanding of the severity of the crime and the ability to appeal unduly lenient sentences if appropriate.

We must remember that every indecent image of a child means a child suffering sexual abuse. We cannot allow police funding restraints to leave our children at risk. I call on our Government to ensure that our police forces and judicial system are adequately funded to deal with the influx of cases from Operation Hydrant. That is not to say that we do not need to focus on rehabilitation as well, but it is hard to ascertain how we can offer the rehabilitative services that Chief Constable Bailey is asking for when our current attempts at rehabilitation are chronically underfunded. There is only one place where paedophiles can receive treatment on the NHS in England: the Portman clinic in north London. Due to funding cuts, the clinic can now treat only paedophiles who have committed offences, which signals a massive lack of commitment to well-funded rehabilitative services.

In the charity sector, StopSO provides counselling to both non-offenders and offenders and believes that it can help paedophiles to manage their feelings towards children so as not to offend. However, to ensure that it can continue to offer services, StopSO charges £40 to £120 an hour, which obviously leaves thousands of people without access. Given that 500,000 people are currently looking at indecent images of children, we need a system that considers rehabilitation as a core part of prison life. At the same time, we also need to look further into the future and fund more services that can assist paedophiles before they offend. If we do not have a system that provides adequate rehabilitative services while the Government try to imprison fewer people, we run the risk of paedophiles falling through the cracks. Surely that would only perpetuate the idea that there will be no consequences for abusers and potential abusers watching child sexual abuse. We cannot allow that to happen.

The April's law petition calls for increased sentencing for those caught with indecent images of children. The independent Sentencing Council is responsible for issuing guidelines to the courts, and updated guidelines on sexual offences have been in force since 2014. Although Parliament could legislate to increase the maximum terms, I argue that the existing Sentencing Council is the best body to determine the duration of sentences. However, I would welcome the Minister's views on whether the Government are likely to legislate further in this area, not least in the light of the concerns about the criminal justice system's inability to cope with the current volume of offenders and the concerns about unduly lenient sentences mentioned by the hon. Member for Dartford (Gareth Johnson). I would be grateful if the Minister provided some feedback on that issue.

Before I conclude, I will touch briefly on another campaign that I know April's family support. My hon. Friend the Member for St Helens North (Conor McGinn) is seeking to pass the Unlawful Killing (Recovery of Remains) Bill, also known as Helen's law, which would ensure that murderers are ineligible for parole if they do not reveal the location of their victims' remains. That is particularly relevant as Mark Bridger has never revealed to the police how he disposed of April's body. Coral Jones has said:

"As her mum I would love to know where she is, the rest of her, and family and friends, we would all love to know. No mum or family would want their child's remains somewhere else. They would like to put them all to rest."

Families who are already living through absolute hell are denied even the slightest amount of closure if they are not able to properly bury their loved ones. I urge Members across the House to support my hon. Friend's Bill to ensure that murderers who refuse to reveal the location of their victims' remains are not allowed to walk free.

I conclude by commending the family of April Jones for being so proactive in trying to stop what has happened to their daughter and sister from happening to anyone else. Through the efforts of the Jones family and their vast number of supporters, this petition has allowed us this valuable time in Parliament to discuss how we can keep our children safe. For that, I would like to thank them.

I am pleased to have been able to highlight the commendable work of the Internet Watch Foundation and call for the UK to remain outward-looking and ready to support international efforts to combat child sexual abuse, especially regarding indecent images. I also strongly urge the Government to review the funding received by the police and the wider criminal justice system to properly deal with those who produce or access indecent images of children and who are involved with wider child sexual abuse. They must ensure that that funding is adequate to deal with the current influx of cases.

I hope that this debate will highlight to Members across the House the fact that we cannot afford to become complacent about indecent images of children, because April's case shows just how significant a risk those who access such images can pose to our children and our society.

4.51 pm

Glyn Davies (Montgomeryshire) (Con): Thank you for calling me to speak, Mrs Moon. We have worked together on many other issues and it is a great pleasure to serve under your chairmanship today. I also thank the representative of the Petitions Committee, the hon. Member for Newcastle upon Tyne North (Catherine McKinnell), for comprehensively outlining all the issues that surround this very complex case. There are all sorts of arguments for and against virtually every aspect of it—it is not straightforward.

I will contribute a constituency perspective and, of course, a family perspective. On 1 October 2012, I was at home working on my iPad when I read a tweet that a five-year-old girl had disappeared after being seen climbing into a vehicle on the Bryn-y-Gôg housing estate in Machynlleth in Montgomeryshire. It is not unusual to get tweets like that, but there was something about that

[Glyn Davies]

tweet that immediately gave me the sense that this was something serious. Within hours, the people of Machynlleth and the surrounding area had joined the search for five-year-old April, the daughter of Coral and Paul Jones, who live on the Bryn-y-Gôg estate. Over the following days, a huge number of volunteers and local and national organisations, as well as the police, formed the most intensive, widespread search for anybody or anything that I have ever seen in my life—it was just amazing. Five days later, a local man, Mark Bridger, was charged with abduction, murder and perverting the course of justice. In May 2013, Bridger was found guilty and sentenced to life imprisonment. The sentencing judge, rightly in my opinion, pronounced that he should never again be released from prison.

The death of April was an absolute tragedy for her family and friends, but it touched the entire nation. It was something that the whole of Britain became engaged with. There was a national focus on the town of Machynlleth. The search for April and the truly amazing response of the people of that small market town brought what seemed like the world's media to Machynlleth. I spent several days there myself. Like everybody else, I found it really difficult to comprehend just what had happened and what April's family would have been going through.

I pay tribute to April's parents and her sister Jazz, who are with us in this Chamber today. They have made huge efforts to raise awareness of the widespread availability of pornographic and sexual images of children. They want to do everything they can to prevent other families from facing a similar tragedy and from going through the same pain that they have gone through and, no doubt, are still going through today. Their efforts have culminated in this debate in the House of Commons, after a petition raised by April's family reached more than 100,000 signatures. For completeness, I will read out that petition, which is quite short:

“We the undersigned call on the prime minister to make all sex offenders remain on the register for life no matter the crime, for service providers and search engines to be better policed regarding child abuse images and harder sentences on those caught with indecent images of children.”

The petition can be divided into three calls for action. In preparation for this debate, I met Coral and Jazz Jones in Machynlleth 10 days ago. We talked through what they expected from the debate and what form an “April's law” might take. The petition calls for legislation to be based on three objectives. The hon. Member for Newcastle upon Tyne North addressed them all in her speech but, for myself and my constituency, I will repeat some of what she said.

The first objective, which is perhaps the most difficult to achieve, is cleaning up the internet. It should be our ambition to remove all sexual images of children from the internet. We know that the presence of those images is damaging, but removing them is not an easy or straightforward process, because the internet is technologically fast-moving and is not easy to control through legislation. However, the Government have a responsibility, which I think they take seriously—indeed, all Governments throughout the world have a responsibility—to do everything within their power to clean up the internet as far as is humanly possible.

Last week, we learned of a disturbing report, which has already been mentioned but certainly had a very big impact on me, that involved Facebook, a giant of the social media world. A BBC investigative team used the report button, the purpose of which is to highlight to Facebook any improper sexual images on its platforms. The BBC found that 80% of such images were not removed after being reported. There was simply an automated response, stating that the images did not breach community standards—whatever that means. Included were images of children in sexualised poses, pages aimed at paedophiles, and one image that appeared to be taken from a child abuse video. Astonishingly, instead of taking down all those images, Facebook reported the BBC for sharing them.

I cannot be certain of the precise detail of what happened in that case, but it seems beyond all belief. I understand that the images have now been removed, but what we want is for Facebook and every other social network operator, whether small or large, to be under a legal obligation always to take down such images, constantly to survey what appears on their social network platforms and, as far as possible, to report whoever puts them there to the police. We need a law that bans indecent and dangerous content and that ensures that action is taken against whoever instigates or permits it. It must make no difference whether the offender is a small company or is among the biggest companies in the world.

The second aim for what an “April's law” should include is a stronger process for removing the names of sex offenders from the sex offenders register. I fear that an absolute ban would probably fall foul of human rights legislation, but as far as we possibly can, we must always put the protection of the public first. I do not consider myself to be sufficiently qualified to outline precisely what a process of deregistration might look like in order to satisfy human rights legislation and keep the public safe. However, it must always ensure that no name should ever be removed from the sex offenders list until and unless there is total certainty that the offender has reformed and will not repeat offend.

I ask the Minister whether it is possible to introduce rigour and certainty into the system to a greater extent even than now by establishing some sort of structure similar to a magistrates court structure to judge each individual case. The basis on which we should judge the suitability of a sex offender seeking removal from a sex offenders list is that we must always put first the safety of the public and of children.

The third policy is the importance of always putting sex offenders on the sex offenders list, or at least bringing them to court if the offence justifies it. This has already been covered in this debate, but we cannot have a position whereby police resources or pressure on the criminal court system result in offenders not being prosecuted. Sex offenders should always be prosecuted.

Two weeks ago, there was a report in *The Guardian*—again, this has already been referred to—on comments by Simon Bailey, the chief constable of Norfolk constabulary and the National Police Chiefs' Council lead for child protection. He said that the police were struggling to cope with the huge number of criminals looking at indecent images of children online, and that they should focus their resources on high-risk offenders. That is not good enough. All offenders must be looked,

not just high-risk offenders. How do we judge between a high-risk offender and a low-risk offender? They are all offenders.

I agreed with the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper), Chair of the Home Affairs Committee, who wrote in response to the chief constable:

“As you will know, for many decades institutions have put children at risk because it was seen as too difficult, not a priority or resources were insufficient to keep them safe. I would not want to see the same happen over online child abuse.”

I absolutely agree with that. She also said:

“This raises some very serious concerns about the scale of online child abuse, about the level of resourcing the police have available for it, about the systems the police has in place to deal with this new and increasing crime and also about the priority being given to it by police forces.”

We regard child abuse as a hugely serious crime and I believe that it is still under-reported. Police forces throughout the country should make dealing with it an absolute priority. Anybody who is deemed to be a sex offender—albeit they might be described as a low-level offender—should be prosecuted.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): On the exploitation of children and police resource, I had reason to talk to Facebook not that long ago about an online bullying problem. Facebook made the not unreasonable point that a lot of this stuff is not necessarily on social media that is within UK control, but on foreign websites in jurisdictions about which we might have limited knowledge and over which we might have limited control. Would my hon. Friend comment on that point and whether he thinks we are suitably focusing on that source of imagery? It is a crime to look for child pornography on the internet, including for employees of the very platforms that we hope will rectify this matter. Does the law give them the power they need to police it themselves?

Glyn Davies: I thank my hon. Friend for his intervention and I agree with him. The point I am trying to emphasise—I think it is something that most Members in this House believe—is that this is a growing crime. We are also becoming more aware of it, and it has probably been under-reported forever. We are starting to realise just how awful things have been.

This crime destroys young people’s lives forever and it destroys families. We all know what has happened in Machynlleth and the damage it has done at a personal level to the family concerned, but this crime is happening in other places in Britain at a different level. We cannot ever say that the resources are not there to prosecute; we cannot ever knowingly allow somebody to come off a sex offenders register until we are absolutely certain that they are no longer a threat; and we cannot ever allow a major company—no matter how big, how rich or how powerful it is—to adopt an approach to dealing with sex offenders that is different to anybody else’s approach.

5.5 pm

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Diolch yn fawr iawn, Mrs Moon; it is an honour to serve with you in the Chair. It is also an honour to follow the hon. Member for Newcastle upon Tyne North (Catherine McKinnell) and of course the hon. Member for Montgomeryshire (Glyn Davies), who is my constituency neighbour.

Looking back to that time, the loss of April Jones hit rural Welsh communities hard. It shattered our comfortable belief that such horrors could never happen in Wales—that such monsters could not live among us and would not be greeting us daily on our high streets, buying a round in our pubs and quite possibly loitering outside our schools and where children play. I speak also as the mother of girls, and we were secure in our illusion—our delusion—that such things always happened elsewhere, to other families and in other places.

The revulsion was reflected in the outpouring of support for April’s family; in the thousands of people signing this petition, many of them in Meirionnydd; in the hundreds of people who turned out to assist the police in their search across mile upon mile of forested hill country, in rivers and even down disused mine shafts; and in the feelings among the police themselves—Dyfed Powys police, and officers from North Wales police and, of course, other forces who came in to help with the search. They persevered through the winter months, in the biggest search ever organised in Britain. I am sure that many of us will remember the pink ribbons on gate posts and fences across Wales.

Evidence against April’s murderer was found on his computer. In discussions with North Wales police, with whom I participated in the police service parliamentary scheme last year, I have heard a number of concerns about the increasing number of digital devices seized by officers and also real questions about consistency of sentencing. Many of these issues have been raised already, but there are a couple that I would like to raise. In particular, I would like the Minister to consider including as a penalty the forfeiture of all digital devices and data owned by a child sex offender when illegal images are found on any of those devices. Ironically, that would be quite similar to the penalty for poaching. Indeed, it is a surprise to me that we have not done that already with devices, given their sheer multiplication.

Although we are aware that the child abuse image database exists to help police forces—I draw hon. Members’ attention to North Wales police’s bespoke digital imagery facility at St Asaph—this issue is none the less putting an increasing burden upon police. I saw police in action last summer, carrying out a warrant from the paedophile and online investigation team, but when I spoke to them in preparation for this debate, they were at pains that I should emphasise how heavy the workload is. To a degree, the number of cases that they are bringing to court and conviction is very much dependent on how they can actually cope with the sheer number of devices.

I have heard instances of court orders from judges that required police to return data from seized devices to convicted offenders. In one case, a former teacher who had been found guilty of keeping these sorts of images successfully argued that he needed teaching material from the computer on which he had stored illegal images—a request granted to a man who in all likelihood would never teach again. This seems to be a waste of police time, taking them away from dealing with other cases that could lead to convictions. Surely the time has come for all seized digital devices that are the personal property of a convicted paedophile to be confiscated as part of the penalty. Surely the onus should be on the offender to prove that they have a genuine need for the data on seized devices to be returned,

[Liz Saville Roberts]

and this should only happen in very exceptional cases. Of course, this is not a political matter; it is one of pragmatic policy making, and I hope that the Minister will respond in due course.

The second issue I would like to raise is the consistency and appropriateness of sentencing. Again from North Wales police, I heard of a case of attempted grooming of a 13-year-old child for sex. The defendant had travelled from London to north Wales with that very intention, but had unknowingly actually been communicating with an undercover officer. He pleaded guilty and was sentenced to only 21 months. In a similar incident, between Lancashire and North Wales police, and where the undercover operation led to arrest in the offender's home, the sentence was 24 months, suspended.

Sentencing guidelines are complex in the area of attempted sexual offences against children, but there is no doubt whatsoever that both those individuals had every intention of arranging and carrying out a sexual offence against a child. They had meticulously planned their route and how to commit the offence. Only the saving grace of the undercover officers' interventions prevented them from carrying out those plans. Surely sentencing should reflect that, bearing in mind that an actual sexual offence against a child would be in category 1A and receive in the range of four to 10 years, depending on aggravating features. Even with a guilty plea, surely the evidence of determined intention should warrant more robust sentencing—certainly more than 24 months, suspended.

To close, I want to pay credit to April's family, because in the midst of the unfathomable horror of their experiences over the last five years they have succeeded in ensuring that while April's murderer will see out the rest of his whole-life tariff in obscurity, her name will be remembered and cherished. Her legacy should be that other children are better protected in law.

5.11 pm

Yasmin Qureshi (Bolton South East) (Lab): It is a pleasure to serve under your chairmanship, Mrs Moon, and to respond to the debate. As my hon. Friend the Member for Newcastle upon Tyne North (Catherine McKinnell) said, it gives no one pleasure to talk about this issue, but so many children have, regrettably, been sexually abused, and are being abused even now. I pay tribute to the family of April Jones for their strength and bravery in bringing to the attention of the House, and indeed of society generally, the challenges we face in combating sexual abuse and offences against children. In particular, I thank Jazmin Jones for her efforts in securing the success of the petition.

Today's debate has particular significance for me. As a very new lawyer, I joined the Crown Prosecution Service as a prosecutor and within a year had to deal with the case of a six-month-old baby who had been sexually abused and then, a year later, that of a woman who had held her three-year-old daughter down while her boyfriend raped the child. Such things are horrific. Everyone will agree that those who commit sexual offences must be held accountable for their crimes, and it is right that in dealing with perpetrators of sexual offences, especially those against children, terms of imprisonment follow.

In this country we have some of the toughest powers for dealing with this type of offence. In fact, many years ago, our Government recognised that such offences were occurring abroad and for the first time introduced legislation that meant that individuals could be prosecuted in this country for sexual offences in relation to children, and put on the register. Even now, there are many people—sadly, mainly men—who go out to poorer parts of the world and abuse young girls and boys. It is a big pattern.

We have also seen an increase in victims of child abuse summoning up the courage to identify their abusers and inform the police. When I started practising law more than 20 years ago, it was difficult to get children to come forward and give evidence of what had happened to them. That increase is therefore to be welcomed, but we must ensure that the increased media coverage of such offences does not result in complacency or the mistaken belief that they are commonplace. Any offence against a child is an affront to our society and a personal tragedy for the victim and their family, and the courts must respond appropriately.

In addition, it is right that the police have the power and the capacity to monitor offenders when their custodial sentence comes to an end. That, too, is crucial for the safety of our children. The basket of information that those convicted of serious sexual crimes are required to submit is commonly referred to as the sex offenders register. Together with sexual harm prevention orders and sexual risk orders, the register is vital for police forces charged with monitoring those who pose a risk of committing sexual offences. As of 2011, the child sex offender disclosure scheme, widely referred to as Sarah's law, has allowed parents to apply for information on registered sex offenders living in their area. It is right that the police should have that information available, so that they can act as its gatekeepers.

The length of time offenders are required to remain on the register varies. One of the major concerns that informs the petition is the right granted to those who have been placed on the register for an indefinite period to seek a review of the decision. As has been mentioned, that was the result of a Supreme Court ruling that said that there had to be a right of review, because otherwise article 8 of the European convention on human rights would be contravened.

The hon. Member for Montgomeryshire (Glyn Davies) rightly said that the rights of children come before the rights of any perpetrators, and I would like to reassure him about what the court is trying to do. It is settled jurisprudence across the world that, when someone has either been convicted of an imprisonable offence or is on something like the register, there is normally recourse to some sort of appeal. All the Supreme Court was saying was that domestic legislation should have that right to appeal, not that those people should be released, after 15 years or eight years. It is obviously for the police officers and courts to decide in each case whether that happens. I wanted to reassure the hon. Gentleman, because sometimes these things get caught up emotionally with the Human Rights Act. However, for many people the potential for reoffending is clearly so great that, while an offence is perhaps not deserving of lifelong imprisonment, lifelong surveillance and tracking is required. It is quite proper that the police have the initial say regarding who is and who is not to remain on

the register indefinitely, but it is also in accord with the principle of the rule of law that there is recourse to the judicial system.

I should also stress that, if the register and the associated orders are to be effective, they must be maintained and those subjected to them monitored sufficiently. In order to do that, the police must be given the resources they need, and a significant threat to child safety is posed by funding cuts to our police services.

Although I am sure that everyone abhors the crimes referred to in the petition, it remains the case that most of those who commit them will at some point have to live in society, albeit subject to some oversight. To protect our children, we must do all we can to reduce the risk of reoffending. Accordingly, more work must be done with offenders, both inside and outside prison, to enable them to function without committing further acts against our children. That must inevitably involve the National Probation Service, which has recently become stretched, and also psychiatric services. Just recently, the Royal College of Psychiatrists warned that its members felt unable to work in prisons.

The petition also calls on internet service providers and search engines to be better policed regarding child abuse images—an ambition we all must endorse. Each case must be judged on its own merit, but we must never forget that every image of abuse created is an image of actual abuse of a child, and that viewing such images only encourages their further production. Moreover, for an individual to have a visual record of a crime committed against them, for future viewing by other offenders, must outrage any sense of decency and provoke the fiercest compassion for victims.

We must also remember that not only abusive images, but forms of communication opened up by social media, are a potential source of danger to children. Law and legislation protecting children must be designed for a 21st century context where technology is constantly advancing. Technological answers alone can never suffice, however. The disturbing normalisation of highly sexualised language and images that children may produce and share among themselves via instant messaging poses a deep cultural challenge for our society. At the very least, it normalises the sexualised way in which children can perceive themselves. At worst, those types of communication provide weak points through which adult abusers can co-opt networks of younger people. If we are to counter that disturbing trend, teachers, parents, politicians and popular culture all have a role to play.

There are more immediate responses, however. In addition to greater cultural awareness and improved policing, it is not unreasonable to expect technology companies to do more to counter the availability of child pornography online. Doubtless the technological challenge is large, but they have a responsibility not to aid predators who view images of abuse. Moreover, internet service providers must do more to provide information to the police in a timely fashion when called upon. If the police are to use that information to the full in identifying and detaining offenders, they must have sufficient resources.

I ask the Minister to consider a number of things. My hon. Friend the Member for Newcastle upon Tyne North mentioned what Chief Constable Simon Bailey said about having to make decisions on whether to pursue offences where someone is actively dangerous, as

opposed to offences where someone may be dangerous because they are viewing things online. Due to the lack of resources, the police cannot give sufficient attention to the latter. The Government need to consider providing additional officers and resources—possibly ring-fenced—specifically to deal not only with sexual abuse, but with online abuse, online pornographic images and online sexual images of children. They also need more resources to train more police officers to carry out undercover operations of the type referred to by the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts). She referred to examples of undercover police officers effectively managing to stop abuses and predators, and prevent offences from being committed. They constantly do that. We need to resource those types of operations more so that there are more officers able to deal with the dangers of the internet.

We also need to think seriously about how the internet operates in relation to pornography and sexual images. As has been referred to, when an image on the internet is reported, it can take months and months for it to be removed. Sometimes nothing happens. The process needs to be strengthened so that internet providers have to deal with reported images immediately. If they fail to do that, criminal penalties should be considered. Will the Government relook at how the internet and internet providers work and allow so much indecent material to be on the internet? I hope the Minister can deal with that in her response.

5.24 pm

The Parliamentary Under-Secretary of State for the Home Department (Sarah Newton): It is a pleasure to serve under your chairmanship, Mrs Moon. I am sure you will agree that this has been a well-informed debate, and I very much appreciate the spirit in which all Members have made sincere and thoughtful contributions.

This is an incredibly important issue, and I thank the hon. Member for Newcastle upon Tyne North (Catherine McKinnell) for leading the debate and bringing the issue to our attention today. It has allowed us to have such a thorough discussion. Other Members have said this, but this issue is not really something that any of us wants to debate. It is horrendous to think that such appalling acts of depravity and crime are happening in our country in the 21st century.

Before I address all the very thoughtful questions that have been put to me, I want to speak directly to the family of April Jones—to her parents Coral and Paul, and to Jazmin—who are here today. I cannot imagine the horror of what you have had to experience. You are an inspiration to us all. You have managed to take such grief and the worst imaginable situation and use those feelings so constructively to campaign for changes to ensure that no other family or community has to experience what you had to experience. I thank you sincerely for your bravery and persistence in bringing this matter to the attention of the people of Great Britain and us here today. It is not a problem that any one of us will deal with alone; it requires a whole society approach, and each and every one of us has an important role to play. I thank you very much for everything you are doing.

I also commend the family's excellent MP, my hon. Friend the Member for Montgomeryshire (Glyn Davies). He has given the family a lot of support and gave voice to their concerns today. What a powerful advocate he is

[Sarah Newton]

for the family—and he is well supported by his neighbouring MP, my hon. Friend the Member for Carmarthen West and South Pembrokeshire (Simon Hart). As others have said, the issue transcends all party politics. Members of Parliament representing all parties work together constructively to ensure that the Government are doing everything we can to prevent, detect and prosecute these horrendous crimes.

I want to answer some of the questions that have been asked. The first set of questions were about what we are doing about who is on the sex offenders register. I understand why people think that anyone who has committed any such crime should go on the register and stay there for life without any reconsideration. I understand that strong sentiment, but the Supreme Court ruling in 2010 has been mentioned, and I want to go into a bit more detail about it. It prevented us from not giving sex offenders the opportunity to be removed from the register: we were told that there must be opportunities for that to be reconsidered. There was an objection about human rights and the offenders being denied the right to a family life. At the time, the Government were disappointed by the ruling, and we remain disappointed today. I am sympathetic to the demands of the petition and the concerns of the Jones family. I understand why they feel that the petition is necessary.

It is precisely because we are determined to do everything we can to protect the public from predatory sexual offenders that we made the minimum possible changes to the law to comply with the Supreme Court ruling, while ensuring that the police and others can protect the public from the serious and appalling sorts of crime that have been committed by individuals on the register. That means that no offender comes off the register automatically. The most dangerous offenders—those we cannot afford to leave unmonitored in this country—will stay on the register for life; they do not have a right to request reconsideration of their status on the register.

We have provided for a review carried out by the police, but no more than that. Offenders have the right to ask the police to reconsider, but they have no recourse to appeal. We believe that approach complies with the Supreme Court ruling, but it also ensures maximum public protection, which remains at the heart of managing sex offenders. They can seek a review of their indefinite notification requirements only once they have completed 15 years. For juveniles, it is eight years. People have to wait a long time before they can even request a review.

The review takes a range of considerations into account. Information is provided from a wide range of agencies operating within the multi-agency public protection arrangements framework. This ensures an individual assessment of the risk before any offender is considered for removal. As I have said, the most serious offenders are never even considered for that. The process has proven robust and workable and puts public protection at the heart of sex offender management, while at the same time preventing sex offenders from being able to waste public money by repeatedly challenging decisions in the courts.

We want to make sure that victims are also engaged in the process. We want to ensure that the feelings of victims' families—for example, in the tragic case of the Jones family—are taken into consideration. Victims'

needs and safety are absolutely fundamental in the process. It is important to remember that many victims who have undergone appalling acts against them want to move on with their lives. They have had therapeutic interventions and they want to put it behind them. We need to bear in mind their views as well. The police look at cases to make sure that victims' voices are heard in a sensitive way. They are not necessarily publicly forced into anything; they are treated according to their needs.

When we made the changes in 2012, we also introduced additional safeguards to tighten the notification arrangements even further, making it compulsory for sex offenders to report to the authorities before travelling abroad, whenever they are living in a household containing a child under the age of 18, and when they have no fixed abode. It is important that we always know where they are. Collectively, the safeguards ensure that the public continue to be protected from the sex offenders who continue to pose a risk.

We have continued to work with the police and other law enforcement agencies to ensure that the right powers are available for the authorities to tackle sexual crimes and bring perpetrators to justice. For example, we have introduced new civil orders that capture a range of risky behaviours and allow the police to further restrict the behaviour of those who pose a risk, preventing them from escalating to contact abuse. I want to be absolutely clear that victims and survivors of sexual and other forms of violence against women and girls are at the heart of all our policy making. Over the spending review period, we will spend more than £100 million to make sure that victims get the help they need when they need it and to ensure that no victim is turned away.

The petition that we are debating today also calls for better policing of search engines and internet service providers. I agree that that is absolutely critical. Under the Protection of Children Act 1978, it is illegal to take or distribute an indecent photograph of a child under 16. The penalty can be up to 10 years' imprisonment. Possessing indecent photographs of children is an offence with a maximum sentence of five years' imprisonment. However, we know that more can be done.

Through the campaigning of Paul and Coral Jones, major search engines have tried to address the abuse of technology. Since 2014, both Google and Microsoft have introduced changes that make it significantly harder to find child sexual abuse material online. Using new technology, they have experienced an eightfold reduction in search engine attempts over an 18-month period. The message is clear: when industry works together with law enforcement to take action, it really can deliver results.

The Government's response has been significant, with law enforcement agencies taking action against online offenders, developing new capabilities to find and safeguard victims, and working with the industry here and overseas to make sure that we remove as many images as possible. All UK police forces and the National Crime Agency are connected to the child abuse image database, which was launched in 2014. CAID provides law enforcement agencies with effective tools to search seized devices for indecent images of children, reducing the time taken to identify such images and increasing the ability to identify victims.

Recently, the NCA was able to use CAID to review one of its largest ever seizures within six weeks. Based on the case size, that would have taken six months to

review before CAID. Collaboration and use of the new tools that are available are dramatically reducing the time it takes to search, find victims and secure prosecutions. That has resulted in around 400 arrests each month for online CSE offences, and we estimate that it is safeguarding around 500 children each month.

Child sexual exploitation and abuse is one of the national priorities in the strategic policing requirement. The threat will be more visible and there will be more consistent understanding, prioritisation and planning of capabilities to tackle child sexual abuse. The strategic policing requirement enables forces to collaborate and to share resources, intelligence and best practice, and provides improved access to specialist capabilities.

Some Members have asked whether we are giving the police enough money to do the work. I absolutely want to reassure everyone here that the Child Exploitation and Online Protection Centre, the main specialist agency within the National Crime Agency, has had its resources nearly doubled. We have committed an additional £20 million over the spending review period. It also gets a significant amount of help from specialists within GCHQ, so our top intelligence community, which is there to keep the nation safe, is now deployed to help CEOP. I regularly meet police officers in CEOP. Every time I visit, I ask them, “Do you have the resources you need to tackle this crime?”, and they all say yes. The amount of investment that we put in is something we keep under constant review.

One Member asked whether we were investing in WeProtect. The need to work internationally has rightly been raised today because the threat is global. I can confirm that the £40 million commitment that the previous Prime Minister, David Cameron, made to WeProtect over this spending period is absolutely secure and is being spent. The UK leads the world in this effort, and we will continue that work. As has been rightly said by many people here today and outside this Chamber, all companies have a responsibility to ensure that they do everything they can to make sure that their platforms and services do not allow the exploitation and victimisation of children. They must address the abuse of what is otherwise legitimate technology. It is really important that they step up to the plate and do everything they can.

The Prime Minister, the Home Secretary and I have regular meetings with all the internet providers—the Prime Minister herself chairs a meeting—to make sure they do everything they can. In the light of the revelations reported by the BBC about Facebook, the Home Secretary will have an urgent meeting with Facebook to ask why the images were not taken down after being reported. We must be satisfied that lessons are learnt by Facebook. We must not leave any stone unturned.

There has been quite a bit of discussion about sentencing. Although it is a matter for our courts, in December 2013, as a result of a lot of pressure, the Sentencing Council issued revised guidelines on sentencing for sexual offences, which came into force three years ago. They include guidance on assessing offender behaviour and the appropriate sentence level in proceedings relating to indecent images of children. The Sentencing Council keeps the maximum penalties under review to ensure that the courts have adequate powers to deal with offences effectively and proportionately, while taking into account the circumstances of the offences and any mitigating and aggravating factors.

More adult sex offenders are being imprisoned and they are being imprisoned for longer. The number of prisoners serving immediate custodial sentences for sexual offences is at its highest since 2002. At the end of last year, more than 13,000 adult sex offenders were in prison. That is a rise of 9% on the preceding 12 months, and is up by more than 5,000 since 2010.

Gareth Johnson: The Minister will recall that the manifesto that she and I stood on at the last general election included a commitment to extend the scope of the unduly lenient sentence scheme. Even after the Budget, our manifesto must mean something. Does she therefore agree that it is time to extend the scope of the unduly lenient sentence scheme to include the distribution and creation of indecent pictures of children?

Sarah Newton: I am grateful to my hon. Friend for raising that important issue. He must have read my mind, because I was coming to it. The manifesto we stood on does mean something, and I am pleased to confirm that the Attorney General is undertaking that work as we speak. The scope of unduly lenient sentences is being reviewed at the moment. I hope that gives my hon. Friend the satisfaction for which he rightly asks.

I was asked by other hon. Members to look at other aspects of the criminal justice system. Although they are the responsibility of the Ministry of Justice, I will do so. I agree that it is important that, if perpetrators who are arrested have a range of digital devices, they should be forfeited and searched for inappropriate images. As we have heard, that puts a lot of demand on the police, but new digital tools, such as CAID and fingerprinting, enable much faster recognition of images and should enable the police to manage the increased demand.

Simon Hart: In the Minister’s representations to the MOJ, will she commit to raising the issue of whether the Criminal Injuries Compensation Authority reflects the 21st century? It has been put to me that it treats the crimes of sexual assault by penetration and rape entirely differently. Any victim of those crimes would find that an extraordinary distinction.

Sarah Newton: My hon. Friend makes a very important point. Of course I will speak to my colleagues in the Ministry of Justice.

I want to finish my point on perpetrators time-wasting, demanding things of the police and extracting information from forfeited devices. The hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) gave an example of a teacher who undoubtedly, as they were going on the sex offenders register, would never be a teacher again. They did not need the teaching plans and resources that they wanted to extract from their computer. That was a dreadful waste of police time. I will certainly take that up to see what more we can do to clamp down on it.

The Prime Minister recently said that she is minded to introduce a new Bill in the next Session to look at what more we can do about domestic abuse and domestic violence. This debate is specifically about child sexual violence and abuse, but that Bill will enable us to look at what more we can do legally. The Home Secretary will chair a group of experts to look at what more we can do to support victims in the criminal justice system to ensure their experience is as positive as possible. The evidence

[Sarah Newton]

that we get will secure the best possible outcomes. As that Bill is developed, there will be opportunities to look at some of the issues that have been raised today.

A question was asked about what is called Helen's law. We heard about the absolutely horrendous situation of families who want to know where the bodies of their loved ones have been put by the horrendous criminals who perpetrated those acts. I am a mother myself, so I understand that families want to know exactly where their children's remains are so they can be reunited with them, lay them to rest and have a place to visit them. The Justice Minister made it clear that he is looking at options to encourage offenders to say where the remains are, including making their release conditional on declaring that information. The Ministry of Justice is doing good work to ensure that happens.

Catherine McKinnell: The Minister is giving a very thorough response to many of the issues that were raised, but one issue that she has not touched upon, which does not always seem a priority but could go a long way to protecting children in the future, is rehabilitation. Does she have a response to the questions I asked about funding for the rehabilitation of offenders or potential offenders?

Sarah Newton: I am very happy to talk about that. We are undertaking a comprehensive piece of work in the Home Office with experts, academics, law enforcement officers and some particularly good charities that have a good track record, to ensure that young people understand what consent is, what good relationships are and what the law of the land is. We have seen reports about the amount of sex offending committed by young people against other young people. The very tragic case that we are talking about today involved an older person who perpetrated a terrible crime against a child, but there is a growing category of younger people who commit appalling abuse—even rape—against children younger than themselves. We are doing a lot of work to educate young people that that is simply wrong and about what good relationships look like. The Child Exploitation and Online Protection Centre, the association for personal, social and health and economic education—the PSHE Association—and the Department for Education have developed extremely good tools to enable teachers, parents and youth workers to engage young people.

I expect that people have seen Disrespect NoBody, a large campaign that the Home Office funds every year. It uses material developed by children that they can see online on their phones and iPads to get those messages across. We work with young people to develop age-appropriate messages, and campaigns are thoroughly evaluated to ensure that they are having the right effect. Now that sex and relationship education and PSHE are to be compulsory, there will be even further opportunity to send that message to everyone.

We know that a lot of young men view images of young girls online, but that they do not realise that what they are doing is illegal. They seem to think that it is a victimless crime. They do not appreciate that a girl is being abused to make those images, that every time someone watches them she is being re-abused, and how devastating that is. We have worked with experts in the

field to make hard-hitting little films that are put out on the internet to communicate to young men—I am afraid that it is young men—who might be tempted to view that material or who might inadvertently come across it. The films are to educate them about the harm and to prevent them from becoming criminals—if they were caught, they would be convicted of a criminal offence and go on the sex offenders register, which would have a devastating effect on their life.

We are working with the Lucy Faithfull Foundation. Where we know perpetrators are watching images, we want to send out clear messages that they are illegal, and about the harm they are doing. We want to give them access to helplines where they can get advice on how to wean themselves off their addiction—it is an addiction. We also fund care and support services for the perpetrators, enabling them to say, “I want to stop this behaviour but I need help to do it.”

That is all new and emerging work. It is important to build up the evidence base on its effectiveness, so that we understand what works, what does not, the risk profile of the perpetrators, and who can be diverted or prevented from behaviour escalating into contact abuse. We take that seriously and invest in it, and we want to leave no stone unturned in preventing people from watching those dreadful images and all the abuse that goes with them. I hope that that is a full answer for the hon. Member for Newcastle upon Tyne North.

Some hon. Members mentioned the comments of Chief Constable Simon Bailey. As politicians, none of us is a stranger to being misquoted, or having our quotes being taken out of context so that we do not say everything we would want. That is what happened to the chief constable in this case. It was helpful for the Chair of the Home Affairs Committee to write to ask him about some of the comments he made and the media published. My understanding is that he has written back a full response, which will be published on the Select Committee's website. The chief constable does not need me to speak for him—he is more than capable of speaking for himself—and it is important for Members to read what he has to say. He might be appearing before the Select Committee, when Committee members will have further opportunity to ask him about what he said so that there is absolute clarity.

I can assure the House, however, that the Government's policy has not changed. As we have discussed today, issues to do with sex offenders are complicated and contentious, but our position is crystal clear and unequivocal: we will reduce the harm to children and other vulnerable people; we will continue to protect the public; and we will keep dangerous people on the sex offenders register for as long as they are a risk. I am proud of the progress we are making to tackle all aspects of violence against women and girls and to protect all victims, but the truly terrible murder of April Jones highlights how much all of us need to do to protect victims. In my time as Minister, I am determined to do absolutely everything I can to protect people in our country and to bring those perpetrators to justice.

5.53 pm

Catherine McKinnell: I do not have much more to add to the debate, because the Minister has given a thorough reply to all the questions asked. Many of her

responses have been reassuring, and some have clarified areas on which we all need to work together in future. The Minister was absolutely right when she said that this is an issue that transcends party politics. We have representatives present from all parts of the House, and we have a common interest to ensure that we all work together to protect children in the best way possible.

I want to add a final, sincere word to thank the Jones family for the way in which they have turned the most unimaginable horror into an opportunity to make our legal and parliamentary processes and procedures more responsive to the clear need to protect our children

better from those horrendous crimes. I thank the Jones family for everything they have done. I also thank Members for their contributions to today's debate. This is not the end of the conversation. I feel that it is very much the beginning of work that needs to go on.

Question put and agreed to.

Resolved,

That this House has considered e-petition 166711 relating to sentencing for child abuse offences.

5.55 pm

Sitting adjourned.

Written Statements

Monday 13 March 2017

TREASURY

ECOFIN: 21 February 2017

The Chief Secretary to the Treasury (Mr David Gauke):

A meeting of the Economic and Financial Affairs Council (ECOFIN) was held in Brussels on 21 February 2017. EU Finance Ministers discussed the following items:

Early morning session

Ministers were briefed on the outcomes of the 20 February meeting of the Eurogroup, and the European Commission presented an update on the current economic situation following the publication of the Commission's winter forecasts on 13 February. Ministers also discussed points of clarification in relation to the intergovernmental agreement on the single resolution fund.

Anti-tax avoidance directive

Ministers reached a general approach to the second anti-tax avoidance directive (ATAD2).

Current financial service legislative proposals

The Council presidency provided an update on current legislative proposals in the field of financial services.

Criteria and process leading to the establishment of the EU list of non-co-operative jurisdictions for tax purposes

Following the Council conclusions agreed at ECOFIN on 8 November 2016, Council endorsed a state of play report by the Council secretariat.

Preparation of the G20 meeting of Finance Ministers and central bank governors on 17-18 March 2017 in Baden-Baden

Ministers mandated the Economic and Finance Committee (EFC) to finalise the EU terms of reference for the next meeting of G20 Finance Ministers and central bank governors.

Discharge to be given to the Commission in respect of the implementation of the budget for 2015

On the basis of a report from the European Court of Auditors, Ministers approved a Council recommendation to the European Parliament on the discharge to be given to the Commission in respect of the implementation of the 2015 budget.

Budget guidelines for 2018

Ministers adopted Council conclusions on the guidelines for the 2018 budget, which will serve as a point of reference in the forthcoming budgetary cycle.

[HCWS526]

HOME DEPARTMENT

National Crime Agency: Contingencies Fund Advance

The Secretary of State for the Home Department (Amber Rudd): The National Crime Agency (NCA) is seeking an advance from the Contingencies Fund under

category D of the supply estimates guidance manual to meet its cash funding obligations in advance of Royal Assent to the Supply and Appropriation (Anticipation and Adjustments) Bill. Contingencies Fund advances are sometimes used by Government Departments to manage cash flows, and in this case will be repaid to HM Treasury before the end of the financial year.

Parliamentary approval for additional resources of £14,971,000 and cash of £22,029,000 has been sought in a supplementary estimate for the National Crime Agency. Pending that approval, urgent expenditure estimated at £37,000,000 will be met by repayable cash advances from the Contingencies Fund.

[HCWS527]

WORK AND PENSIONS

Employment, Social Policy, Health and Consumer Affairs Council: 3 March 2017

The Minister for Employment (Damian Hinds): The Employment, Social Policy, Health and Consumer Affairs Council met on 3 March 2017 in Brussels. I represented the UK.

The Council held an orientation debate on the proposal for a regulation of the European Parliament and of the Council, amending regulation 883 on the co-ordination of social security systems, and regulation 987 laying down the procedure for implementing regulation 883. The Council also held a policy debate on the European semester, including on the implementation of country-specific recommendations.

The Council adopted Council conclusions on the 2017 annual growth survey and joint employment report, and adopted the joint employment reports. As part of this, the Commission presented the 2017 country reports, which had been published on 22 February 2017. The Council adopted Council conclusions on enhancing the skills of women and men in the EU labour market. The Commission and the presidency gave a joint presentation on the tripartite social summit.

Under any other business, the Commission presented a communication on modernisation of the EU occupational safety and health legislation and policy, and information in follow-up to their recent communication on investing in Europe's youth. The presidency presented the state of play of the legislative proposal on posting of workers and a number of member states intervened to set out their views on the proposal.

The Chairs of the Employment Committee (EMCO) and the Social Protection Committee (SPC) detailed their respective work programmes for 2017. The European Institute for Gender Equality set out the key findings of their study titled "Economic benefits of gender equality in the EU". Finally, the Portuguese delegation gave information on the upcoming UNECE International Conference "A sustainable society for all ages: Realising the potential of living longer", which will take place in Lisbon on 21-22 September 2017.

[HCWS525]

Universal Credit

The Secretary of State for Work and Pensions (Damian Green): Universal credit full service for all types of claimants continues to roll out to plan. It is now being delivered in 50 jobcentres and is the Department's first fully digital service.

We have been exploring how this technology can, for the first time, offer a simple system of explicit consent (to protect the large amounts of claimant personal information held under universal credit) but which is easy to use and takes advantage of the opportunities a digital service can offer. Such a system can be used by third parties and stakeholders representing claimants' interests, enhancing the service that they can provide for the most vulnerable.

However, it is clear MPs engaging on their constituents' behalf need constant access to such a system through which they can help their constituents. Today, I have

agreed that the implicit consent approach which operates well for all other DWP benefits can be extended to MPs representing the interests of their constituents who are engaging with or directly claiming universal credit. We can offer this because of our pre-existing relationships between MPs' offices, district managers and their teams. This is something which cannot pertain for inquiries from other sources.

This means any correspondence—letter, email, or telephone inquiries—from MPs on behalf of a constituent relating to universal credit will be answered directly, without a requirement to seek explicit consent from their constituent. This will ensure consistency and clarity for MP offices, no matter what benefit the inquiry is about.

Extending this support for MPs and their constituents will continue to help enable the successful delivery of this key welfare reform programme.

[HCWS528]

Ministerial Correction

Monday 13 March 2017

TREASURY

Budget Resolutions

The following is an extract from the winding-up speech on the second day of the Budget Resolutions debate—Thursday 9 March 2017—made by the Financial Secretary to the Treasury.

Jane Ellison: As well as offering some kind words about me relating to my previous role, the right hon. Member for Leicester East rightly drew our attention to the Government's work on prevention. I shall not be drawn into talking about that too much—as a former public health Minister, I could talk on that for some

time—but I remind him of the national diabetes prevention fund and the related work, and the £16 billion a year from the public health budget that we give to local government.

[Official Report, 9 March 2017, Vol. 622, c. 1043.]

Letter of correction from Jane Ellison:

An error has been identified in my closing speech during the Budget Resolutions debate on 9 March 2017.

The correct response should have been:

Jane Ellison: As well as offering some kind words about me relating to my previous role, the right hon. Member for Leicester East rightly drew our attention to the Government's work on prevention. I shall not be drawn into talking about that too much—as a former public health Minister, I could talk on that for some time—but I remind him of the national diabetes prevention fund and the related work, and the £16 billion **over the settlement period** from the public health budget that we give to local government.

ORAL ANSWERS

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MINISTERIAL CORRECTION

Monday 13 March 2017

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