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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Thursday 6 July 2017

House of Commons

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The House met at half-past Nine o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

ACCOUNT OF THE CONTINGENCIES FUND 2016-17

Resolved,

That there be laid before this House an Account of the Contingencies Fund, 2016-17, showing—

- (1) A Statement of Financial Position;
- (2) A Statement of Cash Flows; and
- (3) Notes to the Accounts; together with the Certificate and Report of the Comptroller and Auditor General thereon.—(*Mrs Wheeler.*)

Oral Answers to Questions

INTERNATIONAL TRADE

The Secretary of State was asked—

Commonwealth Countries

1. **James Duddridge** (Rochford and Southend East) (Con): What recent discussions he has had with his counterparts in other Commonwealth countries on the future of trade and investment between the UK and those countries. [900255]

7. **Chris Davies** (Brecon and Radnorshire) (Con): What recent discussions he has had with his counterparts in other Commonwealth countries on the future of trade and investment between the UK and those countries. [900262]

The Secretary of State for International Trade and President of the Board of Trade (Dr Liam Fox): Ministerial colleagues and I regularly engage with business stakeholders and policy makers in Commonwealth partner countries. In March, my noble Friend Lord Price and I met over 20 visiting Trade Ministers at the inaugural Commonwealth Trade Ministers meeting in London, and we discussed strengthening collaboration and deepening intra-Commonwealth trade and investment. We are now preparing for the Commonwealth summit in 2018.

James Duddridge: I thank the Secretary of State for that answer. The Commonwealth is particularly up for doing trade with the UK, especially in Africa. The Secretary of State referred to intra-Africa trade. Can we be even bolder and encourage a continental—intra-Africa—free trade deal not only with our Commonwealth friends but going beyond our Commonwealth friends?

Dr Fox: We are sympathetic to the concept of an African continental free trade area, and we are in favour of a range of initiatives to help foster wider and greater intra-Commonwealth trade. There is a great deal to be gained for all Commonwealth partners from closer co-operation. The Government's aim—including through the development agenda championed by my right hon. Friend the Secretary of State for International Development—is to create sustainable prosperity, and helping developing countries to enable them to trade their way out of poverty is an essential and key element of that strategy.

Chris Davies: Britain and the Commonwealth nations share a great history, and over the years have formed many great links across academia, sport, culture and numerous other areas. What steps has my right hon. Friend taken to expand this co-operation with Commonwealth countries to include a free trade agreement, so that we can add business and commerce to the long list of Commonwealth co-operative endeavours?

Dr Fox: As my hon. Friend knows, the Commonwealth is not a trading bloc, and it actually contains a number of very disparate economies. We are liaising with several Commonwealth partners about bilateral agreements in the future, and my Department is working with stakeholders to develop initiatives that will stimulate UK and intra-Commonwealth trade and investment in the lead up to and beyond that vital Commonwealth summit next year.

Toby Perkins (Chesterfield) (Lab): Members on the Conservative Back Benches are desperate for the Secretary of State to give us more confidence that we will massively increase trade with the Commonwealth, but I think he is wise not to do so. India, Australia and Canada collectively account for less than 5% of our exports, and research shows that the most enduring statistic is that trade halves whenever the distance between nations doubles. Is it not foolhardy for us to be turning away from our closest trading partners and relying on increasing trade with countries so very far away?

Dr Fox: I am sorry to hear such a lack of understanding of how the modern economy works. Particularly for countries that have a large proportion of their trade in services, services trade does not depend on distance. In fact, what we need is increasingly close co-operation with countries that are similar to us in their economic status, not necessarily geographically proximate, although I entirely understand that for goods the geographical distance does have a greater bearing.

John Spellar (Warley) (Lab): One country with which negotiations on trade have been very advanced is Canada, with the EU discussions on the Canadian trade deal. Obviously, the Secretary of State will want to seek to replicate that fairly quickly after our exit from the EU, but that has been subject to a huge amount of disinformation regarding the costs and benefits of the deal. When are the Government actually going to take on this issue and set the record straight?

Dr Fox: What we do not know at present is what the state of the EU-Canada agreement will be at the point at which we exit the European Union. It may well be

that all countries have ratified it, but as the right hon. Gentleman is well aware, as a result of the Singapore judgment every single Parliament and some regional parliaments will have to ratify the deal. If the deal is not ratified at the point at which we leave the European Union and has only provisional application, it will have no basis in UK law, in which case we will have to have the fall-back position of using that as the basis for a future UK-Canada agreement.

Mr Nigel Evans (Ribble Valley) (Con): I think that the potential for trade with Commonwealth countries is very exciting—they are growing and strong economies—but every time I open a newspaper or listen to the radio or TV, the story is presented very negatively, as though it will be almost impossible for us to do these trade deals. Does the Secretary of State feel that that is wrong, and that it undermines the work he is doing?

Dr Fox: It does appear that some elements of our media would rather see Britain fail than see Brexit succeed. I cannot recall a single time recently when I have seen good economic news that the BBC has not described as being “despite Brexit”.

Ian Paisley (North Antrim) (DUP): Our agri-food producers see the Commonwealth as an exciting, wonderful and expansive new market for their powdered milk products, red meats, pig and poultry. Will the Secretary of State assure us that he is in discussions with the Commonwealth countries about increasing the opportunities for trade in our agri-food products to give encouragement to our producers at home?

Dr Fox: I entirely agree. To underpin the confidence in the agricultural sector, it needs to know that there are increasing markets out there. One of the key roles of the Government is to help our agricultural sector to have the confidence that it requires for investment by showing that we can help it into markets. It is worth pointing out that according to the European Commission's own website, 90% of global growth in the next 10 years will be outside the European Union. Those are the markets we have to help British business get into.

Businesses (Support)

2. **Geoffrey Clifton-Brown (The Cotswolds) (Con):** What steps he is taking to encourage businesses to take advantage of new opportunities for international trade. [900256]

The Parliamentary Under-Secretary of State for International Trade (Mark Garnier): The Department for International Trade provides market access, support and advice to UK business in the UK and in 109 markets overseas. Through the GREAT campaign, we build the global appetite for British goods and services, and give UK companies access to millions of pounds' worth of potential business through the digital services offered on the GREAT.gov.uk digital platform.

Geoffrey Clifton-Brown: It is a great tribute to my hon. Friend's Department that in the first year of its operation, the Office for National Statistics reports that exports went up by a huge 7% to £548 billion. Does he

agree that with the increase in demand for British exports, UK Export Finance, with its widened role, has an important part to play?

Mark Garnier: My hon. Friend is absolutely right to raise that matter. I thank him for the work he does on the all-party parliamentary group for international trade and investment. He is absolutely right that the Department for International Trade needs to provide a suite of services, and that includes UK Export Finance. Some 7,000 businesses have been helped by UK Export Finance, the appetite for risk has been doubled and we have increased the number of currencies we can use from 10 to 40, from the Australian dollar to the Zambian kwacha. That is part of a very wide range of things and we have been successful so far.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): This Front-Bench team must know that a silly attack on the BBC cannot be used as an excuse for policy. This is a Secretary of State who has refused to meet the all-party parliamentary manufacturing group. The manufacturers I know have no confidence in this Secretary of State. They think he is living in cloud cuckoo land and is not competent, and they want his resignation.

Mark Garnier: I will take note of the hon. Gentleman's comments.

Dr Julian Lewis (New Forest East) (Con): Will the Minister explain what steps the Government are taking to ensure that, following our departure from the European Union, our export manufacturing businesses do not face high tariffs from other nations?

Mark Garnier: The Department for International Trade is embarking on a series of talks with the World Trade Organisation and individual countries to, in the first instance, secure continuity of business with those countries with which we already have agreements. I speak as a remainder from the campaign, but this is a fantastic opportunity to forge new trade deals and take advantage of the opportunities that Brexit presents.

Tom Brake (Carshalton and Wallington) (LD): To grow their international trade, many businesses need to be able to call on the best possible members of staff. What will the Minister do to ensure that freedom of movement is retained for those businesses, and that the investment they get through initiatives such as Horizon 2020 is still available to them?

Mark Garnier: It has always been the case that the Government have had not an open policy, but a mature policy for people who come from outside the European Union. Britain will certainly be open to the best and the brightest people in the world, who will want to come and work in what is, frankly, one of the best places to enlarge those skills.

Brazil

3. **Mr Laurence Robertson (Tewkesbury) (Con):** What recent discussions he has had with the Government of Brazil on a trade agreement with that country after the UK leaves the EU. [900257]

The Minister for Trade and Investment (Greg Hands): Brazil is the UK's largest export market in Latin America and represents significant opportunities for the UK. My right hon. Friend the Secretary of State attended the UK-Brazil joint economic and trade committee last December. As I saw for myself in March in Rio, São Paulo and Belo Horizonte, both Governments are committed to deepening UK-Brazil trade and investment. UK and Brazilian officials continue to work together on proposals for reducing trade barriers, for discussion at the next joint committee.

Mr Robertson: I thank the Minister for his response and congratulate him on that work. I was in Brazil last November and have had many meetings with His Excellency the Brazilian ambassador to London, and while Brazil has not been able to achieve a trade deal with the European Union, it very much looks forward to one with the UK. So can the Minister expedite such arrangements as quickly as possible?

Greg Hands: I congratulate my hon. Friend on his work with the all-party group on Brazil in the last Parliament, and he makes the good point that we do not need to have a free trade agreement to have free trade. Indeed, as I am sure he knows, the EU has no free trade agreement with the world's largest markets such as the US, China, India and, indeed, Brazil. So there are many trade barriers that we can address without having a formal free trade agreement. This is very much our approach in Brazil, as seen by our joint committee talks and my own visit in March.

Tony Lloyd (Rochdale) (Lab): The Minister will be aware that the barriers to trade are not simply those that would be covered in an orthodox trade deal; there is also the unfamiliarity with local customs and so on. If we are to encourage our small and medium-sized enterprises to export, what practical facilities can be given to open up markets like Brazil, potentially enormous but at present very difficult for SMEs to access?

Greg Hands: I thank the hon. Gentleman for his question and welcome him back to his place; I have fond memories of working closely with him in previous Departments on trade and other issues.

There are two things to say in response to the hon. Gentleman's question. He is right that the removal of non-tariff barriers—the grit in the system—is a key aspect of our Department's work, and he is right to emphasise that this is about not just free trade agreements in the future, but also removing those practical barriers, which is why my right hon. Friend the Secretary of State had those talks back in December. In terms of supporting SMEs, the GREAT.gov.uk portal is very good; there is good access to Brazilian deals that are coming up, and I urge all SMEs to go to that portal, in order to access that.

Barry Gardiner (Brent North) (Lab): Of course, the Minister could have pointed out that a trade agreement can only take place with Mercosur, because Brazil is part of that bloc, and should an EU trade agreement be put in place with Mercosur prior to our leaving the EU, it would become one of the agreements the EU currently has with some 50 countries. How does the Secretary of State propose to carry out his manifesto commitment

to replicate all of those existing agreements after Brexit, and specifically, what legislative instruments does he propose to introduce to that end in the trade Bill?

Greg Hands: A lot of these matters will form part of the trade Bill which will be introduced in this Session. What is most important is that, as we seek a smooth and orderly exit from the European Union, we seek to replicate all of those existing EU free trade agreements, to provide certainty and stability for our businesses as we go forward to enable them to access both existing and future markets.

Food and Drink Sector

4. **Luke Hall (Thornbury and Yate) (Con):** What estimate he has made of the value of the contribution of the food and drink sector to UK exports. [900258]

10. **Jo Churchill (Bury St Edmunds) (Con):** What estimate he has made of the value of the contribution of the food and drink sector to UK exports. [900265]

12. **Dr Caroline Johnson (Sleaford and North Hykeham) (Con):** What estimate he has made of the value of the contribution of the food and drink sector to UK exports. [900267]

The Parliamentary Under-Secretary of State for International Trade (Mark Garnier): With your permission, Mr Speaker, I will answer questions 4, 9 and 10 together. The food and drink sector makes an important contribution to exports. In 2016, UK food and drink exports reached £20.1 billion, an increase of 9% from the previous year. This represented 6.6% of our total goods exports. For the first quarter of this year, food and drink exports reached £4.9 billion, up 8.3% on 2016, representing the highest first quarter exports value on record.

Mr Speaker: I gently say to the Minister that the grouping is with Nos. 10 and 12. [*Interruption.*] No, a question was withdrawn, and it might well be the case that the briefing had not kept up with the evolution of events, I say to the hon. Member for Huddersfield (Mr Sheerman). That should satisfy him; he does not seem easily satisfied this morning, but that will have to do.

Luke Hall: I know that my hon. Friend the Minister understands the importance of the food and drink sector to the south-west of England, so may I ask what he is doing to promote growth and trade across the south-west?

Mark Garnier: The answer to my hon. Friend's question exemplifies the type of tailored help the Department for International Trade can give. Working with our officials in the south-west and local producers and businesses, we have created the Great British Food programme, which is designed specifically to allow south-west food and drink businesses to interact directly with overseas buyers. We have already seen them working with the EU, Turkey and China, and since April 2016 we have won over £19 million-worth of business across more than 30 export markets.

Jo Churchill: As the Minister knows, food and drink manufacturing is an enormous market, particularly in my constituency. Issues over regulations, sampling and tariffs are among the concerns of global leaders such as

Muntons, as well as some of my smaller exporters. Will he agree to meet me and them to discuss these issues further?

Mark Garnier: My hon. Friend had a number of such meetings when she brought her local chamber of commerce down to London, and I believe that Muntons was part of that. She is absolutely right, however, to say that regulations, sampling and tariffs are an important part of doing trade deals, and it is important that we maintain those standards ourselves as well. It is absolutely the job of the Department for International Trade to interact with those people who need help at any level, and I would be very happy to visit my hon. Friend's constituency and meet not only Muntons but others as well.

Dr Johnson: Lincolnshire has a proud tradition of producing food, and the food and drink industry is very important to my constituency. What is the Minister doing to help the food and drink manufacturers in Lincolnshire with their exports?

Mark Garnier: The Department for International Trade spans the whole of the country, and when it comes to specific areas, we look at specific needs. For example, in October, the Department and the midlands engine trade mission will be going to Anuga trade fair in Cologne, which is the leading international trade fair for food and beverages. I hope that we will be taking firms from my hon. Friend's constituency to promote their goods and opportunities there.

9. [900264] **Rachael Maskell** (York Central) (Lab/Co-op): York has a food manufacturing sector, and it has real concerns over the increases in import and production costs and over labour; we are all, of course, concerned about the environment. Can the Minister tell the food manufacturing sector what new trade opportunities he has secured for it, and what their value will be to the economy?

Mark Garnier: The value to the economy of the food exporting sector is absolutely enormous. I think it is the biggest manufacturing sector in the world. We have already seen a number of opportunities for going out and exporting it, and trade figures are up by some 7%. We can give a breakdown of the actual data, and I would be happy to write to the hon. Lady about that later. Without a shadow of a doubt, the Department for International Trade is successful in what it does. We have seen exports increase across all sectors and, as I pointed out earlier, we have seen record numbers in food and drink exports.

Bill Esterson (Sefton Central) (Lab): Why have the Government done nothing to stop Nestlé moving production from the United Kingdom to Poland, with the loss of 300 jobs? The Government confirmed this week in a written answer that Ministers met Nestlé in April. Nestlé has said that it would take an investment of £1 million to keep production in the UK. The Government found £1 billion to save one job in Downing Street, but they cannot find £1 million to save 300 jobs at Nestlé. Unbelievable!

Mark Garnier: The hon. Gentleman raises a number of issues. The hon. Member for York Central (Rachael Maskell) has been working hard on behalf of her

constituents to try to help with the redundancies at Nestlé, as indeed has the Department for Work and Pensions, which is standing ready to put in place its rapid response service. We are happy to meet representatives of Nestlé, and I would be very happy to meet them again. [*Interruption.*] Fantastic. Thank you.

Hannah Bardell (Livingston) (SNP): Scottish food and drink exports have doubled since the Scottish National party Government came to power in 2007. This has been key to the development of the Scottish economy. What does the Minister think about Michel Barnier's comment that frictionless trade in goods is "not possible" outside the single market and the customs union? Given the concerns of the Scottish Food and Drink Federation and the Scotch Whisky Association, and the huge reliance of the Scottish economy on this sector, will the Minister consider a transitional arrangement?

Mark Garnier: The total value of Scottish exports is some £62 billion a year, of which £50 billion is exported to the rest of the United Kingdom. That is as good a statement as any as to why Scotland should remain in the Union of the United Kingdom, rather than in the European Union.

Mr Ben Bradshaw (Exeter) (Lab): More than 80% of the fish caught around the south-west coast and 30% of our lamb is exported straight to the rest of the EU, yet under World Trade Organisation rules, that produce would face very high tariffs. What guarantees can the Minister give that our fishermen and our agricultural industry will not face tariffs or any other barriers if we leave the European Union?

Mark Garnier: This is all part of our negotiations with the European Union. It is an ongoing process, which will hopefully reach its end by March 2019. The United Kingdom Government are very keen to secure a deal with the European Union that sees no change whatever for businesses. We want as smooth a transition as possible into independence from the European Union, and the interests of fishermen down in the south-west are as important as those of everyone else.

Dr Sarah Wollaston (Totnes) (Con): More than £30 million-worth of fish was sold through Brixham fish market last year, the most valuable catch in England. Will the Minister meet me and industry representatives to discuss opportunities for expanding markets after we leave the European Union, as well as frictionless trade and smooth transfer across the border?

Mark Garnier: The Secretary of State is a Member of Parliament for the south-west, and he is happy to come and have that meeting, as am I as the departmental lead on the food and drink sector. Between the two of us, my hon. Friend the Member for Totnes (Dr Wollaston) may get twice as many meetings as she anticipates. We look forward to coming to help.

Topical Questions

T1. [900285] **Hywel Williams** (Arfon) (PC): If he will make a statement on his departmental responsibilities.

The Secretary of State for International Trade and President of the Board of Trade (Dr Liam Fox): The Department for International Trade has three main tasks: promoting British goods and services overseas, supporting inward and outward direct investment and creating a trade policy that benefits our businesses and citizens across the whole UK. To that end, I am delighted to welcome Antonia Romeo as our new permanent secretary and Crawford Falconer as our new chief trade negotiation adviser. Both bring excellence and expertise to the Department at this crucial time.

Hywel Williams: Fisheries and agriculture, the environment and transport are all key competencies of the National Assembly that could be affected by any future trade deal. Does the Minister concede that the National Assembly must have the power to endorse or reject any trade deal that would so profoundly affect its basic duties?

Dr Fox: We have made it clear all along that we intend to have maximum consultation and collaboration in that area and, to emphasise the point, in our manifesto we set out a plan to create a new board of trade, which will ensure that trade and investment is equally spread, as far as we can, across all parts of the United Kingdom—the devolved Administrations, as well as the English regions.

T3. [900287] **Robert Courts** (Witney) (Con): As well as an economic opportunity, there is a moral opportunity in trade with the developing world. Will the Secretary of State please tell the House what steps he is taking to support trade with developing countries?

Dr Fox: We have made it clear that, post Brexit, we will continue with duty-free access for the least-developed countries, but we need to see whether we can go further and reduce some of the burdens, particularly as we leave the customs union and are outside the common external tariff, by stopping the distortions on value added, which diminish the chance of investment in some of those developing countries.

Barry Gardiner (Brent North) (Lab): In his recent talks in the United States, did the Secretary of State discuss President Trump's initiation of a section 232 investigation into the effect of steel imports on US national security? What concerns does the Secretary of State have about the impact such a protectionist ruling might have on the UK's steel sector and on jobs in our steel industry due to lost exports and trade deflection of dumped goods on our market?

Dr Fox: We are all concerned about the overproduction of steel, largely coming from China, and what we have seen as possibly unacceptable subsidies into that sector, but it needs to be addressed in a way that is compliant with the WTO rules-based system. I raised with Secretary Ross and the trade representative, Mr Lighthizer, the impact that could have on the United Kingdom, and it is fair to say that our views landed. We now await the publication of the report, on which the President has up to 90 days to act.

T4. [900288] **Chris Davies** (Brecon and Radnorshire) (Con): Brecon and Radnorshire is full of excellent small business owners who are looking to trade with the rest of the world, but many are concerned that the trade

deals the UK is looking to make with the rest of the world will focus on big, rather than small, businesses. What assurance can my right hon. Friend give to small business owners that their voice will not be lost in negotiations?

The Minister for Trade and Investment (Greg Hands): My hon. Friend makes an extremely strong point. Over 99% of businesses in this country's non-financial business economy are small and medium-sized enterprises. Last year we helped over 1,200 Welsh companies, most of which were SMEs, and we ensure that we have regular SME-focused roundtables. We meet SME representative groups and, of course, SMEs can always access our portal, GREAT.gov.uk, which gives important indicators on how to improve their exports.

T2. [900286] **Christian Matheson** (City of Chester) (Lab): The Secretary of State wants to leave the EU because he felt it was undemocratic and unaccountable, so why is he happy for the UK to trade under World Trade Organisation rules, given that the WTO is more undemocratic and more unaccountable?

Dr Fox: The two things are not analogous. We operate with the WTO because we believe there needs to be a rules-based system for global trade, and if the WTO did not exist, we would have to invent it today.

T5. [900289] **Mr Marcus Fysh** (Yeovil) (Con): My constituency has one of the largest export clusters in the south-west, and it is focused on the rest of the world as much as it is on the EU. What assurance can my right hon. Friend give that we will focus on doing global trade deals and not just on the EU?

Dr Fox: My hon. Friend makes a very valid point, and of course it is not just about exports; it is also about inward investment. Therefore, let me bring the House up to date by saying that at 9.30 this morning we published figures showing that a record-breaking number of foreign direct investment projects came into the UK in 2016-17—2,265—safeguarding nearly 108,000 jobs or creating new jobs in the UK. No doubt, the usual suspects will describe this by saying, “despite Brexit”.

T7. [900292] **Kerry McCarthy** (Bristol East) (Lab): I thank the Ministers for the written answers they have given me this week on the EU-Japan free trade agreement. They were at pains to reassure me that existing animal welfare and environmental standards would be maintained, but can they give me further reassurance that we will use this as an opportunity to address with Japan the illegal timber trade and commercial whaling?

Greg Hands: We engage on these issues on an ongoing basis with Japan. I know this is very important to the hon. Lady, so may I reassure her that the Government share a lot of her concerns on protecting animal welfare in free trade agreements? The UK has one of the best scores on the world animal protection index, where we are in the top four. It is important that we maintain animal welfare standards in this country in future agreements, and I have every confidence that we will.

T6. [900291] **Andrew Percy** (Brigg and Goole) (Con): Ten and a half thousand UK businesses export to Canada, a quarter of a million jobs in the UK rely on trade with Canada and we are likely to be one of the biggest winners from the EU-Canada trade treaty. However,

CETA—the EU-Canada comprehensive economic and trade agreement—is imperfect, so what are we going to do post-Brexit to ensure that we do even better in our trading relationship with Canada?

Greg Hands: That is a very appropriate question, in this the week of the 150th anniversary of the Canadian confederation. My hon. Friend will know only too well that the UK exported more than £7 billion-worth of goods and services to Canada in 2015. We have five offices throughout Canada. We remain strongly supportive of CETA, but of course we will look to have a future agreement with Canada at an appropriate time.

Emma Little Pengelly (Belfast South) (DUP): Secretary of State, you will be aware that there are not only particular opportunities, but some challenges for each of the devolved regions across the UK in the next few years. Can you outline what plans and intentions you have to fully integrate the interests of the devolved regions within your strategy? Will you commit to an early meeting with delegations from the devolved regions to outline your engagement moving forward?

Mr Speaker: Order. It is a great pleasure to welcome the hon. Lady to the Chamber again. She is already a prodigious and assiduous contributor, but may I politely say to her that she must not inherit the bad trait of her hon. Friend the hon. Member for Strangford (Jim Shannon) of referring to the Minister as “you”? The word “you” in this Chamber refers to the Chair, and I have no plans to adopt any policies on these matters. She should refer to the Minister. I am still trying to train the hon. Member for Strangford, but I think his apprenticeship has some distance to travel.

Dr Fox: The words “tricks” and “old dogs” definitely come to mind on that one. The hon. Lady makes a good point: there are not only challenges, but great opportunities. It is essential that we look at our trade and investment programmes across the whole of the UK. As I said in answer to an earlier question, that is why we are bringing in the new Board of Trade to help ensure that we have that balance, but I can tell her that in the figures that we announced today Northern Ireland secured 34 new projects, totalling 1,622 new jobs. That is a big gain and this is exactly the sort of programme that we want to encourage to ensure that investment goes to all parts of the UK, ensuring that we create an economy that works for everyone.

Mr Peter Bone (Wellingborough) (Con): You will be delighted to learn, Mr Speaker, that British tie manufacturers’ exports are worth millions of pounds. Can the Secretary of State suggest how this House could help promote the wearing of ties, to increase exports?

Dr Fox: I did not check with my fellow Ministers before I came to answer these questions, but I suggest we can lead by example: my tie was made in England.

Mr Speaker: I cannot claim that mine was; I am not sure. But I am sure that if they are so popular, it will not be necessary to compel people to wear them. We shall move on.

WOMEN AND EQUALITIES

The Minister was asked—

Equality and Women’s Rights: DUP Discussions

1. **Christian Matheson** (City of Chester) (Lab): What discussions she has had with the Democratic Unionist Party on the Government’s commitment to equality and women’s rights. [900270]

8. **Anna McMorrin** (Cardiff North) (Lab): What discussions she has had with the Democratic Unionist Party on the Government’s commitment to equality and women’s rights. [900279]

The Minister for Women and Equalities (Justine Greening): The UK has a proud record of promoting equality, and we have some of the strongest laws in the world to prevent and tackle discrimination. The Government will continue to champion equal rights.

Christian Matheson: We have seen the recent tangle on abortion policy that the Government got into with the DUP. Women with pre-existing medical conditions, such as uncontrolled epilepsy, who seek abortions need to receive treatment in hospital settings to access back-up medical care if it is required. Will the Minister commit to ensuring that women from Northern Ireland with complex medical needs who cannot be treated in a stand-alone clinic will be able to access funded care in NHS hospitals?

Justine Greening: First, I recognise that this whole subject area is incredibly sensitive, and we need to approach it with some care and, indeed, some respect. I had a helpful first meeting with a number of the organisations, including charities, that are involved in this area. We talked about not only the core issues that were discussed in the House last week but some of the more challenging issues that women face when seeking abortion services. I assure the hon. Gentleman that we will consider all those issues very carefully.

Anna McMorrin: Equality and tolerance are important British values that we should all be proud of, so will the Minister work to overturn the ongoing ban on equal marriage in Northern Ireland? Does she believe that £1 billion is a fair price to pay for selling off such fundamental values?

Justine Greening: I am proud to have been part of a Government who introduced same-sex marriage, and we should all be proud that we are in a Parliament that passed that Bill. The London Pride celebrations are taking place this weekend, and that will be a chance to celebrate the progress that has been made. We have to fundamentally win the argument on moving forward on LGBT rights. This is something that needs to take place throughout the country, including in Northern Ireland, where there is a democratic Northern Ireland Assembly. It is a debate we all need to engage in, but we have seen progress over many years and we can be proud of that. Nevertheless, as the hon. Lady sets out, there is still a lot of progress to be made.

Mrs Maria Miller (Basingstoke) (Con): In response to a 2005 Northern Ireland Department of Justice consultation, the Royal College of Midwives, the Royal College of Nursing and the Northern Ireland committee of the Royal College of Obstetricians and Gynaecologists all backed changes to give more women in Northern Ireland access to terminations. In the absence of a Northern Ireland Assembly, how will the Government deal with this issue?

Justine Greening: What we can do is make sure that Northern Ireland women who are presenting here in the UK have the same rights as a woman from England would already have. To my mind, we need to ensure that whether someone's address is Belfast or Birmingham, if they are here in England seeking abortion services, they have comparable service and comparable rights, and that is what we will seek to do. As my right hon. Friend sets out, though, there is also a debate to be had in the Northern Ireland Assembly. It is of interest that Ireland's new leader has talked about bringing forward a referendum on abortion in Ireland next year.

Nick Herbert (Arundel and South Downs) (Con): It is good to see the Rainbow flag flying over the Foreign Office in Pride week. Will my right hon. Friend assure me that she and the Government will remain fully committed to protecting LGBT rights, both at home and abroad, where there is work still to do?

Mr Speaker: At least as importantly, the Rainbow flag will be flying over the House.

Justine Greening: I can absolutely give my right hon. Friend that assurance. There will be no backsliding on LGBT rights from this Government. We aim to continue the progress that has been made working throughout the House and across party lines. We will seek to do that not only in the UK but around the world. I will be part of the London Pride celebrations this weekend and I am proud that since the election we now have, I think, more openly LGBT MPs in this House than in any other Parliament in the world.

Jim Shannon (Strangford) (DUP): I have spoken about equality and the rights of women in our party to my party leader, who is a woman, to my close constituency colleague and a Member of the Legislative Assembly, who just happens to be a woman, and to my most senior member of staff, who is my close adviser and who, shockingly, is also a woman. They seem to be satisfied. I ask the Minister this question: what discussions have been held with Labour's sister party, the Social Democratic and Labour Party, which has many of the same moral stances that we have, which is what I believe this question seeks to highlight?

Justine Greening: The hon. Gentleman sets out the fact that there is a discussion and a debate to be had across political parties both here in this Parliament and in Northern Ireland. That is a debate and a discussion that I welcome, and I know that we can have it in a constructive way. As I said right at the beginning, it is important that we recognise that this is an important and sensitive issue and that the way in which we have that debate needs to be in accordance with how important

it is to have a measured approach and an informed discussion about how we can continue to see women's rights go forward.

Angela Crawley (Lanark and Hamilton East) (SNP): I join hon. Members across the House in wishing a happy Pride to all those celebrating London Pride this weekend. Despite the fact that a number of promises were made during the election campaign on the need to strengthen and protect equality legislation, there was no such commitment in this year's Queen's Speech. People across this country have deep concerns that the Tory backroom deal with the DUP could undermine our equality here in the UK. What assurances will the Minister provide that progress on equality will not be sidelined for political expediency?

Justine Greening: I think that I have given those assurances on a number of occasions. I will be very happy to come to this Dispatch Box and continue to give them, as they are important. I simply say to the hon. Lady that, as we have been so clear-cut that there will be no backsliding in this area, to continue to suggest that there will be is not a very helpful approach to achieving cross-party consensus to move forward on these issues.

Mr Speaker: I call Nic Dakin on question 2.

Paula Sherriff (Dewsbury) (Lab) *rose*—

Mr Speaker: I apologise to the hon. Gentleman. The hon. Member for Dewsbury (Paula Sherriff) did not leap from her seat, but I think that she wishes to contribute.

Paula Sherriff: DUP representatives have described homosexuality as repulsive, wrong, vile, immoral, offensive and obnoxious. Does the Minister agree that it is those hateful remarks themselves that are repulsive, wrong, vile, immoral, offensive and obnoxious and that they should have no place in our politics let alone in Government? The DUP once ran a campaign called, "Save Ulster from Sodomy". Is it not time to save Ulster from bigotry?

Justine Greening: The views that the hon. Lady sets out are absolutely not ones that I agree with or that are shared by this House. As I have said, it is important that we have this debate and progress continued improvements in LGBT rights, women's rights and the rights of disabled people—and all sorts of people who face discrimination in our country—in a measured fashion and that, where we can, we find some consensus. It is in that fashion that we will steadily win the battle.

State Pension Age: Women Born in the 1950s

2. **Nic Dakin** (Scunthorpe) (Lab): What discussions she has had with the Secretary of State for Work and Pensions on the disadvantage experienced by women born in the 1950s as a result of changes to the state pension age. [900271]

4. **Gill Furniss** (Sheffield, Brightside and Hillsborough) (Lab): What discussions she has had with the Secretary of State for Work and Pensions on the disadvantage experienced by women born in the 1950s as a result of changes to the state pension age. [900274]

The Parliamentary Under-Secretary of State for Work and Pensions (Guy Opperman): The Secretary of State for Work and Pensions has regular discussions with all Cabinet colleagues on a range of issues. The Government will not be revisiting the state pension age changes implemented by the Pension Acts 1995 and 2011. This Government are committed to supporting 1950s-born women and men who cannot work, and those who wish to continue working, retraining or returning to work.

Nic Dakin: Yesterday, in response to the Westminster Hall debate, the Minister made the well-intentioned but ill-judged suggestion that an adequate response to the pensions plight of the 1950s-born women was for them to access apprenticeships. That shows how far out of touch some people are on this issue. There is a clear consensus across this House to address this injustice. When will the Government bring forward legislation to address that injustice?

Guy Opperman: Many companies such as the Co-operative, Barclays, Aviva, Centrica and others have committed to older workers by recruiting and retraining them. The employment rate for those aged between 50 and 64 is up 48,000 this quarter, and 213,000 on the year. That includes 57,000 people who started apprenticeships aged between 45 and 59, and 3,560 who started apprenticeships over the age of 60.

Gill Furniss: Following the appalling announcement in yesterday's Westminster Hall debate, which was probably the best-attended debate ever in that Chamber, many of us have heard through our postbags that the poverty caused by this Government's decision on equalising the pension age is appalling. Is that not just another sign of this Government showing yet again how out of touch they are with the real world, as they have over the past three weeks?

Guy Opperman: With the greatest respect, 22 years ago, when neither the hon. Lady nor I was in the House, the Government introduced the Pensions Act 1995 to require equalisation. That was then overseen by various Governments, who provided extensive information in many different ways over the following years. The 2011 Act then accelerated the process by 18 months. Following that, 6 million letters were sent out to individual constituents. If the hon. Lady knows of any individual issues, I urge her to write to me and I will make sure that there is support for any specific constituent that she has.

Tim Loughton (East Worthing and Shoreham) (Con): I am afraid that the Minister, as he knows, was on a hiding to nothing in the packed debate in Westminster Hall yesterday, and although his offer to meet—*[Interruption.]*

Mr Speaker: Order. There is too much noise in the Chamber. Let us hear the hon. Gentleman.

Tim Loughton: Although the Minister's offer to meet representatives from the all-party group was very welcome, as he has heard his promotion of apprenticeships for 64-year-olds was perhaps less wise. This is clearly a matter of injustice and inequality for a group of women who have been affected disproportionately, so may we please get everybody back around the table for genuine

discussions about finding solutions that will not break the bank but will bring some justice and solutions to hard-pressed women who are suffering now?

Guy Opperman: I look forward to meeting the all-party group when it is reformed, but I make the point that revisiting the 1995 Act and the 2011 Act would cost well in excess of £30 billion, as my hon. Friend knows. However, I look forward to those meetings and discussions.

Michael Tomlinson (Mid Dorset and North Poole) (Con): Notification is clearly a key concern. Will my hon. Friend confirm what steps have been taken to raise awareness of the changes in the state pension age?

Guy Opperman: I am grateful to my hon. Friend for the question. As he will be aware, there have been multiple leaflets, letters, debates, advertising and discussion all the way through from 1995—for the past 22 years. He will no doubt be aware that there have been multiple debates in Parliament as well.

New Mothers (Redundancy Protection)

3. **James Frith** (Bury North) (Lab): What steps she is taking to strengthen redundancy protection for new mothers returning from maternity leave. [900272]

The Minister of State, Department for Business, Energy and Industrial Strategy (Claire Perry): The Government proudly supported the Equality Act 2010, which makes it unlawful to discriminate on a number of grounds, including pregnancy and maternity. We know from talking to employers that four out of five say that they want to do the right thing and support pregnant women and women returning to work after pregnancy. There are still far too many cases of discrimination and unlawful treatment and both Minister Margot James and I are absolutely determined to come down like a ton of bricks on employers who break the law and to make sure that women are completely aware of the rights that they enjoy. I am aware of the consultation to extend the time by which somebody can report to a tribunal—

Mr Speaker: James Frith.

James Frith: I see little evidence of the ton of bricks. As a former employer, I know first hand the value of protecting maternity rights, not just for the expectant mum or returning mother but for the employer as well. Does the Minister agree that it is vital that we encourage employers to meet their legal responsibilities to prevent the discrimination happening in the first place and that those who do not should be held to account?

Claire Perry: I forgot to welcome the hon. Gentleman to his place. He is absolutely right. We are working with ACAS and the Equality and Human Rights Commission, because not only employers but women returning to work need to be aware of their rights. Having had three children, two in America, I can assure Members that the rights and responsibilities enjoyed here are far better than in other parts of the world, but they are still not good enough. Minister Margot James and I are absolutely determined to sort things out.

Mr Speaker: Order. That Minister does not require her name to be advertised in the Chamber; we all know who the hon. Lady is. The Minister is experienced enough to know that one should not name names in the Chamber. I am sure she will do better next time.

Mike Wood (Dudley South) (Con): The fact that some women are still discriminated against during pregnancy or maternity leave is both unacceptable and unlawful. Will the Minister assure the House that the Government not only take the problem extremely seriously but are looking at how laws can be better enforced to give the protection she promises?

Claire Perry: I am delighted to give those assurances.

My apologies, Mr Speaker—I shall continue to serve my apprenticeship.

Mr Speaker: With considerable skill and charm, I am quite certain about that. I thank the Minister for what she has said.

Maria Eagle (Garston and Halewood) (Lab): Given the Minister's view about this, will she take up the issue of tribunal fees, which a previous Government, of which she was a one-time member, increased significantly? Does she not accept that charging a huge fee to take a case to tribunal is one of the biggest reasons why women who have been discriminated against cannot enforce their rights?

Claire Perry: The hon. Lady will know that there has been an employment tribunal fees review and we have found no evidence that pregnancy and maternity discrimination is falling foul of the current fees system. She also knows that we are carefully considering responses to the consultation and will be responding.

Ex-prisoners (Support)

5. **Ian C. Lucas** (Wrexham) (Lab): What support the Government provide to women who lose homes and assets as a result of a prison sentence. [900275]

The Parliamentary Under-Secretary of State for Justice (Dr Phillip Lee): The Justice Department is aware of the link between homelessness and reoffending, which is why we are making sure that we address female offenders' housing and support needs as an absolute priority.

Ian C. Lucas: The Minister has correctly identified the importance of homelessness in reoffending, but will he give much more detail about what specific assistance is given to individuals who leave prison, who we do not want to see reoffending but who need assistance at a crucial time?

Dr Lee: The community rehabilitation companies and indeed the national probation service are required to provide the services to which the hon. Gentleman refers. I guarantee that the female offenders strategy, which is due to be released by the end of the year, will concentrate primarily on improving that community offering.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): Thirty-eight per cent of women released from prison have no accommodation arranged for them, and more

than 46% of women in prison have experienced domestic violence. The Minister knows that many of the problems associated with women prisoners revolve around their mental health. With increasing evidence that autism is to be found among the female population, will the Minister take advantage of this new set of statistics to look at mental health provision for women leaving prison? That is most important.

Dr Lee: I thank my right hon. Friend for the question. I am responsible not only for women's justice but for offender health. In September, I will have two roundtable meetings to discuss the current mental health provision, both for men and for women. We are aware that the combination of mental health not being treated properly and addiction not being treated properly are significant contributors towards recidivism.

Mrs Madeleine Moon (Bridgend) (Lab): Many of the women who are imprisoned have mental health problems. Imprisonment and losing their home and possessions set back their chance of recovery. Will the Minister in his reports pay particular attention to the impact of women with mental health problems when they become homeless and lose all that they have managed to pull together?

Dr Lee: Yes, we will. I am aware that a significant proportion of the female population in prison are victims of very difficult circumstances, be they homelessness, coercive relationships and the like. I confirm that the strategy, as I said previously, will concentrate on improving the community offering so that ultimately these women do not commit offences in the first place.

Philip Davies (Shipley) (Con): Will the Government confirm that they do not believe in giving prisoners who lose their home any more support than any other person who happens to be in the unfortunate position of losing their home? Will the Minister confirm that the Government do not believe in giving female prisoners who lose their home more support than male prisoners who lose their home?

Dr Lee: I am very glad to be continuing my brief—my hon. Friend always delivers the question that I expect. I assure him that, with regard to access to housing, I am not aware that ex-offenders will be given any more priority than people who have not committed an offence. With reference to whether we treat men and women who have committed offences equally, I am interested in reducing crime and I am convinced that a disproportionate number of women are committing crime because of the way in which they are treated, be it by their partners or indeed by their housing circumstances. I think he will agree that, if we can get this right, we will be reducing crime, which I think is the best outcome.

Carolyn Harris (Swansea East) (Lab): Vulnerable women on release are not given adequate support, either with housing or with community reintegration. Many return to abusive relationships, drug and alcohol abuse, and, at worst, crime. Does the Minister honestly believe that we are giving women's life chances parity of esteem in their current treatment?

Dr Lee: I agree that we are not getting the treatment of women offenders right. That is why I was eager to introduce a new strategy. The Manchester area provides

an example of where the Department is investing in a whole system approach. I do not think Whitehall is the place to make decisions on a woman's future before, during or after prison. I would prefer to localise decision making so that decisions are made by people who understand the women concerned, so that we can keep them in the community and away from prison.

Mr Speaker: We will probably be able to take only the Order Paper questions next, and that must be done briefly.

Gender Pay Gap

6. **Edward Argar** (Charnwood) (Con): What steps the Government are taking to reduce the gender pay gap. [900276]

7. **Chris Davies** (Brecon and Radnorshire) (Con): What steps the Government are taking to reduce the gender pay gap. [900277]

10. **Gillian Keegan** (Chichester) (Con): What steps the Government are taking to reduce the gender pay gap. [900281]

The Minister for Women and Equalities (Justine Greening): The gender pay gap is now at its lowest ever, which is great news, but we need to go further. We are one of the first countries to introduce gender pay gap reporting, and I am delighted that mine is the first Government Department to have published its pay gap figures. What matters is not just transparency, but recognising where women face barriers and taking action.

Edward Argar: I welcome the progress that has been made, particularly under this Secretary of State. Does she agree that central to further progress on this issue is a genuine and continued partnership between business and Government?

Justine Greening: Absolutely. Mandatory reporting is just the start. We have worked with business to publish guidance on how to pull together accurate information and set out case studies showing what businesses and trail-blazing employers are already doing. With the Government Equalities Office, we recently held events in places such as Leeds and Glasgow that gave employers an opportunity to showcase the business benefits of closing their gender pay gap.

Chris Davies: I congratulate the Department for Education on being the first Government Department to publish its gender pay gap and its bonus pay gap. Does my right hon. Friend agree that the Department is leading by example in promoting gender equality in the workforce?

Justine Greening: I hope that is correct. It is important work and we are strongly encouraging other civil service Departments and employers across the public sector to follow suit.

Gillian Keegan: Globally, only about half of working-age women are employed, and they earn three-quarters as much as men even if they have the same level of education and are in the same occupation. Does my right hon. Friend agree that realising the economic potential of women benefits the whole of society, not just women?

Justine Greening: Absolutely. This is not just the right thing to do; it is the smart thing to do. I have a role on the UN High-Level Panel on Women's Economic Empowerment, whose work showed that gender equality and women's economic empowerment is one of the most powerful global levers for growth that we can pull. Indeed, McKinsey did work that suggested that if we bridged the gender gap here in the UK, it could add £150 billion to our GDP by 2025.

Chi Onwurah (Newcastle upon Tyne Central) (Lab) *rose—*

Mr Speaker: I will call the hon. Lady if she has a single-sentence question.

Chi Onwurah: International women in engineering day was 22 June. The Minister knows how important career choices are for women and the gender gap. What is she doing about that?

Justine Greening: One of the main actions we can take is to make sure that girls study maths and science at A-level. We know that that is a powerful way to keep those career options open to them.

Topical Questions

T1. [900247] **Sir Desmond Swayne** (New Forest West) (Con): If she will make a statement on her departmental responsibilities.

The Minister for Women and Equalities (Justine Greening): In April, our groundbreaking legislation on the gender pay gap came into force. This weekend we are celebrating London Pride, where people come together to celebrate how far we have come and to keep up the pressure for progress in LGBT equality. I look forward to joining those celebrations. Fifty years ago this year, Parliament voted to decriminalise male homosexuality in England and Wales, and this year's general election returned the most openly LGBT MPs Parliament has ever had. Finally, and importantly, I outlined last week how the Government will ensure that women from Northern Ireland seeking an abortion in England will no longer have to pay for NHS treatment.

Sir Desmond Swayne: Is my right hon. Friend satisfied with the Government's efforts to empower women economically internationally?

Justine Greening: I think that we can be proud of the work that this country is doing, not just here at home, but internationally, to beat the drum for women's economic empowerment. In fact, alongside the work that we have been part of at the UN, this week the Prime Minister will attend the G20 summit in Germany, where women's economic empowerment will be a priority, and we will keep on being a champion of that.

Sarah Champion (Rotherham) (Lab): The Minister will be aware of the levels of persecution, intolerance and hate crime towards transgender people. Can she therefore confirm whether she has plans to develop a new transgender action plan, in line with the previous response to the Women and Equalities Committee? Also, do the Government plan to conduct a review of the Gender Recognition Act 2004?

Justine Greening: The hon. Lady raises an important point. We responded very constructively and positively to the Select Committee's important report, and we have been very clear that we will review the Gender Recognition Act. That sits alongside a lot of other work that we will be doing to ensure that we take action on this.

T4. [900250] **Mr Peter Bone** (Wellingborough) (Con): The excellent Leonard Cheshire charity has estimated the disability employment gap to be 31.3%. What are the Government doing to close it?

The Parliamentary Under-Secretary of State for Work and Pensions (Guy Opperman): On 7 September this year we will have the 100th anniversary of the birth of Leonard Cheshire, the Victoria Cross-winning founder of this great disability charity, so I support this question and this great organisation. The Government remain strongly committed to helping people with disabilities and health conditions get back into work. Over the past three years more than 500,000 people have done so, and we have a Green Paper setting out the full details of the matter.

T2. [900248] **Ian C. Lucas** (Wrexham) (Lab): The Minister for Women and Equalities has this morning heard the overwhelming view across the House on the WASPI issue, following yesterday's Westminster Hall debate. Is she not embarrassed by the Government's current policy, and what will she do to change it?

Justine Greening: I know that there was an important debate yesterday in Westminster Hall. This is an important area, but it is also important that we have a steady transition, as the Under-Secretary of State for Work and Pensions, my hon. Friend the hon. Member for Hexham (Guy Opperman), has set out. I am content that the way the Government are handling this, which follows on from previous Governments, is the right way. The hon. Gentleman should also reflect on the fact that we have invested £1.1 billion to ensure that there is support during the transition.

Mims Davies (Eastleigh) (Con): I recently had the pleasure of speaking at the Women's Leadership Network conference, alongside the principal of Eastleigh College. Confidence is key in getting women back to work, particularly returners, or climbing up the ladder. What are the Government doing to encourage returneeships so that we can support what the Prime Minister has said?

Justine Greening: As part of the Budget the Chancellor announced a £5 million fund for returneeships, which we know disproportionately help women returning to the workplace. Industry is already doing some groundbreaking and innovative work. We want to use the fund to help develop that work and hopefully mainstream it.

T3. [900249] **Chris Elmore** (Ogmore) (Lab): A TUC survey of workplace representatives found that one in three respondents have reported management criticism of menopause-related sick leave. What discussions has the Minister had with the Secretary of State for Work and Pensions on reducing discrimination faced by women during the menopause?

Justine Greening: Any discrimination of that nature is entirely unacceptable in 21st-century Britain, and I can assure the hon. Gentleman that, through my Department and the Government Equalities Office, we have discussions across Government to see what more can be done to strengthen the legal framework within which businesses operate, but the framework is already there and it is important that we ensure that it is enforced.

Wendy Morton (Aldridge-Brownhills) (Con): Following an earlier question, women must feel that they can bring forward cases of maternity discrimination. What steps are the Government taking to ensure that people from all backgrounds can access justice?

The Minister of State, Department for Business, Energy and Industrial Strategy (Claire Perry): The question that I think my hon. Friend is getting to is whether there has been a change in access as a result of changes in fees. We considered this issue very carefully, because it was the case, particularly when we talked with small and medium-sized enterprises, that very many vexatious tribunal claims were being brought—[*Interruption.*] They were. An hon. Lady on the Opposition Benches says, "Rubbish." She should get out and talk to some businesses sometime and hear what they think. A change was therefore made. We are now reviewing the help for fees scheme so that we can understand exactly what is going on. However, there is no evidence that maternity discrimination cases have been particularly affected by the fees.

T5. [900251] **Gerald Jones** (Merthyr Tydfil and Rhymney) (Lab): Following recent reports of arrests in relation to planned attacks at an LGBT event in Barrow, what discussions has the Minister had with the Home Office to further combat far-right extremism?

Justine Greening: Hate crime is entirely unacceptable. As the hon. Gentleman will know, we have developed and are now funding a hate crime action plan. Alongside that, it is important that we work upstream. The work that we are now doing on bullying in schools can play a massive role in the long term. I also draw the House's attention to the recent social attitudes survey, which really showed that tolerance and inclusiveness of LGBT rights are now widely accepted across the country, but there are clearly still pockets of intolerance, which we absolutely have to combat.

Mrs Maria Miller (Basingstoke) (Con): There are record numbers of women in this Parliament, but women are still outnumbered by men two to one. Will the Government consider the recommendation in the report of the Women and Equalities Committee to bring into action section 106 of the Equality Act 2010 to ensure that each political party is transparent about the gender of the candidates they field?

Justine Greening: We will be responding to the Committee's report. These are incredibly important issues for our country. I am concerned to ensure that, although we have now broadly got up to a third of parliamentarians who are female, we do not now plateau. We all have a role in ensuring that we continue to see progress, and I assure my right hon. Friend that I am

committed to ensuring that the Government play a leading role in that, and I am proud that we also have a female Prime Minister.

T6. [900252] **Jessica Morden** (Newport East) (Lab): Two thirds of public sector workers are women, so they are disproportionately hit by the public sector pay cap. What is the Minister doing to argue the case for scrapping the cap?

Justine Greening: We have an evidence-based approach in relation to public sector pay. An independent group of people looks at the pressures on the public purse and at ensuring that our pay settlements are affordable. It also looks at the evidence in relation to recruitment, retention and the numbers of people we want in our public sector, particularly on the front line. That is a sensible approach. The hon. Lady will be aware that a number of pay review bodies will come out with their reports across the board, and we will consider them when they do.

Ms Nusrat Ghani (Wealden) (Con): As my right hon. Friend confirmed earlier, the gender pay gap is at its smallest ever, but more needs to be done. What work is being done to encourage girls and women to choose careers in high-paying sectors traditionally dominated by men, especially Pakistani and Bangladeshi women, who have the largest gender pay gap?

Justine Greening: We heard a question about STEM subjects earlier. That is one of the most important areas where we can really start to level up girls and women in the workplace. More generally, it is important that all girls going through school understand that there is a career ahead of them that they can aim for. That is not just about the subjects they do; it is about ensuring that their attitudes and expectations are suitably high.

T7. [900253] **Lilian Greenwood** (Nottingham South) (Lab): Nottingham Women's Centre recently launched its "Help through Crisis" report—Big Lottery-funded research that indicates that women often experience multiple disadvantage and have complex needs that are not currently being met. May I invite the Minister to visit Nottingham Women's Centre, meet some of the women who took part in that research and discuss how she will ensure the provision of appropriate holistic services for women with multiple and complex needs?

Justine Greening: I am grateful for that very kind offer. The Under-Secretary of State for Justice, my hon. Friend the Member for Bracknell (Dr Lee), will also have heard that request for a visit. From my personal experience as a local MP, I know the amazing work that many such centres do, so I thank the hon. Lady for her invite and I will ensure that somebody responds. I would love to visit.

Tom Pursglove (Corby) (Con): What assessment has my right hon. Friend made of the impact of vile online abuse on people, particularly women, coming forward to stand for public office?

Justine Greening: Following this election, the issue has never been higher on the political agenda. As somebody who did not have a particular life mission to become an MP, but wanted to play a constructive role in my community and represent it in this place, I think it is important that we get rid of this aggressive sort of political campaigning. It does our democracy no good and puts decent people off running for Parliament, and that is a bad thing.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): The Scottish Government have committed to increase the number of women on public boards, and the Partnership for Change 50/50 campaign encourages the private, third and public sectors to achieve gender balance on boards by 2020. At the current rate of change, gender balance will take several decades, so when will the UK Government follow the Scottish Government's lead?

The Minister of State, Department for Education (Anne Milton): Since 2010, the number of women on FTSE 350 boards has more than doubled, and we now have the highest percentage ever—over 24%. We have the lowest number of all-male boards in the FTSE 350, with only six remaining. It is not good enough, and we need to make more progress, but progress is being made. The work that the Government are doing through the Women's Business Council to stimulate a culture change is very important. Diversity and women are good for business.

Several hon. Members *rose*—

Mr Speaker: Order. As we come to the first of the two urgent questions that I have granted today, can I please remind colleagues of the importance of sticking to the time limits that have been declared and communicated repeatedly to colleagues? Obviously this is particularly relevant to the Front Benchers—the person who secured the UQ and who has the allocated two minutes, and the Minister answering it, who has the allocated three minutes. We really do need to stick to the limits, because otherwise it is very unfair on Back Benchers.

Hannah Bardell (Livingston) (SNP): On a point of order, Mr Speaker.

Mr Speaker: No, no—I am not taking points of order now. Points of order come after UQs and statements, but we will look forward to hearing the hon. Lady; we are saving her up for later on in the day.

Adult Social Care Funding

10.41 am

Barbara Keeley (Worsley and Eccles South) (Lab): Does the Minister share my deep concern about the state of social care highlighted—

Mr Speaker: Order. What the hon. Lady needs to do is just ask the Minister for the statement on the matter, and then she follows with her substantive question when the Minister has given his response.

Barbara Keeley: (*Urgent Question*): To ask the Minister to respond to the Care Quality Commission report on the state of adult social care and on issues of funding social care.

Mr Speaker: I call Minister Steve Brine.

The Parliamentary Under-Secretary of State for Health (Steve Brine): Thank you, Mr Speaker—take two.

There are few things more important to any of us than the way in which the oldest and most vulnerable are cared for in our society. First, let me pay tribute to the 1.4 million people who work in the country's social care sector. They support many of the most vulnerable people in our communities, often in the most difficult of circumstances. I am proud that we have done more than any Government before to improve the quality of social care, introducing a tough system of CQC ratings, new qualifications for care workers, and new standards to ensure that everyone receives the highest-quality support. I am heartened that today's CQC report shows that even in a time of acute fiscal pressure, 79% of adult social care services are now providing good or outstanding care.

However, it is impossible to ignore the pressure that our ageing population and advances in medicine are putting on the system. We have seen the number of over-65s increase by nearly 1.2 million, or about 14%, over the past five years. Today's CQC report shows that in some areas, it is completely unacceptable that standards in some settings are below those rightly expected by care users and their families. This Government view social care as a priority, which is why in the spring Budget this year we announced an additional £2 billion over the next three years for councils in England to spend on adult social care services. That means that, in total, councils will have access to £9.25 billion more dedicated funding for social care over the next three years—enough to increase social care spending in real terms. We have also been clear that later this year we will be consulting widely on the future of social care in this country to put it on a stable footing.

My right hon. Friend the Health Secretary updated the House on Monday about action he is taking to address delayed discharges from hospital in advance of this winter. Last year there were 2.25 million delayed discharges, up by 24.5% from 1.81 million in the previous year. The Government are clear that no one should stay in a hospital bed longer than necessary—it removes people's dignity, reduces their quality of life, leads to poorer health and care outcomes for people and is more expensive, ultimately, for the taxpayer. Since February, there have been significant improvements in the health and care system, with a record decrease in month-on-month delayed discharges in April of this year.

However, we must make much faster and more significant progress well in advance of next winter to help free up hospital beds for the sickest patients and reduce pressures on accident and emergency departments. That is why we have introduced a further package of measures to support the NHS and local government in reducing delays. That package includes guidance, a performance dashboard, plans for local government and the NHS to deliver an equal share of the expectation to free up 2,500 hospital beds, and of course CQC reviews. We have also been clear that we will consider a review in November of the 2018-19 allocations of the social care funding provided at spring Budget 2017 for poorly performing areas. We have been clear that the Budget funding will all remain with local government, to be used for adult social care.

Barbara Keeley: I thank the Minister for that response, but I really must ask him whether he shares my deep concern about the state of adult social care, as highlighted by today's report by the Care Quality Commission. Some 3,200 care services were rated as "requires improvement", with more than 340 rated as "inadequate". That means that some 92,000 vulnerable people are receiving poor care and some 10,000 people are receiving inadequate care. The picture is even worse in nursing homes, with one in three receiving the poorest ratings.

Does the Minister share my concern about safety, with one in four care locations failing on protecting people from abuse or avoidable harm? That means thousands of vulnerable people not getting prescribed medicines, being ignored when they ask for help and not having enough time for their home care visits.

The Labour party has repeatedly raised the damaging impacts of budget cuts, with more than £5 billion having been cut from social care since 2010. Does the Minister now accept that that has caused the crisis in care staffing, which is at the heart of the poor care that is being reported? Poor staffing levels and staff training are key factors in those providers with the poorest ratings.

In his written ministerial statement earlier this week, the Secretary of State suggested that the £2 billion allocated in the spring Budget to local councils for social care, to which the Minister has just referred, will now be dependent on performance against targets for delayed transfer of care. That means that some councils could lose funding that they have already planned to spend. Does the Minister accept that threatening local councils with the loss of planned funding could lead to a worsening of the quality and safety issues highlighted today? With social care in crisis, this is not the time to be threatening joint working with local councils, so will he reverse that threat and match the Labour pledge of an extra £8 billion for social care, including an extra £1 billion this year?

Steve Brine: I thank the hon. Lady for that response. This subject was much discussed during the general election, and I think it will be greatly discussed during this Parliament.

Nobody is making any threats. The Government are very supportive of the best-performing systems, where local government and the NHS work together to tackle the challenge of delayed transfers of care. We have said that, depending on performance, we will consider a

[*Steve Brine*]

review in November of the 2018-19 allocations of social care funding provided in the spring Budget for areas that are poorly performing. As I have said, that funding will all remain with local government, to be used for social care.

Obviously, we recognise that there are real pressures in the system. That was why we responded—I think the hon. Lady's party was pleased with this at the time—with an additional £2 billion for social care in this year's Budget. We have also given councils the chance to raise the council tax precept. My authority, Hampshire, has done that, and I think that has been well received.

Turning to the actual report, it would be easy to duck all of this. Dare I say that I hope we can conduct this debate in a sensible spirit? People out there working in the system who want to pass the mum test, as was said this morning, want us to do that and are watching things closely. Of course, it would be easy to bury our heads in the sand, but let us remember that had we had the rigorous inspection regime that the Secretary of State put in place earlier, a lot of problems, including those in the hospital sector when the hon. Lady's party was in government, would not have been heard of. We know about the current situation only because of the inspection regime that has been put in place.

The CQC report found a number of things, and obviously we will digest it over the days and weeks ahead. It found that the adult social care sector performed best in how caring its services are: 92% of services were rated good and 3% outstanding. We can kick this issue around all we like, but today's report shows exactly why we introduced the inspection regime. It is uncovering the care that is good—the vast majority of it—and it is also uncovering the care that is not, which is where we want to help and support local authorities to make sure that improvements are made for the people we represent.

Dr Sarah Wollaston (Totnes) (Con): It is concerning to note from the CQC's state of adult care report that staff turnover rates have risen from 22.7% to 27.3% in the three years to 2015-16. Will the Minister meet me to discuss the important role that supporting skills and opportunities for career progression can play in reducing turnover, improving morale and, most importantly, improving the quality of care that people receive? Will he visit my constituency to see the excellent joint working that has been done by the trust and South Devon College towards just that?

Steve Brine: I thank my hon. Friend for that. I think she knows that I will be in the vicinity of her constituency at some point over the next few months, and I would like to take her up on her offer. I wish her well in her current campaign.

The workforce is critical. Adult social care is a rapidly growing sector, and there are about 165,000 more adult social care jobs than there were in 2010. It is imperative that we get the right people into the right jobs, to deliver the improved quality of care and services that we all want to see. We are working closely with our delivery partner Skills for Care to improve the level of skills in the adult social care workforce, and we are making the profession more attractive with the introduction of the national living wage, from which up to 1.5 million

people in the social care sector are expected to benefit. I might point out that that policy has come in only as a result of this Prime Minister and this Government.

Dr Philippa Whitford (Central Ayrshire) (SNP): I want to point out that the report rates 92% of services as good and 3% as outstanding on caring. That comes from the commitment of staff, who, sadly, have not been given a breaking of the 1% cap. The issue of safety has been raised, with one in four providers failing to provide safe care. That comes down to workforce and funding. Brexit threatens the workforce; as the hon. Member for Totnes (Dr Wollaston) said, there is a turnover of one in four. Funding has been reduced by 9%, and that has to be tackled.

Does the Minister recognise that one in five emergency admissions could be avoided if alternatives were provided? Although the measures are different in Scotland, delayed discharges are falling in Scotland while they are rising in England. Will he get rid of fragmentation and look at real integration of health and social care in the sustainability and transformation plan reorganisation?

Steve Brine: I said at the very start of my response, did I not, that we should salute the 1.4 million people who work in this country's social care sector? We should also salute the families who support people who are in and out of care settings all the time. I did also say—I am grateful that the hon. Lady responded to this—that it does not surprise me that the caring side of the sector came out as one of the good bits in the report.

The hon. Lady spoke about keeping people out of the emergency setting, and that is absolutely what the STP process is about. We are one NHS, and there is one public sector. This is about the NHS getting delayed transfers of care right, but it is also about the work of local government. The STP process works at upper tier authority level as well as across the NHS—in my area of Hampshire, the NHS is working closely with Hampshire County Council—to deliver a one-system response. She is absolutely right, as usual, to point that out.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): It is absolutely vital that we improve adult services that are failing and falling behind, but let us not lose sight of the fact that most adult social services are of high quality and many are improving. Nearly four out of five of our adult services are good or outstanding. We all know that there is a looming crisis in social care, which is why the Chancellor announced further investment of £2 billion in this area. Is that investment starting to show some results?

Steve Brine: Yes, we believe it is. The CQC has completed its ratings, and the proportion of providers rated good or outstanding increased to 79% by July 2016; the previous figure was 72%. It is also worth noting the CQC's statement that 81% of services rated inadequate improved their overall rating following re-inspection. Obviously, there is a challenging element to the report. As I have said, we do not hide from that or shirk it—nor should we—and that is why we set up the inspection regime. It would not be right or fair to people who work in or rely on the sector to say that everything is going to hell in a handcart, because I do not believe that it is.

Norman Lamb (North Norfolk) (LD): I hope the Minister will agree that these widespread failures of care are intolerable in a civilised society. Does he share my view that we will have to confront the need to increase taxes to ensure that we have an efficient, effective and compassionate system, and will he embrace a cross-party approach to come up with a long-term settlement?

Steve Brine: Of course I want to work—as will the current Care Minister, the Under-Secretary of State for Health, my hon. Friend the Member for Thurrock (Jackie Doyle-Price)—with the respected former Care Minister, and with any other Members who have any sensible suggestions. Taxation is of course a matter for the Chancellor at financial events, and there will obviously be a Budget later in the year.

On the areas where there are care challenges, we have picked up 12 local areas for review, as the Secretary of State said earlier this week. We have published the details that are suitable for the review, which we have developed from the dashboard criteria. We will give those involved every possible support, as we do with the inspection regime for hospitals, for instance. Such inspections are to get hospitals out of special measures and get them to a better place, and we will do the same for those areas. I will be very happy to meet the right hon. Gentleman. In fact, if he had not asked me, I would have offered to meet him.

Mr Christopher Chope (Christchurch) (Con): If the Government's plan is to reduce the pressures on adult social care, will my hon. Friend explain why the Dorset clinical commissioning group is proposing to close down the St Leonard's community hospital, which provides really good services at the moment and is approved of by the community?

Steve Brine: No, I cannot go into the detail of why that is, as I suspect my right hon. Friend realises. There will be a one-NHS STP process in his area, and it will have to come up with proposals that meet the five criteria for any reconfiguration. As he will know, there were previously four criteria that had to be met, but there are now five; Simon Stevens, the chief executive of the NHS, has added a fifth on patient safety. My right hon. Friend mentioned St Leonard's hospital, and any reconfiguration or change of service in relation to it will have to be considered in that context.

Mr Speaker: The Minister has just elevated the hon. Member for Christchurch (Mr Chope) to the Privy Council, of which he is not currently a member. Whether that was inadvertent on the part of the Minister or a gentle hint to the powers that be remains to be seen. It would be only a very modest elevation for somebody of the hon. Gentleman's experience.

Thelma Walker (Colne Valley) (Lab): Does the Minister agree that it is time we considered bringing the social care sector back into public ownership to remove the profit-making aspect of looking after the most vulnerable in our society?

Steve Brine: Mr Speaker, I have no advance knowledge of the future career prospects of my hon. Friend the Member for Christchurch (Mr Chope), but I am sure it is only a matter of time before he becomes a Dorset knight.

I do not agree with the hon. Member for Colne Valley (Thelma Walker), whom I welcome to her place. I do not think that what the sector needs right now is nationalisation. I would gently say once again that public ownership is not the answer to every challenge in our public services.

Jeremy Lefroy (Stafford) (Con): When visiting a constituent at home last week, I discovered that he has had dozens of carers. Many of them have delivered excellent care, but he was really concerned about the sheer number of different carers that he had had. What does my hon. Friend have to say about proposals or plans to ensure that people receive consistent care from as few carers as possible, which benefits both the patients and the carers?

Steve Brine: As ever, my hon. Friend is on the money. Across primary care, the named GP policy is a huge step forward, and that idea is absolutely something we should aim for in this sector. That may come out during the consultation later this year, and I feel certain that my hon. Friend will respond to that consultation.

Several hon. Members *rose*—

Mr Speaker: What an array of riches! I call Melanie Onn.

Melanie Onn (Great Grimsby) (Lab): One among many, Mr Speaker.

This Government have pushed a national crisis on to hard-pressed local councils and hard-up local residents, forcing council tax rises that will barely cover the minimum-wage salaries paid to carers. The Minister says that the precept has been welcomed, but I would ask: by whom?

Steve Brine: The precept is welcomed by local authorities that want to get extra money into their social care system.

Melanie Onn: It's not.

Steve Brine: I understand that the hon. Lady wants to play politics with this issue, but as I said in my response to the urgent question, I honestly think that we can do better than that.

Nigel Mills (Amber Valley) (Con): I have found the CQC's inspections of struggling care homes in Amber Valley to be a very useful way of making sure that they improve care for local people. Is the Minister confident that the CQC is sufficiently resourced and skilled to carry out those inspections in a timely fashion and to a sufficient quality?

Steve Brine: Yes, I think that the CQC does a fantastic job. Andrea Sutcliffe, its chief inspector of adult social care, whom Members will have heard on the media this morning, was absolutely right when she talked about services needing to meet the mum test or the dad test. Ultimately, we are all affected—I have ageing parents, like many Members of this House. The mum test or the dad test is what we want, because when people go into adult social care settings we want to feel that they are as well looked after as we could manage ourselves.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): Loneliness can be extreme in housebound adults and the level of mental health issues such as depression is often high but unrecorded. Will the Government ensure that there is a holistic approach to social care that includes key indicators of mental health and wellbeing?

Steve Brine: Yes, the hon. Lady makes a very good point. Those are exactly the issues that will be discussed in the consultation later this year, in which she will, of course, be very welcome to take part.

Sir Desmond Swayne (New Forest West) (Con): What is the status of the announced Government policy that the Dilnot cap will be implemented in the financial year 2021-22?

Steve Brine: Okay. The Prime Minister has been very clear about the importance of tackling this issue. As she said, we will look after 2 million more over-75s in the next 10 years and we have to find a sustainable way of caring for older people. As I have said, we will consult on detailed proposals, which will include a capital floor and an absolute limit on the amount people can be asked to pay. Our objective will be to get the widest possible consensus.

Mr Speaker: Whether the right hon. Gentleman regards that as a satisfactory answer is for him to decide, but it is the answer that he is getting.

Sir Desmond Swayne: It was.

Mr Speaker: In fact, he has got it.

Christian Matheson (City of Chester) (Lab): Did the Minister see the recent “Dispatches” programme featuring Bupa’s Crawfords Walk care home in my constituency, which had shocking levels of care? If large, well-known providers such as Bupa are caught putting profits before patient care, what can the Minister do to ensure that smaller, less high-profile providers are not doing the same?

Steve Brine: I am sorry, but I did not see that programme. I shall look out for it on “watch again”. What we can do is put in place the toughest, most rigorous assessment and inspection regime, and that is what we have. That has come from this Secretary of State, not from the previous Government, who ducked the issue. What we can do is ensure that there is rigorous inspection to root out poorly performing services. That is the same in the hon. Gentleman’s constituency as it is in mine.

Dr Matthew Offord (Hendon) (Con): With an increasingly ageing population, does the Minister agree that it is deeply cynical to pretend that there is some financial solution to this issue that does not involve very difficult decisions both within and across generations?

Steve Brine: Yes, I do. There were many disappointing things for me about the recent general election—[*Laughter.*] To be serious, one of the more disappointing things was that the debate around the future of adult social care was reduced to the use of the words “dementia tax”, which did the sector, our constituents, our public life

and this Parliament an enormous disservice. We do need to have a grown-up debate in this country about this issue, and that is why we will bring forward proposals for consultation.

Faisal Rashid (Warrington South) (Lab): This week marks the sixth anniversary of the Dilnot commission report on social care, yet the Government are no closer to finding a solution on funding social care. Will the Minister tell the House why his Government have wasted six years and failed to take any action to solve the social care crisis?

Steve Brine: Honestly, now I am being tempted into politics. The bottom line is that the Labour party had 13 years in government to sort out the social care system, and it never did. It was in the Labour manifesto in ’97, there was a royal commission in ’99, there was a Green Paper in 2005, there was the Wanless review in 2006, the Labour Government said it would be solved in the 2007 comprehensive spending review and then there was another Green Paper in 2009. I honestly think that lectures from Labour Members about wasting time on this subject are for the birds.

Robert Courts (Witney) (Con): The Minister has made an excellent point about the years of failed opportunities and failed promises under Labour. During that period, were not 40,000 people per year forced to sell their homes in their lifetimes to fund their care?

Steve Brine: Yes, and my hon. Friend is absolutely right that one of the most disappointing aspects of the discussion over the past few months is that the current situation is hardly perfect. If it was, we would not be debating it, and if it had been easy to solve we would have solved it years ago—and the last Labour Governments would have done so as well.

Several hon. Members *rose*—

Mr Speaker: Order. This is a hugely important subject and there is extensive interest. I would like to accommodate it all, but we do have another urgent question to follow, then business questions, and then a heavily subscribed debate. May I please now ask colleagues to be good enough to pose single sentence, pithy questions, and of course appeal to the Minister to provide comparably pithy replies?

Liz McInnes (Heywood and Middleton) (Lab): We have an appalling case of abuse in a small private care home in my constituency that resulted in prison sentences for the two people involved. What is the Minister going to do to raise standards in small private care homes?

Steve Brine: I cannot comment on that individual case, but if the hon. Lady writes to me about it I will be more than happy to look into it and meet her.

Mrs Maria Miller (Basingstoke) (Con): I welcome the Care Quality Commission inspections of care homes in my constituency as it is helping to drive up standards and highlight problems, but many older residents tell me that they want to stay in their own homes for longer. What is the Minister doing to help make that happen?

Steve Brine: That is exactly why I said that this has to be a one-system solution. We need the NHS to work on delayed transfers of care, but we need local authorities to work with us as well, which is what the better care fund is all about. We know that it is better for people to be cared for in their own home, but that is not always possible, which is why we need a long-term solution to the funding of adult social care that deals with not only residential but domiciliary, care—and that is why we tried to introduce that debate during the election.

Maria Eagle (Garston and Halewood) (Lab): Liverpool City Council spends more on adult social care than it is able to raise in council tax, yet still has more of a cut to make, and pays a very low level of fees as a consequence. Can the Minister give an assurance that councils such as Liverpool will not be further disadvantaged when he rolls out the extra funding he is promising to try to improve this situation?

Steve Brine: As I said, councils have access to a total of just over £9.25 billion more in dedicated funding for social care over the next three years as a result of measures introduced by this Government since 2015. That is enough to increase social care spending in real terms. And let me just put this on the record for the House: the UK spends more as a share of GDP on long-term care than other industrialised countries, including much-vaunted Germany, Canada and the United States.

Mr Peter Bone (Wellingborough) (Con): I gently say to the Minister that the only reason the Labour party was able to mention the “dementia tax” was that the Conservative party had put something stupid in its manifesto. This matter is far too important for party politics. Does the Minister agree that the social care system is broken and that we need a cross-party agreement on how to move forward?

Steve Brine: I do think we need a cross-party, cross-country solution to the long-term funding of adult social care, which is why we started a debate during the recent election campaign, and why we need a proper consultation, which will be coming online later this year. My hon. Friend is absolutely right: this is far too important for the knockabout of party politics.

Rachael Maskell (York Central) (Lab/Co-op): On the question of care homes requiring improvement, on inspection 38% still require improvement and 5% have deteriorated. What action is the Minister taking, beyond just inspections, to improve standards?

Steve Brine: That is an absolutely fair question. This is why I said in my statement that, through the dashboard, we have picked the 12 most challenged local areas for review. The reviews will cover providers and commissioners of services, looking at the interface between social care and general primary care and acute and community health services. It will include an assessment of the governance in place for the management of resources. I am sorry to have had to read that out, but I wanted to get it absolutely clear for the record. That is why those reviews are being put in place. We are not just pointing the finger and saying, “You’re bad.” We want to support those areas to deliver the care we are getting in the vast majority of other areas.

Dr Caroline Johnson (Sleaford and North Hykeham) (Con): Improvements in medicine have enabled people to live longer, but we also want them to live more healthily. We know that investment in reducing loneliness, in improving activity and in treating conditions such as macular degeneration, which causes blindness, will help to reduce the need for social care. What is the Minister doing in this regard?

Steve Brine: Although I am not specifically the Minister with responsibility for care, I am the public health Minister and the primary care Minister. We have brought those two subjects together because we want to see a healthy population across the board. I am pleased that my hon. Friend has mentioned the Commission on Loneliness. It was probably set up before she entered this House; it was started by the late Member Jo Cox, who did some really good work that is rightly being taken forward in this Parliament.

Jim Shannon (Strangford) (DUP): Carers in Northern Ireland who provide for elderly and disabled loved ones save the NHS some £4.6 billion, and that figure rises to £132 billion across the whole of the United Kingdom. How does the Minister intend to ease the pressure on them by funding more respite places, to allow families to have the much-needed breaks that enable them to carry on caring in the long term?

Steve Brine: I will look into that. The hon. Gentleman makes an important point. I am sure that Members across the House take part in carers week events every year. I certainly do that in my constituency. It is at those events that we meet not only the staff who work in the system but the people who, day in and day out, do not have the life that they would like to have because they have caring responsibilities. We also meet young carers who do incredible work. The hon. Gentleman is right, and we should all say a clear thank you to those people for the work that they do.

Helen Whately (Faversham and Mid Kent) (Con): The extra money in the last Budget for social care is helping Kent County Council to provide more people with access to care, particularly at home, but the cost of social care is going to keep rising. Does my hon. Friend agree that we as a society need to have an honest conversation about how we fund those growing costs fairly across the generations?

Steve Brine: Yes. This is no different from the conversation that we are having about the funding of every other public service. It is very easy to take to the streets with placards saying “Spend more!” Indeed, I think the Leader of the Opposition spent the national debt several times over just in his response to the Queen’s Speech. This is why we need a proper debate and a consultation on long-term funding. Ultimately, it could come out of general taxation, but we have to have a debate as a country on how much we can afford to do while funding all the other public services. I have not noticed us being short of requests to increase funding in other areas as well. We have to have that honest debate as a country.

Diana Johnson (Kingston upon Hull North) (Lab): If we are going to have that honest debate, the Minister, whom I welcome to his place, has to accept that the

[Diana Johnson]

decisions of his Government have fuelled the social care crisis. My council, the third most deprived in the country, has had the 17th highest cuts to its budget, including having £40 million taken out of social care by 2020. The social care precept that the Minister has introduced does not raise the amount of money in my area that it could in wealthier areas. Will he please accept some political responsibility for the mess we are in?

Steve Brine: Of course Governments of all colours have delivered us to the place where we are at this very moment, but have this Government put more money into the social care system? Yes. Did we provide more money in the Budget this year? Yes. Are we allowing councils to raise more money? Yes. As I said earlier, we spend more on long-term care as a share of GDP than other industrialised countries, including Germany and Canada and the massive economy of the United States.

Wendy Morton (Aldridge-Brownhills) (Con): As the Minister knows, about 2.8 million adults over the age of 65 are currently in receipt of formal or informal social care. Can he confirm that a recent Care Quality Commission report showed that, despite the pressures, the proportion of care services rated good or outstanding is actually increasing?

Steve Brine: Indeed I can. We introduced the new, tougher system of CQC inspections, for the reasons I set out. We introduced a care certificate for support workers and healthcare assistants, and we introduced the new quality standards to clarify what excellence actually looks like in care. We brought in new criminal offences of ill treatment and wilful neglect, and we introduced a fit and proper person test to hold directors to account for care. Those are all things that have happened under this Secretary of State that never happened before.

Karin Smyth (Bristol South) (Lab): The care sector is a significant employer in my Bristol South constituency, but people are being lost to other sectors. I listened carefully to the Minister's response to the hon. Member for Totnes (Dr Wollaston), but I urge him to be much more ambitious in supporting the sector to recruit more people and build on career pathways between health and social care to encourage people who want to do those jobs.

Steve Brine: I thank the hon. Lady for her sensible question.

Christian Matheson: Mine was sensible.

Steve Brine: They have not all been sensible, but yours was marginally more sensible.

As I said earlier, this is a rapidly growing sector and it is imperative that we get the right people into the right jobs. That is why it is so important to work with organisations such as Skills for Care to improve the level of skills, and people in this sector are expected to benefit from the national living wage.

Tim Loughton (East Worthing and Shoreham) (Con): Worthing has the highest proportion of over 85-year-olds in the country. They tend to be not particularly well off, and their major asset is their property; so can the Minister ensure that, in welcoming the fact that we will

have a grown-up debate at last, any sustainable solution recognises that people who have worked hard, paid their dues, looked after their family and done the right thing should be appreciated, not penalised, for having done so?

Steve Brine: I have said that we will consult on detailed proposals later this year, which will include a capital floor and an absolute limit on the amount that people can be asked to pay. Those two critical pillars must go together.

Mrs Madeleine Moon (Bridgend) (Lab): More care homes may face closure if they cannot access migrant workforces. What steps will the Government take to ensure that migrant workers, who are happy to work in our care homes and who provide excellent standards of care, will still be able to come to the UK after Brexit?

Steve Brine: The Secretary of State has been absolutely clear, including at oral questions earlier this week, that we see the migrant workforce as critical to the NHS, by which we mean in-patient care as well as the social care system—we want to see those protected.

Mims Davies (Eastleigh) (Con): Adult social care funding has been raised with me across Eastleigh. Delayed discharge is also being prioritised by the clinical commissioning group, but Eastleigh's Lib Dems on Hampshire County Council chose back in February not to support a further £27 million for the county's social care budget. Will the Minister highlight the fact that some parties talk about action but simply fail to make a difference locally?

Steve Brine: My hon. Friend is a doughty champion for her Eastleigh constituency, and I also represent part of the borough. What she says surprises me, but I am sure she will raise it in the national debate in the months leading up to next May's borough council elections.

Mr Clive Betts (Sheffield South East) (Lab): In March, the Select Committee on Communities and Local Government agreed a report on adult social care. We called for significant extra funds in the short and medium term, but we said that, in the long term, a lasting solution will be found only through cross-party working. The Minister seems to agree in principle, but will he confirm: that he will engage with Opposition Front Benchers and other parties on the consultation's terms of reference; that he will fully involve them in the consultation; that he will approach the consultation with an open mind, and not rule out any alternatives; and that the Select Committee will be involved in the consultation?

Steve Brine: I confirm that there will be the widest possible engagement across the House and across the sector, including with the Select Committee that the hon. Gentleman may or may not be in charge of in the next few weeks.

Ms Nusrat Ghani (Wealden) (Con): I have visited many nursing and care homes in my constituency of Wealden and have met committed and caring care staff. Does the Minister agree it is the inspection system introduced by this Government that is finally shining a light on poor care and driving up standards?

Steve Brine: Yes, I do. As I said, this inspection regime is a good thing. It is important for families and for people in the system, but it is also important for the staff—they want to know that they are benchmarked as giving the best possible care. It is as important for the staff as it is for the punters, for want of a better word.

Paula Sherriff (Dewsbury) (Lab) *rose*—

Tom Pursglove (Corby) (Con) *rose*—

Mr Speaker: I call Paula Sherriff.

Paula Sherriff: You finally spotted me, Mr Speaker. Worryingly, Age UK recently described choosing a care home as “Russian roulette”. Does the Minister believe it is acceptable to force people to take these risks with their most loved ones?

Steve Brine: I did not quite catch the question, but I do not think the hon. Lady is easily overlooked in any forum. If she would like to write to me or speak to me afterwards, we will be able pick up that point.

Mr Speaker: There is somebody after the hon. Lady and so she need not develop a complex about the matter. Somebody has to be last, and on this occasion, nevertheless with a cheery disposition, it is Mr Tom Pursglove.

Tom Pursglove: Thank you, Mr Speaker. Some local authority areas are undoubtedly better than others at joining up social care departments with the NHS. Does my hon. Friend therefore agree that we need to see a greater focus on sharing best practice where it exists?

Steve Brine: Yes, I agree with my cheery hon. Friend, and this is a good place to finish. There is so much good practice in the sector, and the report highlights that today. We should celebrate that, as we do, and learn from it, as we will, while ruthlessly picking out those areas that need support in order to improve the care they are giving.

Jobcentre Plus: Closures

11.21 am

Margaret Greenwood (Wirral West) (Lab) (*Urgent Question*): To ask the Secretary of State for Work and Pensions to make a statement on his plans to close Jobcentre Plus offices, and the impact on local communities and Department for Work and Pensions jobs.

The Secretary of State for Work and Pensions (Mr David Gauke): Yesterday’s announcement confirmed the proposals that were published in January. These changes will mean that the DWP will be able to offer a more efficient service, while delivering good value for the taxpayer, saving more than £140 million a year for the next 10 years. Eight out of 10 claims for jobseeker’s allowance and 99% of applications for universal credit full service are now made online, which means that DWP buildings are used much less, with 20% of the estate currently underutilised. Our estate plans must reflect the way customers interact with DWP now and in the future, not how they behaved in the past. I can assure the House that these changes will not lead to a reduction in the number of frontline jobcentre staff; in fact, to continue improving the service provided to customers, jobcentres are actively recruiting in many areas.

These changes are being made in consultation with DWP employees and their trade unions, which will ensure that the important connections that jobcentre staff have with the local community are preserved and customer services can be maintained.

The DWP’s private finance initiative contract with Telereal Trillium expires next March, which gives us an opportunity to review how we deliver our services. We have sought to rationalise our estate in a way that delivers value for the taxpayer and makes best use of the space available, while continuing to deliver vital support to our claimants and enabling the delivery of our reform agenda.

Margaret Greenwood: Members will recall that in December last year the Government announced that they were planning to close half the jobcentres in Glasgow. In January this year, they set out plans for further closures, amounting to the closure of more than one in 10 jobcentres across the UK. These closures have the potential for the loss of up to 750 jobs. Yesterday, the Department announced via a written ministerial statement that just six of the original 78 jobcentres earmarked for closure will remain open, and only 11 of the 80 planned to co-locate with local authorities have been given a reprieve. Two additional jobcentres that were to stay open have been added to the closure list.

The impact of the closures will undoubtedly be felt most by the poorest and most vulnerable in our society. By closing such a large proportion of the DWP estate, the Government would be forcing claimants to travel further to access the vital services that they need, thus having an impact on the lives of sick and disabled people, carers and parents with young children, so will the Minister commit now to publish the equality analysis on each site that is being closed? Currently these are secret, and they should be made public. Furthermore, the Government plan to subject an additional 1 million claimants to in-work conditionality, a process under

[Margaret Greenwood]

universal credit by which people in work may be required to attend jobcentres. What assessment has the Minister made of the impact on demand for jobcentre services as a result of increased in-work conditionality?

The decision to close jobcentres on this scale at the same time as accelerating the roll-out of the universal credit full digital service makes no sense. It is simply not good enough to quote figures about online claims to justify closure plans. Universal credit will place other, new demands on staff, who will, for example, have to assess whether self-employed people claiming universal credit have a viable business plan. What assessment has the Minister made of the increased demand placed on jobcentre staff as a result of the roll-out of universal credit?

Finally, the closures will have an impact on jobs within the DWP. Will the Minister outline the number of jobs that will be lost as a result of these closures, among frontline jobcentre staff and in the corporate centre sites as a result of the new “hub strategy” for the corporate centre? The Government must immediately pause these closures to allow proper scrutiny of their plans.

Mr Gauke: I shall begin with the hon. Lady’s first point about Jobcentre Plus staff. The reality is that in every nation and region there will be an increase in the number of jobcentre staff, from the beginning of the process to its end. Job numbers are going up, particularly as we roll out universal credit. She talks about 750 job losses, but only a small minority of them are likely to be redundancies among frontline jobcentre staff. She asked how many; we are probably looking at a range of 80 to 100 or so—I do not want to be too precise about that, but that is the maximum we are looking at, and we hope to be able to bring it down.

The fact is that the reforms take account of the changes in the welfare system resulting from the rolling out of the universal credit full service. It is absolutely right that we make use of the fact that it is the end of a contract and take the opportunity to find savings. We are talking about taxpayers’ money. We can find savings in the DWP’s estate and, at the same time, provide modern, up-to-date jobcentres that provide the service that is needed. That is the right thing to do. I am disappointed that the Labour party is going to stand against the careful and sensible use of public money, which is exactly what the Government are delivering.

Robert Halfon (Harlow) (Con): In these difficult times, will my right hon. Friend praise Harlow jobcentre, which does a huge amount not only to support my jobs fairs but to encourage apprenticeships? Will he ensure that jobcentres throughout the country do everything possible to employ apprentices and to encourage employers themselves to have apprenticeships?

Mr Gauke: My right hon. Friend makes a good point, and he is a great champion of apprentices and apprenticeships. We do want to encourage them as much as possible, and the DWP and jobcentres are doing so throughout the country.

Chris Stephens (Glasgow South West) (SNP): Compassionate conservatism lasted fully two days. There should have been an oral statement and a vote in

the House on this issue. Does the Secretary of State accept that there is a direct link between the index of multiple deprivation and those jobcentres earmarked for closure? Will he publish an equality impact assessment, particularly on the effects on those with disabilities and those with caring responsibilities? What engagement has there been with the devolved Administrations throughout the UK? What will be the effect of the roll-out of universal credit, given that some of the jobcentres earmarked for closure were included in the statement on the roll-out published by the Department?

Mr Gauke: I make the point to the hon. Gentleman that when it comes to jobcentres—this was touched on by the hon. Member for Wirral West (Margaret Greenwood) in her remarks about Glasgow—after these reforms have been completed there will be a reduction in the number of jobcentres there, but Glasgow will still have more jobcentres per head of population than any other city in the United Kingdom. Also, a number of the Glasgow jobcentres were particularly under-utilised. It is sensible that we rationalise the estate and can deliver modern services. In some cases, we need much improved jobcentres, with improved facilities and greater capability to do more things. That is exactly what the strategy involves.

On the equality impact assessment, the Government have, as always, fulfilled their obligations in terms of the assessment they have made. I make the point again: I hope that the Scottish National party is not going to stand against the sensible use of Government estates to deliver public services in the most efficient and cost-effective way.

Richard Graham (Gloucester) (Con): Rationalising the use of the DWP’s property assets has to be a good thing, for the reasons that the Secretary of State has outlined. That is also true in city constituencies like mine where there is no danger of the JCP closing, but an opportunity perhaps to co-locate it alongside other services. Does my right hon. Friend agree that the more serious issue ahead is making sure that we have the right resources in the JCPs for the expanded roll-out of universal credit that is starting early next year?

Mr Gauke: My hon. Friend hits the nail on the head. That is exactly right. It is very important that we have jobcentres that are able to deal with the new and important role of providing the support that claimants need. I am talking about having the work coaches and the facilities in place. In some cases, that requires new, improved estates, and we should not be stuck just on the footprint that we happened to have a few years ago, particularly as there is now an opportunity to make those changes, given that the contract is coming to an end.

Gloria De Piero (Ashfield) (Lab): Annesley DWP office has 130 workers, three quarters of whom are women. The close proximity of the office to their home enables many of those women to have a career and be a parent. There are no nearby offices to relocate them to, so I ask the Minister to pause the closure and conduct and publish an equality impact assessment in this special case.

Mr Gauke: It is the case that there are sites in Chesterfield and Mansfield, which are within half an hour by car from the site that the hon. Lady mentions. It is anticipated

that at least 75% of the staff—probably more—can be redeployed to other sites and will not be in a position in which redundancy is relevant, and of course the DWP is seeking to ensure that that number can be maximised.

Nigel Mills (Amber Valley) (Con): Does the Secretary of State agree on the importance of getting jobcentre staff to work outside jobcentres, in places such as food banks, to ensure that we are getting the right welfare claims in the right way?

Mr Gauke: There is an important outreach role that jobcentre staff can and will perform. It is simply not the case that all work is done within jobcentres themselves. Staff can provide outreach services in other sites as well, as indeed they will increasingly do.

Tom Brake (Carshalton and Wallington) (LD): Sutton is a pilot for universal credit. I support the principle of universal credit, but the difficulty is that it is extremely complex and is leaving some people completely unable to plan their expenditure. When universal credit is rolled out more widely, how will the Minister ensure that those who cannot register their claims online, or, indeed, those who feel that they have to go to the jobcentre because they cannot rely on the post delivering certain items, are not severely disadvantaged?

Mr Gauke: As I have said, 99% register for universal credit online. Also, those who are seeking work are expected to spend up to 35 hours a week searching for work, and that includes the time taken to get to jobcentres, for example. In very particular cases, if there are those who are not able to make it to jobcentres, other arrangements can be made.

Philip Davies (Shipley) (Con): The Secretary of State is aware that I am unhappy about the closure of Shipley jobcentre. I have many questions for him that you would not allow me to go through now, Mr Speaker. Perhaps my right hon. Friend will meet me so that I can go through some of them with him. Just for now, will he confirm that some of that outreach work will continue to be delivered within the Shipley constituency, and will he also guarantee that the staff there can choose which other office to work at, which may be much closer to their home, so that they do not all have to move to Bradford?

Mr Gauke: I can give my hon. Friend an assurance that outreach work will continue in Shipley. Not just in Shipley but more generally, DWP will look to work with staff as much as possible to accommodate their preferences. I know that my hon. Friend has already met the Minister for Employment to discuss this matter, but I dare say that he and I will have further conversations on this point in the near future. Given previous experience, we will probably have many such conversations.

Ben Lake (Ceredigion) (PC): The Government seem obsessed with the spreadsheet economy to the detriment of our communities, which must suffer the consequences of austerity. The National Assembly for Wales does not have control over our own employment services, meaning that we too are quite vulnerable to the closure of jobcentres and the loss of hundreds of jobs. I urge the

Secretary of State to reverse these planned closures, and ask him whether he would consider devolving Jobcentre Plus functions to Wales.

Mr Gauke: Let us be clear about the employment record over the past seven years. We have nearly 3 million people in work, youth unemployment has fallen by 375,000, the employment rate is at a record high and unemployment is at the lowest level since 1975. Some of the credit has to go to what jobcentres are delivering and the policies that the Government have pursued—those things have assisted. It is right that we continue to seek good value for money for the taxpayer, and I do not foresee any move towards further devolution in this area.

Jo Churchill (Bury St Edmunds) (Con): What arrangements are being made to help vulnerable claimants to access jobcentres? I am thinking particularly of those in rural areas, for example by offering help with travel.

Mr Gauke: My hon. Friend raises an important point. There are steps that we take to assist more vulnerable claimants, such as being able to make visits, where necessary, in particular circumstances. That will continue, but it is absolutely right that we require those who are able to visit a jobcentre to do so.

Mr Dennis Skinner (Bolsover) (Lab): Is the Secretary of State aware that when we embarked on finding jobs when the pits shut in the Derbyshire and Bolsover area, we set up Markham Vale straight off the M1 and created several hundred jobs in the process? That has not yet finished with the local authorities concerned. The Bolsover jobcentre played a significant part in ensuring that those 700 jobs were available, and, as a result, needs to continue. We are enlarging the site to provide several hundred more jobs. Surely it is not appropriate to shut the Bolsover jobcentre that has played a magnificent part in providing work for the miners and families of miners who lost their jobs. Surely he should reverse this.

Mr Gauke: I thank the hon. Gentleman for his recognition of the work that has been done to help those who were working miners. I think I am fairly confident in saying that employment numbers and unemployment numbers have moved in the right direction in his constituency over the past seven years, which may reflect the changing political nature of his constituency. The staff at the Bolsover site are moving to Staveley. Jobcentres do have a valuable role to play, as I have outlined, but it is right that we should have modern facilities and that is what these plans involve delivering.

Alex Burghart (Brentwood and Ongar) (Con): Obviously, we are having this debate in the context of record employment. On both sides of the House, we should be welcoming the fact that fewer people are unemployed now than ever before. That has brought with it enormous social benefits—*[Interruption.]* If the hon. Member for Garston and Halewood (Maria Eagle) is patient for a moment, she will hear the question. In Wirral West, for example—

Mr Speaker: Order. I am sorry, but I am afraid that the hon. Gentleman needs to ask a question not in a moment or two but straight away, because many other colleagues are waiting to contribute. The hon. Gentleman is new, and he must get used to it. I want him to get to his question.

Alex Burghart: I will, Mr Speaker. The important thing is that we ensure that people have the support they need, rather than be obsessed with bricks and mortar.

Mr Gauke: I agree with my hon. Friend. That is the right point, and the support that people need can often be better provided in well-equipped, modern—sometimes larger—jobcentres than by using the estate that may have served us well 10 or 15 years ago but is now out of date.

Paul Blomfield (Sheffield Central) (Lab): Sheffield's Eastern Avenue jobcentre is rooted in the community that it serves. Its staff therefore understand local people and can do the job, better supporting them because of that. The Secretary of State talks about a much improved service, but does he not recognise that centralising the service, breaking that link with the local community, will damage the work that the jobcentre can do? Will he think again?

Mr Gauke: On the hon. Gentleman's point about Sheffield Eastern Avenue centre closing, let me reassure him that outreach will be put in place in the local community, so there will continue to be a service in his area. The number of jobcentres in Sheffield is being reduced from seven to six, but in the context of that city that is the right move so that we have got six properly functioning, fully utilised centres rather than more.

Mr Christopher Chope (Christchurch) (Con): May I say to my right hon. Friend that when the Labour Government closed down the Christchurch jobcentre the sky did not fall in. Would it not be sensible now, with fewer jobcentres, to ensure that they are open at weekends so that they are more accessible?

Mr Gauke: My hon. Friend makes a good point. Other Governments have also changed the estate system for jobcentres, and I do not think that was by any means disastrous. His point about opening at weekends is interesting. We would have the facility to do that, and we will keep it under review, considering value for money and so on. If there was a good case for that, it is certainly something we could do.

Tracy Brabin (Batley and Spen) (Lab/Co-op): Having conducted a survey outside Batley jobcentre, I know that the majority of users walk there—often every day—to use the computers to look for jobs. With Batley's closing, they will have to walk to Dewsbury, a journey of 20 minutes—if they are able-bodied. Will the Secretary of State confirm whether new sanctioning guidance will be provided for those who are late or miss appointments?

Mr Gauke: We do not expect people to miss appointments. As I said earlier, people looking for jobs are expected to spend 35 hours a week doing so, which should enable them to travel from Batley to Dewsbury in the time available. We would expect people to make appointments, but we would look at the individual circumstances if somebody has missed an appointment, to take into account whether there might be any mitigating factors.

Tom Pursglove (Corby) (Con): Has my right hon. Friend made any assessment of the direct benefit that jobseekers will experience as a result of co-locating jobcentre services with other sources of support? Surely it is outcomes that matter here.

Mr Gauke: My hon. Friend is right—it is outcomes that matter. In some circumstances co-location in itself may have benefits and in others having a jobcentre that is modern, properly designed and of sufficient scale to provide a range of services to claimants helps to improve outcomes. It is improved outcomes that we want.

Deidre Brock (Edinburgh North and Leith) (SNP): Evidence to the Scottish Affairs Committee from the Public and Commercial Services Union suggested that jobcentre closures were likely to lead to increased numbers of people being late for appointments and therefore being sanctioned, and the director of Poverty Alliance argued that the Government should therefore reconsider sanctions for lateness. Will the Minister now confirm that he is committed to doing so?

Mr Gauke: Let us put this in context: 97% of JSA claimants are not sanctioned every month. Given the number of hours we expect people to spend looking for work, I think travelling to a jobcentre, just as people travel to work, is the way life operates for most people. If there are particular circumstances that result in someone being late for an assessment or meeting, they can be taken into account.

Dr Matthew Offord (Hendon) (Con): Does the Minister not realise that jobcentres are always needed under a Labour Government, whereas under this Government, with unemployment falling and 2.9 million more people in work, we should be spending money on getting more people into work and not on empty office space?

Mr Gauke: My hon. Friend makes a good point. One could be drawn into a comparison of the records on employment of Governments of different sorts. I am proud of this Government's record. We have an important role in supporting people in getting into work, staying in work and improving their position. I would prefer to spend the resources we have on doing that as efficiently and effectively as possible, and we would not be doing that if we were wasting £140 million a year on an estate that is no longer fit for purpose.

Mrs Madeleine Moon (Bridgend) (Lab): I appreciate that the DWP makes considerable savings from the closure of jobcentres, including the one in Pyle in my constituency, but it is passing on a huge cost to those who will have to fund out of their benefits the costs of travelling by bus to their new jobcentre. According to the Minister, it takes 39 minutes to get from Pyle to Porthcawl, but it is clear that he has never tried to make that journey on a bus. Will he undertake to ensure that no one travelling from Pyle to Porthcawl is sanctioned because of a bus service that is not regular?

Mr Gauke: Those who have been out of work for 13 weeks or more have access to a jobcentre discount card, which reduces their travel costs by half. A lot of people in their daily lives have to travel distances and be somewhere on time. We expect people to spend 35 hours a week searching for work, and that can include allowing good time to travel from home to a jobcentre. I think that is perfectly reasonable, but I repeat that if there are particular circumstances that result in someone missing an appointment, there is discretion regarding sanctions.

Stephen Kerr (Stirling) (Con): Does my right hon. Friend agree that

“the purpose of the estates review is to make sure that the estate is effective and reflects demands on the...service”?

Those are not my words but those of the Scottish National party Government Cabinet Secretary for Justice, Michael Matheson MSP, in relation to Police Scotland. They show that the SNP argue for rationalising the public services estate when it suits them.

Mr Gauke: My hon. Friend makes an excellent point. Governments have to ensure that public money is spent sensibly, and one of the ways of doing that is by rationalising the estate. Keeping open under-utilised jobcentres is simply not a good use of taxpayers' money, and it does not do claimants any good either.

Ian Murray (Edinburgh South) (Lab): The Scottish Affairs Committee published a report at the end of the previous Parliament that was hugely critical of the Government's approach to jobcentre closures, particularly in Glasgow, where some claimants are having to take three buses to reach other jobcentres, at huge expense. The Secretary of State has said three times this morning that he will not review the sanctions regime for people who are late for appointments. Will he look at that with the compassion that I know he has, he having been a good Minister in the previous Parliament, to see whether anything can be done to ensure that people are not put into significant deprivation as a result of these sanctions?

Mr Gauke: I make the point to the hon. Gentleman that there are many more appointments for which claimants are late than there are sanctions. It is simply not the case that being late automatically means a sanction; a judgment is made. I think we also have to recognise that many people in work have to catch three buses to get to work and are expected to be there on time, so I do not think it is unreasonable to expect people to travel to a jobcentre if they are able to do so. Glasgow continues to be the most generously provided for, in terms of the number of jobcentres, of any city in the United Kingdom.

Several hon. Members *rose*—

Mr Speaker: Order. There is excessive noise coming from the Scottish National party Benches. They are in a very excitable state. I am not sure what it is they have for breakfast, but I will take care to avoid it.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): Bearing the burden of the poverty of our constituents.

Mr Speaker: We are always grateful to you, Mr Docherty-Hughes, for your observations from a sedentary position. No doubt we will be hearing more of them in due course.

Ross Thomson (Aberdeen South) (Con): In Aberdeen, Greyfriars House will close and staff will move to the front-facing jobcentre at Ebury House. Can the Secretary of State reassure my constituents that the level and quality of service and support they receive will not diminish following the decision, and what improvements can they expect to see in the level of service?

Mr Gauke: The reality is that services will improve. I strongly believe that universal credit, in particular, will result in an improved welfare system, and we are increasing the number of work coaches. Every region and nation in the United Kingdom will see an increase in the number of frontline staff providing services, and Scotland is no exception. I have visited jobcentres to see the sort of work that is now happening, and I am encouraged by the improved services and the collaborative and effective way in which jobcentre staff are working with claimants to help them get jobs and improve their circumstances.

Mr Speaker: No one could accuse the Secretary of State of excluding from his answers any matter that might be judged by him to be in any way, or at any time, material. “Comprehensive” would be a polite way of describing it.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): Norris Green jobcentre serves some of the most deprived neighbourhoods of Liverpool. Will the Secretary of State meet my hon. Friend the Member for Liverpool, Walton (Dan Carden) and me to discuss the plans to close the jobcentre and explore alternatives, including co-location with local authority services?

Mr Gauke: Liverpool has the third-highest concentration of jobcentres for larger cities, but I know that my hon. Friend the Minister for Employment will be happy to meet the hon. Gentleman to discuss this further.

Mims Davies (Eastleigh) (Con): There has been a 70% reduction in the number of jobseekers and unemployed people in my constituency since 2010. One of the best ways to reach vulnerable claimants who have not managed to get into work is outreach based at local colleges, where educational support could be tailored at the same time. Can the Secretary of State confirm that innovation is at the heart of these changes?

Mr Gauke: My hon. Friend makes an important point. Jobcentres are certainly very open to partnership working. She highlights an area where more progress is needed, and indeed where we might be able to help.

Jessica Morden (Newport East) (Lab): The DWP is proposing to relocate the service centre out of Newport to some location north of Cardiff, but the exact location is unclear. My hon. Friend the Member for Newport West (Paul Flynn) and I clearly want to keep those jobs, the expertise and the services. The centre provides 249 jobs right in the heart of our city. Will the Minister meet us, so that we can put the case in person?

Mr Gauke: We are trying to find a site that would minimise job losses, but I know that my hon. Friend the Minister for Employment would be happy to meet the hon. Lady.

Hannah Bardell (Livingston) (SNP): My constituents in Broxburn are facing the closure of the DWP office. They faced the closure of Hall's of Broxburn just a few years ago, losing 1,200 jobs. Like the constituents of other hon. Members, they are very reliant on the service, and the Government's Google Maps approach does not reflect the true amount of travel they will have to undertake. Will the Secretary of State review the decision

[*Hannah Bardell*]

and undertake to carry out a full review of the vulnerable areas that are reliant on the vital services provided by these centres?

Mr Gauke: We looked at a variety of measures in the consultation including travel distance, and we consulted staff, so I do not accept the hon. Lady's criticism of our approach.

Maria Eagle (Garston and Halewood) (Lab): Does the Secretary of State accept that requiring some sick and disabled people to travel further to attend compulsory interviews is likely to lead to more cost, hardship and worry for our most vulnerable constituents who are looking for jobs? What will he do to ensure that his plans do not leave these vulnerable people to be hit the hardest?

Mr Gauke: Let me be clear. We do not expect claimants of employment and support allowance to attend jobcentres regularly. We are not looking to reduce the number of health assessment centres. This is very much focused on jobseekers, but we must also ensure that we rationalise the estate and use our resources as effectively and efficiently as possible.

Gerald Jones (Merthyr Tydfil and Rhymney) (Lab): The closure of local services will have a hugely negative impact on the local economy in towns such as Merthyr Tydfil. It will also have an impact on the quality of life of employees with caring responsibilities, who will have to travel longer distances. What consultations and impact assessments have been carried out with staff, customers and trade unions? Will the Department change direction if the consultation does not support the planned closures?

Mr Gauke: There has been comprehensive consultation. As I set out earlier, an announcement was made in January. There will, indeed, be further consultations to the extent that any redundancies are necessary.

Alison Thewliss (Glasgow Central) (SNP): These are not reforms; they are cuts. Closing Bridgeton jobcentre is a cut in support for the people who need it the most. As I see in my surgeries, these people are already getting hit and being sanctioned by this Government. People having to travel from Bridgeton jobcentre to Shettleston jobcentre will have to take two buses and use money from their income. Will the Secretary of State guarantee that not one person will end up being sanctioned for being late because of that?

Mr Gauke: We expect people to make reasonable efforts to get to the jobcentres that are relevant to them. If people make reasonable efforts they will not be sanctioned.

Vicky Foxcroft (Lewisham, Deptford) (Lab): The jobcentre in Deptford closed in November 2010. Now the jobcentre in Lewisham will close. Young people from New Cross and Deptford will now need to travel to Peckham for support with finding employment. With youth violence on the rise, how will the Government ensure that our young people travelling to Peckham are kept safe?

Mr Gauke: People who work in the hon. Lady's constituency also travel to get to work. The fact is that we need a sensible and properly utilised jobcentre estate across the country, and that includes in London.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): More than 300 jobs will move from the Lonend site in Paisley to Glasgow, and this follows hundreds of job losses and transfers at Doosan Babcock and Chivas Brothers. This is the very last thing the Renfrewshire economy needs. Will the Secretary of State assure me that there will be zero redundancies as a result of this move?

Mr Gauke: The intention is to keep redundancies to a minimum but, as I made clear in my earlier remarks, the number of frontline staff in jobcentres in every nation and region of the country will be increasing, not reducing, over the course of the process.

Stewart Malcolm McDonald (Glasgow South) (SNP): Knowing me as you do, Mr Speaker, you will know that I have no ambition to be churlish on this matter, so I will say to the Secretary of State that I am grateful to see that Castlemilk jobcentre has been removed from his proposed closure plan. However, there is more than a hint of disappointment that Langside jobcentre remains on the list, as it serves the second most densely populated council population in Scotland, and there is a clear need for it to be there. Let me ask a very specific question: is there an equality impact assessment, and will he publish it?

Mr Gauke: First, let me express my gratitude for the absence of churlishness from the hon. Gentleman, who sets an example to us all. On the equality impact assessment, the Government have fulfilled their statutory duties, as they always do.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): The original jobcentres inquiry clearly did not respond to West Dunbartonshire Council's offer of shared premises—it was just about assets. The closure of Alexandria jobcentre creates the situation in West Dunbartonshire whereby not only Jobcentre Plus staff but DWP staff administering benefits now feel as though they are under threat. What assurances can the Secretary of State give to my constituents and those working at the DWP in Clydebank and at Jobcentre Plus in Clydebank and Dumbarton that they will not be moved from my constituency?

Mr Gauke: On co-location, let me be clear that we are happy to work with other authorities, but signing on does have to take place on jobcentre premises. In terms of guarantees and so on, any Government Department has to look sensibly at its estate to ensure that it is deployed efficiently. As I say, we are in an environment where we are in fact increasing frontline staff, not reducing them.

Martin Whitfield (East Lothian) (Lab): Given that the Joseph Rowntree Foundation used Glasgow as its study centre in its report on disconnected communities, and suggested very strongly that a well-distributed

employment support network is vital, how have the cuts now being applied to Glasgow been objectively, evidentially based?

Mr Gauke: It will still be the case that of all the large cities in the United Kingdom, Glasgow, per head of population, will have more jobcentres than any other city.

Patrick Grady (Glasgow North) (SNP): I have porridge for my breakfast, Mr Speaker, with just a little bit of salt in it, like my granny taught me.

The Secretary of State said that people will not be sanctioned if they make reasonable efforts. Who will judge what is a reasonable effort? Constituents of mine in Maryhill now face a six-mile round trip, with all the expensive bus routes and potential delays that that entails. He keeps saying that Glasgow has far more jobcentres per head of population. What does that mean for the remaining jobcentres in Glasgow? Will he guarantee that Springburn jobcentre will not close? Will he meet his Scottish Government counterparts before any further decisions are taken?

Mr Gauke: We have settled the estate now, and we do not have any immediate plans to revisit this. In terms of the sanctions process, a comprehensive system of appeals is available. As I say, there are far more missed or late appointments than there are sanctions, and I would expect that to continue to be the case.

David Linden (Glasgow East) (SNP): Yesterday's statement about the closure of Easterhouse and Parkhead jobcentres is another body blow to the east end from this callous Tory Government. Written parliamentary questions that I have lodged have shown that the Secretary of State and his Ministers have never bothered to visit jobcentres in Glasgow. Will the Secretary of State come to Glasgow and do the bus journeys from Gartloch to Shettleston to see how idiotic these plans are?

Mr Gauke: I think that the hon. Gentleman might want to have a word with the hon. Member for Glasgow South (Stewart Malcolm McDonald) on the subject of churlishness. The fact is that Glasgow, as I keep saying, has more jobcentres per head of population than any large city in the whole of the United Kingdom, and that will continue to be the case. I have to say that if the Scottish Government took the approach of SNP Members in this House with regard to good use of taxpayers' money, then they would be in even bigger trouble than they appear to be.

Points of Order

12.4 pm

Tom Brake (Carshalton and Wallington) (LD): On a point of order, Mr Speaker. You were not in the Chair on Monday and may not have heard the Minister of State, Department for Transport, the right hon. Member for South Holland and The Deepings (Mr Hayes) say that he was not going to take interventions from anybody who was not wearing a tie. Given your pronouncements on this matter, Mr Speaker, do you think there is a risk of a slippery slope that might lead a Member to refuse to take interventions from Members who are sartorially challenged in other ways, such as wearing a gaudy tie or a garish waistcoat? I would welcome your advice.

Mr Speaker: I am grateful to the right hon. Gentleman for his point of order. First, I can reassure the House that rulings on the dress code, which should be observed by Members if they wish to be called in debate, pose questions or, indeed, raise points of order, are a matter exclusively for me. That simply is the fact of the matter. They are not a matter for the right hon. Member for South Holland and The Deepings (Mr Hayes), although I always value his views, as I do those of all colleagues. Many Members will be aware that I have known the right hon. Gentleman for three decades, that I enjoy his company and that I can often be observed chortling at some of his literary and philosophical references in the course of his orations in the Chamber. Those orations are always enormously enjoyed, not least by the right hon. Gentleman himself. I rather thought that what he had to say on this matter was proffered in his characteristically jocular fashion. However, in so far as I could be said to have received an application from the right hon. Gentleman, by virtue of his pronouncement, for the role of style policeman, I can tell the right hon. Member for Carshalton and Wallington (Tom Brake) and all Members of the House that I have filed it in the appropriate place.

Secondly, it is of course for a Member, be they a Minister or not, to decide to whom to give way during a speech. That said, I am confident that no Member, in making that decision, would in any way discriminate on the basis of the attire of the colleague seeking to intervene, any more than he or she would do so on the basis of a Member's age or gender. It would indeed be quite wrong of anyone to do so. I hope that that puts the right hon. Gentleman's mind at rest and we can leave the matter there.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): On a point of order, Mr Speaker. As the House will know, responses to Public Accounts Committee reports are published in the Treasury minute. I am concerned that the publication date for the most recent Treasury minute was first delayed from late July to mid-September and that its current publication date is now 19 October. A number of reports—three in particular, namely the Committee's forty-ninth report, "Financial sustainability in schools", fifty-seventh report, "Capital funding for schools", and sixty-third report, "Housing: State of the Nation"—will not have a response until the next publication date in December. It is extraordinary that the Government can delay responses to important reports by Committees of this House. That shows disrespect

[Meg Hillier]

for the work of Select Committees. Could you look into this on behalf of the House, Mr Speaker, and urge the Government to get their skates on?

Mr Speaker: I am grateful to the hon. Lady for her point of order. She will know—it is implicit in her point of order—and other Members of the House will be aware that it is incumbent on Ministers to respond to reports of Select Committees in a timely fashion. That is not just a general exhortation; it is a quite specific and explicit requirement, which is a matter of time limits. It is not altogether and immediately obvious to me whether the time limit would be thereby breached, but if it would, that time limit should not be breached.

It is very important that we proceed in an orderly way in this matter and that Ministers treat not just the Chairs of Select Committees but Select Committees as a whole with appropriate respect. It is not for Ministers to decide that they will respond when they are ready; they must respond as required. If that does not happen, I know the hon. Lady, and I rather imagine she will want to draw attention to the issue and secure perhaps even a greater focus on the subject matter of the report in House time; and it would be very regrettable if, as a result of what might be called ministerial lethargy, there had to be a greater amount of time spent on the matter in the Chamber than perhaps those Ministers had themselves anticipated. The expression “shooting oneself in the foot” springs to mind.

Of course, as the hon. Lady will know, the Leader of the House is not only the Government’s representative in the House, but, very importantly, the House’s representative in the Government. I know the new Leader of the House, and I know how attentive to her responsibilities she intends to be, so I feel sure that she will be having a word with those Ministers to ensure that they satisfy both the letter and the spirit of the requirement imposed on them.

Hannah Bardell (Livingston) (SNP): On a point of order, Mr Speaker. In your position, you rightly promote a sense of tolerance and inclusion in this Chamber, and you urge all Members to uphold proper integrity. During Women and Equalities questions earlier, the hon. Member for Dewsbury (Paula Sherriff) raised some questions about comments that some members of the DUP had made in the past about the LGBT community. Unfortunately, the hon. Member for Shipley (Philip Davies) was overheard making derogatory comments from a sedentary position about members of the Muslim community. Although he did not make those comments on the record, what can you do to ensure that he does not make such comments again, and that he apologises for the offence caused to anyone in this Chamber or, indeed, in the public domain?

Mr Speaker: I am grateful to the hon. Lady for her point of order. I did not hear anything said that was in any way unparliamentary, and if I did not hear anything unparliamentary, I cannot be expected to adjudicate on

it. The Chair, above all, has two key responsibilities in this regard, and there can be a creative tension between them, if truth be told. One is to uphold the absolutely critical principle of free speech, and the other is to uphold the principle that debate must be in accordance with our traditions and our conventions—that debate must be seemly.

Strictly speaking, of course, Members should not make observations from a sedentary position at all. In so far as the hon. Lady is saying that the hon. Member for Shipley (Philip Davies) did so, the hon. Gentleman would scarcely be in a minority in that regard. All sorts of Members chunter from a sedentary position at various times. But what I would like to say is: please, let us try to proceed in a respectful manner and try to avoid having these matters the subject of regular points of order.

I have heard what the hon. Lady has said. I did not hear what was allegedly said, and I am not going to criticise an hon. Member when I did not hear what he is alleged to have said. All I would say is that the hon. Member for Shipley is an extremely assiduous attender in the Chamber and a very frequent contributor. Sometimes, some of the things that he says will displease other Members—[*Interruption.*] Order. He is as entitled to his views, within the rules of order, as any other Member.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): Further to that point of order, Mr Speaker. I have been sitting next to my hon. Friend the Member for Shipley (Philip Davies) during the period that was mentioned by the hon. Member for Livingston (Hannah Bardell). My hon. Friend and I do not often see eye to eye on many things so springing to his defence would perhaps not be my most natural response. But may I assure you, Mr Speaker, and the House that I heard nothing that was disrespectful to the Muslim community? In fact, the remark I heard was rather supportive of the Muslim community. I hope that there was some misunderstanding about the remarks as they were perhaps heard elsewhere. I did not hear what has been suggested, and I was sitting right next to my hon. Friend. I hope that that is helpful to you and to the House.

Mr Speaker: I have listened very respectfully to the hon. Member for Livingston (Hannah Bardell)—and, indeed, to what was said by the hon. Member for Dewsbury (Paula Sherriff), both when she was speaking from the Dispatch Box and a moment ago—and I hope that the hon. Member for Livingston will accept that I cannot be expected to adjudicate on that which I did not hear. Let us leave it there for today.

May I make the general point, at the start of this Parliament, that we should try to treat each other with respect? Somebody referred to tolerance. Tolerance, frankly, is not about putting up with things about which you do not much care. That is not tolerance; that is indifference, or apathy. Tolerance is about putting up with the expression of views of which you rather strongly disapprove, but which you nevertheless accept have a right to be heard. Let us try to think about it in terms not just of what we ourselves hold as an opinion, but of what other people might think.

Business of the House

12.15 pm

Valerie Vaz (Walsall South) (Lab): Will the Leader of the House please give us the forthcoming business?

The Leader of the House of Commons (Andrea Leadsom): The business for next week will be:

MONDAY 10 JULY—Second Reading of the Telecommunications Infrastructure (Relief from Non-Domestic Rates) Bill.

TUESDAY 11 JULY—Consideration in Committee and remaining stages of the Air Travel Organisers' Licensing Bill followed by motions relating to the Hybrid Bill procedure.

WEDNESDAY 12 JULY—General debate on the Grenfell Tower fire inquiry.

THURSDAY 13 JULY—General debate on the commemoration of Passchendaele, the third battle of Ypres.

FRIDAY 14 JULY—The House will not be sitting.

I should also like to inform the House that the business in Westminster Hall for 13 July will be:

THURSDAY 13 JULY—Debate on supply of homes and affordable homes to buy followed by debate on the introduction of an opt-out system for organ donation in England.

Colleagues will want to be aware that the election of Select Committee Chairs will take place on Wednesday 12 July from 10 am to 4 pm in Committee Room 8.

Finally, Mr Speaker, I was delighted to hear of the hard work that both you and the Lord Speaker have put into ensuring that Parliament properly marks Pride weekend. Among other activities, the rainbow-coloured flag will be projected on to the Palace for the duration of the weekend. I am sure that Members from across the House, in this, the most diverse Parliament ever, will join me in sending our best wishes to all who are celebrating this weekend and the rest of Pride month.

Valerie Vaz: I join the Leader of the House in her good wishes to everyone taking part in Pride weekend. We are in the business of equality for everyone. Perhaps you need to wear a rainbow tie next week, Mr Speaker.

Mr Speaker: I will probably not require any encouragement.

Valerie Vaz: I thank the Leader of the House for the forthcoming business. She made no mention of the specific debates that I asked for last week on the High Court judgments concerning the plan for clean air and the benefits cap. She also made no mention of Opposition days, the last of which was in January. She made no mention of when she will schedule the debate on the statutory instrument on tuition fees, which the Opposition prayed against. That is particularly important in view of the latest Institute for Fiscal Studies report, which states that students will graduate with average debts of £50,800 after interest rates on student loans are raised to 6.1% in September, and points out that such interest rates are very high compared with current market rates. The report goes on to state that with their

“higher principal debt, students...from the poorest 40% of families now accrue around £6,500 in interest during study.”

The First Secretary of State said in a speech earlier this month that there is

“a national debate that we need to have”

about university tuition fees. I do not know where he was from 3 May to 8 June, but he actually got an answer: a minority Government. Will the Leader of the House please honour the parliamentary convention and let us debate that statutory instrument? It seems as though young people are being rejected by this minority Government.

May we have a debate on early-day motion 63, on the Women Against State Pension Inequality Campaign, which has so far been signed by 124 hon. Members from all parties?

[That this House believes it has a moral duty to ensure that there is a fair transition for women born on or after 6 April 1951 regarding their pensions; recognises the need for a non-means tested bridging pension that will secure the financial stability of those affected by the 1995 and 2011 Pension Acts and compensation for those at risk of losing in the region of £45,000, creating a fairer pension system for all; and calls on the Government to bring forward transitional arrangements to provide pension certainty for the women disproportionately affected by this system.]

The debate in Westminster Hall yesterday was totally oversubscribed—it was standing room only—so will the Leader of the House find time to debate this injustice to 1950s women, or are 1950s women also rejected by this minority Government?

So far, the financial black hole includes the £1.5 billion for the deal; the £2 billion hole in the public finances over the next five years left by the national insurance U-turn; the concession that was, quite rightly, made last week in support of women in Northern Ireland, but which not been costed; and the extra money that many Secretaries of State are asking for, such as the £1 billion for education and the money asked for by the Health Secretary. The financial black hole is getting bigger. The Government announced in the Queen's Speech that they will have three Finance Bills over the course of this Parliament, so will the Leader of the House say when we will have the summer Finance Bill? The Treasury has suggested such a Bill—that has certainly been picked up by the shadow Treasury team—unless, that is, there is to be no debate in Parliament, but just an announcement in Manchester in October.

Guess who said:

“tell others who've got their own opinion to shut up...There is a sense you have at the moment of everybody doing their own thing...Nobody actually asserting very clearly what they want to do in the national interest...We can't go on living from hand-to-mouth in this sort of shambolic way.”

It was the former Tory party chairman Lord Patten, and this is why he said it. This is the response on 3 July to a written question asked by my hon. Friend the Member for Hornsey and Wood Green (Catherine West):

“The government's manifesto includes a free vote on the Hunting Act 2004, but we are not planning to bring forward a free vote in this session.”

That is a U-turn. On free school meals, a Minister responded this week that the Government have decided it is “right to retain” the existing universal infant free school meals provision. That is a U-turn. On grammar schools, the Secretary of State for Education, again in a written answer to my hon. Friend, has confirmed:

[Valerie Vaz]

“There was no education bill in Her Majesty’s Most Gracious Speech, and therefore the ban on opening new grammar schools will remain in place.”

That is another U-turn. On the triple lock on pensions, which the Government wanted to scrap by 2020, they have made another U-turn. On the winter fuel allowance, the Government’s planned means-testing has been dropped, which is another U-turn. Everything in their manifesto has been dropped; there is no policy. What is left? Oh yes, “strong and stable”—I think that is another U-turn.

Mr Speaker, you will remember that the Prime Minister was billed as the second incarnation of another female Prime Minister, whose nickname, for those of us who can remember it, was TINA—“there is no alternative”. We in Her Majesty’s Opposition—here we are—say: there is an alternative.

Andrea Leadsom: On the subject of what the hon. Lady calls U-turns, as she and all hon. Members know, the result of the general election was not what we wished—we do not have the majority we wished for—but Members can be satisfied that the proposals the Government have brought forward are therefore focused on measures that we can all support.

Those measures are, first, about making a success of leaving the European Union and making sure that we can continue to trade and collaborate with our EU friends and partners. Secondly, there are measures to strengthen the economy by bringing forward new proposals on matters such as being a world leader in electric and autonomous vehicles, commercial space flights and other industries that will create the jobs of the future. Thirdly, there are measures to improve our society: we want strengthened support for people affected by mental health problems and measures to protect people from domestic violence. Those are measures that the whole House can get behind. Lastly, there are more measures to strengthen the United Kingdom, to prevent extremism and to protect us from terrorism. Those are the sorts of measures that the Government will bring forward, and I urge all Members to look at them and take them very seriously. They represent the real progress that this Government will make.

Let me turn to some of the hon. Lady’s specific points. On the court judgments, such cases remain with the judges, so as she will know, we cannot comment on them in the way she wishes.

Arrangements for Opposition days and for private Members’ Bills on sitting Fridays will be brought forward in due course. We are looking at them very carefully. The number of them will be at least in line with the number of days provided for in the Standing Orders, but additional days will be provided through the usual channels.

The hon. Lady asked for a debate on student fees, and mentioned the interest rates on student fees. I should make it clear to the House that student debt is not like normal commercial loans: student fees are made available to all students, regardless of their financial history; they are repayable according to income, not according to the amount due; and they are of course written off by the taxpayer after 30 years. They are less like a commercial loan, and more like a contribution—only a contribution, because the taxpayer continues to pay

significant sums—towards the cost of a degree that will mean the individual concerned earns more during their career than taxpayers who do not have the benefit of a degree. The system attempts to be fair to the student and to the taxpayer who does not have such a benefit.

Finally, I want to point out that our measures to improve apprenticeships—there was a commitment to nearly 3 million of them in the last Parliament, and there is a commitment to many millions more in this Parliament—are offering real alternatives for young people who do not want to go to university. The Prime Minister made the point at Prime Minister’s questions that disadvantaged 18-year-olds are seeing the highest ever level of entry to higher education, which is a good thing and should be celebrated by the whole House.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): I am sure the Leader of the House agrees that the House would want an early debate on any Government programme where the costs are rising, and it does not look as though it is good value for money for the taxpayer; where senior personnel are leaving, and the governance of it is deteriorating; where procurement processes are breaking down; and where the technology is being overtaken by other, more modern, developments. May we therefore have an early debate on HS2 phase 1 before we start on the folly of bringing in a Bill for HS2 phase 2, and to consider whether, if work on the route is to go ahead, it should be used for another form of transport, such as the autonomous vehicles on which the Leader of the House is so keen?

Andrea Leadsom: My right hon. Friend and I have worked for a very long time on representing her and my constituents in every way we possibly can. My constituents, just as much as hers, have grave concerns about the impact of HS2 as it passes through the Chilterns and South Northamptonshire, and all the way along the route. I am extremely sympathetic to her calls, but she knows as well as I do that there is a commitment to HS2. The Bill for phase 1 has received Royal Assent, but we will of course continue to look at what more can be done to provide mitigation and compensate all of our constituents during the construction phase.

Mr Speaker: As the Leader of the House knows, lots of my constituents are very hacked off about the matter as well.

Pete Wishart (Perth and North Perthshire) (SNP): I thank the Leader of the House for announcing what passes for the business for next week. I join her in wishing well all those who are participating in Pride week during the next few days.

There were no votes this week. There are not going to be any votes next week, and there will probably not be any votes during the week after that, so there will be no votes before we get to the summer recess. This is quickly becoming the zombie apocalypse Parliament where the Government undead wander the streets of Whitehall looking for brains, only to discover they have all left the country because of Brexit, like everybody else. I do not know how much longer the Government will be able to pad out the business with uncontroversial Bills and measures, but at some time the will of the House will have to be tested once again.

There will, however, be votes next week—thank goodness—because we will all be deciding who the Chairs of Select Committees are to be. I declare an interest in that matter. It is good to see the Select Committees up and running, but what on earth is happening with Standing Committees of this House? We have already passed a couple of Bills on Second Reading—I know they will be taken in a Committee of the whole House—and there is another Second Reading debate next week. We must have a conversation and discussion about Standing Committees, because they are important in passing legislation. I looked at the arithmetic and figured out that there should be nine Conservative Members, seven Labour Members and two SNP Members on a Standing Committee, giving no one an overall majority. That is my understanding, but the Leader of the House can correct me if I am wrong. When will a motion come to the House, and when will the Standing Committees be up and running?

I very much support the shadow Leader of the House in calling for a full debate on the WASPI issue. Westminster Hall was packed to the gunwales yesterday, with so many Members of Parliament wanting to represent their female constituents born in the 1950s. We have to have the debate here on Floor of the House. I have noticed that there is a cooling in the mood of Conservative Members about the issue, as they recognise this injustice. We saw the £1 billion bung go to the DUP. Let us have a debate here on the Floor of the House, where Members can put the case.

Lastly, it is a year ago that we got the Chilcot report. You will remember, Mr Speaker, that we debated it for two days. Today, Sir John Chilcot said that Tony Blair was not “straight with the nation”. Is it not time for a parliamentary Committee to investigate this properly and take appropriate action against the former Prime Minister?

Andrea Leadsom: I encourage the hon. Gentleman to consider, perhaps by reading *Hansard* if he was not listening, the strong case I made for the measures the Government will be taking to take significant steps in improving the situation of all residents right across the United Kingdom. He says that there have been no votes. That is testimony to the agreement across the House that we are indeed doing the right thing. I encourage him and his hon. Friends to continue to support the Government’s efforts.

Standing Committees are being looked at and will be appointed in due course, and the issues the hon. Gentleman raised will be resolved.

We have had five debates on the WASPI issue. As with all high-profile issues that are of concern right across the House, the Government continue to look at the measures in question. However, the hon. Gentleman will appreciate that, unfortunately, we are still trying to deal with the problems in our economy left by the last Labour Government. We still continue—[*Interruption.*] Opposition Members might groan, but the reality is that this Government are still clearing up the last Labour Government’s mess. We have therefore had to take tough decisions to be fair right across the range of people coming up to retirement age, as well as to those still of working age.

The final point the hon. Gentleman raised was about the Chilcot inquiry. That was a seven-year inquiry. The Government have looked at it at great length, and it has

been widely discussed. The Government continue to learn the lessons of the Chilcot inquiry and are absolutely committed to continuing to do so, but we do not have plans to reopen a further inquiry.

Philip Davies (Shipley) (Con): Can we have a statement from the Secretary of State for Environment, Food and Rural Affairs about dog theft and dog fighting? There are far too many dog thefts in my part of the world and probably in other parts of the world, and many of those dogs are used as bait for dog fighting, which is absolutely disgusting. The law enforcement and animal welfare agencies do not appear to do enough about that. Can we have a statement from the Secretary of State on what he intends to do to clamp down on this disgusting practice?

Andrea Leadsom: My hon. Friend raises such an important point. There is no doubt that we are a nation of dog lovers. As Secretary of State for Environment, Food and Rural Affairs, I spent quite a lot of time trying to improve the rules on puppy licensing to get backstreet breeders out of the way and to improve animal welfare, training and so on. I encourage him to get in contact with the Department for Environment, Food and Rural Affairs again on what is a very important matter for all of us.

Stephanie Peacock (Barnsley East) (Lab): South Yorkshire has lost more than 400 police officers since 2010. Can we have an urgent debate on what extra resources can be made available to make people in Barnsley East safe?

Andrea Leadsom: I welcome the hon. Lady to the House and wish her great success in her new role. She raises a matter that is important right across the country—that of policing. She will know that the Government have protected police funding in real terms. I met my own police and crime commissioner only yesterday to talk about the difference in how policing is happening. She will be pleased to know, as I am, that crime has fallen by a third since 2010, enabling police forces to put more into tackling cybercrime and into crime prevention, particularly in respect of online crime. Nevertheless, the relevant Minister will have heard her points.

Sir David Amess (Southend West) (Con): Will my right hon. Friend find time for a general debate on the criteria for awarding city status? In every respect, Southend-on-Sea, with its many and various qualities, should already be a city. I believe that is an oversight to which attention may be drawn in a general debate.

Andrea Leadsom: My hon. Friend is a huge supporter of his constituency. I am sure that all Members will have spent happy hours on the beaches there. Nevertheless, he will appreciate that city status is a rare privilege that is conferred on a town by Her Majesty on advice from Ministers and is not something for the House.

Martin Docherty-Hughes (West Dunbartonshire) (SNP): In the last Parliament, I rose to seek the support of the then Prime Minister in relation to a constituent, Lisa Brown, who has been missing in Spain since November 2015. I now find myself having to rise in the House in relation to another constituent, Caroline Hope, who

[*Martin Docherty-Hughes*]

after travelling to Turkey on personal matters was diagnosed with cancer and sought emergency surgery before returning home to Scotland. She has now been infected with *E. coli* and is having to rely on the support of family, friends and strangers to raise over £30,000 to bring her home to West Dunbartonshire. I ask the Leader of the House to seek from the Foreign and Commonwealth Office and the Foreign Secretary a quick response to a letter I sent them this week on Caroline's situation and on further support in respect of Lisa, who is still missing in Spain.

Andrea Leadsom: I am obviously incredibly sympathetic—that sounds like a genuinely terrible situation. The hon. Gentleman will be aware that there are oral questions to the Foreign Office next week, and he may well wish to raise it then.

Alec Shelbrooke (Elmet and Rothwell) (Con): My village of Woodlesford was lucky in that it had one-in-200-year flood defences put in place before the Boxing day floods. However, the water still got within one inch of people's doorsteps. My villages of Methley and Mickletown had similar problems. The devastation in Leeds was huge, and there has been a rush to put bigger flood defences in. May we have a statement from the relevant Minister on the flood strategy for Leeds, with specific mention of what modelling has been done to ensure that more water does not come down to my villages, which already have flood defences in place but came perilously close to having them breached?

Andrea Leadsom: I had the great pleasure of going to Leeds last year as Secretary of State for Environment, Food and Rural Affairs to see the new moveable weirs, which should make a big difference to the ability to prevent water overwhelming towns such as Methley and Mickletown. The Environment Agency is working closely with Leeds City Council and the local flood groups to understand the latest flood modelling results and identify the most appropriate options. A lot of work is being done, involving £3 million of additional Government funding, on the Leeds flood alleviation scheme.

Judith Cummins (Bradford South) (Lab): In west Yorkshire, our blue light services and those who represent rank and file staff are very clear that our emergency services are in crisis and staff are struggling to cope. West Yorkshire has lost more than 1,200 police officers and 554 firefighters since 2010. It is no wonder that my constituents feel less safe. Given that we have not had an Opposition day since January, will the Leader of the House provide Government time for a debate on this important subject before the summer recess?

Andrea Leadsom: I refer the hon. Lady to what I said to the hon. Member for Barnsley East (Stephanie Peacock): crime is down by a third since 2010 and the Government have protected police funding. She may wish to raise the specific issues in her constituency by applying for an Adjournment debate or a Westminster Hall debate.

Amanda Milling (Cannock Chase) (Con): At the weekend, I joined a group of volunteers from the Heart of Hednesford group, who were planting up hayracks

on the platforms of Hednesford station, which will give passengers a colourful welcome to the town. Will my right hon. Friend join me in congratulating and thanking that fantastic group of volunteers? May we have a debate in Government time about the role of volunteers and community groups in local communities?

Andrea Leadsom: I am delighted to have this opportunity to share in my hon. Friend's congratulations to her volunteers. We all appreciate the amazing work done by volunteers—litter picking, planting flowers or supporting vulnerable people and so on. We have frequent debates in this place on volunteers, and I encourage my hon. Friend to seek a further one to show our appreciation.

Kate Hoey (Vauxhall) (Lab): Will the Leader of the House arrange for a statement to clarify who is responsible for dealing with the increasing problem of urban foxes, about which I have had huge numbers of complaints recently? No one takes responsibility. I am not suggesting, Mr Speaker, the setting up of a Vauxhall hunt, but I am seeking to satisfy and help those of my constituents whose lives in their homes are being made intolerable by foxes. What can be done, and who takes responsibility, other than people saying, "They're lovely"?

Mr Speaker: I am sure that the more ubiquitous the hon. Lady is in the Vauxhall constituency, the more terrified the foxes will be.

Andrea Leadsom: Yes, Mr Speaker, I was going to say that the foxes have a cheek going to Vauxhall, given the hon. Lady's views on them; it is very brave of them.

There are very strict rules on wildlife in urban, as well as rural, areas, and keeping the fox population down is an important issue. I suggest that the hon. Lady write to the Secretary of State for Environment, Food and Rural Affairs.

Several hon. Members *rose*—

Mr Speaker: Gosh: just as we are talking about foxes, who should come into the Chamber but the Secretary of State for International Trade and President of the Board of Trade, the right hon. Member for North Somerset (Dr Fox). How very timely.

Dr Julian Lewis (New Forest East) (Con): Given the number of terrorist acts carried out in the UK by people who were prevented from going to the middle east, may we have a statement from an appropriate Minister setting out the arguments for and against preventing would-be adult jihadists from travelling abroad and keeping them at home, when we know that they cannot all be monitored at home around the clock?

Andrea Leadsom: My right hon. Friend raises a very important issue. Approximately 850 UK-linked individuals of national security concern have travelled to engage with the Syrian conflict. We think about half of them returned to the UK, while over 15% were subsequently killed in fighting in the region. Our priority is, of course, to dissuade people from travelling to areas of conflict, and our Prevent strategy includes a lot of work to identify and support individuals at risk of radicalisation. This is clearly something for the commission for countering

extremism, which is being set up, and I am sure the Foreign Affairs Committee will also be interested in this subject.

Tom Brake (Carshalton and Wallington) (LD): The Leader of the House mentioned extremism in her opening remarks. Will she make Government time available for a debate on the report on extremism and the funding of extreme activity in the UK that the Government have not yet published? Members are entitled to know, for instance, whether that is because there are many references to the activities of the Saudis in the report. May we find time for such a debate?

Andrea Leadsom: The right hon. Gentleman will appreciate that this is clearly something for the commission for countering extremism. It will be keen to look at reports of what has gone on already.

Nigel Huddleston (Mid Worcestershire) (Con): Childline, which is now part of the National Society for the Prevention of Cruelty to Children, was founded 30 years ago and over that time has helped more than 4 million children in need. May we have a debate about how Government could work even more closely with Childline and the NSPCC, particularly in areas such as online abuse and children's mental health?

Andrea Leadsom: My hon. Friend has been a huge advocate of the excellent work of Childline, and I think everybody across the House will want to congratulate it, too. He will be aware that teachers and school staff across the country have started training to be able to identify, and respond to, early signs of mental health problems among pupils, which is a very good thing. My hon. Friend might want to expand on that discussion by applying for a debate, and I encourage him to look at early years, infant mental health, which is so important to set young people up with lifelong emotional wellbeing.

Christian Matheson (City of Chester) (Lab): The M56 is the principal economic artery for not just west Cheshire but large parts of north Wales, and it continues to jam up regularly, at which point all the roads surrounding it jam up, too. May we have a debate in Government time on why their road strategy has failed to find any investment for the M56 in the last 10 years?

Andrea Leadsom: The hon. Gentleman will be aware that this Government have significantly invested in roads and continue to do so. If he has a specific issue about the M56, I encourage him to apply for an Adjournment debate, but this Government are fully committed to improving our infrastructure to get the economy going, and to give the boost of even more jobs for people in this country.

Tim Loughton (East Worthing and Shoreham) (Con): The Leader of the House and I share a strong interest in perinatal mental health and giving babies the best start in life, and I declare an interest as chairman of the charity she set up, so I am greatly encouraged by the Government's commitment to a mental health Bill in the Queen's Speech and particularly to amending equalities legislation to reduce any discrimination against people with a mental illness problem. Can my right hon. Friend give us an approximate timeline for that legislation, and

say what it might cover to promote perinatal mental health and giving our children the best start in terms of mental health in their lives?

Andrea Leadsom: I am grateful to my hon. Friend for raising this issue, which is very dear to his heart and mine. Giving babies the best start in life through secure early bonding is absolutely vital. I am sure that will be a part of our new mental health Act mentioned in the Queen's Speech and that Members across the House will be keen to put forward their views. The timing of this will be decided in due course.

Maria Eagle (Garston and Halewood) (Lab): After Home Office questions on Monday—when the Home Secretary claimed police funding had been protected, although it has not been on Merseyside—there was yet another firearms discharge in my constituency. That makes over 100 shootings across Merseyside in the last 18 months, including five murders. May we have a debate in Government time about the increase in gun crime across Merseyside and what the Government will do better to equip our police to deal proactively with the serious threat to public safety it represents?

Andrea Leadsom: The hon. Lady is right to raise this issue, which is very serious in her constituency. She will be pleased to know that since 2010 there have been over 370,000 fewer violent crimes a year, but that does not help at all when in her constituency there have been many of them, and I suggest she take that up via a Westminster Hall or an Adjournment debate.

Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con): May we have a debate on the accountability of local councils? Taunton Deane council is giving permission for 17,000 houses. One company alone has built up a multimillion pound land bank on the assumption that the council will give it permission. May we please have a tightening of the rules and a debate before councils are accused of all sorts of serious things that I suspect they do not want to be?

Andrea Leadsom: My hon. Friend raises the important point that housing must be sited in an appropriate place and there must be clear and transparent rules around planning. However, a balance needs to be struck, as we desperately need to be building more houses. We have a great record of building—over 800,000 new homes since 2010 in this country. That is a very good contribution, but more needs to be done. My hon. Friend might want to raise his specific point at the Department for Communities and Local Government questions scheduled for before the summer recess.

Dan Jarvis (Barnsley Central) (Lab): Further to the point made by the right hon. Member for Carshalton and Wallington (Tom Brake) and in the light of the recent terrorist attacks in London and Manchester and yesterday's report by the Henry Jackson Society on the foreign funding of extremism in UK, may I ask when the Prime Minister will either publish the report on the foreign funding of terrorism commissioned when she was Home Secretary or make a statement to this House on the foreign funding of extremist groups in the UK?

Andrea Leadsom: The hon. Gentleman will know that this is an enormously important issue for the Prime Minister personally, and she has committed to doing everything possible to keep our people safe. She is setting up the commission for countering extremism and is fully occupied in resolving this issue. I am sure he can rely on the fact that she will do everything possible to stamp out extremism in all its forms.

Wendy Morton (Aldridge-Brownhills) (Con): Among the regular issues that land in my inbox are litter and fly-tipping. I am sure that this affects other hon. Members as well. Fly-tipping alone cost local authorities in England £49.8 million in 2015-16, and that is on top of the cost of litter clear-ups. May we please have a debate in Government time on how effective the enforcement of the relevant regulations is and on what more can be done to encourage members of the public to dispose of their litter and waste properly?

Andrea Leadsom: I am very happy to encourage everyone to take their litter home with them. My hon. Friend is right to say that street cleaning cost local government nearly £800 million in 2015-16—a huge amount of money that could be better used doing other things. I was pleased to launch our national litter strategy for England recently. It covers three areas: enforcement, education and infrastructure for bins. That consultation has now finished, and further announcements will be made very soon.

Chris Stephens (Glasgow South West) (SNP): Today is a sad day for Glasgow politics, as the funeral was held this morning of Councillor Alistair Watson, whose life is celebrated in early-day motion 139. He gave 22 years of public service to the communities of Cardonald, and I send my condolences to his family and friends, and to the Glasgow Labour family.

[That this House recognises the life and work of Councillor Alistair Watson, trade unionist, railwayman, transport campaigner, tireless local champion for the community of Cardonald for 22 years and sends condolences to his family at this sad time; notes that Mr Watson was an exemplary councillor with a clear local focus but also a bold strategic vision, a local champion and city-wide advocate, with a vision of a city region with integrated transport at the heart of Glasgow's regeneration at the same time as working every day on the issues that mattered to his community neighbours; and further recognises that Mr Watson was well known for being a robust debater but with a smile and a handshake for his political opponents, was respected and valued by everyone who worked with him and who experienced the pride and passion he had for his work.]

May we have a debate or a statement on public service, to celebrate those who have served our communities with distinction, such as Councillor Alistair Watson?

Andrea Leadsom: I, too, would like to offer my condolences to the family of the councillor the hon. Gentleman mentions. There are people right across the country who put in many years of public service to improve their own local communities or the country that they live in. That service is vital to all of us. He makes the good point that we should have a debate not only to encourage more people to get involved but to celebrate those who have done so. I encourage him to apply for a debate on that subject.

Ms Nusrat Ghani (Wealden) (Con): As Daesh loses territory and fails to deliver the so-called caliphate, it grows ever more desperate in its death cult crimes, especially against the Yazidi people. May we have an early debate on the application of international law to bring prosecutions against Daesh fighters, and those who choose to partner and even marry them, to ensure that every terrorist is held accountable for their barbaric crimes?

Andrea Leadsom: We are very concerned about the appalling crimes committed by Daesh against Christians, Yazidis and other minorities, as well as against the majority Muslim populations in Iraq and Syria. Ultimately, the only way to stop the abuse is to defeat Daesh and establish a long-term political settlement in those countries. We continue to work closely with the Government of Iraq and with the United Nations to do just that. My hon. Friend should be reassured that any Daesh supporters returning to the UK will face the full force of the law.

Matthew Pennycook (Greenwich and Woolwich) (Lab): Developers in London routinely use a variety of methods aggressively to drive down levels of affordable housing. The Battersea power station development is the most recent high-profile example. May we have a debate in Government time on what more needs to be done to ensure that private developments include sufficient public gain and adequate affordable housing?

Andrea Leadsom: We all share a desire to see more affordable housing; there is a big commitment to that on the part of this Government. More than 300,000 new affordable homes have been built since 2010. Of course, it is a matter for local planning authorities to ensure that the right proportions are built in every development.

Richard Graham (Gloucester) (Con): I heard what the Leader of the House said earlier about student loans. The original policy, introduced by the coalition Government, was widely supported and remains progressive, but things have changed slightly. The level of interest at which living costs and student loans will be repaid will rise to 6.1% this September. That, allied with compound interest over a 30-year period, led to the calculation in yesterday's Institute for Fiscal Studies report that the total debt could rise to more than £55,000. A number of us are very concerned about this. May I therefore urge my right hon. Friend to find Government time for a debate, which the First Secretary of State and Minister for the Cabinet Office, my right hon. Friend the Member for Ashford (Damian Green), has also intimated he would like to see?

Andrea Leadsom: Of all people, my hon. Friend should recognise that student finance is not like a normal commercial loan. The taxpayer still contributes significantly to the cost of higher education for university students, and it is right that those who will benefit from the higher earnings attracted by graduates should contribute to that cost. However, the mood of many colleagues has been heard, and I am quite sure that the Department for Education is considering this matter.

Catherine West (Hornsey and Wood Green) (Lab): Gun and knife crime is up across London, and this month marks the two-year anniversary of a high-profile drive-by mistaken identity shooting in Wood Green.

Despite a number of representations, this homicide remains unsolved. May we have a debate in Government time on resources, particularly for London boroughs that are experiencing an increase in gun and knife crime? In the light of the fact that 230 officers have been moved over to do important work following Grenfell, we need to be able to rely on there being enough detectives working to solve that two-year-old crime.

Andrea Leadsom: It is important to be clear that, although there are pockets in which terrible incidents take place—it sounds like a really awful experience in the hon. Lady's constituency—there have nevertheless been 370,000 fewer violent crimes since 2010. It is important that we speak in measured terms, because it is easy to scare people into thinking that things are getting worse when in fact they are getting better. It has been made very clear that police funding has been protected, but the police themselves are changing the way in which they manage things operationally and putting more money into cyber-policing, into dealing with online crime and into counter-intelligence. None the less, the hon. Lady might wish to raise the specific issues in her constituency via an Adjournment debate.

Jeremy Lefroy (Stafford) (Con): My right hon. Friend might be aware of the problems that riding schools up and down the country are having with the valuations being ascribed to their premises by the Valuation Office Agency. Some are now closing as a result, which will undoubtedly have an effect on Riding for the Disabled. May we have a debate on the subject, and could she raise it with her Cabinet colleagues?

Andrea Leadsom: I am very much aware of the issue of rates for riding schools and other large premises in rural areas. My hon. Friend might know that, as part of the £435 million package of support launched at the Budget, the Chancellor announced a £300 million discretionary relief fund over four years from 2017-18 to enable local authorities to provide additional support to local businesses. I encourage my hon. Friend to suggest that his constituents apply to the local council to see whether they are eligible for that discretionary relief.

Jim Shannon (Strangford) (DUP): Following the revelation in an independent audit of loans by Credit Suisse and VTB Capital to state-owned companies in Mozambique—loans that now fall on the shoulders of every man, woman and child in that country—may we have a debate or a statement on what measures the UK Government are considering to ensure that loans given to Governments under UK law are transparent?

Andrea Leadsom: The issue of transparency in Government loans, and in overseas aid, is very important to the Government. Foreign Office questions will be held next week, I believe, and I am sure that the hon. Gentleman will wish to raise this matter at that time.

Dr Matthew Offord (Hendon) (Con): There is some concern about the broadcast media's coverage of the Brexit negotiations, and we only had to watch "Newsnight" last night to see why. One of my constituents has emailed me about this, stating:

"I need to know whether I made the right decision but the mainstream media just do not cover EU developments."

Will a Minister come to the Dispatch Box to explain this, or indeed to justify the statement that the BBC is continuing to comply with its royal charter?

Andrea Leadsom: We all want to see balance in reporting, giving as much time to the opportunities of leaving the EU as is given to the other side of the argument. A number of people have expressed concern that that balance is not there, and I think that all of us across the House would wish to see that addressed very closely.

Paula Sherriff (Dewsbury) (Lab): Will the Leader of the House provide time for a debate on local government funding? Kirklees Council, which covers my constituency, is losing £1 million a week. Services are close to breaking point, with vulnerable people suffering the most. As the Cabinet now seems to be conducting a public debate on austerity on the front pages, may we also have one in this House?

Andrea Leadsom: I remind the hon. Lady that, actually, it is this Government who are sorting out our public finances. It is under this Government that we have seen employment up by 2.9 million people, over 800,000 fewer workless households and a pay rise for 30 million people through income tax cuts. Basic rate taxpayers are £1,000 a year better off under this Government, so to suggest that everything is falling apart is simply not true. Opposition Members need to stop scaremongering, and I urge the hon. Lady to look at the facts.

Mims Davies (Eastleigh) (Con): Hamble Lane, Eastleigh town centre and the Botley Centre on Botley high street leave constant queues and jams, and the resultant air pollution remains a key concern for my constituents, and particularly for parents of children with asthma. Will the Leader of the House kindly find Government time for a debate on air pollution so that we can talk about and really tackle this growing public health concern?

Andrea Leadsom: Air quality is a serious public health issue—my hon. Friend is right to say that it has a major link to asthma, which is a serious condition in itself—and we take it seriously. She will have many opportunities to raise it when we have the High Court judgment and when the consultation proposals are published later in the summer.

Alison Thewliss (Glasgow Central) (SNP): Some 200 staff who were supposed to be working at a Green Day concert were let go on Tuesday after it was cancelled at very short notice by the promoter, PCL Presents. The staff were offered only their bus fare by the employer in this case, OnPoint. May we have a debate on zero-hours contracts and workers' rights? Does the Leader of the House agree that in this case these workers have clearly been exploited, which is unacceptable?

Andrea Leadsom: If that is indeed the case, I agree that it does not sound acceptable. On the wider point, there has been a lot of discussion in this House about the measures this Government have taken to stamp out the abuse of zero-hours contracts. Of course, many people are content with their zero-hours contracts, which work for them. The hon. Lady raises an important specific point, but the broader point has been well debated in this Chamber.

Mike Wood (Dudley South) (Con): Some illegal Traveller camps in Dudley have left behind criminal damage and large clean-up bills for council tax payers. May we have a debate on the use of police powers to remove illegal camps and on proposals to allow combined authorities to pool provision for authorised Traveller sites, rather than insisting that each local authority has its own provision?

Andrea Leadsom: My hon. Friend raises a subject that has been raised at every business questions so far in this Parliament, which highlights the importance of the issue in every constituency. Local authorities and the police have a wide range of strong powers that help them to take action, including being able to direct trespassers to leave the land, removing any vehicles and property, when there is a suitable pitch elsewhere in that local authority area. I hear my hon. Friend's point about pooling local authority resources. That is not currently possible, but he may wish to raise it directly with Ministers.

Richard Burden (Birmingham, Northfield) (Lab): I too want to raise the need for an early debate on illegal encampments. In the past few months there has been an unprecedented rise in the number, scale and frequency of encampments in south Birmingham, often with public concern made even worse by the antisocial behaviour associated with those encampments and by the mess they leave behind. The encampments are often evicted from one place only to reappear down the road. We need an early debate, and I ask the Leader of the House both to review the status of the existing powers and to review what best practice is available and where it can be applied. If the available powers need further review, will she set the ball rolling?

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): Can we have short questions so that everyone gets in? I do not want to miss anyone out; I want everyone standing to get in.

Andrea Leadsom: Again, there are already strong police powers. There are occasional issues with enforcement, but where Travellers fail to comply with police direction, it is a criminal offence punishable by up to six months' imprisonment. So, too, is re-entry on land within three months by a person subject to a direction. There is an issue with enforcement, but the hon. Member for Birmingham, Northfield (Richard Burden) should be aware that 84% of Traveller caravans are now on authorised land, compared with 77% in 2007. The Government are committed to reducing the number of unauthorised sites by making sure there is reasonable provision for Travellers that takes account of their particular cultural requirements, to enable them to avoid being on unauthorised sites.

Chris Davies (Brecon and Radnorshire) (Con): The players and supporters of Gwernyfed rugby club in Brecon and Radnorshire have recently completed a sponsored bike ride across Wales, raising £45,000 towards the cost of purchasing their rugby pitches from the local authority. Will my right hon. Friend join me in congratulating all of Gwernyfed—she does not have to pronounce it—on that outstanding achievement? Will

she also allow a debate on what more can be done to transfer assets to local community groups without exceptionally high costs to those groups?

Andrea Leadsom: I congratulate all those involved. It is a very impressive sum for a sponsored bike ride, and I commend my hon. Friend if he was involved. As he will know, responsibility for grassroots sport is devolved to Wales. Sport Wales has responsibility for investing in and supporting grassroots sport. This year Sport England launched a community asset fund worth up to £15 million, and he might want to ask Sport Wales whether it has any similar schemes upcoming.

Kevin Brennan (Cardiff West) (Lab): Like many of us, the Leader of the House likes to be patriotic and use our national carrier airline, British Airways, but may we have a debate about the shameful way it is treating its mixed-fleet cabin crew and about how the Government have given it permission to wet lease the planes and staff of Qatar Airways in order to keep flights going during the current industrial dispute, despite the terrible record of Qatar Airways on female workers? Is it not time for a debate on that subject?

Andrea Leadsom: The hon. Gentleman raises an important point on workers' rights, and applying for a debate in Westminster Hall or for an Adjournment debate would be a good opportunity to raise it further. However, it is important in all industrial disputes that passengers are also taken into account. I am sure he would agree that that is the right balance in all disputes.

Mr Marcus Fysh (Yeovil) (Con): I welcome the Government's commitment to extensive investment in our road network, such as the A303 and A358 in my constituency. Will the Leader of the House find time for a debate in Government time on how we can capitalise on that investment to deliver jobs, housing and skills development?

Andrea Leadsom: My hon. Friend is a great champion for his constituency. I have spent many hours queuing patiently on the A303, so I understand his desire to see it upgraded. More specifically, new infrastructure brings jobs and growth in every constituency, and the Government have committed to massive new investment in capital infrastructure spending. He may wish to raise that in a Westminster Hall debate to give all colleagues the opportunity to talk about this Government's work to build the economy.

Hannah Bardell (Livingston) (SNP): I hope the Leader of the House heard my question to the Prime Minister yesterday about my constituent Lola Ilesanmi and her daughter, who is under threat of female genital mutilation. Unfortunately, the Prime Minister's response was not adequate—it was almost as bad as the letters and responses I have had from the Home Office—so may we have a debate on the processes of the Home Office and the measures in place to protect women suffering from domestic violence and women and girls under threat of FGM?

Andrea Leadsom: Nobody in this House would for a moment condone or have anything other than disgust and abhorrence at the whole subject of FGM—it is an

appalling abuse of young girls and young women, and nobody would condone it for a moment. This Government have made a huge effort to stamp out FGM. It is extraordinarily difficult to do that, but we are breaking through. At least through the hon. Lady's question today we will be able to highlight again the plight of those suffering this appalling abuse. She raises a specific constituency point, and I urge her to raise that in Home Office questions or indeed to continue to raise it in PMQs. She has the support of the whole House in seeing this stamped out.

Jessica Morden (Newport East) (Lab): Colin Smith received contaminated blood in 1983, when he was just eight months old. That blood turned out to be from an Arkansas prison, and he died aged just seven, having spent his whole life fighting illness. Please, for Colin's family and for all those affected, may we have an opportunity before the recess to debate the new reports that suggest that risks of contaminated blood were known and discussed from 1980, because those affected need a public inquiry to get to the truth?

Andrea Leadsom: I totally agree that the contaminated blood situation over several decades, which has affected people in so many different ways, was a terrible thing to happen. The hon. Lady will appreciate that successive Governments have, over decades, reviewed the situation and made compensation available to all those victims. I am aware that the last review, in 2015, made further recommendations and that there are concerns about the possibility that there was some cover-up. I encourage her to seek an opportunity for a debate, to try to air that issue further.

Rachael Maskell (York Central) (Lab/Co-op): As we have heard, the broken business rates system is very detrimental to business. Frankly, it is a shambles—that view is echoed in businesses right across York, including those trading in the Shambles. May we, as we heard in the Budget, have the consultation brought to this House, because we were promised this in February and it has not seen the light of day? I would therefore like an urgent statement on why it has not been.

Andrea Leadsom: The hon. Lady will know that rateable values are set independently by the Valuation Office Agency and reflect open market rental value. The Government do not intervene in that independent exercise, but I do understand that if the market rent for the area has changed, rateable values change with that. She will be aware that the Chancellor announced a £300 million discretionary fund over four years, from 2017-18, to deal with issues of business rates changing for particular businesses. That has been made available to local authorities so that, at their discretion, they can support individual businesses in dealing with their issues.

Mrs Madeleine Moon (Bridgend) (Lab): The “Companies & Markets” section of the *Financial Times* carried an article this Monday on how investment in the car industry has slumped amid Brexit concerns. That issue was raised with me numerous times during the election, as I have a large Ford plant in my constituency. What is clear from the article and from the experience of Ford workers is that new investment is not coming to the plant, and it has slumped by 30% across the UK. The Society of

Motor Manufacturers and Traders has said that there will be a devastating impact, and it will “permanently damage” the UK car industry, if this is not addressed when Britain leaves the customs union and the single market. May we have a debate on the impact of Brexit on the automotive industry?

Andrea Leadsom: The hon. Lady raises an important issue for her constituency. The UK has a thriving automotive industry, and I am sure she will be delighted that we are bringing forward measures to support electric vehicles and to be a world leader in that area. She may also be pleased to know that the Department for International Trade figures released today show a record-breaking number of foreign direct investment projects coming into the UK—up 2% on the 2015-16 figure. The direction is absolutely the right one, but she may well wish to raise specific issues for Ford in her constituency through a Westminster Hall debate.

Faisal Rashid (Warrington South) (Lab): Before the 2015 general election, Chancellor Osborne made a commitment to the residents of Warrington that the new Mersey gateway bridge and the existing Runcorn bridge would be toll free. Early this year, a junior Transport Minister broke that promise. May I request that the Leader of the House arrange for the Secretary of State for Transport to come here to make a statement to inform Members as to when the Government will announce that they will keep their promise? Alternatively, will she arrange a debate, as this issue is affecting the whole region?

Andrea Leadsom: The hon. Gentleman raises an important point for his constituency, and he will be pleased to know that there will be Transport questions on Thursday 13 July, when I am sure he will be able to raise that with Ministers.

Patrick Grady (Glasgow North) (SNP): May we have a debate on Home Office intransigence? Will a Minister come to this House to explain why, despite following all Home Office advice when submitting his application for extension of leave to remain, my constituent Akakpo Dosse Kangni-Soukpe and his wife have been stripped of their status and forced to quit their jobs, leaving their children, two of whom are British citizens, destitute? May we have an urgent debate on and review of Home Office procedures that leave so many people in such vulnerable situations?

Andrea Leadsom: The hon. Gentleman raises a worrying case in his constituency, and I am sure he will want to raise it either at oral questions to the Home Office or through writing to Ministers. As we all know, the UK Border Force does have an MPs' hotline and deals as a matter of priority with MPs' cases, so he may wish to take this up directly with that body.

Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op): In 2015, the Government promised not to sell HMS Ocean and not to close Stonehouse barracks and the Royal Citadel in Plymouth, but the helicopter carrier and both bases are now up for sale. Will the Leader of the House agree to a debate on base closures and how we retain helicopter carrier capabilities at Devonport?

Andrea Leadsom: First, let me welcome the hon. Gentleman to his place and wish him success in this House. He is raising something dear to all our hearts: the fortunes of our military, be it the Royal Navy, Royal Air Force or Army. Sadly, I fear that his views are not shared by many on his side of the House, who argue against protecting our citizens. Nevertheless, his point has been heard and I am sure he will be raising it with Ministers whenever he can.

Justin Madders (Ellesmere Port and Neston) (Lab): It has been common practice in the NHS, for example, for employees to be required to repay redundancy payments if they secure another job in the health service within a certain period of time. Given that several former Members who lost their seats at the last election have now taken up paid roles as Government advisers, will the Leader of the House set aside some time for a debate as to whether it is appropriate for Members to receive redundancy payments if they shortly thereafter take up a taxpayer-funded role?

Helen Goodman (Bishop Auckland) (Lab) Name names.

Andrea Leadsom: The hon. Lady shouts from a sedentary position, “Name names”. My concern, and that expressed by many Members across the House, has in fact been that Members who have lost their seats, particularly this time around, have in some cases genuinely struggled. The Leader of the House role comes with an ability to feed into the policies for Members’ pay and expenses. The hon. Gentleman raises an important point, but I think he will find that Members from across the House are in fact concerned that Members who lose their seats are not being fairly treated—that is quite the opposite of the point he is raising.

Dr Rupa Huq (Ealing Central and Acton) (Lab): I am sure that Members from both sides of the House would want to wish a happy 69th to the NHS, which clocked up that milestone yesterday, but local provision seems to be less and less healthy. My area has lost two accident and emergency facilities and if the current transformation plan goes ahead, there will be more beds in an average DFS than in Ealing hospital. May we therefore have an urgent debate, in Government time, on the future of this cherished, Labour-created institution, because, after all, we cannot give it the bumps?

Andrea Leadsom: The hon. Lady will know that this Government are totally committed to the NHS and are funding it to a far greater extent than the Labour party’s manifesto pledged. Under this Government, we have seen millions more operations and A&E visits. We have seen enormous strides forward in medical science and technology which enable people to have far better treatments. The Commonwealth Fund says that the NHS is one of the best health services in the world—that is not the UK but the Commonwealth Fund saying that. The Government are absolutely committed to the success of the NHS, and all Members should do more to support the excellent work of our NHS staff, who do so much to support all of us.

Vicky Foxcroft (Lewisham, Deptford) (Lab): The shadow Leader of the House and other Members have raised an important question: why has there not been an Opposition

day since 25 January? Given the scarcity of substantive Government business and the huge number of issues raised by the Opposition, why does the Leader of the House refuse to schedule one before the summer recess? Or does she want to commit to one now?

Andrea Leadsom: There are Standing Orders that cover Opposition days, sitting Fridays, Backbench Business days and so on, and the Government are working on setting out when those days will be through the usual channels. The House will be informed as soon as possible.

Richard Graham (Gloucester) (Con): On a point of order, Mr Deputy Speaker—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I suggest the hon. Gentleman waits till the end of business questions. I am not going to change my ruling.

Alan Brown (Kilmarnock and Loudoun) (SNP): Last week I mentioned just a few of the failings of the Secretary of State for Scotland and challenged the Leader of the House to list some of his achievements. In her response, she said that

“he has spoken up for energy in Scotland”

and that he has been

“an enormous advocate for... Scottish agriculture”.—[*Official Report*, 29 June 2017; Vol. 626, c. 745-46.]

What about the fact that he stood by when the Government pulled the plug on carbon capture and storage and on onshore renewables—investment in renewables is now down 95%—and that the Government have withheld nearly £200 million of EU funding that was meant for Scottish farmers? If those are supposedly his achievements, can the Leader of the House list any other outstanding achievements that make my point—that he is not standing up for Scotland—for me?

Andrea Leadsom: May I say that that is utter nonsense and not worthy of the hon. Gentleman? Would he like to mention the Secretary of State for Scotland’s support for the Scottish oil and gas sector? He gave hours and hours of committed time to the discussion of a package of fiscal reliefs to support the oil and gas sector in Scotland. I was an Energy Minister myself, so I know very well what he did in the energy space: he spent hours with me working on a supply chain to give Scottish fabrication yards the chance to build the parts for the offshore wind sector that this Government have supported. We have half the world’s offshore wind turbines, but the hon. Gentleman does not mention any of that. This is a petty and spiteful act from an Opposition who should be ashamed of themselves. The Secretary of State for Scotland has spoken up for the people of Scotland at every opportunity.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): In the previous Parliament, the Public Accounts Committee and several constituency Members from all parties expressed concerns about Her Majesty’s Revenue and Customs estate reorganisation. It appears that major contracts were signed while Parliament was dissolved, which appears to fly in the face of official guidance to the civil service on not making big decisions on commercial contracts during purdah. Will the Leader of the House, the champion of the House in the Government, undertake

to look into this matter and report back, or ensure that a Minister reports back? As HMRC is not a ministerially led Department, will she grant a debate in Government time so that Members can express their concerns directly?

Andrea Leadsom: If the hon. Lady would like to raise specific issues relating to HMRC processes, I will certainly take them forward for her, but I wish to use this opportunity to point out that since 2010 HMRC has secured £150 billion for this country in additional compliance revenues as a result of its actions to tackle tax evasion, tax avoidance and non-compliance. In 2016 alone, HMRC collected record revenues of £26.5 billion from compliance activities. We have secured nearly £3 billion from offshore tax evaders and more than £2.5 billion extra from the very wealthiest since 2010. If the hon. Lady or anyone else in the Chamber would like to praise HMRC for its contribution to sorting out the economy and getting us back to living within our means, I would be delighted to hear it.

Richard Graham: On a point of order, Mr Deputy Speaker. Earlier, the hon. Member for Ealing Central and Acton (Dr Huq) described the NHS as a Labour institution. The NHS is not a political organisation: it does not belong to any political party. There are Government Members and Opposition Members who have served the NHS, as there are Members who have served in the armed forces and other public services. Were she still in her place, I would have asked the hon. Lady, who is a reasonable woman, to withdraw her remark. Is it in order to ask you, Mr Deputy Speaker, whether that remark could be withdrawn?

Mr Deputy Speaker (Mr Lindsay Hoyle): Absolutely not, as you well know. You have put your views on the record, but it is not a point of order or a matter for the Chair.

Exiting the European Union and Global Trade

1.25 pm

The Secretary of State for International Trade and President of the Board of Trade (Dr Liam Fox): I beg to move,

That this House has considered Exiting the European Union and global trade.

This is an important debate, not only because it is our first full debate on global Britain, but because this debate was originally timetabled for the day on which the tragic terrorist attack on Westminster bridge took place. The thoughts of everyone in this House are, as ever, with the families of those who were killed and injured. None of us will ever forget the outstanding bravery of the emergency services and all those who helped to restore law and order, and who work tirelessly to keep us safe at all times.

We stand at a vital juncture for this country, ready to write a new chapter in our history. As we begin the process of withdrawing from the European Union, the Government have promised that we will hold a series of debates to allow the House to have its say on the future of the United Kingdom. I welcome that commitment and look forward to Government and Opposition colleagues being able to engage fully with the proposals of my Department and the Government.

The Department for International Trade was created as a result of the change of Government that followed the country's vote to leave the European Union in June last year. It has enabled us to take a fresh look at our national approach to trade and investment. Trade is vital to our country's economic wellbeing, and as we leave the EU we will be able to shape trade policy according to our own national interests. Leaving the EU represents an unprecedented opportunity for the United Kingdom. The EU Commission's own website on trade states that 90% of global growth in the next 20 years will come from outside the EU. As one of the world's largest economies, we have the chance to work with old and new partners to build a truly global Britain at the heart of international trade.

We will of course support the conclusion of all the EU's ongoing free trade agreement negotiations while we are still a member, and seek to transitionally adopt all those existing third-party free trade agreements before we leave. As the Prime Minister has said, we want a deep and special partnership with the EU as we negotiate our exit.

The Department for International Trade will ensure that the promotion of British goods and services abroad is complemented by a continuing effort to keep the United Kingdom as a top destination for inward investment, and will help British companies abroad to make the right investment decisions that will grow our global footprint. As I indicated to the House earlier, figures published this morning showed record foreign direct investment into the UK in 2016-17, proving beyond doubt that Britain has the necessary economic fundamentals to attract investment from all around the world.

Foreign direct investment, as well as trade, creates prosperity and jobs throughout Britain. Free trade increases consumer choice, raises standards of living and makes

[*Dr Liam Fox*]

wages go further, as global competition drives down prices on everyday goods—a point to which I shall return later. In this task, our own history is on our side. For more than a century, our country was the commercial capital of the world, and we were among the first nations to recognise the benefits of free trade and economic liberty.

Kate Hoey (Vauxhall) (Lab): I share the Secretary of State's optimism about the future of our country once we leave the European Union. Does he agree that we should break the myth that we need trade deals to trade? Of course trade deals are important, but we can trade without them.

Dr Fox: I would distinguish between trade deals and trade rules. We of course need rules to govern the global trade environment, which is why we are committed to the World Trade Organisation—a subject to which I shall return later—but we do not explicitly need free trade agreements in order to trade. The trading environment is regulated in lots of other ways, such as mutual co-operation agreements. The hon. Lady is quite right that we can use several tools to shape the global environment.

Sir Edward Leigh (Gainsborough) (Con): My right hon. Friend is right that, even if there is no free trade deal, we will be no worse off than the USA or Japan. May I ask him a direct question? The Lancaster House speech was admirably clear, and I am sure he can confirm that we are leaving the EU and the single market, but there was some doubt and comment about our status inside the customs union. Is he happy to confirm today that we are leaving the customs union?

Dr Fox: Our manifesto talked about what would happen when we had left the customs union. That was the basis on which I was elected, and, I assume, on which all Conservatives were elected.

Most of us in this House and, according to the polls, in this country believe in the principles of free trade and the benefits that it brings, yet in today's world free trade is in need of a champion. For the first time in decades, the established order of fair, free and open global commerce, which has done so much to enrich and empower the world's nations, is under threat. In April, the World Trade Organisation noted that, in 2016, world trade in goods grew by only 1.3%—the first time since 2001 that trade has grown more slowly than GDP. Yet the threat to growth and prosperity is going largely unrecognised. Globally, there are signs of an increasing tendency towards protectionism. Barriers to trade are going up across the world. A particularly worrying report by the WTO highlighted the acceleration in protectionist measures since the 2008 financial crash. Some of the worst culprits are the countries of the G7 and G20. The nations, including our own, that have gained the most from free trade are at risk of forgetting their own principles, yet protectionism hurts those whom it purports to help. That is especially important as the expansion of global production chains sees intermediate goods cross multiple borders before a final product is made. It means that barriers on imports damage a nation's exports.

Hannah Bardell (Livingston) (SNP): The right hon. Gentleman speaks about the customs union and the Lancaster House speech, but does he not share my concern, and the concern of the Scotch whisky industry, that the customs processes as they stand are creaking under pressure? I should declare an interest as the chair of the all-party group on Scotch whisky, which met for the first time last night. Those processes are being transformed into a new digital process, but there is little confidence that it will be able to cope with the process of Brexit. What guarantees can he give that industry that those issues will be solved?

Dr Fox: The hon. Lady raises a fair point about global trade facilitation. We have just signed the trade facilitation agreement, which aims to reduce border friction across the world. It is estimated that that is worth about £70 billion in the global economy. One of the biggest barriers facing Scotch whisky, however, is tariff barriers. The Department has been trying to talk to Governments such as India's who have very high tariffs against Scotch whisky, which is not good for their own consumers because it encourages an illicit trade. I encourage all those Governments to indulge liberally in the pleasures of single malt—as I do myself.

By 2010, G7 and G20 countries were estimated to be operating some 300 non-tariff barriers to trade. By 2015, that number had mushroomed to more than 1,200. There are those who, having accrued great wealth, would pull up the drawbridge behind them. We cannot let that happen. This country's own commitment to free trade was perhaps most clearly illustrated by the repeal of the Corn Laws in 1846. The Conservative Prime Minister Sir Robert Peel rightly saw protectionism as an attempt to preserve the wealth of a privileged few at the expense of the many. Import tariffs were all but abolished and Britain's free trade principles were created to put bread into the mouths of the hungry majority. Now, as then, it is free trade and competition that will do most to address inequality and safeguard the interests of working people. More than ever, it is up to nations that possess the economic and diplomatic means to reassert the rationale of free trade to do so.

Rishi Sunak (Richmond (Yorks)) (Con): I thank my right hon. Friend for giving way and for his powerful and optimistic speech on free trade. On reducing protectionism, does he agree that leaving the customs union will give us the ability to reduce import tariffs on many goods that we do not produce here at home, which will reduce costs for ordinary working families and benefit many developing countries by helping them trade into prosperity?

Dr Fox: That is an important point. At this morning's International Trade questions, we made the argument that being outside the common external tariff will give us freedoms to help many developing countries in a way that we are currently unable to. I hope that that will act as a spur to others taking similar measures, because we will encourage poorer countries to trade their way out of poverty and become less dependent on international aid programmes. I do not think that that is a party political issue, but the question is how best to achieve it in practice.

On the progress that has been made, we have reduced poverty levels to their lowest in history. As the world's emerging economies have liberalised trade practices, prosperity has spread across the globe, bringing industry, jobs and wealth where once there was only deprivation. According to the World Bank, the three decades between 1981 and 2011 witnessed the single greatest decrease in material deprivation in human history. It was a truly remarkable achievement.

The Leader of the Opposition has accused the Prime Minister of following “free trade dogma”. He went on to say that this has often been pursued at the expense of the world's most fragile economies. In fact, any economist worth their salt can see that free trade has been one of the most potent liberators of the world's poor. Let us take India as a specific example. In 1993, about 45% of India's population sat below the poverty line as defined by the World Bank. By 2011, it was 22%—too many, but a phenomenal achievement. It is no coincidence that, in the intervening period, India had embraced globalisation and started to liberalise its economy. It is hard to imagine an international aid programme—even one as generous as our own—that would or could have been so effective on its own.

Sadly, it is also easy to find examples of where a lack of free trade has harmed the most vulnerable. If we want to see the contrasting results of open and closed economies, we should look across from China to the Korean peninsula, where so much attention is focused today. In 1945, both North and South Korea began from a very similar base, but while South Korea was more embracing of open trade and free markets, despite any shortcomings, Pyongyang turned inwards, with the tragic consequences for its citizens that we see to this day. *[Interruption.]* I am happy to give way to the hon. Member for Bishop Auckland (Helen Goodman) if she thinks that North and South Korea enjoy the same living standards today.

Helen Goodman (Bishop Auckland) (Lab): Of course what the right hon. Gentleman says about the situation in those two countries today is absolutely right. The point I was chuntering about was that what he described was not actually happening in South Korea in the 1960s and 1970s. A lot of the south-east Asian economies did have protection in those two decades in order to modernise and build up.

Dr Fox: I accept what the hon. Lady says, but that is why I specifically used the words “more embracing” of free trade and open markets. Despite the shortcomings, South Korea none the less created a far better standard of living for its people. Seoul is now at the heart of a thriving economy and, consequently, a dynamic democracy where freedom and prosperity are shared among its people. It should come as no surprise that, while 80% of South Koreans have access to the internet, less than 0.1% of North Koreans enjoy the same access. Perhaps most tragically, there is a greater than 10-year discrepancy in the life expectancy of those north and south of the demilitarised zone. That is why we recognise that trade and development form a fundamental and synergistic partnership. Trade flourishes where there are high levels of education, developed financial sectors and, hugely importantly, sound governance and minimal corruption. There is still much to do, but we would be both foolish

and irresponsible to abandon the direction of travel. An open and free trading system is part of the global and national prosperity agenda.

Jeremy Lefroy (Stafford) (Con): As always, my right hon. Friend presents a powerful case for free trade, but does he not agree that, sometimes, there is too narrow a vision of it? We tend to think about free trade in goods, because they are visible, and to talk about the problems and opportunities that exist, but we forget about the free trade in services, which are by far the largest part of what the UK has to offer to the rest of the world.

Dr Fox: My hon. Friend makes an excellent—and key—point. Getting the global economy moving requires the major liberalisation of services in the same way as we had the liberalisation of goods as the focus of the Uruguay round. One thing that comes from that is that countries such as the United Kingdom, where about 80% of the economy is service-driven, are less dependent on being part of a geographical bloc for trade. When it comes to trade in services, what matters is that we are dealing and trading with countries that are functionally similar rather than geographically proximate. That is a change in globalisation we would do well to understand in the debate as we leave the European Union.

It is not just about raising living standards in developing and developed countries. There is, I think, an even more compelling case for free trade. The prosperity it can create is the basis of a social stability that underpins political stability. We have seen that around the world. That political stability, in turn, underpins our security. In other words, they are all part of the same continuum, and we cannot disrupt one element without disrupting the whole. That is why Governments of both colours in this country have tended to see development, prosperity and security as a single policy objective. It is a truth that we need to understand in this interdependent, globalised era.

Mr Iain Duncan Smith (Chingford and Woodford Green) (Con): It is not just us making this case. In the discussions with those who are involved in the World Trade Organisation—even though we are a member, we want to get back our voting rights—they have made it pretty clear that they celebrate the re-arrival of the UK as a voting member of the WTO for one vital reason: they feel that globally it has begun to stall and the UK is the single biggest exponent of free trade. It always has been, and they want to welcome us back for that reason alone, if nothing else.

Dr Fox: My right hon. Friend is absolutely right. It is important that we can show our trading partners globally that whatever our differences in the mechanics through which we go about the task, there is an overwhelming belief in the concept of free trade in this country. As I said at the outset, the global trading environment needs someone to champion free trade at a time when many countries feel that we are rolling backwards, away from the progress that we have made. If we as a country can speak with a strong voice about the principles of free trade, citing examples from history as to why it has benefited some of the poorest people in the world, we will make a moral as well as an economic case.

Kelvin Hopkins (Luton North) (Lab): I am listening with interest to what the Secretary of State is saying, but one point that he has not touched on yet is exchange rates. Is it not absolutely essential that appropriate exchange rates should be arranged between nations so that trade can operate fairly? If a country depreciates massively, it can develop a big trade surplus, and China has done precisely that in recent decades. Does the Secretary of State not agree that exchange rates are crucial?

Dr Fox: That is an important point, but I would distinguish between artificial and intentional currency manipulation and a free market with floating currencies. I happen to believe that floating currencies are one of the ways in which we allow our economies to have shock absorption so that we do not take all the economic pain through unemployment. One of the problems with the existence of the euro is that some of the countries of southern Europe that might have chosen other mechanisms to adapt to the process of change had, in the end, to opt for high levels of structural unemployment because they were unable to do so. The hon. Gentleman's point is correct, however. Artificial manipulation of currency is different from the workings of the general economy and floating currencies.

Such is the power of free trade that even if we ignore the social and humanitarian benefits that it has brought to the developing world, it would still be indispensable from a purely economic standpoint. During the 1990s, per capita income grew three times faster in the developing countries that lowered trade barriers than in those that did not. That effect is not confined to the developing world, either. Analysis by the OECD has indicated that a 10% increase in economic openness is associated with a 4% increase in output per head of the working population. In other words, free trade works.

Globalisation has been of huge and sustainable benefit to the world economy, through trade, migration, specialisation and innovation. Those advantages exist at every level, from macroeconomics right down to individual firms. Increased competition, economies of scale and global value chains have all contributed to a productivity revolution, boosting the output of firms across the globe. Although it might not always be noticed, the wider benefits of a liberal trade policy have spread to consumers and households by providing a wider choice of goods at a lower price.

In the decade to 2006, the real import price of clothing fell by 38%. In the same period, the price of consumer electronics, as we all know, fell by 50%, despite the rapid technological improvements that saw mobile phones go from a \$4,000 brick that was hard to carry to computers no bigger than the palm of one hand. Those are the tangible benefits of trade, and their importance in improving the lives of the people of Britain must not be underestimated. Of course, in any rapidly changing economic environment, we should ensure that the country's growing prosperity spreads to all corners of the United Kingdom. It is therefore not only right but important that Governments can mitigate the effects of globalisation and provide the tools through which individuals and economies can adapt and prosper. That is how we provide both economic opportunity and security in an era of sometimes bewildering change.

Deidre Brock (Edinburgh North and Leith) (SNP): The Secretary of State talks about the interdependent global world. The British Ports Association warned that a hard Brexit could hurt small and medium ports, which rely on short sea trade. Its members, including Forth Ports in my constituency, are very worried about the hurdles of new customs requirements and costly tariff regimes. Given that 95% of international trade by tonnage goes through our ports, what action is being taken to address those concerns and ensure that Brexit will not damage vital industries trading through them?

Dr Fox: The first service we can do is not to add adjectives to the word Brexit, because what the Government intend to achieve is as open a trading relationship as possible. If we think about it, the free trade agreement that we will go on to negotiate with the European Union ought to be the easiest FTA in global history. We are starting in a zero-tariff environment and from absolute 100% regulatory and legal equivalence. The only way we would not reach a free and open trading environment would be if the politics of the process took precedence over the economics, prosperity and wellbeing of the people. That is the challenge.

I will give the hon. Member for Edinburgh North and Leith (Deidre Brock) a second challenge, as this is not just about Europe. The decisions we take will reverberate through the global economy. If we put trade and investment impediments into the European economy that do not exist today, that will cause ripples across the global economy that will be felt well beyond our borders.

Sir William Cash (Stone) (Con): My right hon. Friend knows that all 47 ports in this country opposed the European Union port regulation, which was inimical to our national interest and the lifeblood of our trading relationships. Ports are central to this whole question, and that is another good reason for our leaving the EU.

Dr Fox: I do not really need any more reasons for the decision we have already made, but I am always happy to take another on board.

Mr Bernard Jenkin (Harwich and North Essex) (Con): Could the Government make it clearer that we want an open trading relationship with our European partners and that it is up to the European Union to decide whether they want that or not? Will the Secretary of State also ask who is arguing for protectionist measures against an independent United Kingdom? I do not hear many voices in the EU arguing for that, and I think that that is just a fear put about by people who want us to stay in the European Union.

Dr Fox: Our debates are watched beyond our shores, so perhaps the first point to make is that we are leaving the European Union. There is not any chance that we will not leave the European Union. The British people have spoken and the process, including the parliamentary process, has begun to make that happen. As we do this, we have to look beyond our membership of the EU and determine what sort of global trading environment we want to live in. We are very clear about the model we want, I have travelled to other countries, and we are encouraging Governments beyond the EU to say to our European partners that it is in everybody's interests—

including in Europe and in the wider global trading environment—that we maintain as open a global trading basis as we possibly can.

At a time when the direction of travel in the rest of the world is towards greater liberalisation, it would make no sense for Europe, for internal political reasons, to introduce impediments to that trading environment in the way some have suggested. I do not believe that that is in the interests of the citizens of Europe, whether in the United Kingdom or on the European continent. If we are guided not by abstraction but by the prosperity and wellbeing of our people in the negotiation, we are likely to come to the right outcomes.

To build a free trading world, the UK must continue to support, strengthen and promote the existing global trading structures. The World Trade Organisation is the home of the rules-based international trading system, as the shadow Secretary of State and I agreed earlier this morning, and we unequivocally support it. Its predecessor, the general agreement on tariffs and trade, was established in 1948 to offer a war-torn world stability, security and prosperity through international trade co-operation. The United Kingdom was there from the beginning, and for half a century we worked with our international partners in a series of ministerial rounds dedicated to removing barriers to trade and liberalising the global economy.

The WTO was established in 1994, following the success of the Uruguay round. For the first time, we had an international body with truly global reach that existed to regulate trade and to encourage nations to adhere to the principle of ever-greater trading freedom. If the WTO did not exist today, we would need to invent it. Britain is a founding member, and we are a member in our own right, but on leaving the EU we will need to update the terms of our WTO membership; at present all our commitments are applied through the EU as a whole. Constancy and continuity will be a key to our approach.

As I set out in the recent ministerial statement, we anticipate that our rights and obligations to other WTO members, as provided under the WTO agreements, will remain largely unchanged. We will achieve that through a process of replicating our current commitments, which will cause the minimum disruption to trade and the maximum certainty and confidence. I am grateful to the secretary-general of the WTO, Roberto Azevêdo, for confirming that the WTO fully supports this aim for stability. I thank him and his staff for the support they have given the United Kingdom in Geneva.

Let me also be clear that replicating the EU-WTO schedules for the UK's independent use in no way prejudices the outcome of the article 50 negotiations with the EU. The process is largely technical and reflects the close ties of trade and commerce that we will continue to share with the EU, even after our exit. Throughout the process, it is imperative that we maintain transparency both with this House and with our fellow WTO members. I reiterate the offer that I made in private to the Opposition Front-Bench team: should they wish to visit Geneva and get a high-level briefing with our ambassador and the secretary-general, the Government will happily facilitate that. The better informed we all are in the House in these discussions, the better.

James Duddridge (Rochford and Southend East) (Con): Quite often one hears in the press, and sometimes erroneously in this House, talk of “falling back” on WTO rules. Is that not a falsehood? WTO rules form the basis of any agreement going forward; they are not something to fall back on if there is no deal.

Dr Fox: Indeed, WTO rules are the basis on which the world trades. On top of the basic WTO rules and the most favoured nation status that they represent, we have a number of agreements that give us, in effect, exemptions. However, we trade freely with countries where we do not have a specific free trade agreement. At the present time, the United States is worth just under 20% of our exports—we do not have a specific free trade agreement, but we can trade very freely. That is not to say that through FTAs or mutual recognition agreements, mutual co-operation agreements and the other tools available to us, we cannot improve the functioning of the global trading system. We need to do so, and the Department for International Trade has a highly skilled team dedicated to the technical rectification of our WTO schedules. We are collaborating with businesses and officials within Whitehall and the WTO to ensure that our transition to independent membership is both smooth and fully understood by our trading partners.

James Cartlidge (South Suffolk) (Con): My right hon. Friend is generous in giving way. He mentioned the word “transition”, which many have now mentioned—including those who supported the vote to leave—in smoothing the process of Britain leaving the EU. Does he support consideration of transitional arrangements in leaving the EU? Is he concerned about Michel Barnier's comments today that any negotiations on transition will have to be in late 2018 at the earliest, which does not leave us much time?

Dr Fox: If we require a transition to a new environment, it would be common sense to do so, but it would not be acceptable for any of the elements that, in leaving the European Union, we sought to leave to be binding on that transitional agreement. However, that is part of the negotiation. It is a negotiation, and at any point in that I would not take too seriously or literally anything that the negotiators were saying in the public domain.

After we leave the European Union, we will uphold our principles as we negotiate free trade agreements with new partners around the world. Although we cannot negotiate and conclude FTAs while we remain in the EU, the Department has instigated 10 trade working groups with 15 different countries as well as a high-level dialogue with the United States, which will develop into a fully fledged trade working group later this month. Going forward, as I said to the hon. Member for Vauxhall (Kate Hoey), we may find that a new FTA may not be the correct solution for every partner, but we will look at all the measures available to us to ensure the best outcomes for citizens and businesses across the UK. Our dedication to free trade will be constant. With every nation, we will work to remove barriers, liberalise trade and secure market access for British businesses. As we move forward towards ever greater trade liberalisation, we will ensure that our trade remedies continue to protect and promote Britain's producers.

[Dr Fox]

If the first duty of Government is the protection of its citizens, the Department for International Trade must extend that obligation to our businesses and work to defend the drivers of our prosperity from rule-breaking and anti-competitive measures. Free trade is not a free-for-all; that is why we have the WTO. If we support a rules-based system, we must ensure that those rules are respected and rigorously enforced.

Robert Neill (Bromley and Chislehurst) (Con): I understand and take on board everything my right hon. Friend says about the WTO and a rules-based system, but, as he observed earlier in his speech, the bulk of our economy, and the bulk of our competitive advantage, lies in the services sector, which in the case of the financial sector is not particularly covered by WTO rules. Will the Government be equally committed to making sure that we have global liberalisation of the services sector, which is so critical to us?

Dr Fox: I think I said that earlier, and I also said that this morning in questions. If there is a real cause for us to champion beyond the basic case for free trade, it is liberalisation of the services sector. That is the way in which we will unlock the potential of many economies around the world—and, incidentally, it is the best way to unlock Britain's economic potential in trade.

In my discussions around the world I have been struck by the way in which products—either goods or services—that originate in the United Kingdom are regarded as being at the top end of the quality market. That is where we are best able to compete. There are those who would make the case for a Britain with lower regulatory standards and fewer protections in place across the economy for the environment, for workers and for consumers. Let me tell the House that Britain will not put itself at the low-cost, low-quality end of the spectrum, as it would make no sense for this country economically to do so, nor morally would it give us the leadership we seek. I believe there is no place for bargain-basement Britain. High standards and high quality are what our global customers demand, and that is what we should provide. From our food and drink industry to our technological expertise and our financial services, people across the world buy British because they see the Union flag as a kitemark of quality. The key to our long-term prosperity lies not in abandoning our values and standards but in reinforcing them. High-quality, high-reputation goods and services are the route to highly skilled, highly paid jobs and future prosperity in this country.

This Government's highest ambition is to build a Britain that works for everyone, not just for a privileged few. It must also be a global Britain, willing to support a rules-based trading system and champion the cause of free trade itself. We do not pretend that the era of globalisation is without its challenges, but we must never cease to show our citizens the benefits that free trade brings to their lives and to this country. We realise that the challenges and opportunities of globalisation, allied to the rapid change in technology, can produce their share of problems and insecurity. We must strive to address the negative aspects of globalisation and ensure that no one is left behind by the pace of change,

while harnessing the power of the global economy to spread prosperity across Britain and our trading partners. We must ensure that we equip our country with the skills necessary to navigate those challenges and that those who are disadvantaged are given the appropriate support. We must unfailingly uphold the principles of free trade across the world, nurturing prosperity and banishing poverty to the pages of history.

I believe that the vast benefits that global trade can bring to Britain and the world and the way in which my Department is working to secure those benefits across the whole of the UK are the key to success in the future. The Leader of the Opposition has wrongly dismissed free trade as political dogma, but to do so is to betray the very people the Labour party claims to represent. To attack free trade and to undermine our nation's proud tradition will deny prosperity to those who need it most. I hope that all Members of this House, regardless of their political persuasion, want the benefits to be bestowed on this country and back our vision of Britain as a champion of global free trade and the benefits it brings.

Two centuries ago, Thomas Babington Macaulay described free trade as

“one of the greatest blessings which a government can confer on a people”.

We intend to do just that. It is in our power to build a better and fairer Britain for future generations. We require courage and conviction to do that, particularly at a time when protectionism is rearing its ugly head. Prosperity, stability and security are the prizes for a strong, rules-based international trading order, and that is what we seek to achieve.

2.2 pm

Barry Gardiner (Brent North) (Lab): First, I join the Secretary of State in paying tribute to PC Keith Palmer and all the other victims who suffered on that fateful day in March when this debate was last scheduled.

The Secretary of State is at the Dispatch Box fielding for the first time since the creation of his Department almost a year ago a debate on Government trade policy in Government time. It is not exactly normal practice for Trade Ministers to hasten to the Dispatch Box when the country has just posted one of the worst sets of balance of payments figures in its recorded history. Although I admire the right hon. Gentleman's chutzpah, I am not entirely convinced about his timing. The figures released just last week by the Office for National Statistics show that in quarter 1, the UK's current account deficit was £16.9 billion—a widening of £4.8 billion from a deficit of £12.1 billion in the previous quarter—most of which is due to the widening of the trade deficit. Despite sterling being so low, exports increased by only £1.7 billion, whereas imported goods increased by £4.3 billion—a widening of £2.6 billion.

James Duddridge: When we are importing more than we are exporting, surely it is easier to get a deal with our European colleagues, whose interest appears to be in continuing to export to us.

Barry Gardiner: I want us to get a deal. Of course we want the best deal for this country, but the hon. Gentleman has to take on board the fact that since the referendum

decision our country's currency has depreciated by 12%. I trust that that is not something that he feels sanguine about.

Dr Fox: Some sectors will respond quickly to devaluation. For example, in food and drink there has been a 7.3% increase in our exports in this quarter. Why, in the light of the uncertainty the hon. Gentleman describes, does he think the figure for foreign direct investment in Britain has been at an all-time record in the past year?

Barry Gardiner: Let me be absolutely clear: we welcome foreign direct investment in this country—of course we do. We want people to be investing in our jobs, our economy and our future—

James Cartlidge: Will the hon. Gentleman give way?

Barry Gardiner: Perhaps if I can finish responding to the Secretary of State's intervention, at an appropriate juncture the hon. Gentleman might catch my eye.

There is no difference between the Secretary of State and me on those matters. In fairness, I will say that in the past 50 years there have been 15 sets of quarterly balance of payments figures that have been worse than last week's, and one of them was under a Labour Government, just after the global financial crisis. The other 14 have all been in the past five years, under the Conservatives.

It would be mean of me to give the right hon. Gentleman too hard a slapdown because the Chancellor has been doing it so effectively on behalf of us all. Only yesterday, we read that the Chancellor is demanding that the Secretary of State prove the case that our ability to strike trade deals after Brexit will make up for losing tariff-free access to the EU. In other words, the right hon. Gentleman is being asked to justify his job as the Secretary of State for International Trade once leaving the customs union gives us the competence—perhaps in this case I should say the right—to negotiate our own independent trade agreements.

Mr Duncan Smith: Will the hon. Gentleman give way?

Barry Gardiner: I will, in a little while.

A year on from the referendum, a year on from the Government's announcement that they were taking back competence in international trade negotiations, the Cabinet is still divided on what it has all been about. That is extraordinary. The country is crying out for leadership, and all its current leaders can do is sit around the Cabinet table plotting who amongst them should be their next leader. A year on, what has been achieved?

Mr Duncan Smith *rose*—

Barry Gardiner: I give way to one of their previous leaders.

Mr Duncan Smith: The hon. Gentleman is busy asking the Government what their position is. We have set that out very clearly: out of the single market, out of the customs union, and making trade deals. As he speaks for the Opposition, perhaps he can now clarify what their position is. After the election, having fought on a

manifesto containing a clear commitment to leave the European Union, Labour's leader and shadow Chancellor said, "We are leaving the single market. We are leaving the customs union." The right hon. and learned Member for Camberwell and Peckham (Ms Harman) said, "We are leaving the single market. We are leaving the customs union." But when the hon. Member for Brent North (Barry Gardiner) and his colleague the shadow Brexit Secretary, the right hon. and learned Member for Holborn and St Pancras (Keir Starmer), were interviewed, they never confirmed what their leader and the shadow Chancellor said. They have been doing an intricate dance around the matter, so I ask the hon. Gentleman a simple question: is the Labour party's position to leave the single market, to leave the customs union and to make trade deals?

Barry Gardiner: I urge the right hon. Gentleman to read precisely what our manifesto says. We have made our position on those points extremely clear: we are leaving the European Union; that means that we want to secure the best benefits, and we will look to secure exactly what the Secretary of State for Exiting the European Union said he would achieve, which is the exact same benefit benefits as we currently have inside the European Union.

Mr Duncan Smith: Will the hon. Gentleman give way?

Barry Gardiner: The right hon. Gentleman really must allow me to respond to his first intervention before seeking to follow it up with a second. The trouble with the right hon. Gentleman is that he does not want to listen to the answer. [*Interruption.*] Is he quite calm?

Mr Duncan Smith: No, I am not.

Madam Deputy Speaker (Dame Rosie Winterton): Order. I am sure that Mr Gardiner will take the intervention when he wants to.

Barry Gardiner: As I was saying before I was persistently—and, I must say, quite rudely—interrupted, we have set out very clearly that we will try to secure exactly the same benefits that the Secretary of State for Exiting the European Union claimed would be procured in the negotiations, but we are not fixated on the structures; we are fixated on the outcomes. But we will be leaving the European Union. The right hon. Gentleman can be assured that we are committed to honouring that manifesto commitment.

Mr Duncan Smith *rose*—

Barry Gardiner: No, the right hon. Gentleman has had his chance.

A year on, what has been achieved? It took Donald Trump's Administration seven weeks to produce a trade policy paper. This maladministration has failed to do so in an entire year. I have now been asking the Secretary of State to produce a trade White Paper for seven months. How extraordinary it is that the Department for International Trade has existed for a year but has completely failed to set out its mission and vision in a White Paper so that British businesses can have some clarity about their future.

[Barry Gardiner]

Nor was there any clarity in the Conservative manifesto. It was scant on detail and peppered with vague promises, such as:

“We will work to forge a new culture of exporting”

and

“We will take a more active role in supporting British consortia to win...contracts”.

Of course, we were promised a trade Bill, which has now been confirmed in the Queen’s Speech. The accompanying notes actually state that one of the main benefits of the trade Bill will be:

“To meet the manifesto commitment to “introduce a Trade Bill”.

Well, yes, but it is something of a tautology.

I am heartened to note that the Secretary of State clearly read our manifesto, because since the general election his Department has adopted Labour’s manifesto pledge to guarantee market access for the least developed countries to the same level they currently have with the EU. Since the general election the Government have also agreed with Labour’s manifesto pledge to address trade remedies. If only they would agree to publish a trade White Paper that integrates industrial strategy with international trade policy, that creates a network of regional trade and investment champions to promote exports, that promises full transparency and scrutiny of future trade deals, and that builds human rights and social justice as a key strand in trade policy, perhaps our encounters at the Dispatch Box would become a lot more consensual.

The challenges we face in leaving the EU are not insurmountable. Ours is a great and proud country and we are an enterprising people. Our goods and services are among the best in the world, our economy is a dynamic and attractive marketplace for investment, and we will be a thought leader in the next wave of industrial growth. However, if we are to rise to these challenges, we need more than the patriotic flag-waving we have seen from the Government Front Bench; we need clarity and careful planning, which we have not had.

We are setting out to leave our major trading partner. Where is the road map? There is no White Paper. Where is the estimate of costs? That appears to be what the Chancellor has now started demanding. Government Ministers appear incapable of presenting anything approaching a unified view on the matter. The Prime Minister repeatedly tells us that

“no deal is better than a bad deal”,

and her Chancellor says that actually

“no deal would be a very, very bad outcome for Britain”,

while her Brexit Secretary tells us that he is “pretty sure”, but “not certain” and “not 100% sure”, that there will ever be a deal.

The truth is that no deal is not a trump card to be thrown on the negotiating table in some macho gesture; it is actually the procedural outcome of article 50, because if we fail to negotiate a deal within the two-year period, we will be ejected from the single market of the European Union and put on World Trade Organisation terms. Far from being a trump card to be played, no deal is actually a cliff edge over which we would be pushed.

Kelvin Hopkins: My hon. Friend quite rightly focuses on the trade deficit, which with the rest of the European Union is gigantic, but actually we have a trade surplus with the rest of the world, so the problem is essentially with our trade with the EU. Does that not put us in a very strong position to negotiate with the rest of the EU about whatever happens afterwards?

Barry Gardiner: I have absolutely said that I want us to be in a strong position in these negotiations, but what I also want is clarity from the Government about what the future will mean for our businesses.

Christian Matheson (City of Chester) (Lab): My hon. Friend talks about the possibility of crashing out of Europe without a deal. If we do not achieve a deal in those negotiations, who will be responsible for not having achieved a deal?

Barry Gardiner: We must all hope that we will ensure that we get a deal, and that it will absolutely provide us with friction-free access for our goods and services.

Andrew Bridgen (North West Leicestershire) (Con): We talk about whether no deal is better than a bad deal, and it is a card that we can play. I put it to the hon. Gentleman that not accepting that does not mean that we will get a good deal, but if we do not accept that no deal is an option, we are guaranteed not to get an exceptional deal. For example, if he was to go and buy a car and said, “I have to buy a car today”, or if he said, “I would like to buy a car, but I don’t have to buy it today”, which would he get a better deal for? And would he like to buy a car?

Barry Gardiner: The point I would make to the hon. Gentleman is that the triggering of article 50 was setting precisely the timeframe in which he was to buy the car. It said that within two years either we had to negotiate a deal, or we would be trading on World Trade Organisation terms. He makes my point precisely.

Mr Jenkin: Will the hon. Gentleman give way?

Barry Gardiner: I am sorry, but I will not give way again, because I have given way many times and I am conscious that more than 20 Members wish to participate in the debate, and we have to be fair to colleagues.

My party has consistently said that economic logic should dictate the outcomes of the Brexit negotiations. Certainly we must not jeopardise a positive new trade deal for some arbitrary immigration targets set for political reasons. We need a new trade deal with the EU. It must maintain the supply chains and business relationships that link us to the EU and that are so critical for jobs and economic wellbeing.

Let us remind ourselves just what is at stake. The European Union currently accounts for 44% of our exports. The EU remains our closest trading partner, in terms of the volume of trade and geographical proximity. The top 10 Commonwealth trading partners combined account for just 8% of our exports, and the entire Commonwealth—all 52 countries—accounts for just 9%. The Secretary of State once referred to protectionism as a class A drug. If he really thinks that his current round of trade dialogues could possibly make up for the

shortfall in goods exports of leaving the EU without a new free trade agreement in place, then protectionism is not the only class A drug he has been smoking.

Labour, business and the trade unions are united in prioritising the best possible access to the single market once we have left the EU. That means continued tariff-free access, no new non-tariff barriers to goods or services and, if necessary, a transitional arrangement to avoid any cliff edge.

It seems that we might lately have recruited the Chancellor to our cause. His Mansion House speech certainly seemed to have swallowed the Labour party playbook whole: fair and managed migration; a Brexit for jobs; and no deal being a very, very bad deal. Securing a trade agreement with the EU must remain the Government's No. 1 priority. Leaving the EU without a trade agreement would be a significant failure by the Government, and the British public will remember that they were repeatedly told—we heard it repeated today—that it could not happen because the EU countries traded with us more than we did with them. Without an early and comprehensive deal with the EU, there will be substantive tariff and non-tariff measures, which will cause friction in trade between the UK and the EU, whether in customs duties, customs checks, visa processes for service providers or renewed VAT procedures.

The Government are to bring in the great repeal Bill to get rid of the European Communities Act 1972, which incorporates European legislation into domestic law and grants it supremacy over domestic law. Therefore, European legislation currently in place will be converted into ordinary repealable legislation. On the face of it, that appears to mean that the UK will be able to legislate without any regard to EU law. However, if we are to maintain a high level of access into the single market and preserve the supply chains currently in place, our exports will still have to meet European standards and requirements.

Much of the current legislation will have to remain as is. Our future legislative framework will need to be aligned to that of the EU in order to maintain the mutual recognition and equivalence necessary to trade into the European market. This is something that many British and foreign companies, including Toyota, BMW and the Confederation of British Industry, have been calling for. We will no longer have a seat around the negotiating table that decides on product and other standards, but we will be forced to accept them if we wish to continue trading into the single market. People might think that this is a rather hollow way of returning sovereignty to the UK.

In any free trade agreement that the UK negotiates after we have left the EU, we will have to make some compromises on our sovereignty. The UK will continue to be subject to some supranational court system—if not the European Court of Justice, we will be subject at least to the World Trade Organisation dispute settlement procedures. Importantly, modern free trade agreements often involve the harmonisation of national standards to match those of the partner country in order to be able to trade freely. This is not necessarily negative. International trade agreements provide an opportunity to promote higher standards across the world, rather than a race to the bottom, if they are negotiated correctly.

There is no dichotomy between trade with the EU and trade with the rest of the world—that is simply absurd—but our global trade opportunities will be shaped by our future relationship with the EU, whatever that is. Prospective trade agreement partners will want to know what trading bilaterally with the UK will mean for access onwards into the EU.

Kelvin Hopkins: Will my hon. Friend give way?

Barry Gardiner: One last time.

Kelvin Hopkins: I want to be helpful to my hon. Friend. There is a constant emphasis on access to EU markets, when they have a gigantic surplus in our markets. At Bretton Woods, John Maynard Keynes was concerned about gross trade imbalances between nations, and the conference tried to sort out a system that would avoid that in future. We have a gigantic trade distortion with the rest of the EU, which has to be sorted out one way or another. Does my hon. Friend accept that?

Barry Gardiner: My hon. Friend does not want to see a decline in jobs in any sector of this country. It is really not right simply to dismiss the fact that, if we do not secure friction-free, tariff-free arrangements with the European market, those jobs could be prejudiced in this country. I am sure that he would want to take cognisance of that.

Cross-border data flows are a key cornerstone of the digital economy. They help to drive UK innovation, economic growth and business efficiency through facilitating data transfers between organisations located in different countries. To help our economy grow and create jobs in the UK, we need to create a trade environment that drives innovation and positions the UK as a leader in the digital economy. techUK speaks for business when it says that the Government need to facilitate access to both the European market and the rest of the world, but this requires appropriate cross-border data flow arrangements with our different trading partners. It sounds simple. It is not.

The Transatlantic Trade and Investment Partnership negotiations on the EU's privacy shield framework to replace the safe harbour privacy principles demonstrated that facilitating cross-border data flows between the European system and the American system is a genuine challenge that will not be addressed overnight in future free trade agreements. We cannot simply create a separate trade policy on this issue for the EU and a different one for non-EU countries. The direction we take on one influences our options on the other. Will the Minister set out what discussions he has had with industry on this and what decision, if any, he has taken about the appropriate way to go forward? He will appreciate that the issue of cross-border data flows is not just about facilitating market access. It is also about the regulatory framework to provide data protection for privacy and human rights.

The second example of the inseparability of EU trade and our policy for trade with the rest of the world relates to the future support that we provide our agricultural industry. The UK's food and farming industry is not only important to our national identity; agriculture also contributed £9.7 billion to the UK economy in 2016. Our food and farming industry is the product of decades

[Barry Gardiner]

of shaping by the European single market and the £3 billion-plus of support from the common agricultural policy.

The EU's combined rights and shared obligations under the WTO include a specified limit on the amount of agricultural subsidies that the EU may utilise. The UK is entitled to a share of these as part of the Brexit divorce and could, in theory, continue with a modified version of the CAP. But the Secretary of State will know that there are rumours that his Government are considering a deal whereby the UK would give up a share of its agricultural subsidies to the EU in order to secure a more favourable deal for other sectors of our economy. Will he guarantee today that our future trading relationships will not be based upon the sacrificing of British farmers and their livelihoods?

It is not just the EU that will be pressurising the UK to drop its share of agricultural subsidies. A number of countries have already expressed interest in free trade agreements with the UK on the basis of liberalising our agricultural market. Countries such as Australia, Canada, New Zealand and South Africa are active members of the Cairns Group, which is a WTO negotiating group precisely for agricultural trade liberalisation and the reduction of subsidies. Does the Secretary of State regard this liberalisation as positive for our farmers?

Helen Goodman: I am extremely concerned to hear what my hon. Friend is saying given that there are 400 sheep farmers in my constituency, who would be very badly affected were we to have a flood of cheap lamb imports from Australia and New Zealand. Does he agree that there can be no virtue in our destroying the hill farmers in our country to benefit the sheep farmers in wealthy countries such as Australia and New Zealand?

Barry Gardiner: My hon. Friend is absolutely right to point out that, were we to go on to WTO terms—from memory, the tariff rate for sheepmeat is about 44%—we would absolutely destroy the capacity of our hill farmers in particular to compete with foreign imports.

The Government need to come clean and give clarity to the British food and farming industry on our future trade policy options and what that means for the industry. It is not good enough to tell farmers that the status quo will be maintained until 2020 and then leave an abyss as to what options are available for their future. These people need a comprehensive international trade policy, and they need to know what it is.

Beyond Brexit, as the United Kingdom once again assumes competence for its own independent trade agreements, the Secretary of State must set out how he is pursuing agreements that share the benefits of globalisation more equitably. One can only wonder that this Government thought it sensible to embark upon a new industrial strategy without first publishing a White Paper on trade, so will he publish a trade White Paper? He has introduced a trade Bill in the Queen's Speech but, as of this moment, he has not set out to Parliament or to business any policy on which to base it.

The Secretary of State has been travelling around the world holding preliminary talks with his counterparts. In fact, he has recently returned from a visit to the USA. When the Prime Minister first announced the

start of preliminary talks with the USA, the American Farm Bureau Federation wasted no time in confirming that it would seek food hygiene changes in any UK-US deal, namely to end restrictions on US exports of chlorine-washed chicken and hormone-grown beef. Will the Secretary of State confirm to us that, in any talks about future trade deals, the sovereignty of our food safety and environmental protection standards will be not be sacrificed in the name of regulatory harmonisation?

An industrial strategy and international trade White Paper should have come together precisely because of the interdependence of trade, job creation, and economic growth. That makes Labour Members fearful that the Government have not done the proper assessment of the danger that future trade arrangements could pose for job losses and wage depression. The Government have put the cart before the horse. A trade White Paper should set out what the UK's future policy on trade defence instruments will be. The EU currently has in place a series of trade defence measures, such as anti-dumping measures against China—and, to a lesser degree, India and Malaysia—on steel, other metals, and solar panels. The UK has famously opposed such measures at the EU. Now that we will be able to set our own trade policy, the Government must tell us whether they will stick to that line. If they do not plan to introduce trade defence measures, they need to set out whether and how they will protect and support sensitive sectors such as the steel industry and the solar panel industry from cheap imports.

The Government must also weigh whether they can afford to take a tough stance with countries like China and India with which they will be looking to conclude trade deals—or will they sell out our steel sector and others? The UK steel sector is in an existential crisis. My hon. Friend the Member for Middlesbrough South and East Cleveland, who chaired the all-party parliamentary group on steel, and my hon. Friend the Member for Aberavon (Stephen Kinnock), who launched the “Steel 2020” report earlier this year alongside my hon. Friend the Member for Redcar (Anna Turley), expressed outrage at the Government's leaked memo that suggested steel would not be a priority industry post Brexit, threatening to destroy the very livelihoods of communities across England and south Wales. Similar concerns were raised by my hon. Friend the Member for Stoke-on-Trent Central, as the ceramics industry in the Potteries faces increasing competition from Chinese dumping on world markets. The British Government have for the past number of years been blocking efforts by the EU to introduce the sort of anti-dumping measures employed by the US by repeatedly exercising a veto and actively encouraging a blocking group of other nations. One official in Brussels is reported as saying:

“The British are sacrificing an entire European industry to say thank you to China for signing up to the nuclear power project at Hinkley Point, and pretending it is about free trade.”

It is right that we reach out to our international counterparts, but travelling around the world to hold “pre-negotiations” is no substitute for clear policy that sets out what our negotiating armoury is. An international trade White Paper should set out the Government's principles—a clear plan of what the UK intends to achieve through future trade negotiations.

Mr Jenkin: Will the hon. Gentleman give way?

Barry Gardiner: No, I am about to conclude.

To that end, I ask the Minister to respond to the following questions about the Government's international trade policy. What are their principal trade policy objectives? What will be their guiding principles for our future negotiations? How will they seek further liberalisation from our current tariff levels, and in which sectors? What transparency and parliamentary scrutiny will be given over our future trade negotiations? Will they commit to disclosing whether any obligations in trade agreements, both those in negotiation and finalised, are the motivation for legislative amendments before the House or regulatory changes by the Government? How will they ensure that our future trade agreements benefit British small and medium-sized enterprises as well as big business? How do they propose to protect and enhance workers' rights? How will they address human rights within the context of new trade agreements? How will sustainable development be a guiding principle for our trade policy? How will they ensure that current environmental protections are maintained and enhanced in future trade agreements? What investment dispute resolution model, or models, are the Government willing to adopt?

The Department's recruitment advertisements suggest that the priority trade sectors are healthcare, financial services, and education; clearly, food and farming do not feature among its priorities. How will trade policy address the sectors that do not appear to have been identified as a priority? Will the Government be excluding devolved Administrations and local government agencies from trade agreement commitments on Government procurement? How will they ensure that British businesses maintain access both to European markets and the markets of other trading partners, especially where there is considerable regulatory divergence between these markets? Will the UK be adopting any non-conforming measures for investment and service commitments in its future trade agreements?

By providing comprehensive answers to all these questions and publishing an international trade White Paper, the Government may be able to restore business confidence in the fact that they are holding current trade dialogues and working groups that are backed by a clear and strategic plan. If not, it will reinforce the sense that the Government are blundering into this process without a clear endgame and lacking a strategic understanding of the issues at stake for the UK economy and for jobs in this country.

2.34 pm

Sir William Cash (Stone) (Con): I would like to quote what Angela Merkel has said quite recently, but first I would like to say that I entirely endorse every single word that my right hon. Friend the Secretary of State said—not to flatter him, but because it is practical. He has shown a command of the subject that completely belies the tittle-tattle that the hon. Member for Brent North (Barry Gardiner) talked about. It has been my happy experience to notice that my right hon. Friend has a complete command of the subject.

What my right hon. Friend said is enormously important. That includes, in particular, the historical—but not nostalgic—background to his remarks. This country has, for the past 400 years, built up a policy of external, global trading, right the way through from the Elizabethan

period—in fact, even earlier than that, in the late 15th century. He mentioned Robert Peel. I hope he will not mind my mentioning the fact that Peel was driven into the repeal of the corn laws by no less than Richard Cobden and John Bright during the massive battle over that issue. That liberalised the whole trading system. Indeed, the French commercial treaty of 1860—the first ever free-trade treaty in the world—was negotiated on the initiative of John Bright by Richard Cobden, with Michel Chevalier, who was the president of the French board of trade at the time. This is the basis on which our history has been developed. We have been right all the time that we have stuck with free trade.

I have been much encouraged by the attitude of other countries, including in my right hon. Friend's meeting with Mr Ross in the United States only a few days ago. With regard to the United States, only one and a half hours ago I watched a live speech by Donald Trump from Poland. Among other things, he said that we must get rid of Government bureaucracy, deal with over-regulation and insist on sovereignty. He said that is the basis of freedom for sovereign nations. My right hon. Friend spoke about our ability to conclude our own trade agreements. That is why we have to unshackle ourselves, by virtue of leaving the customs union, from the fact that the European Commission determines our trade policies—there is no getting away from that.

The hon. Member for Brent North is in a bit of a pickle because, as he knows perfectly well, only last week the hon. Member for Streatham (Chuka Umunna) tabled an amendment on the single market, and it was defeated by the Opposition themselves—they were not prepared to go along with it. I have heard similar remarks made with regard to the noble Lord Adonis's debate in the House of Lords. There is a kind of schizophrenia on these questions among Labour Members. They do not really know where they stand, and they are completely confused, but I think that a sense of realism is coming into it. I pay tribute to the extremely sensible Opposition Members who are beginning to realise that we cannot stay in the single market and the customs union and leave the European Union, because the two things are completely inconsistent. I know that the hon. Member for Brent North accepts that now.

Tom Brake (Carshalton and Wallington) (LD) rose—

Sir William Cash: I will not give way just yet.

The speech by Mr Barnier today is extremely relevant, and I have the benefit of having the full text here. I will not go through every detail of it, I can assure you, Madam Deputy Speaker, but I note that some of the things that he said are highly relevant to what my right hon. Friend the Secretary of State rightly pointed out in his speech. On the question of what happens if there is no deal, Mr Barnier said:

“Here also, I want to be very clear: in a classic negotiation, ‘no deal’ means a return to the status quo. In the case of Brexit, ‘no deal’”,

he claimed,

“would be a return to a distant past.”

He is wrong—that is not the case. I think the hon. Member for Brent North said that under the World Trade Organisation tariffs, there would be a 40% tariff on lamb, but even Mr Barnier says that custom duties would include

“an average of 12% on lamb and also fish”,

[Sir William Cash]

which is very different from what the hon. Gentleman asserted. I do not blame him—he was speaking from memory, so I am not criticising him—but I am just pointing out what Mr Barnier said.

Mr Barnier also made the extraordinary assumption:

“In practice, ‘no deal’ would worsen the ‘lose-lose’ situation which is bound to result from Brexit.”

Again, he is wrong. He went on to say:

“And I think, objectively, that the UK would have more to lose than its partners.”

That is just not so. He then went on to reveal what is really going on at the EU and with his negotiating position:

“I therefore want to be very clear: to my mind there is no reasonable justification for the ‘no deal’ scenario. There is no sense in making the consequences of Brexit even worse. That is why we want an agreement.”

They want an agreement because they know, just as Allister Heath, the distinguished editor of *The Sunday Telegraph*, pointed out in an article two weeks ago, that German car makers are getting really worried about the idea that there will not be an agreement, because that is not in their interests either.

On trading relationships, it is absolutely essential to remember that, while we will continue to have some 40% of our trade—although the figure is declining—with the internal market, or the framework of the remaining 27 member states, we run a monumental deficit of £71 billion a year with the EU, as the hon. Member for Luton North (Kelvin Hopkins) has said. That figure went up by £10 billion last year alone, and we do not even have this year’s figures, which will be even greater. The Office for National Statistics may have indicated to my right hon. Friend the Secretary of State how much worse they will be by this time next year.

By the same token, our global trade surplus with the rest of the world, in goods and services, imports and exports—that is the golden thread and the parameter that international trade statistics rely on—is expanding at an enormous, accelerating rate. That is the basis of our future prosperity. I say with respect to Opposition Members that more effective trade with the rest of the world, including taxing companies, will result in greater profitability. Out of that enormously growing prosperity zone, we will be able to pay for the public services that the public want and we want. The national health service will actually have more money at its disposal as a result of our successful international trading relationship with the rest of the world.

Mr Barnier went on to make an interesting observation:

“To my British partners I say: a fair deal is far better than no deal.”

That may be how it looks, but the truth is that they have to be very careful that they do not put us in the position of having to accept the idea of no deal. If that happens, as my right hon. Friend the Secretary of State has said, the advantages to us of trading on WTO terms are simply not unsatisfactory at all—quite the opposite. We all need to be realistic.

Interestingly, Mr Barnier then referred to the great port of Zeebrugge, which he said he will visit shortly, “and for which the UK is the primary market with 17 million tonnes of roll-on roll-off traffic in 2016”.

He went on to say that he could not imagine, in the interests of the UK, Flanders and Belgium, that it would be a good idea to have

“an interruption of supply or a highly efficient organisation being called into question.”

We do not want a trade war over ports with the rest of the European Union. As I pointed out in an intervention, it was the EU that introduced the ports regulation. We had a massive row in the House of Commons, including in Committee, and I have been dealing with the issue as Chairman of the European Scrutiny Committee for the past two years. It is, however, going ahead, and the reason for that is that there is no way we can stop it. That is the response to the questions that have been asked. The reality is that until we get our sovereignty back and get the ability to run our own ports system on our own terms, we will be subjected to things like the ports regulation, which was put through by a majority vote behind closed doors. Nobody really knows who decided what. I tried to find out, but we could not make any serious progress in discovering who was making decisions. A lot of it, I think, was coming from Hamburg, because it has an enormous interest in preserving its own position.

The imposed rules were rejected by every single one of our 47 ports—not just the employers but the trade unions, which all piled in and said, “We can’t tolerate this new ports regulation.” Yet there it is, going through, if it has not gone through already while we were away for the general election. The bottom line is that our ports are the arteries for the lifeblood of our international trade, and they have been such for four centuries, as my right hon. Friend the Secretary of State said.

Mr Jenkin: I remind my hon. Friend and the House that the reason it is a ports regulation is that when it was a directive it was blocked by the European Parliament. So undemocratic is the EU’s legislative system that the Commission can force it through as a regulation, so even the European Parliament cannot block it. What kind of democracy is that, and is it not a good thing that we are getting back control over our laws?

Sir William Cash: My hon. Friend and I have been battling on these questions for 30 years, including since Maastricht. He hits the nail on the head. Democracy is lacking in the European Union. The freedom of choice to which Donald Trump referred today—the freedom of sovereign nations to decide their own democratic decision-making processes, including the right to determine their own trade policies—does not mean that there is anything negative about our ability to deliver what is in our national interest. All our history, and every single aspect of our life in this Parliament for centuries, has depended on our ability to make up our own minds about what is in the interests of our own electorate, based on the general elections at which they exercise their freedom of choice. That freedom of choice is based on the word “freedom”.

The key point is that, as the likes of John Bright and Richard Cobden understood, freedom includes freedom of choice—freedom of choice in the marketplace and economics, and freedom of choice to make electoral decisions in the ballot box. That is why they worked towards giving working people the right to vote in 1867. It is all about freedom; when we have that freedom,

we will be able to make decisions in our own national interest. My right hon. Friend the Secretary of State is right to say that we have done so successfully for centuries.

Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): The hon. Gentleman complains that the European Union is not democratic, while at the same time worrying about it being a superstate. The reality is that the European Union is a regional trade agreement, of which there are many in the world. One hundred and eighty-eight states of the United Nations are in regional trade agreements. Only five are not in regional trade agreements, and thus have the type of sovereignty that he has been talking about. The hon. Gentleman is taking the UK towards the type of sovereignty enjoyed by East Timor, Somalia, South Sudan, Mauritania and São Tomé and Príncipe, and many people wonder whether he really understands what he is doing.

Sir William Cash: I know where the hon. Gentleman is coming from, but I simply say that even the leader of his party has more or less had to abandon the pursuit of the independence of Scotland, which is what underpins that question. [*Interruption.*] That is the bottom line. Comparisons between our great country and Somalia and Sudan are simply absurd, because this is a great country that has been making its own laws for centuries.

We went into the European Community with hope, and I voted yes in the 1975 referendum because I wanted to see whether it could work. My 30 years in the European Scrutiny Committee have proven absolutely that it does not. It is undemocratic and operates behind closed doors, and I doubt whether even that applies in some of the countries to which the hon. Gentleman has referred.

I now want to conclude—

Mr Edward Vaizey (Wantage) (Con): Hear, hear!

Sir William Cash: I always know that I am making an impact when the hon. Member for Wantage starts wanting to get to his feet.

Mr Vaizey: Right hon. Friend.

Sir William Cash: He is my right hon. Friend—my very good friend. [*Laughter.*] I have great respect for him, although we do not always agree about everything. The same is true of my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke), who is, I suspect, on much the same track as him.

We enjoy a trade surplus of £34.4 billion with the rest of the world. As I said, yes, 44% of our trade is with the EU—

James Cartlidge: Will my hon. Friend give way on that point?

Sir William Cash: Yes, all right.

James Cartlidge: Is the surplus to which my hon. Friend has referred not smaller than our surplus in services with the EU?

Sir William Cash: It is the aggregate of goods and services. When we consider whether we are making a deficit or a surplus, we have to look at the totality of the position.

Mr Crawford Falconer, the chief trade negotiation adviser, has an enormous amount of experience, and I am extremely glad to hear that he has been given the job of negotiating with countries such as the USA, Canada and Australia. Last year, our trade surplus with the USA was £39.6 billion and our trade surplus with Canada was £1.3 billion. In 2015, we had a trade surplus of £3.7 billion with Australia. They have all said that they want to trade bilaterally with us. It is absolutely right that we should go into those negotiations on the basis that they will lead to greater prosperity for everybody, including ourselves.

Such trading arrangements are the means by which our economic growth and our prosperity will increase exponentially. They will provide security and stability, which will allow us to deliver an effective economy and public services from the taxation of the companies involved. It is a virtuous circle and we are dedicated to it not out of ideology or from any sense of anti-Europeanism, but simply because it works. It is a good policy. The Prime Minister has put her will behind it, and my right hon. Friend the Secretary of State has explained it thoroughly and well today.

Whatever the circumstances, and whether we were remainers or leavers, we must continue with our current policy. Angela Merkel says that what matters is the future of Europe, not Brexit. That is the policy of the German Chancellor. Let us seize the opportunity to make Brexit work in our national interest.

Several hon. Members *rose*—

Madam Deputy Speaker (Dame Rosie Winterton): Order. After the next speaker, I will be setting a six-minute time limit. A lot of Members have put in to speak, and it may have to be reduced further.

2.54 pm

Hannah Bardell (Livingston) (SNP): I associate myself and other SNP Members with the Secretary of State's comments about PC Keith Palmer—this debate was due to take place on the day of the attack on Parliament—and our thoughts continue to be with him, his family and his friends.

I welcome you to the Chair, Madam Deputy Speaker. It is nice to see that we have gender balance among the Speaker and Deputy Speakers.

I rise to speak for the first time in a substantive debate since my re-election as the MP for Livingston—I am grateful to the people of Livingston for re-electing me—and since my appointment as SNP spokesperson on international trade and investment.

I pay tribute to my former colleague and Member for Ochil and South Perthshire, Tasmina Ahmed-Sheikh, our previous spokesperson on international trade and investment. She was one of the hardest working MPs this Parliament has ever seen, and she was a doughty champion for the people of Ochil and South Perthshire. She pursued many matters—from international trade to the plight of the people of war-torn Syria and the UK Government's involvement in the Yemen conflict—and her dogged work ensured that, time and again, UK Ministers were dragged to the Dispatch Box to answer the questions of SNP Members. We will continue to pursue such issues with vigour and passion.

[Hannah Bardell]

My former colleague was a far cry from some of the Conservative Members who, sadly, have replaced her and other SNP colleagues. I do not mean to be entirely unkind—they are not in their places today—but they have been here for only a few weeks, and they have already rolled over on a distasteful deal with the DUP, failing to stand up for Scotland and their constituents. This Tory Government have found £1.5 billion to do a deal so that they can vote down pay increases for emergency service workers and public servants. In recent weeks and months, we have come to rely very heavily on those emergency workers and public servants, and the Scottish Conservatives should hang their heads in shame.

The Scottish Conservatives now have a choice: they can choose to do what is in the best interests of Scotland and of the constituents who voted them in, or they can fall into line with the rest of their party in support of a hard Brexit. I challenge them to use the opportunities that lie ahead to make sure that the Prime Minister reconsiders her position and joins us, and other Members in other parties, in defending Scotland's place in the single market and the customs union.

The trade and customs Bills will seek to put in place a legislative framework to allow the UK to operate its own trade policy and provide new domestic legislation to replace EU customs legislation. The problem is that, despite all the bluff and bluster from the Tories, the UK had to cave in on the first day of Brexit talks and agree that the divorce deal will have to be established before any trade deals are agreed, leaving business, the economy and workers across our country in limbo. Michel Barnier said earlier today that frictionless trade in goods and services “is not possible” outside the single market and the customs union. We need to know from the Secretary of State and colleagues whether there will be transitional arrangements for our economy in relation to goods and services.

We know the track record of this Government on scrutiny and process: they avoid it at all costs. They had to be dragged through the courts even to give Parliament a say on the triggering of article 50, so what hope can we have that we will get to scrutinise properly the many laws and regulations that will be coming back from the EU? The Government's plans for the great repeal Bill include so-called Henry VIII powers to avoid any scrutiny, as well as antiquated and back-door measures through the use of delegated legislation. What guarantees are the Government offering to ensure they will not abuse such powers? What guarantees are they offering to ensure they will not use antiquated and back-door measures to avoid scrutiny by and the need to obtain the consent of the devolved Administrations?

The public rejected the Prime Minister's call at the last election to strengthen her hand in the Brexit negotiations, and she cannot carry on as if the election result has not happened. It would serve her and this Government's flailing credibility better to build a much more consensual approach, because leaving the single market would be an unprecedented act of self-harm.

Joanna Cherry (Edinburgh South West) (SNP): Does my hon. Friend agree that that would in particular be an act of self-harm for Scotland? At present, EU trade deals with the likes of South Korea mean that the tariff on our major export of Scotch whisky has been reduced

to nil, whereas a 20% tariff has to be paid on other whisky entering South Korea. Are we not much more likely to get such favourable deals for Scotch whisky if we have the whole weight of the EU behind us, rather than if we are negotiating just as the UK?

Hannah Bardell: I absolutely agree with everything my hon. and learned Friend says.

The Secretary of State alluded in his opening comments to trade deals with countries such as India, particularly on whisky. Are he and his colleagues not concerned that when the Foreign Secretary visited India recently he was advised that:

“Mobility issues are of importance to us; we cannot separate free movement of people from the free flow of goods, services and investments”?

Trade agreements are about give and take. The Government, the Ministers on the Front Bench and others who have spoken do not seem to understand that concept.

The plans for a hard Tory Brexit have already immersed the UK economy in uncertainty, with inflation escalating and companies preparing to move their operations outside the UK. [Interruption.] Conservative Members chunter from a sedentary position, but they only need to open the papers every day to see examples of that. Figures from the National Institute of Economic and Social Research suggest that Scotland's exports could be cut by more than £5 billion if we fail to retain full membership of the single market. The research also shows that trade in goods could decline by 35% to 44%. If exports of Scottish goods were to fall by a similar amount, the additional cost would be about £3 billion. According to the UK Government's own analysis, leaving the single market could reduce Scotland's GDP by more than £10 billion.

At the end of this process, when we have clarity on whether there is a deal or no deal, if the Government have not taken on board Scotland's position, which I will come on to later, we must have an insurance policy. We must have a say over our own future and be able to decide whether we want to be an independent nation within Europe. That is why Scotland's main business organisations issued a joint statement on 8 July last year, confirming that Scotland's businesses need continued access to the single market and free movement of labour.

Since then, those organisations have all repeatedly raised concerns about the impact of Brexit on business, including on access to labour, both skilled and non-skilled. For example, the loss of EU nationals will seriously harm our rural economy. About 8,000 EU nationals come to live in Scotland and work in the food and drink industry, and 15,000 seasonal migrant workers harvest our world-class fruit and vegetables. We cannot put their futures or the future of our vital sectors at risk. EU nationals also make a huge contribution to our NHS. One in 20 NHS doctors in Scotland comes from the EU. More than 1,000 companies owned in the EU employ over 127,000 people in Scotland and about 181,000 EU citizens live in Scotland, bringing vital skills and expertise. We heard only last week that the rate of applicants for nursing posts from the EU has dropped by 96%. That will be devastating across the UK.

Scotland is an open and modern economy. Our exports of goods and services account for about 50% of our GDP. That is why our membership of the single market

is so crucial to our economy. Through the EU, Scotland trades with the world. The EU has signed free trade agreements with nearly 90 non-EU countries. Free trade agreements are already in place with 62 countries and the agreements with 28 countries are still to be applied. The Secretary of State said in his comments that he hoped they would be ratified soon. Those agreements are driving growth in Scotland's trade with the rest of the world, which increased by 55% between 2007 and 2015.

If we are not able to continue with those trade agreements—we know how long many of them may take—then cumulatively it could be decades before we even reach the position we now have with full access to the single market. Scotland's businesses are well placed to take advantage of the opportunities to sell their products across Europe and the world. If we leave the single market, we gamble with a market of 500 million people and free trade deals with 90 countries around the world.

The Tory manifesto contained a pledge to leave the single market and the customs union. Given that the Tories failed to gain a clear majority, they must think again, put those options back on the table and make them central to their negotiating position. It just went to show the contempt the UK Government have for Scotland when we heard the Brexit Secretary admitting to the Exiting the European Union Committee and, indeed, the rest of the UK in March 2017 that no economic analysis—none—had been done to address the impact of Brexit on the UK economy. How can we have been in a position whereby not only was an impact study not done before we went into the referendum, but in all of the time between then and coming to that Committee no work had been done? This was compounded by comments on “The Andrew Marr Show” recently, where the right hon. Gentleman, who is opening negotiations for the UK, was unable to confirm that the UK would get a free trade agreement with the EU; it was very much a case of, “Mebbe's aye, mebbe's no.” The Secretary of State's comments show just how disorganised he and the Tory party are on Brexit and our future trading relationship with the EU.

Just this week, the *Financial Times* reported that the City of London was sending a delegation to Brussels to present a secret blueprint for a post-Brexit free trade deal on financial services. The City is left to do the work of the Government for itself.

Concern mounts over the damage facing employers if they are forced to move operations to the continent. Not every sector is able to do that, or should do that. We should have a Government who are listening to the devolved nations and all those sectors. This is just the latest indication that businesses do not trust the Tory Government.

The SNP Scottish Government put forward a very sensible compromise agreement on Scotland's place in Europe, respecting the results in 2014 and of the EU referendum. It laid out a sensible and pragmatic approach to the situation we now find ourselves in: that Scotland could retain its membership of the single market and remain within the UK.

In Scotland, we are working hard to support SMEs and corporates with initiatives like the Borders enterprise agency, which was just launched, with a focus on meeting the region's distinctive economic needs. We have also

launched the Scottish-European Growth Co-investment Programme, the first part of the Scottish growth scheme, with £50 million from Scottish Enterprise and £50 million from the European Investment Fund, which will leverage at least £100 million from private sector fund managers. Evidence of the fruits of the Scottish Government's labours were borne out by yesterday's GDP data, which showed the Scottish economy defying recession concerns and growing at 0.8%, compared with the UK average of 0.2%.

But this is set against a backdrop of Brexit uncertainty giving businesses much pause for thought in investment decisions. The Chancellor has conceded that a “large amount” of UK business investment is being postponed, and urged early agreement with the EU on transitional arrangements. Our growth is under threat, and we need to hear more than warm words from the Government Benches. The Governor of the Bank of England, Mark Carney, spoke of “anaemic wage growth” and said he would like in coming months to see

“whether wages begin to firm, and more generally, how the economy reacts to the prospect of tighter financial conditions and the reality of Brexit negotiations.”

Scotland's voice is being ignored. That is not democratic, and it is not acceptable. Scotland is the top destination in Europe for exports from the rest of the UK, so it is in everybody's interests to have a close trading relationship, because the European single market is Scotland's real growth market, and is eight times bigger than the UK market alone.

The Secretary of State for Exiting the European Union said on a recent visit to Ireland:

“Ireland will not have to choose between having a strong commitment to the EU or to the UK—it can and should have both.”

Why, then, can that not apply to Scotland?

In a press conference in Dublin on 30 January 2017, the Prime Minister said that the UK would maintain “the common travel area and excellent economic links with Ireland.”

Again, I ask why that cannot apply to Scotland?

There must be a meeting of the UK and devolved Governments to decide objectives before the next cycle of negotiations with the EU this month, and there must be a commitment to take seriously, and act upon, the interests of Scottish businesses, universities and a range of other groups becoming increasingly alarmed at the way Brexit is being handled.

Scotland's voice must be heard during the Brexit negotiations. Only recently we heard from a surprise supporter of that long-held SNP view. The Labour party leader, the right hon. Member for Islington North (Jeremy Corbyn), took time out from partying at Glastonbury to write for the *Sunday Herald* saying that Scotland needs a clear input into the Brexit negotiating process. He said:

“The Scottish Government must have regular and systematic access to the British negotiating team so that the Scottish perspective, especially in those areas for which the Scottish Parliament is responsible, is fully taken into account.”

That is very welcome; it is just a shame that his party cannot be united on access to the single market and the customs union. Will this Government finally acknowledge the overwhelming support for a Scottish seat at the Brexit table and extend the hand of friendship to all the

[Hannah Bardell]

devolved nations to enable them to take part in these negotiations, which will affect their people, their economies and their future?

This Conservative Government are cowed and reduced; they failed resolutely to start negotiating a trade deal with the EU at the same time as the exit deal. We in the SNP believe that it is important to maintain our international development goals and ensure an ethical trade policy. To ensure that our international development goals are maintained, the Scottish Parliament must have a real say on any trade deal that is negotiated. ActionAid has ranked the UK joint worst in the world for having the largest number of treaties with developing countries that most restrict the rights of poor countries to tax UK companies operating there. That is not acceptable and it does the UK's reputation no good on the world stage. The SNP will continue to defend Scotland's interests and prioritise maintaining Scotland's membership of the single market and the customs union in the Brexit negotiations.

Patrick Grady (Glasgow North) (SNP): My hon. Friend mentions our relationships with developing countries. Resolving the tax treaty with Malawi was a priority for many Members in the last Parliament. Malawi is neither too small nor too poor to be independent, despite its many challenges. Today is its independence day, and I am sure that we all wish it a happy independence day.

Hannah Bardell: I share my hon. Friend's sentiment in wishing Malawi a happy independence day. I note the work that many Members across many different parties have done on Malawi, not least the former Labour First Minister, Jack McConnell, who I know continues to champion that work in the other place.

It is vital that the Brexit negotiations are carried out alongside a firm commitment to developing an ethical trade policy. I say to the Prime Minister and her Government that they will not get any kind of unity or agreement by ignoring the issues that they find in front of them. It is time to take their heads out of the sand, face the music and work with the devolved Administrations and other Members across the House so that we can get the best possible deal.

3.12 pm

Mr Edward Vaizey (Wantage) (Con): I draw hon. Members' attention to my entry in the Register of Members' Financial Interests. This is the first time I have had the chance to speak in this new Parliament and the first time I have spoken with you in the Chair, Madam Deputy Speaker. It is a great honour.

Let me begin by praising the incredible work being undertaken by the Department for International Trade. I read the Secretary of State's brilliant article on *ConservativeHome* this morning, and I know that everyone in the Chamber will have availed themselves of it. Ministers have travelled to 50 countries—the number of air miles accumulated boggles the mind—and 10 trade groups have been set up. We have an international trade adviser, and we took the shrewd decision to make the brilliant Antonia Romeo the permanent secretary. And we now have a Minister on the Front Bench who is fluent in German—

Mr Jenkin: And Russian.

Mr Vaizey: And Russian. So everything is now in place for progress to be made.

I have to say that I am sceptical about the future. May I quickly add that I do not work for the BBC? However, I want to use this opportunity to say that I am a huge supporter of the BBC and of BBC news, which is respected all around the world. Those people who question the BBC's patriotism or declare that it is somehow biased in this debate are absurd. You can see me on YouTube, when I defended George Osborne's Brexit emergency Budget debate, being torn apart by Andrew Neil. He cut me no slack as a remainer coming on his programme. The BBC is not biased or partial, and people who claim that it is have simply lost the argument.

Let me get back to the main point of the debate, which is trade. I confess that I find this country in a confusing position. We are leaving the European Union free trade area that gives us access to 500 million consumers in order to trade with them on the basis of the World Trade Organisation rules. That seems to be the only position that we are taking. At the same time, we will negotiate a free trade deal with the United States because we do not like trading with that country on a WTO basis, so I am completely unclear as to what our position is on free trade and why we are walking away from 500 million consumers. I also find it odd that we want to have no deal rather than a bad deal.

It is quite clear from Michel Barnier's speech this morning that we cannot pick and choose which sectors might benefit from access to the single market. It is also clear that having access to the single market and being a member of the European Union enables us to have free trade. The European Union has negotiated 60 free trade deals. The House approved a free trade deal with Canada this week, and another has seen exports to Korea rise by 54%. The EU has just started negotiations with Japan, and it is through no fault of the EU that we do not have a trade deal with the United States.

Trade deals are not necessarily nirvana. Ministers and others say that we will be able to have free trade deals from the day we leave the European Union, but I caution them as to the nature of those free trade deals. My hon. Friend the Member for Stone (Sir William Cash) talked about the virtues of free trade, with which I agree, and the opportunity to reduce import tariffs, but he has to be aware of the reaction of the British public and different sectors of the British economy if we simply reduce tariffs against their competitors. Not every free trade deal will be plain sailing, which is why it has taken seven years to negotiate the free trade deal with Canada.

Hannah Bardell: Is the right hon. Gentleman aware of the research by the University of California, Berkeley showing that the average time taken to negotiate a free trade agreement is 28 months? That means it would take the UK 91 years of cumulative negotiation to get to where we are. Does he think that will be a problem?

Mr Vaizey: That is the point. The idea that we can take free trade deals off the shelf and not face lobbying from different sectors of our economy on the possible threats to their position from a free trade deal—the idea that all sectors of our economy are crying out for free

trade deals—is a misconception. These are extremely complicated arrangements. *[Interruption.]* My hon. Friend the Member for Harwich and North Essex (Mr Jenkin) says that we do not have a free trade deal with the EU, but at least we have access to the market without quotas, tariffs or non-tariff barriers.

Remember that free trade deals are constructed by human beings. This week I met a former US trade negotiator who is well plugged into the entire scene and who told me that the US trade representative organisation is already at full stretch and is demoralised by President Trump canning the Trans-Pacific Partnership. It has to renegotiate the North American Free Trade Agreement, and the Transatlantic Trade and Investment Partnership has been put back on the agenda. When President Obama said that we were at the back of the queue, the language may have been unfortunate but we should be realistic about where we are in the line with the US and realistic about the capacity of the US Administration to negotiate with us.

I have a few asks of the Minister, who is free to reply in German or Russian, as he sees fit, to show his capacity, for which I have nothing but admiration. Which countries are we targeting, and why have we chosen them? I know that we have 10 trade groups. I would like to hear his thoughts on a timetable for free trade deals with those countries. Is there any economic analysis of what the growth of GDP will be once those free trade deals have been negotiated?

I am a great supporter of the work of the Secretary of State for International Trade, who mentioned the welcome inward investment we have seen in the past year or so. As a former Minister with responsibility for the digital industries, I particularly welcome the investment by companies such as Facebook and Google. There are many, many issues, but we welcome their inward investment. Does the Minister agree that that inward investment is predicated on their ability to recruit people with specialist abilities?

James Duddridge: From around the world.

Mr Vaizey: Will the Minister assure us that companies that want to invest in the UK will, as my hon. Friend the Member for Rochford and Southend East (James Duddridge) says, be able to continue recruiting people with the right skills both from the European Union and from across the world? One of the benefits of the single market is that for a person recruited from the European Union, having their partner and family members able to come here to work is a huge incentive.

Vicky Ford (Chelmsford) (Con): I fully respect that we will be leaving the single market and will need a new deal. At the moment, a company selling, say, a cancer scanner to a Spanish hospital needs to have a maintenance service contract. It can send an engineer to service the scanner under a posting of workers arrangement, and there is mutual recognition of the engineer's professional qualifications. Does my right hon. Friend agree that, in our new trade agreement, it is important to be able to easily trade not only goods but services, with the ability to send workers flexibly from one jurisdiction to another?

Mr Vaizey: My hon. Friend makes a fantastic point. She was an incredibly effective MEP and she certainly would have turned up to Juncker's speech in the European

Parliament; she worked tirelessly and I very much hope the Government will listen to her as we negotiate Brexit, because she has experience that is unparalleled in this House. The point she makes is pertinent to my constituency, where MRI scanners are made at Oxford Instruments.

I was going to talk about Euratom, but I have run out of time—luckily we have a Westminster Hall debate on Wednesday. I do not know whether my hon. Friend the Member for Stone (Sir William Cash) will be speaking in that debate, but we all want to make our points on Euratom then.

Mr Jenkin: Will my right hon. Friend find a moment or two to talk about Euratom?

Mr Vaizey: I will on Wednesday morning, because I have run out of time now—I have only 30 seconds left. I wish to conclude with a plea. I know that we have this two-year timetable under article 50, but, as the Secretary of State said, this is a political process. He is hoping that the European Union will do a deal because their politicians will want to do what is right for their people. Why are we wedded to a two-year cliff-edge process, given that even in a brief, six-minute speech I have been able to highlight some of the extraordinary complexities we are facing? If only I had had longer, perhaps 12 or 18 minutes, I could have expanded on this.

3.21 pm

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): It is a pleasure to follow the right hon. Member for Wantage (Mr Vaizey), as, perhaps unusually, I agreed with almost everything he said. It is a year since the referendum and three months or so since we triggered article 50. We wasted two months on a general election that has left the Prime Minister enfeebled and the Front-Bench team confused. The impact on our economy is potentially hugely serious, and we are running out of time. The public services are in crisis. We need the sort of confident direction that is necessary to attract investment in our economy, to enable growth and the taxation receipts necessary to bolster our services.

When I participated in the EU referendum debate a year ago, one argument I heard regularly was, "Because of the trading imbalance between us and the EU, they need us more than we need them so they are going to be very favourably inclined to a generous settlement." I have heard similar sentiments reiterated in today's debate. If that is the case, I cannot understand why there is a problem with saying that we want to remain part of the single market and the customs union, and we will go for a transitional arrangement until we get it. Somehow we do not seem to be getting that from Ministers, but that it is what is needed to give investors the confidence to invest in our country.

I make it clear that I have a constituency interest: there are more foundries in my constituency than in any other in the country. They are tied into the manufacturing supply chain, particularly that of the car industry. The future welfare of that industry is essential for the future jobs and employment prospects of my constituents. We must be clear about the role the car industry plays in the national economy: 77% of cars manufactured in Britain are exported, 56% of them to Europe. Our overall trading statistics by value show that the contribution of

[Mr Adrian Bailey]

the car industry is huge and significant. It is no coincidence that what I articulated as our objectives earlier are exactly what the Society of Motor Manufacturers and Traders wants.

This idea that no deal is better than a bad deal and that we can fall back on World Trade Organisation tariffs is nonsense. That would add 10% to car prices, and 2.5% to 4.5% for parts. Given the to-ing and fro-ing of car parts in the supply chain in the industry, the potential cost is £2.6 billion for imports and £1.86 billion for exports. The cost of an average car could increase by £1,500.

The Government's mixed messaging and hostile rhetoric has caused damage. In business questions, my hon. Friend the Member for Bridgend (Mrs Moon) mentioned recent figures on investment in the car industry, which has dropped from £2.56 billion in 2015 to only £322 million in the first half of this year. That is hugely significant for the future of a manufacturing industry that is crucial for our export performance.

In the time I have left, I wish to comment on the approach and potential of some of the alternative scenarios I have heard outlined. To be clear: I am as in favour of trading with other countries as anybody is. Implicit in a lot of the arguments I have heard is that the EU is somehow a barrier to our having good trading relations with other countries.

Anna McMorrin (Cardiff North) (Lab): I agree with what my hon. Friend is saying. Our markets and economy are on a cliff edge because of the Government's irresponsible behaviour.

May I correct the comments by the hon. Member for Stone (Sir William Cash) on sheep market imports? He misquoted Michel Barnier's remarks about 12% tariffs. Actually, sheep market imports from outside the EU are subject to tariffs of 12% plus a fixed amount ranging from €900—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I have been lenient with the hon. Lady because I appreciate that she has been in the House only for a matter of days. Nevertheless, she should be intervening on the hon. Member for West Bromwich West (Mr Bailey), not making a speech about something said earlier by someone else. I am sure she will get the hang of it, but I cannot let her go on any longer. I am sorry.

Mr Bailey: The ability of my hon. Friend the Member for Cardiff North (Anna McMorrin) to make a speech while intervening demonstrates that she is rapidly acquiring the skills of Parliament.

To return to the point I was making, if being a member of the EU is an impediment to trading with other countries, why do some of our key EU rivals, such as Germany and France, manage to trade far more successfully with other markets than we do? Could it be that, notwithstanding their EU membership, they are doing something right that we are not doing? Our approach should take that into account; we should not blame the EU for the deficiencies in our ability to get the maximum from our trading potential with countries outside the EU.

There is a rather naive and totally fallacious belief that somehow it is going to be easy to trade with other countries when we come out of the EU. If we look at the World Bank ratings on the ease of doing business in the expanding markets of China, India and Brazil, we see that China is ranked 96th, India 149th and Brazil 143rd. The idea that they will become any easier to trade with if we come out of the EU is, quite frankly, self-delusion. The right hon. Member for Wantage outlined some of the practical difficulties in setting up any trade negotiations with other countries, and they will still be alive.

The fact is that by coming out of the EU, we are moving from a trading bloc that is relatively easy to deal with to one that is not. We need to make it clear, at this point, that we want to remain in the EU single market and customs union.

3.29 pm

Julia Dockerill (Hornchurch and Upminster) (Con): I thank the hon. Member for West Bromwich West (Mr Bailey) for his contribution. I am grateful to you, Madam Deputy Speaker, for calling me to make my maiden speech in this important debate about trade. I am also thankful to my hon. Friends for gathering around me like a protective huddle of penguins; I very much appreciate it.

We must be realistic, pragmatic and determined about how we best shape this country as we leave the European Union. Too often, debate on how we do that is infected by a corrosive pessimism that betrays a lack of confidence in our nation and in what we can offer the world. Now is a time for resilience, resourcefulness and self-belief. We need not a crowing self-regard but an appreciation that our people and what we have created together have value. I want to talk today about why I believe that to be so.

First, let me pay tribute to my predecessor, Dame Angela Watkinson, a lady of grace and a lady whose service leaves a proud legacy. Dame Angela's story embodies the essence of Conservatism. From humble working class roots in Leytonstone, she built not only a flourishing career through hard work and talent, but a record of public service in this place and beyond, particularly through her church and on behalf of children with disabilities. I offer her my profound gratitude on behalf of the people of Hornchurch and Upminster, whom I so proudly represent here today.

Rather like me, Hornchurch and Upminster may now be in London, but it will always and forever have an Essex heart. Both Hornchurch and Upminster were agricultural parishes of the county, and the vestiges of a simpler past are scattered across the seat like antique jewels—whether Upminster's beautiful tithe barn, our Grade II listed windmill or the charming churches of St Laurence and St Andrew. From the mid-17th century onwards, the area attracted successful merchants from the City of London looking to build their country pads. By 1885, Upminster was first formally connected to the metropolis by rail. None the less, its population remained modest right up until 1906, when developer Peter Griggs spotted a chance to turn the area into a new garden suburb for aspirant workers. Hornchurch was similarly swept up in the wave of suburban growth. By 1965, both were formally incorporated into the London borough of Havering.

The area's role in defending London during the war was played out from RAF Hornchurch, just outside my constituency. My constituency later helped to revive London and its war-weary people by providing land for a large new housing estate on Harold Hill to alleviate inner-city housing shortages, particularly among eastenders who sought better lives for their families—what more fitting location for the first sale of a council home to a tenant by the Greater London Council? For aspiration, hard work and a deep sense of family, community and nationhood flow through the veins of my constituents. Ours is a seat where an agrarian Englishness and sense of stability mixes with the upward mobility of the metropolis, and where the brash thrust of the centre breaks into something gentler, almost nostalgic. It is a place where taxis, vans and the tools of tradespeople rest on driveways after a hard day's work; where doorways are swept and homes taken pride in; and where people hold straightforward, honest hopes for good schools, jobs, public services and homes. My constituents contribute to and believe in what this nation has to offer but they expect our nation's politicians to hold that belief as well.

I began my career in this place working for the Minister for Asia and the Pacific, my right hon. Friend the Member for Cities of London and Westminster (Mark Field). A person with a hugely generous spirit, he gave me the space and confidence to flourish in my own right, and it fills me with enormous joy to see him promoted to serve this country with his immense talent. Those were deceptively sunny days for our country, yet in quick succession I was to witness at close quarters the expenses crisis, the financial crisis and then a seemingly unending series of scandals that systematically undermined public trust in nearly every institution within our nation. I shared in the national mood of disillusionment. Not long afterwards, I attended a town hall meeting in Tower Hamlets where I saw councillors physically attack and issue death threats to one another. I felt a profound sense of horror over what had happened in the borough. The divisive identity politics of race, religion and class had turned out to breed only a culture of grotesque corruption, incivility and isolation, while local politicians' self-congratulatory mantra of "fairness", "community" and "justice" were used only as a cloak to retain power. That night inspired me to become one of five feisty Conservative councillors who fought alongside others to expose what was going on. Tower Hamlets is now a byword for what can go wrong when we fail to uphold the systems, institutions and values that make Britain work.

Later I spent time working with European and developing nations on governance issues. Witnessing developing nations battle with endemic corruption, it became ever clearer to me that without decent governance, all other efforts to raise living standards and increase prosperity will struggle. Meanwhile, seeing the EU at close quarters, I reluctantly came to the view that it was divorced from the reality of those whom it purports to represent. It is now time to return accountability to our own politicians. Indeed, I should like to see post-Brexit Britain as one of a group of modern, open nations pursuing close co-operation in matters of security and defence, and an ambitious agenda on free trade, covering goods and services, on economic prosperity and on the creation of international standards for the new technologies shaping our lives. That must sit alongside a restatement of the

importance of the nation state, with a new focus on intergovernmental co-operation rather than collective decision making via costly and cumbersome bureaucracies.

Our parliamentary democracy is a precious and delicate gift, the sum of the toil, sacrifice, disagreements and compromises that generations before us have made. Its principles have proved a template for governance across the globe and provided the space for millions of individuals, institutions and enterprises to flourish. It is a dynamic system that works because it is lubricated by trust and because each generation of parliamentarians tries its best to fine-tune it to reflect the needs and wants of the citizens they represent. The past decade may have undermined trust in our economy, in our politicians and in our media, but crises and scandals can also drive improvements, and should not be taken as a reason to give up or dismiss our nation with a relentless, virulent negativity. Quite the opposite. It is the duty of our generation of politicians to learn, to reform and to lasso the hopes, ambitions and talents of British people of every background as we enter this challenging but enormously exciting new era.

3.36 pm

Helen Goodman (Bishop Auckland) (Lab): I begin, of course, by congratulating the hon. Member for Hornchurch and Upminster (Julia Dockerill) on her maiden speech. She demonstrated how attached she feels to her constituency, and that really is the best start for being an effective Member of Parliament. It also shows what progress we are making when a Member can stand up and say that they are the second woman Member in their constituency.

This is the first time I have spoken since the general election and, of course, I want to begin by thanking my constituents for taking part in the election—especially those who voted Labour. The majority of my constituents voted to leave the European Union in the referendum last year, and when I discuss that with them they tell me that they want a Brexit that controls immigration but boosts exports and secures long-term jobs, particularly in manufacturing. What they like about the European Union is the social chapter, the common market—what we call the customs union—the environmental protections, co-operation on research and development, and the European arrest warrant.

Their views on migration mean that I have to say that I think that it is inevitable that as part of leaving the European Union, we will have to leave the single market, but I think the issues on the customs union are rather different. I was pleased by the speech made by my hon. Friend the Member for Brent North (Barry Gardiner) and the remarks made by my right hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer) about keeping the customs union on the table. I do not know why the Chancellor was suggesting the other day that there are legal difficulties with that; Turkey belongs to the customs union and not the European Union and that was the position that this country was in between 1975 and 1992. It offers not just tariff-free trade but barrier-free trade.

When I went to talk to the North East England chamber of commerce, its members were particularly worried about how firms would handle the rules of origin if we were to leave the customs union. It is not enough for HMRC to have a computer system. That does not deal

[Helen Goodman]

with the bureaucracy, because each individual firm has to apply to get the status they need to use the system. That is immensely bureaucratic and time-consuming, and the OECD has found that that increases costs by about 25%.

Another very important thing is what we will do about all the European agencies—the Government have not been clear about that at all. In my constituency there is a Glaxo plant that employs 1,000 people and produces half a million packs of drugs a day. I have been working with Glaxo, both locally and nationally, on what kind of Brexit deal would be good for the pharmaceutical industry. It wants a level playing field with the other drugs manufacturers across Europe, and that means staying inside the European Medicines Agency. The agency has been located in London because Britain is one of the best producers of pharmaceuticals, and we helped to draft almost all the rules that the agency applies. Glaxo has sent me its paper on priorities for the UK's exit, in which it said:

“Any UK withdrawal from the EU that ends or damages the UK's ability to benefit from the EU framework”—

the medicines agency framework—

“could significantly impact patients, and hinder GSK's operations in the UK and across the EU. Any future regulatory processes... must avoid introducing delays, significant new costs or unpredictable outcomes.

It is critical that an agreement is reached early in negotiations between the UK and EU that the European regulatory framework will continue to apply to medicines, vaccines, medical devices and cosmetics that are already authorised or undergoing clinical trials, to ensure that supply or development of these products is maintained without disruption.”

Vicky Ford: I am interested in what the hon. Lady says about medicines and vaccines. Yes, the mutual recognition principle is extremely helpful in allowing British companies to work with others across Europe and a single market for medicines, but I understand there are issues that make it more difficult for those same pharmaceutical developers to share data with, say, American counterparts. Under the comprehensive economic and trade agreement, which as I have said before in the House is not perfect for the UK, there are potential benefits to mutual recognition not only with Europe but with other countries. Does she not agree that we want both types of agreement if possible?

Helen Goodman: What we really want is minimal regulatory costs on businesses. That means that we should stay in the European Medicines Agency. If we leave and have to set up our own, we will be imposing a third regulatory system on them, and as I am sure the hon. Lady knows, that would be immensely expensive. We have a lot of exports and jobs in the sector. I tabled a lot of parliamentary questions to the Department before the general election and got content-free answers. I now want Ministers to be clear about what they will do not just about the European Medicines Agency but about the 40 other agencies we belong to, ranging from aviation safety to plant health, all of which facilitate trade on a level playing field for British businesses.

The second group of people I am concerned about, as I pointed out in my intervention, are hill farmers—I have 400 hill farmers. After Brexit, it seems that three things will matter for them: the new trade rules; the support systems; and the regulations on food safety and the

environment. Again, we have had no clarity from Ministers. If they agree to the import of meat with lower animal welfare and consumer safety standards and lower prices, they could decimate British agriculture, which would be a disaster for farmers and a disaster for the environment.

3.44 pm

James Duddridge (Rochford and Southend East) (Con): I will shock the Front Benchers by saying that I agree with absolutely everything the hon. Member for Bishop Auckland (Helen Goodman) said—about my hon. Friend the Member for Hornchurch and Upminster (Julia Duckerill), who is indeed truly fabulous. Hon. Friends and new friends, we all cuddled around her in what is now known as doughnut. I am used to being part of a doughnut, but never before have I been called a penguin. None the less, I have waddled back to my usual place and am happy to have caught your eye in this Brexit debate, Madam Deputy Speaker.

I am proud to have supported Brexit. Although there were many reasons to support Brexit, and for many of my constituents the principal one was about taking back control of our laws, mine was a different one—the economic future of Britain. Before being elected to this place, I was a banker in Africa and the City. I ran banks in various African countries, and I saw that the backbone of those countries and the banks was commodities and trade in goods. I therefore have some experience with trade finance, letters of credit, debt financing, raising finance, export guarantees and doing business and trading across different territories. As such, I think it is quite good that this Parliament is not to be jam-packed full of detailed legislation beyond Brexit. Brexit will be complicated enough.

I believe we will look back with a degree of selective memory and not see Brexit as a great revolution. It feels problematic at the moment, and I feel for the Minister for Trade and Investment, who has day-to-day responsibility for delivering Brexit. In many ways I am grateful to be on the Back Benches, having campaigned for Brexit, so that I can let him do some of the detailed lifting, but over the next 18 months I would like to do more on trade and customs-related Bills, both in the Chamber and in Committee.

My hon. Friend the Member for Stone (Sir William Cash) gave us a history lesson, but an A-level history student might be confused by some of the debates we have here. A student looking at the corn laws and gunboat diplomacy—attempts to build up trade and markets—and reading Adam Smith would see a trajectory of ever more open free trade and that being seen as a good thing, separate from capitalism and sometimes having its wings clipped. In a time of global uncertainty about quantitative easing, sub-prime lending, eurozone collapse and so on, perhaps my greatest concern is Donald Trump's comments on trade. The big nation states, the G7 or G20, need to take responsibility and look at free trade not only for our own benefit but for the benefit of others, particularly in the Commonwealth and Africa, which I will discuss if there is time.

Since 2005, when I became an MP, the proportion of our goods exported to places outside Europe has increased from 48% to 56%. As speakers on both sides of the House have noted, the growth areas are outside the European Union. In an intervention on the hon. Member for Brent North (Barry Gardiner), I highlighted the fact

that we import more than we export. Understandably, we in the UK look at Brexit from our own standpoint, because it was we who voted on it and we who wanted it as a nation, although there were clearly a lot of debates across all the parties. If we look at it more from the perspective of continental Europe—from the point of view of exporters of German BMWs, or of prosecco and champagne, which the Foreign Secretary discussed—Brexit could seem a lot closer to being delivered.

I welcome the Department's meeting of Commonwealth Trade Ministers. I was fortunate enough to attend some of the earlier meetings. There is a real appetite for refreshing relationships with the Commonwealth. It should have been happening anyway, but Brexit gives us a further opportunity. I am glad that in Africa more generally, we are taking a step back from the European partnership agreements. I encourage the Government, especially the Department for International Trade, to pursue policies to grow countries out of poverty. That has a great impact on us by cutting migration and terrorism, as well on the people who escape poverty. To be frank, that is as important, if not more so, than getting the short-term benefit of export trade. There is a good opportunity there.

I have some concerns about how the Department is organised, at a time when the Foreign Office is joining up with the Department for International Development at ministerial level to encourage a united regional and country-by-country approach. The trade envoys will have a country approach, but Ministers are taking a more sectoral approach. When I was a banker in Ivory Coast, gold miners would come to me and ask about the country. Oil producers would ask me about the country and how easy it was to do business. Tech companies would come to me, but not to ask about technology; they would ask about regional issues and how easy it was to do business. Perhaps the Government can provide those services in the round. I would love to see more of Lord Price's high value opportunities study, which we can really leverage. I think that the blockage in Downing Street on the trade envoys should be freed up and we should appoint more trade envoys as soon as possible.

3.50 pm

Ms Karen Lee (Lincoln) (Lab): Thank you, Madam Deputy Speaker, for allowing me this opportunity to make my maiden speech on behalf of the people of my constituency, which covers not only the city of Lincoln but the surrounding villages of Skellingthorpe, Waddington East and Bracebridge Heath. I am proud to have been elected and to have the chance to serve my city. I am Lincoln through and through, so in electing me as their Member of Parliament, the people of Lincoln have truly elected one of their own. I assure them that, as promised, I will be their voice in Westminster.

Until just a few weeks ago, I was an NHS nurse. Having worked in the NHS since 2003, I am all too aware of the challenges that the current privatisation and running down of the service means for health workers and for my constituents. I am also proud to have been a part of Lincoln's Labour-led city council and to have watched its many positive achievements, including the new transport hub currently under construction in the city centre. But as a local councillor I have also witnessed the impact of cuts to local council budgets, and how austerity for some has caused untold misery for the many, not the few.

At the beginning of the general election campaign, it was unclear whether I would be standing here today to make this speech, but Lincoln and its citizens have a history of defying the odds. From the development of the first tank during world war one by a determined group of engineers, to the recent runaway success of Lincoln City football club—the Imps—who took the fight for the FA cup to the Emirates stadium last season, Lincoln has a proud history of going the extra mile. Who would have thought just a few weeks ago that Lincoln would elect one of its own born-and-bred, working-class citizens as its MP?

One of the less-known facts about Lincoln is that Henry VIII looted Lincoln cathedral of its treasures in 1538. Over the past seven years, the Tories' austerity programme has seen a similar looting of health and education services in Lincoln and an increase in social inequality. Our public services, including the local hospital where I worked as a nurse, are under tremendous pressure because of the current "austerity for some." Likewise, local GP services are under huge pressure, especially since the recent closure of local GP practices. Since my first day in Parliament, I have been inundated with messages of concern from residents worried about the possible closure of our local walk-in centre. Every day that I went to work, I witnessed at first hand the strain that Lincoln's A&E department was under. In-patient wards are chronically short of nurses and doctors, and nurses can no longer afford to train because bursaries are being withdrawn. As a single parent in 2000, I relied upon the nursing bursary to undertake my training.

During my election campaign I visited some of the city's food banks, which again are a testament to the stark poverty found in some parts of Lincoln. Surely in 2017 the need for food banks in the world's fifth richest country is absolute proof of the inequality present in our society today. Homelessness, people sleeping rough on the streets and hard-working people just about managing by working long hours for low wages are just as much the norm in Lincoln as in many other parts of the country. Over a quarter of all children in some areas of Lincoln live in poverty, yet the Prime Minister has found the key to the magic money tree, enabling her to find over £1 billion to keep her Government in power, proving that austerity is indeed an ideological choice, not a necessity.

Lincoln has two great universities, which we are very proud of, both of which recently achieved the highest rating possible in a new national assessment for the quality of teaching, learning and student achievement in UK higher education. Yet many of the students who live in our city struggle with mountains of debt after paying the huge cost of tuition fees. They live in privately rented homes that are often poorly maintained, paying high rents, which increases the amount of debt they accumulate. How can that be fair?

During my time in this House, I will strive to represent Lincoln and all that is good about it, but I will also champion the cause of those who have been left behind without a voice. I hope that Lincoln is a fairer and more equal place for all its residents when my time here is done.

Members may know that Lincoln boasts a stunning gothic cathedral, a medieval castle and a significant historical quarter, and they may be aware that Lincoln proudly displays a copy of Magna Carta in its castle.

[Ms Karen Lee]

However, perhaps fewer Members know that 2017—the year of my election—marks the 800th anniversary of the Charter of the Forest, which was signed in Lincoln and is on display in Lincoln Castle.

Tradition has it that I mention my predecessor, Karl McCartney, who was a strong advocate for transport and its infrastructure in the city and surrounding area. Lincoln is still struggling to cope with the heavy demands placed on a modern and developing city against a backdrop of more traditional and historical infrastructure. As part of my election pledges, I will continue the work that Karl contributed to. I look forward to positive and effective relationships with the county and city councils, and other stakeholders, to find the solutions to keep Lincoln moving. I also pay tribute to my great friend and colleague, Gillian Merron—Lincoln's MP from 1997 until 2010—who worked incredibly hard for Lincoln and duly achieved much for our city.

Turning to Brexit, Lincoln, like many other places, voted overwhelmingly to leave the EU. Although there will be significant implications for trade, employment and services in Lincoln, the decision to leave the EU was democratic, and our task now is to ensure that we get the best possible deal for everyone. Lincoln has a large European community living and working around the constituency, and we need to ensure that EU nationals are protected.

In closing, I restate my hope and aspirations for Lincoln as its MP. I will campaign hard to get a medical school in Lincoln, which will attract the doctors we so desperately need to start to address the crisis in our local NHS. I will work with local councils, and business and community stakeholders to attract the funding for transport networks and infrastructure that will bring the jobs and training my constituents so badly need after seven years of Tory austerity. I will campaign for extra housing to be built, in addition to that planned by Lincoln's Labour-led city council, which will benefit local families and those unfortunate enough to be homeless in Lincoln. Finally—this comes from the heart—I hope that by the end of this Parliament, however long it lasts, the indignity and suffering endured by those who have to use one of Lincoln's many food banks is just a bad memory, not a fact of daily life.

3.57 pm

Richard Graham (Gloucester) (Con): It is a pleasure to follow the hon. Member for Lincoln (Ms Lee). I congratulate her on her passionate maiden speech. Many of us will also remember her predecessor fondly.

This debate is at the heart of the challenge for us all in this Parliament, for although leaving the EU is by no means the only task before us—many of our constituents may have a clearer focus on seeing their local school and hospital well-funded, and their own standard of living gradually increasing—if we lose our access and tariff-free trade with the EU and fail to grow our global business enough to compensate, much else is at risk, because business generates, directly and indirectly, 75% of the total tax revenue that funds vital services. That also means that there is a particular responsibility on all of us here who voted against leaving the EU not to sit back in our chairs and say, “I told you it would be a disaster”, but rather to do our best in making sure that the process

works and succeeds because jobs, the economy and, ultimately, the lives of our constituents are at stake. But if I ask remainers to be pragmatic in seeking the opportunities and not overplaying the risks, I would also ask leavers to be pragmatic in their approach. Let me give one example.

The Prime Minister did not commit us in her Lancaster House speech to a position on the customs union. She said that

“I want Britain to be able to negotiate its own trade agreements. But I also want tariff-free trade with Europe...Whether that means we must reach a completely new customs agreement, become an associate member...or remain a signatory to some elements...I have an open mind...It is not the means that matter, but the ends.”

So the Secretary of State was right earlier to focus on prosperity as his guiding light. What works best for business is what will be best for us, because it is business that has delivered the 2.9 million new jobs since 2010—more than all the other 27 EU nations put together.

Today we should all rejoice that exports are up sharply and inward investment is at record highs from 2016's results. It is a far cry from the prediction made by some of 800,000 unemployed, a deep recession, and real economic hardship by now. But nor should we be complacent, for the figures show a strong surplus of exports and services but a continued deficit in traded goods. In a year of significant currency depreciation, that means we have to do much more. This implies success in retaining the more than 40% of our trade with the EU, and success, too, in exporting to high-growth markets.

As chairman of the all-party parliamentary group on China, let me touch on China, and south-east Asia.

James Duddridge: I compliment my hon. Friend on his work as chair of the all-party group and in facilitating greater knowledge of Hong Kong. I urge him to touch on the trading relationships between mainland China and Hong Kong, and how the latter can be seen as setting the pace for the former.

Richard Graham: I thank my hon. Friend for his comments. I am not going to talk too much today about the differences between, and indeed the closeness of, Hong Kong and China.

Our exports to China doubled between 2010 and 2016, but they are very dependent on the success of a handful of companies, especially Jaguar Land Rover. What holds us back, and where we have to make much greater progress, is market access. With an excellent new director general of trade and investment in Beijing, recruited from industry, I hope that Ministers will drive real progress in this strategic partnership to deliver greater access for British services, in particular.

Catherine West (Hornsey and Wood Green) (Lab): Does the hon. Gentleman accept that we should be focusing on the role of innovation, universities, science and technology in the context of Brexit?

Richard Graham: Yes. The hon. Lady is absolutely right in general. I was going to touch on the importance of education as one of our high-growth exports, and that has to be innovation-led. FinTech, but also lots of other techs, is an area where we can do much more. She is right on that.

Meanwhile, in ASEAN—the Association of Southeast Asian Nations—total exports in the last year for which for we have complete figures were up by 4%. Exports to two of my markets—Indonesia and the Philippines—were up strongly, while Malaysian exports dropped slightly, but from a much higher starting point. Goods exports in the past six months rose by 8.3%, demonstrating that this progress was not just a flash in the wok. We have real success, particularly with business services and insurance, but also with FinTech, MedTech, and even EdTech—not to be confused with EdStone. It is worth noting that we now sell more in education than in insurance. Our partnerships on education in Malaysia are a strong example of what can be done. It remains a strong goal for us as a nation, but also a dream of mine, to establish a British university in the Philippines and in Indonesia.

This matters, because one of the joys of being in business in Asia in general is that long relationships and trust drive business as much as the quality of the product and the transaction itself, and those relationships start early, at schools and universities. In the long term, our education presence and links will enable us to catch up with our main European competitors—Germany and France—in exports of goods, while retaining our advantages in services. This is why we should not include students in our immigration figures, as it leaves an impression of not welcoming foreign students. Moreover, our universities' growth in foreign student numbers has been well below the growth realised by other Anglo-Saxon countries such as the US, Canada and Australia. This is an opportunity that we can seize, and I hope that the Minister will refer to it.

The prosperity fund will play a key role in growing our bilateral business opportunities. I encourage Ministers to ask that trade envoys be involved at an early stage of any proposal. The Minister knows that not long ago we had three trade envoys in ASEAN, but now only myself. I hope he will encourage the Prime Minister to consider appointing additional bilateral trade envoys to ASEAN nations, which, in turn, can help take forward the bilateral trade relationships by including the business of business in the annual high-level Government-to-Government meetings.

In recent years, British businesses have made great strides in ASEAN markets. For example, we partner with Indonesians to win airport refuelling contracts. We have developed a biogas bus service in Bali from recycled cooking oil. We provide teacher training in Borneo. We advise on air traffic management, engineering consultancy services, rail projects, and public-private partnership structures for hospitals. We equip their airlines with engines and supply most of the exciting parts of their Airbus aircraft, and we are setting up a toothpaste factory and emergency power generation, as well as a new velodrome, and much more besides, to help make the 2018 Jakarta-based Asian games a great success. From museums to marine energy, there is much that we are doing in the world's fifth largest country. It has been described by *The Guardian* as the “Biggest invisible thing on earth”, but it is not remotely unknown to us.

What we do in Indonesia is one example of realising the great opportunities in Asia and in ASEAN in its 50th anniversary year. It is a region where the GREAT campaign is well recognised and the Union Jack a strong brand, and London is the best showcase for its

international growth and aspirations. As I have indicated, we can do much more, but we build on strong foundations. Let us not be shy to tell our story and do more.

4.5 pm

Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): Thank you for calling me to speak, Madam Deputy Speaker, and may I congratulate you on your appointment?

It is a great honour to speak in this House. I am the first member of my Stone family ever to be elected as an MP, and standing here I like to think of my mother and father looking down on me with pride. I also owe sincere thanks to my wife Flora and my three children. Without their support and great help, the likelihood of my being elected to this place would have been rather smaller.

It is customary for new Members to mention their predecessors. Dr Paul Monaghan is a passionate nationalist and while here he took a close interest in middle east matters, the welfare of former inhabitants of the Chagos islands and, in particular, animal welfare. That is his record. I acknowledge it and thank him for it.

In addition, I really must mention my great friend who once represented part of my constituency, the late Charles Kennedy. He is much missed and will never be forgotten, by me in particular. I was for a time his constituency chairman.

Caithness, Sutherland and Easter Ross is the second largest and most remote constituency on the UK mainland. For that reason it presents special challenges to the Scottish and UK Governments. Sparsity of population, distance and severe winter weather all necessitate taking a different approach to the delivery of vital services. What works in Surrey or Glasgow is not necessarily going to work at all where I come from.

For that reason, recent changes to local maternity services in my constituency, which involve greatly increased numbers of pregnant mothers having to make a 200-mile round trip to Inverness, are causing great concern. Therefore, within the rules of this House pertaining to devolved Scottish Government matters such as health, I give notice that that issue is of the greatest importance to me and that I shall use my role as an MP to do everything in my power to address it.

Equally, lack of access to suitably fast broadband is proving to be a drag anchor to many local businesses in my constituency. That is particularly unfortunate when we are trying to promote tourism in this most beautiful area. The importance of operating efficiently online cannot be over-exaggerated. If local tourist businesses are to compete in a global market, they depend on that type of service. Again, I give notice of the importance of the subject to me and, given the opportunity, I will have much to say about it in the future.

My constituency and its constituent parts have an interesting history. For instance, I am absolutely prepared to bet that Members do not know that he whose portrait hangs among others in the Strangers' Dining Room—the Whig leader, Charles James Fox—was the Member for my hometown of Tain in Easter Ross. In the 1784 general election, Fox fought a particularly energetic campaign to win his seat here, by which I mean Westminster, which he represented. He was helped by the great beauty of her age, Georgiana, Duchess of Devonshire, who was strongly suspected to have been his lover at the

[Jamie Stone]

time, but it was absolutely to no electoral avail. Owing to a legal challenge, the result lay unconfirmed for over a year. Fox strongly suspected that his distant cousin George III and Pitt the Younger lay behind this evil stratagem, and it served only to deepen his dislike for George III. But Fox had cunning friends, who dreamed up a wheeze. They made him a burgess of Kirkwall in Orkney—a burgess is a freeman—and because of that he was very quickly duly elected to the pocket burgh of Tain and the Northern Burghs. And so he represented my home town until his Westminster result was ultimately cleared, after which he resigned.

Would that my own efforts to be elected to represent my home town had been as easy of those of Charles James Fox. I could elaborate on the fact that Malcolm MacDonald stood for my constituency. Indeed, the uncle of the right hon. Member for Mid Sussex (Sir Nicholas Soames), one Randolph Churchill, also contested the seat. Given the time available, however, I will save that for another day.

I am sorry that the hon. Member for Na h-Eileanan an Iar (Angus Brendan MacNeil) is not here today, because I want to quote some Gaelic to amuse your good self, Madam Deputy Speaker, and to test *Hansard*. We have a saying:

“Togar càrn mòr de chlachan beaga”,

which means:

“The mighty cairn is built of little stones”.

I do hope that this particular stone—myself—may play a suitable part in the mighty cairn that is democracy in this special place.

4.11 pm

Robert Neill (Bromley and Chislehurst) (Con): It is a particular pleasure to follow the maiden speech of the hon. Member for Caithness, Sutherland and Easter Ross (Jamie Stone). It was impressive, elegant and informative all at the same time. I particularly enjoyed it as a descendant myself of “Barra men”, who found their way further south via Inverness-shire. They unfortunately left out Caithness, Sutherland and Easter Ross, skirting it a bit to the south. I know that the hon. Member for Na h-Eileanan an Iar (Angus Brendan MacNeil) will be pleased with that reference. All of us in the House look forward to hearing a great deal more from the hon. Member for Caithness, Sutherland and Easter Ross in the future.

I turn to the comments made by my hon. Friend the Member for Gloucester (Richard Graham), who is still here. I take the same approach as he did. I believed that it was right for this country to remain in the European Union, but the decision has been taken and our job is to be pragmatic about how we deliver the result. The need for give and take on both sides must be firmly recognised. This must be a Brexit that works for the 48% just as much as for the 52%. I am sure that the Ministers on the Treasury Bench will bear that in mind. In practical terms, it involves our being open-minded about the nature of the deals that we reach as we leave. No one party’s manifesto vision attained a majority in the House, so the House itself has a particular right to seek to shape the nature of our leaving and of our future relationship with the EU.

I endorse and agree with what my hon. Friend the Member for Gloucester has said about the customs union. It seems to me illogical that we should put ourselves in a worse position than Turkey by ruling out membership of it. On the position of foreign students, as a London MP I see the great benefit of the talent that comes into our universities and into the financial services provided by the City of London, which is a wellspring of our economy and our public services. I hope that we will see some flexibility there.

Because my right hon. Friend the Member for Wantage (Mr Vaizey)—my very good friend—was not able to get this in, I will add that we need to look afresh at Euratom. It seems illogical to exclude ourselves from something that is very much to our technological advantage. Israel is a member of Euratom, so it is perfectly possible to participate in it without being a member of the EU. We should not put artificial obstacles of a rather theoretical and almost theological kind in the way of a good, practical deal, where one can be done.

That brings me to the meat of what I wanted to say, which concerns the financial services sector. I refer to my entry in the Register of Members’ Financial Interests. Some 36% of my constituents work in or around the financial services sector and its supply chain. The sector is critical to them and to the economy: some £45 billion is generated for our economy by the City of London alone, never mind the broader financial services sector across the whole UK, which employs some 2.2 million people. The total tax contribution of the financial services sector for our public services is some £71.4 billion, so I have no truck with Opposition Members who criticise or carp at the work of the City of London and the financial services sector.

The financial services sector is a strategic national interest, and it must be a primary duty of our Government, as we seek to leave the European Union, to safeguard it. In particular, that will require a proper deal to deliver mutual market access. If some compromise on the form of the adjudication or arbitration arrangements is therefore necessary, so be it. At the end of the day, it is much more important for the welfare of this country that we have full and proper access for our financial services sector than that we argue—as with angels on the head of a needle—about different courts of justice and elements of jurisdiction. Modern countries with a global outlook sometimes recognise the need to collaborate and to share jurisdictions in areas of mutual advantage, and we should not rule that out in this case.

This process must also involve meaningful and early transitional arrangements, not ones set to an arbitrary timescale of two years, three years or whatever. The transitional arrangements must apply for as long as it takes to do the job for the financial services sector. The deal we made with the British people was to respect the outcome of the referendum; it was not a vote about how long the process would take or about the manner of our leaving. It is well established from the evidence that for some elements of the financial services sector—derivatives, say, as opposed to insurance or euro clearing—different lengths of transitional arrangements may well be necessary, and we should be flexible in that respect.

Finally, we must continue to have access to global talent. The issue of students has already been mentioned, and one of my hon. Friends referred to the issue of posted workers, which is also very important. The same applies

to London's position as a great international law centre, because the ability of lawyers to move between multinational firms is absolutely critical. Those are the practical things we need to deliver. I say to the Government that they have my support in doing so, but this must all be done in a way that puts the business outcome and the prosperity of this country above any "ologies", "isms" or any other kind of academic consideration.

4.17 pm

Danielle Rowley (Midlothian) (Lab): Thank you, Madam Deputy Speaker, for calling me to make my maiden speech. First, I congratulate my hon. Friend the Member for Lincoln (Ms Lee) on her fantastic maiden speech. I share her passion for representing our constituents. I also congratulate my fellow Scot, the hon. Member for Caithness, Sutherland and Easter Ross (Jamie Stone), on his speech, and I echo his sentiments on the legacy of Charles Kennedy.

We have heard passionate contributions from hon. Members today. During the Brexit process, we must get the best deal for our economy, protect jobs and defend the rights of EU nationals. I will be fighting for that on behalf of my constituents in Midlothian, and I thank them for sending me here to do that.

I must pay tribute to my predecessor, Owen Thompson, who I know worked hard to represent Midlothian, and I am sure his contribution to the community will be remembered well. I thank him for his congratulations, and for the warm and friendly way in which we conducted our campaign. In his maiden speech, Owen, who was wearing his Midlothian tartan tie, spoke about the green representing the landscape, the blue representing the reservoirs and the black representing the coal in Midlothian.

Owen remarked that he was the first non-miner in a long time—since the second world war, in fact—to be elected to represent Midlothian, and I want to make two points about that. I have another first: I am the first woman to be elected to serve Midlothian, and of that I am very proud indeed. Secondly, although you can see that I myself am not a miner, Madam Deputy Speaker, I am proud to come from good mining stock—both my grandfathers, Willie Rowley and Ron Curran, worked down the mine—so I am keeping that strong Midlothian tradition alive, and I was honoured to receive the endorsement of and support from my local retired miners group.

Speaking of former miners to represent Midlothian, I would also like to pay tribute to two former Members for Midlothian whom I have the honour of knowing and have learned from, Sir David Hamilton and Eric Clarke. Eric said in his maiden speech:

"I am proud to be a socialist and a trade unionist".—[*Official Report*, 11 May 1992; Vol. 207, c. 430.]

I am very glad to be carrying on that mantle, and I am very grateful to David for helping me with my campaign. I must say that I have run out of paper with the list of people from all parts of the House who have asked me to pass on their warm wishes to Eric and David.

It is traditional to talk about the history of one's constituency in a maiden speech, but I feel that those who have come before me have done a fantastic job of highlighting our rich history of Gladstone, of our proud industry—or once proud industry—of Dolly the sheep,

of Dalkeith Palace and of Rosslyn chapel, so I would like to talk about the people of Midlothian and what I hope to do for our future.

On 9 June, the day after I was elected to serve here, I spoke at a local food bank, the Food Facts Friends Project in Penicuik. I talked to Mark, who told me his personal story. He told me that when he found himself having to rely on a food bank, it did not just give him the food he needed, but gave him friendship and support and helped him to develop a network. He then helped set up and run the Penicuik food bank himself.

Mark's story reminded me of an ethos that is central to charity and to the idea behind food banks, and that should be central to the work we carry out here when we talk about helping people in need: a hand up, not a handout. It is essential that we give people the tools that they need to live their lives to the full. When I have worked with people in various jobs who are receiving benefits or support from charity, that is what they want. They want support to do things for themselves, not a handout, as some Members of this House and the media might have us believe.

I am sad to say that Mark had to report last week that demand for the food bank had gone up again, with more than 20 families a week using the service. He said that people who come to the foodbank because they cannot afford to feed their families may have been sanctioned or suffered from the benefit cap and welfare reform. Others simply cannot feed their family on the income of low wages and inadequate help from the Government. That is an absolute disgrace and something I will spend my time here fighting. I will fight for good jobs, for good wages, for support for our young, our elderly and people with disabilities, and for a hand up for those who fall on hard times, because it can happen to any of us.

Midlothian is a strong and proud community. Yes, we come together in solidarity in times of hardship—we did it during the miners' strike, we do it when there are job losses and we have done it again now—but we also have many fantastic ways of coming together to celebrate and enjoy our community. There is the youth project that Councillor Margot Russell runs; our community radio, Black Diamond FM; and the Cousland community coffee morning, where I share a roll and a cup of tea at the weekend with members of the community. Since being elected, I have attended many children's gala days. On polling day, I gratefully received some nice soup and a roll from the Grassy Riggs café for older people and their carers. That is to name just a few. I want projects like that which bring the community together to flourish.

I started my speech by paying tribute to Labour Members Eric Clarke and David Hamilton, and I will end on their wise words too. Eric ended his maiden speech by talking about

"the double standards of having a few who are rich and the vast majority who are poor."—[*Official Report*, 11 May 1992; Vol. 207, c. 431.]

David ended his speech by talking about Labour standing up for vulnerable people, saying that

"those people will benefit, along with all of us, and not just a few."—[*Official Report*, 12 July 2001; Vol. 371, c. 1015.]

Although the phrase may have been stolen today by Government Members, I am going to reclaim it. I end by echoing those sentiments in saying that I am proud

[Danielle Rowley]

to have been elected here to represent the people of Midlothian on a platform of hope and with the message that I am joining my friends on these Benches to fight for the many, not the few.

Madam Deputy Speaker (Mrs Eleanor Laing): I have given as much time as possible to the many excellent maiden speeches this afternoon, but I now have to reduce the time limit to five minutes.

4.24 pm

James Cartlidge (South Suffolk) (Con): It is a pleasure to follow the hon. Member for Midlothian (Danielle Rowley). I congratulate her on her very fine maiden speech. She speaks with great passion, which shines through, and I am sure she will be a huge asset to the people of Midlothian by representing them in the way she set out.

I am also pleased to follow my hon. Friend the Member for Bromley and Chislehurst (Robert Neill). Some of the points that I make will be very similar to his, particularly on the issue of the transition, on which I agree with him strongly.

I will start by setting that in the context of my constituency of South Suffolk. I am optimistic about this country being outside the EU once it has secured a comprehensive trade agreement, which must at all costs include services. We must not forget that we have a £20 billion surplus in services with the EU.

In the immediate term, when I go around my constituency, I find that companies are optimistic. There is a company called Challs International, which I will be visiting next Friday, and which is opening a new plant. The company is not a household name, but it has a product that is one: Buster Sink Unblocker, which some Members might have seen in the supermarkets. Its boss is optimistic, as are other companies, if they have trade deals, about selling in countries outside the EU, and I think there is a great future for this country when we get to that stage.

There are concerns in my constituency, however. Our biggest manufacturing employer, certainly in Sudbury, is Delphi Diesel Systems, a major exporter to the EU, which is currently consulting on its plant closure. That would result in the loss of 520 full-time skilled jobs in Sudbury. I am grateful to the Under-Secretary of State for International Trade, my hon. Friend the Member for Wyre Forest (Mark Garnier)—who is in his place—for the help he is giving me to work with the company to try to find a way forward. I look forward to meeting his officials to talk about that.

If that firm closes—I hope that does not happen—we will then have to talk about how we get in new business and inward investment to replace it. My right hon. Friend the Secretary of State is right that we have fantastic figures on inward investment, but if we want to attract new inward investment, I agree with other hon. Members that we must avoid this cliff edge at all costs.

The hon. Member for West Bromwich West (Mr Bailey) referred to the automotive industry, which, of course, includes my company Delphi. Mike Hawes, the chief executive of the Society of Motor Manufacturers and Traders, says:

“We accept that we are leaving the European Union. But our biggest fear is that, in two years’ time, we fall off a cliff edge—no

deal, outside the single market and customs union and trading on inferior World Trade Organisation terms.”

His worry is that that will hit our ability to attract the investment that is critical to future growth, and that is my concern.

My concern is that we are not taking seriously enough the threat of leaving the EU without a deal. In my opinion, we should look for cross-party support on the whole issue of a transitional deal. We should realise that the national interest is best served by trying to reach a transitional deal in the event that we do not have our new trade deal arranged in time.

I strongly agree with my hon. Friend the Member for Bromley and Chislehurst that we must not move from one cliff edge to set up another. To have a transitional deal with another arbitrary time limit would be potentially foolish. It is my understanding that that is what the EU would at present want from any transition. However, we start by talking about our interests, and the best thing for this country would be to have a transitional deal that lasts from when we leave until a new deal is signed. That is common sense and sensible.

I have two more points to make on the issue of transition, because, understandably, there has been a lot of talk about that in recent weeks. Any deal must be a trusted transitional deal. We must not use transition as some kind of Trojan horse for remaining or as a way of fudging the issue of securing a good long-term deal. A transition must be precisely that—covering from where we are now until we have a new comprehensive deal in place. It must be trusted by those on both sides of the argument—those of us who argued to remain and those of us who argued to leave.

I noticed today that Mr Barnier said that there would be no negotiation on transition until at least late 2018. I raised this point in an intervention on the Secretary of State earlier, because that is extremely worrying. As a Parliament, we should be trying to come together around a position we can agree on, and the transitional deal is part of that. We should look at how we can press perhaps even for a parallel process, so that in the event that this country does not secure a deal by March 2019, it has an insurance policy in place to ensure that business stability and confidence is maintained and we do not crash out with the effect that would have on our economic future.

4.28 pm

Tom Brake (Carshalton and Wallington) (LD): I also congratulate the hon. Member for Midlothian (Danielle Rowley) on her excellent speech and the priorities she has set for herself and her constituents. I also congratulate my hon. Friend the Member for Caithness, Sutherland and Easter Ross (Jamie Stone) on making a confident and polished maiden speech; clearly that particular Stone will be playing a significant role in the cairn of democracy.

I am disappointed that the Secretary of State is not here, because I would have liked to point out to him that the business of attacking national broadcasters is something that Putin and Trump do, and that it is not something that our Secretary of State should be doing.

Mr Vaizey: Will the right hon. Gentleman therefore join me in welcoming Robbie Gibb from the BBC, who has just become the director of communications at No. 10?

Tom Brake: I am sure that there will be some excellent cross-fertilisation going on there. Of course I congratulate Robbie Gibb on his new role.

As the Minister will know, the Liberal Democrats favour staying in the single market and the customs union, and we are disappointed that the Government made no attempt to secure that while talking to the other EU countries about freedom of movement. We need to hear the Minister's assessment of the cost of leaving the single market and the customs union. What would be the cost of reaching no deal? What would be the cost of a bad deal or a good deal? The Secretary of State for Exiting the European Union has said that he cannot tell us what these costs are because we do not know what the deal is, yet we hear successive Ministers saying that leaving the European Union is going to be absolutely brilliant and a bonanza for British business. They can tell us that, yet they cannot say what the cost of leaving the European Union with either no deal or a bad deal would be. Will the Minister tell us what those costs would be, or is there a cover-up going on?

We also need to hear how many deals the Minister expects to be struck when we leave the European Union. How many does he expect to be secured in the first, second, third and fifth years after our departure? We have heard from other Members what the average time is for securing a trade deal. I would also like some feedback from the Minister on the countries with which the European Union has already struck a deal or is about to finalise one. Canada and South Korea are examples, and I understand that Japan is now close to securing such a deal. I would like to know how long those countries think it would take to secure a new deal with the UK at some point in the future. Given that informal discussions have started, I also think we are entitled to know what countries such as China, India and Brazil have been saying to the British Government about their expectations of how many more Chinese, Indian and Brazilian citizens will be able to come to the UK on the back of any trade deals. People will be interested to know those facts.

The Minister has heard from many contributors this afternoon about the importance of freedom of movement. He will have been lobbied by a series of companies and organisations across the board about their concerns over the impact of restricting freedom of movement. He will have heard from companies that innovate, and from companies similar to the one in my constituency that is worried that it cannot gain access to engineers from the UK, because we simply do not have enough of them, and that the number of engineers from the European Union, on whom it relies, is already decreasing because those people are seeking opportunities elsewhere. Such companies know that it will cost them more to secure engineers from outside the European Union because they will have to pay visa costs. That is already happening with the recruitment of nurses. My local hospital is no longer recruiting nurses from the European Union because they do not want to come here, partly because of the fall in the value of the pound. Instead, it is securing nurses from India and the Philippines. However, it is now having to pay roughly £1,000 per visa for each of those nurses—a cost that it did not have to meet for nurses from the EU.

We also need to hear what the Government are trying to embed in these trade deals. We have heard the Secretary of State for International Trade talk about the shared

values he has with President Duterte of the Philippines. I do not have that many shared values with someone who is on record as saying that he has gone around his country using extrajudicial killings to dispose of drug dealers, but maybe the Secretary of State does share values with him. We need to hear from the Minister how he is going to embed issues such as human rights and environmental rules into the trade deals. We need to be sure that they will be decent deals and that they will not simply be secured at any cost.

Earlier today I asked the Leader of the House to confirm whether the Government will release the report on the funding of extremists in the United Kingdom. I am worried that the report may not be published simply because it might jeopardise the trade deals we have secured with Saudi Arabia.

Bim Afolami (Hitchin and Harpenden) (Con) *rose*—

Christian Matheson *rose*—

Madam Deputy Speaker (Mrs Eleanor Laing): The final two speakers have been very patient and very courteous. They are left with only four minutes each.

4.35 pm

Bim Afolami (Hitchin and Harpenden) (Con): I start by declaring an interest. Before entering the House, I worked as a corporate lawyer in the City for Freshfields Bruckhaus Deringer and for Simpson Thacher & Bartlett, and as a senior executive at HSBC.

I will specifically address financial services post Brexit. I echo my hon. Friend the Member for Bromley and Chislehurst (Robert Neill) on how much of an asset financial services are to our country. I will not repeat the statistics he outlined, but they are all accurate and true.

It is worth considering why our financial services sector is such a world leader, which is not just because it has been around for a long time but because the in-depth, unique infrastructure surrounding financial services—whether it be the lawyers, accountants, consultants or the like—makes Britain such a good place for this industry. Those advantages are not going to change.

It is true that business never likes uncertainty, and there is undoubtedly uncertainty in certain areas of our regulatory and legal frameworks surrounding financial services. If the House will indulge me, I will address two of those areas. First, as Members will fully appreciate, a key area that has been highlighted is this country's desire to continue benefiting from the single passport for financial services that operates within member states of the European Union, whereby a firm that obtains authorisation to carry out a particular activity in one state can carry out such activity in other member states without further authorisation or regulation. It would be good to hear from the Minister and the Secretary of State whether we intend to try to maintain that position.

Another area of real uncertainty is the principle of equivalence. At the immediate point of exit, EU law will form part of UK law and, therefore, as a matter of fact will be equivalent. However, it should not be controversial for the United Kingdom to keep the bulk of EU financial regulation then in force as, frankly, much of it was either largely driven or written by the United Kingdom or derives from international accords of one kind or another. That is another area where certainty for business

[*Bim Afolami*]

would be appreciated. In particular, the clearing of euros in the City of London is attracting a lot of concern.

Having said that, we need to ensure that our reasonable concerns about this uncertainty do not lead us in the long term, post Brexit, to try to keep everything the same as now. Why should that be? It would mean accepting wholesale a European regulatory framework that we would no longer have a role in shaping, and which would consequently allow the European Union—if, perish the thought, it wished to cause us difficulty—to stifle the activity of our financial services sector.

I do not have time to go into what I think the vision for financial services should be post Brexit. [*Interruption.*] That is a shame for everybody. We need a transition in order to get there, but our financial services sector has a bright future after Brexit. I look forward to the Minister's response.

4.39 pm

Christian Matheson (City of Chester) (Lab): It has been a great pleasure to be in the Chamber this afternoon to hear some excellent maiden speeches, and if the House will indulge me, I would like to single out those of my hon. Friends the Members for Lincoln (Ms Lee) and for Midlothian (Danielle Rowley). It was also a great pleasure to be here to hear the Secretary of State enthusiastically extol the virtues of free trade, on much of which I agreed with him. He rightly said that fair free trade engenders and develops prosperity, and of course it also develops peace. If we are trading with somebody, we are not fighting them. The irony of that statement is that that was precisely why the EU—the European Economic Community—was founded in the first place, and he now wishes to move away from it.

At the risk of getting my wrist slapped by the hon. Member for Gloucester (Richard Graham), who is no longer in his place, let me say that I think Brexit is going to be a disaster. However, I voted for article 50, because my side lost the referendum and I recognise that. I also stood on a manifesto promise to get the best form of Brexit possible in the circumstances. For me, that is a people's Brexit that promotes prosperity and jobs, environmental protections, workplace protections, which I know some right hon. and hon. Conservative Members have suggested might be watered down, and consumer protections. I say to the House that although we will try to get the best Brexit deal for the UK, we cannot bind future generations, which may wish to get a different relationship, including rejoining the EU at some point. As hon. Members throughout the House have said, we have to resist the ideological push to get the hardest deal come what may, which to an extent is being led by some of the more hard-right Brexiteers in the Conservative party. I do not think it is acceptable that we leave the EU with no deal, and if we do that, it will be down to the Ministers who are negotiating.

There is concern in the private sector about the uncertainty being generated by the current circumstances, and there is an absurdity in the current position. The automotive sector wants a sector deal, and we know that some companies, such as Nissan, have a company-specific deal. The aerospace sector wants a special deal,

as do the pharmaceuticals industry, the nuclear industry and the chemical industry, which is tussling with the REACH—registration, evaluation and authorisation of chemicals—regulations. We heard from the Secretary of State that the Scotch whisky sector wants a separate deal. The hon. Member for Bromley and Chislehurst (Robert Neill) told us about the City of London and the legal sector needing a special deal, and he was absolutely right. Higher education, which depends on funding, academic collaboration and the Erasmus programme, wants a special deal, as does agriculture, particularly in relation to seasonal workers. Hospitality also wants a sector deal. We heard from Ministers today in a statement on health and social care that social care wants a sector deal. I cannot help but wonder when the lightbulb will come on in the national consciousness and instead of having so many different sector deals, we will see that one deal might be more appropriate. There is a problem with the single market—we know that free movement has caused difficulties—but that can be addressed.

Finally, let me make a plea. The Government are currently in a weak position, and because of their desperation to sign a free trade deal—any free trade deal, with anybody—we are not able to stand up for the values that I thought we all shared. The right hon. Member for Carshalton and Wallington (Tom Brake) referred to that. It means that we are not condemning President Trump over his walking away from the Paris deal, and we are getting into bed with people such as Duterte of the Philippines. This failure to achieve decent terms for our trade deal, or even understand what those terms would be, is affecting our foreign policy position as well, and making us a weaker nation as a result.

4.43 pm

Bill Esterson (Sefton Central) (Lab): Labour's manifesto stated:

“Labour is pro-trade and pro-investment. The UK's future prosperity depends on minimising tariff and non-tariff barriers that prevent us from exporting and creating the jobs and economic growth we need.”

The negotiations for the UK's exit from the EU have already begun, and our future prosperity as a nation is vitally dependent on our international trading relationships. Of those relationships, the UK-EU trade deal must be the Government's priority. A no-deal with the EU is the worst possible deal and must be ruled out. Anyone who has run a business knows that you look after your existing business relationships first—if you do anything else, you do so at your peril.

We have heard many speeches today. The hon. Member for Livingston (Hannah Bardell) spoke about the transitional arrangements and the question of how to deliver frictionless trade.

The right hon. Member for Wantage (Mr Vaizey) gave the first of the many speeches that we could call pro-Chancellor, given the interesting interrelationship between the Chancellor and the Secretary of State for Exiting the European Union.

My hon. Friend the Member for West Bromwich West (Mr Bailey) spoke about the car industry's importance to the UK economy and the need to ensure that we continue to support car exports. He also spoke of the damage that no deal would do to that industry.

The hon. Member for Hornchurch and Upminster (Julia Dockerill) made her maiden speech; I congratulate her on the enthusiastic way she spoke about her constituency.

My hon. Friend the Member for Bishop Auckland (Helen Goodman) spoke about her commitment to her constituents and their need for a Brexit that supports exports and jobs. She also spoke about the importance of the European Medicines Agency to this country and about the need to support the hill farmers in her constituency.

I think the hon. Member for Rochford and Southend East (James Duddridge) spoke in support of the Secretary of State for Exiting the European Union.

My hon. Friend the Member for Lincoln (Ms Lee) made an excellent and passionate speech and spoke about the importance of the transport hub delivered by the Labour council of which she was part. Support for transport infrastructure is of course crucial to backing the businesses and jobs of her constituents, including those involved in international trade.

The hon. Member for Gloucester (Richard Graham) clearly backed the Chancellor.

The hon. Member for Caithness, Sutherland and Easter Ross (Jamie Stone) reminded us of his late friend, Charlie Kennedy, who was much respected by Members from all parties. I congratulate him on his confident maiden speech; I enjoyed his story about his predecessor, Charles James Fox.

The hon. Member for Bromley and Chislehurst (Robert Neill) was with the Chancellor.

My hon. Friend the Member for Midlothian (Danielle Rowley) made an excellent maiden speech in which she reminded us that she is the first woman to represent her constituency. She comes from a family of miners and is keeping that Midlothian tradition going. I was pleased to hear her remind us that she was elected, as I was, on a platform of hope for the many, not the few.

The hon. Member for South Suffolk (James Cartledge) was clearly with the Chancellor—[*Interruption.*] I think he was, anyway. He gave a good example from his constituency of the dangers of a cliff-edge exit and spoke about the importance of transitional arrangements.

The right hon. Member for Carshalton and Wallington (Tom Brake) made a good speech, and the hon. Member for Hitchin and Harpenden (Bim Afolami), who I think was backing the Chancellor, gave another good short speech.

The debate finished with a great speech by my hon. Friend the Member for City of Chester (Christian Matheson), who reminded us of the importance of fair and free trade and how it engenders prosperity and peace. He, like me, will be supporting a Brexit that promotes jobs and retains environmental and consumer protections—

The Parliamentary Under-Secretary of State for International Trade (Mark Garnier): He, like I.

Bill Esterson: I thank the Minister for the correction. No doubt the fee note will be in the post.

The Government have promised to deliver the “exact same benefits” as we currently have inside the single market and customs union, and Labour will hold them

to account on that commitment. We recognise that once we leave the EU a transitional period is vital to avoid a cliff-edge for the UK economy.

The Government have still failed to set out a coherent international trade strategy for when the UK has formally left the EU. We have called on them to publish an international trade White Paper. The UK needs clarity on this issue as never before. It is unacceptable to take the country into an uncertain future that includes our exiting the EU without a comprehensive plan on international trade. Such a plan must be presented to and properly scrutinised by the British people and their elected representatives in Parliament.

A White Paper must set out what the Government’s plans are for future international trade, outlining negotiating principles and trade policy objectives, including which industry sectors will be prioritised and which will not. Clarification of what was meant in the Lancaster House speech by hybrid customs arrangements needs to be set out. The Government say that they intend to pursue closer trade links with Commonwealth partners to make up for any lost trade with the EU, which currently accounts for 44% of our exports. However, none of the UK’s top 10 export partners is a Commonwealth country.

The spring Budget statement revealed that this Government are out of ideas when it comes to boosting exports and tackling the productivity slump forecast by the Office for Budget Responsibility. This is a Government who talk big on trade and Brexit, but who have failed to provide the support for British businesses wishing to export and grow into new markets.

The latest Office for National Statistics figures show that the UK’s trade in goods deficit has increased by £2.6 billion. Our imports are on the rise while our exports are failing to catch up. Despite the Government’s bombastic talk of Britain leading the world as a trading nation, our trade performance on their watch has been weak.

British small and medium-sized enterprises and trade bodies have repeatedly called on the Government to do more to deliver real support to potential exporters. The Government have ignored them, focusing instead on the big corporations and on arms sales. They have systematically delayed SME funding for overseas trade shows and have, over the years, decreased the budget for such funding. They should be maintaining the tradeshow access programme and, crucially, delivering it on time—not delaying it by four months as has just happened.

The Government need to maximise support for those wishing to export and make it clear what their mission is and what their vision of trade is. They need to bring forward the White Paper and say what their view is of transitional arrangements, how they will deliver frictionless trade outside the EU with the EU and, above all, to put forward the priority of jobs and British businesses first.

4.45 pm

The Minister for Trade and Investment (Greg Hands): May I thank Members for what has been a very useful debate? I think that 17 Members have spoken in the first general trade debate since the formation of the Department last summer. Let us consider for a moment the significance of this new Department of State. It was 10 years ago, almost to this month, that Labour abolished the word “trade” from the name of every Government Department.

[Greg Hands]

One of Gordon Brown's very first decisions was to eliminate entirely the word "trade". The creation of this new Department shows the determination of our Prime Minister to put trade at the heart of Government. May I praise the free trade vision that my right hon. Friend the Secretary of State outlined earlier today?

First, let me say a few words on today's foreign direct investment data, showing a record-breaking number of FDI projects coming into the UK in the financial year just finished. Inward investment into the UK is estimated to have safeguarded nearly 108,000 jobs last year. Our trade officials have helped to secure more deals than ever before—up 7%—so a big thank you to all our staff around the world.

May I just remind Labour Members that the trade deficit, which they talked about at one or two points today, is down considerably since we inherited the position in 2010—down a considerable £5.6 billion? At the same time, exports to the EU have increased by 11.3%, but exports outside the European Union have increased by 34.6%, which is a very significant figure.

We had calls from the Labour Opposition for clarity from the Government—this from a party whose leader calls free trade a dogma. The hon. Member for Brent North (Barry Gardiner) says that Labour Members are "principled free traders". We remember his clarity on the comprehensive economic and trade agreement. On the Monday in Committee, he supported CETA, but on the Tuesday, he called for a Commons vote on it on a deferred Division. Then on the Wednesday, he urged his party to vote down CETA, but it rebelled against him by a margin of 85 to 67. He says he is in favour of free trade but he seems to be against all free trade deals.

There is one final point that the hon. Gentleman might want to note. He talked about his hon. Friend for Middlesbrough South and East Cleveland. Now, he might not have been watching on 8 June, but the Member for Middlesbrough South and East Cleveland is now on the Conservative Benches and is now my hon. Friend, not the hon. Gentleman's.

We had some excellent maiden speeches, including a first-class maiden speech from my hon. Friend the Member for Hornchurch and Upminster (Julia Dockerill). She spoke with limited notes, which was welcome, and paid tribute to Dame Angela Watkinson, a friend of mine and many others. My hon. Friend talked eloquently about Upminster, a place I know well as its name is on the front of every single train I take each morning on the District line. I rarely get there, but I am looking forward to visiting one day. She mentioned the sale of council homes in London and how important that still is today, and she presented a positive and uplifting vision for the future of this great country. We thank her and welcome her.

The hon. Member for Lincoln (Ms Lee) talked about her predecessors, whom I knew well, Gillian Merron and Karl McCartney. She did not mention another predecessor, Dick Taverne, who of course left Labour to join the Social Democratic party. From the content of her speech, it sounded like there is little chance of that happening in her case. I congratulate her on her speech and welcome her to this place.

We heard from the new hon. Member for Caithness, Sutherland and Easter Ross (Jamie Stone)—one of the longest constituency names and the second largest constituency, too. He clearly knows it well and I am sure that his predecessor but one, the late Charles Kennedy, would have been very proud of his speech in this House today.

We heard from the new hon. Member for Midlothian (Danielle Rowley), who made an accomplished maiden speech. It is refreshing to hear Scottish accents coming back to the Labour Benches. She made some good points on welfare and I think we would all agree that people need a hand up, not a handout.

We heard from my hon. Friend the Member for Stone (Sir William Cash), my right hon. Friend the Member for Wantage (Mr Vaizey) and my hon. Friends the Members for Rochford and Southend East (James Duddridge) and for Gloucester (Richard Graham). My hon. Friend the Member for Stone mentioned the Labour split on the single market. I have seen 11 Queen's Speeches in this House, and although I have occasionally seen a Government rebellion on an Opposition amendment, I have to say that I have never seen an Opposition rebellion on an Opposition amendment—

Helen Goodman *rose*—

Greg Hands: I will not take an intervention, as there is no time.

We heard an entertaining speech from my right hon. Friend the Member for Wantage, who praised me for my language skills—so vielen Dank. He asked in particular about countries—we have 10 working groups covering 15 countries. He talked about the timetable and the analysis of the increase of GDP, and it is impossible to tell at the moment, as it is impossible to know what will be in those agreements.

My hon. Friend the Member for Rochford and Southend East rightly pointed out the increase in value of our exports outside the EU since he and I were first elected in 2005, rising from 48% to 56%. He is also right on the trade deficit.

My hon. Friend the Member for Gloucester was right to say that, whether we campaigned for leave or remain, what is important is to seek the best outcome for the UK as regards success in the negotiations. I praise him for the work he does as our trade envoy in south-east Asia, as well as on the question of the importance of China.

My hon. Friends the Members for Bromley and Chislehurst (Robert Neill) and for Hitchin and Harpenden (Bim Afolami) mentioned the importance of financial services. They are absolutely right, but here we are in a strong position. The City needs access to European customers, but European borrowers and investors also need access to the largest capital market in the European time zone, which is the City of London. That is very important to remember.

From the Opposition Benches, we have heard from the right hon. Member for Carshalton and Wallington (Tom Brake) and the hon. Members for Bishop Auckland (Helen Goodman), for West Bromwich West (Mr Bailey) and for City of Chester (Christian Matheson). They were all good speeches.

Trade is now back at the heart of Government policy making and I hope that all Members will agree that it is back where it belongs. For the first time, the three pillars of trade, finance promotion and policy fall under one roof, allowing us to approach trade in the most co-ordinated way possible. Our three objectives are worth reiterating and their simplicity should not detract from their significance. We will promote British exports the world over, encourage both inward and outward investment and build the strongest possible trading framework for the UK post-Brexit.

Finally, this country has a great free trading future. I am optimistic about a good outcome for the Brexit negotiations and I and the whole Department are looking forward to growing trade and investment in the years to come.

Question put and agreed to.

Resolved,

That this House has considered Exiting the European Union and global trade.

Southend Hospital

Motion made, and Question proposed, That this House do now adjourn.—(*Rebecca Harris.*)

4.59 pm

Sir David Amess (Southend West) (Con): I am grateful to Mr Speaker for giving me the opportunity to raise on the Adjournment the future of Southend hospital. In so doing, I congratulate my hon. Friend the Member for Winchester (Steve Brine) on his promotion to Under-Secretary of State for Health. I know he will do a splendid job. I must warn the House that I will not take any interventions, because I have a lot to say, and I am sure my hon. Friend the Minister will not take offence if we do not split the half-hour available exactly.

I am absolutely furious that it is necessary for me to raise in the House the future of Southend hospital. We are all gathered here after what in my case was the 10th time I have been a parliamentary candidate in a general election, and I certainly did not enjoy this particular experience. I am a conviction politician. I am not in the school of, “Oh, it’s a choice between the red and the blue team. I support the blue team, and if the going gets tough I might slide over to the red team.” I support things, and one of the things I support is an enterprise culture. I hope that businesses can make a bit of profit, the country can do well and we can spend money on our wonderful health service.

As I look at the Dispatch Box, I recall 34 years ago standing just behind the now Leader of the Opposition—we both had rather long hair in those days. All I would say is that I think he and I hold the same views today as we did 34 years ago. Let me say this and get it off my chest immediately. I do know a little bit about the health service. Colleagues stand up and say that they are expert in this and expert in that. It does not matter what age they are, but I think there should be a little bit of respect for how long we have been here and for experience. I go back to the time when I was a junior Parliamentary Private Secretary to Michael Portillo and Edwina Currie and we had our departmental office in Elephant and Castle, and I was there when we first moved into 79 Whitehall, so I do know a little bit about the health service, and a little bit about sustainability and transformation exercises, which I will come to in a moment.

Not only that—I know a little bit about politics. Unlike all my colleagues, I held a challenging seat not once, not twice but three times between 1983 and 1997—just like my hon. Friend the Member for Thurrock (Jackie Doyle-Price) has now. I have moved on to a slightly more comfortable seat in terms of support for the Conservative party, but I never ever forget how tough it was.

My inspiration in politics is the late Baroness Thatcher. Unlike many colleagues in the House, I was a colleague of hers and knew her when she was at the top of her game; not only later in her life when perhaps she was not firing on all cylinders and romanticising about things. She is my inspiration, frankly. Of course, she never went along the populist line; she always did what she thought was in the best interests of the country. I say to my hon. Friend the Minister that during Mrs Thatcher’s time as Prime Minister, when we had a huge Conservative majority, I was able to stop Basildon A&E closing within two days. In Basildon, our garden

[*Sir David Amess*]

backed on to the grounds of the hospital, and I now live five minutes from Southend hospital. As I look at our situation today, there is no way that I, the Member of Parliament for Southend West, am going to allow the hospital in the heart of my constituency to have its A&E downgraded. There is no way that I am going to allow it not to have 24/7 access. There is no way that I am going to allow ambulances with blue lights flashing not to stop at Southend hospital.

Getting back to the campaign, colleagues up and down the country think they had a tough campaign because of the manifesto and the style of the campaign, but the rudeness I encountered in this campaign disgusts me. The things that people—young, middle aged and old—now say to us, the politicians who take the blame for decisions made by bureaucrats and others who are paid twice as much as we are, and the way they use the F-word and C-word, disgust me. On social media, the mickey is taken about of me because of “cake”. Shame! Shame on any youngster who thinks it is a laughing matter, when my constituent Leah Betts died of an ecstasy overdose. Shame on Channel 4, which got people into the building when the then Minister Tony Newton was checking with his civil servants and thought there was a drug called cake. It is an absolute disgrace. Those people who think it is funny now were not even born when my constituent died. The general tone of this election campaign was jolly disappointing.

For me in Southend, at the heart of it all was a campaign called Save Southend A&E. I am furious that those who were behind the proposals did not get the politics. Behind the scenes, I had been organising health summits, where we got decision makers in SEPT—South Essex Partnership Trust—dealing with mental health services, representatives of the clinical commissioning groups of GPs, and the hospitals to talk to one another. I was not at all happy with senior management, who are paid large salaries—it is all in *Hansard* over the years.

I get frustrated that the longer one is an MP, the more one is ignored. I think of the chairmanship I am privileged to hold of the all-party fire safety rescue group. It was not just Conservative Ministers or Liberal Ministers; it was Labour Ministers who accepted the wrong advice. We all know the dire consequences of our advice being ignored.

To get back to the health service, with 15 minutes to go, one individual was going to stand against me in the general election on the issue of the A&E. There was all the online abuse. We had rallies. We had mass demonstrations. It was a nightmare, but I can look after myself. I have not survived for 34 years in Parliament because people have been looking after me. I am arrogant enough to say that I know what I am doing. I know a bit about people, because before I became an MP I owned an employment agency, so I have interviewed hundreds of people. It annoys me that others think they know better than I do on this issue. I say to my hon. Friend the Minister that in future, when anything that involves Southend hospital is being done—including by bureaucrats and officials—pay the hon. Member for Southend West the courtesy of telling me what is going on. I should be told first.

On the proposal to dumb down Southend A&E, the argument is lost—completely lost. In the election manifesto on which we fought the recent campaign, we see on

page 67 the heading “Holding NHS leaders to account”, followed by a part of the manifesto that I shall repeat over and over again if I am not listened to:

“We will also back the implementation of the plan at a local level, through the Sustainability and Transformation Plans, providing they are clinically led and locally supported.”

For goodness’ sake! A politician does not ask a question speculating what the answer might be. Unknown to me, we had clinicians employed by the people suggesting these proposals openly speaking out against any changes. It beggars belief that just two weeks ago the person running Southend A&E—I will not name them—went to Rochford Council for a meeting and tore the proposals apart line by line, word by word. How on earth could the arrangements for A&E be changed if the very person running the scheme speaks against it? I have any number of examples of clinicians, GPs and others who are openly speaking against the proposals. It is certainly not clinically led.

Hospitals are not perfect—not by a long run—but I wish to pay tribute to everyone who works in the national health service. I do so not in a patronising way—I know that there are all these arguments about the public sector pay review and all of that—but because they do a fantastic job. Although it is sometimes forgotten, all Members of Parliament are human beings, so we all get unwell and we all have family members who get unwell. We are grateful to GPs and hospital consultants for the wonderful work they do for us time after time. Of course MPs are the ones who hear the complaints when someone is not looked after well, but we must never allow that to cloud the overall fact that we have a wonderful health service.

I was a member of the Health Committee for 10 years, which is not a short time. I went all over the country, and all around the world—you name it; I have been there and seen it—and I returned to the UK with the view that we have the best health service in the world. However, because people have the highest possible expectations, no amount of money will deal with all the issues. There is the situation with this baby, and the President of the United States reckons he is going to sort it out. But there is no limit to the amount of money that could be spent on the health service. The women and men who work in our health service are absolutely marvellous.

I also want to point out that the people who came up with these suggestions have presumably not yet started talking about the ambulance service. I have any number of people telling me that the idea that we can transfer people to Basildon A&E is just not on, for all sorts of reasons. I have heard many reasons why that cannot happen.

I really want to praise Southend hospital and the wonderful things the people there achieve. Only last Thursday the Countess of Wessex, who has a particular interest in babies, opened the Kypros Nicolaides foetal medicine unit, which helps around 45 women each month with specialist foetal medicine care. It is absolutely tip-top. The latest Care Quality Commission report gave the A&E department good ratings. It had been underperforming for a while, but we have now got it up to a good level of performance. The simulation suite has recently celebrated its first anniversary. This state-of-the-art suite has been used to deliver a wide range of training opportunities designed to look and feel like a

real patient bay, and it can replicate any medical scenario. Last November the brand new £3 million state-of-the-art endovascular hybrid theatre was opened. This new cutting-edge suite combines all the features of a fully equipped operating theatre, with an interventional radiology suite, and it includes ultra-modern imaging and operating equipment for complex endovascular work.

Our hospital has always had a wonderful reputation for treating people with cancer. It has also always been first class at treating people who suffer strokes. Basildon has really been the centre of excellence for people with heart problems. Southend hospital has the Red2Green system. The initiative has seen positive results across all the wards, ensuring that every day is valuable for patients in the hospital's care through early daily review by senior clinical staff expediting investigations, treatments and early safe discharge home. The last thing we want is elderly people spending too long in hospital and catching infections.

There is funding for GP streaming. The Department of Health announced allocation of A&E capital funding to ease pressure on emergency departments in time for winter 2017, and we are absolutely delighted with that. We are also delighted with the £180,000 that we have received to help with cancer. A patient-led assessment of the care environment was undertaken in May. Although the formal outcomes will not be available until later this year, the informal comments from the volunteer inspectors were very positive. Thrombectomy training is a cath lab-based technique where a blood clot is directly removed from the brain's arteries. This is fantastic technology, and Southend will be not only top of the country but top of the world in this discipline, which is wonderful news.

A team at Southend University hospital are using innovative 3D presentation technology with radiotherapy to allow patients greater insight into the machines used for cancer treatment. Everybody is obviously very frightened when cancer is diagnosed, but this therapy will help with the treatment, and it helps the patient to feel more positive and confident that they will beat the disease. A maternity training simulator has been introduced, which enhances patient care, and a new paediatric insulin pump service improves diabetes care for children. Southend University hospital's team were recently highly commended in the *Health Service Journal* value in healthcare awards, and a dementia day room funded by Southend Hospital Charity's appeal was recently opened.

Anyone who works in the health service—whatever they do—has a gift. I am not terribly good at looking after other people when they feel unwell. Frankly, it makes me feel unwell. How a surgeon cuts someone open, I do not know. Someone has to do it—brain surgery and all that. These women and men are absolutely blessed and splendid. I speak from the Conservative Benches, and we used to be seen as the enemies of the national health service. The situation is quite the reverse; we totally support and value the health service. As long as I am the Member of Parliament for Southend West, I will ensure that Southend University hospital has not only a bright future, but a glorious one.

5.19 pm

The Parliamentary Under-Secretary of State for Health (Steve Brine): I very much enjoyed the speech by my hon. Friend the Member for Southend West (Sir David

Amess). I congratulate him on securing this debate and commend the fire in his belly that always shines through when he speaks in this House, or anywhere else, on behalf of his constituents. They are lucky to have him. I congratulate him on his re-election once again last month.

It is a strange that there is nobody in front of me and everybody I am talking to is behind me, but such is the layout of the House of Commons—and I am of course talking to you, Madam Deputy Speaker.

I understood before I came into the Chamber, and I certainly understand now, that there is significant local concern about the future of the A&E at Southend University Hospital NHS Foundation Trust. My understanding is that Southend A&E will continue to provide substantial emergency services 24 hours a day, 7 days a week, and any change—I underline, any change—to this position would need to meet the four tests of service change. For clarity, let me outline those tests, because they really are the bottom line of any proposed service change in the health service in England. First, proposed service changes must have support from commissioners; secondly, they must be based on clinical evidence; thirdly, they must be able to demonstrate public engagement; and fourthly, they must consider patient choice. An additional NHS England guidance has been added—that proposed service reconfigurations should be tested for their impact on overall bed numbers in the area, and the impact thereof on safety. It is important to set that out very clearly.

The work of the success regime has now fed into the Mid and South Essex success regime sustainability and transformation plan.

Vicky Ford (Chelmsford) (Con): I would like to introduce Broomfield hospital in Chelmsford into the discussion as one of the hospitals in the mid-Essex area along with the three in Southend and those in Basildon. I congratulate my hon. Friend the Member for Southend West (Sir David Amess) on bringing so much experience to this debate. Broomfield is deeply loved. It serves our newest city. We too need our 24-hour consultant-led A&E. NHS England made it clear to me on Monday that it is not only 24-hour, but consultant-led. Can the Minister confirm that? Can he also confirm that any decisions made will put patient safety first? The future of our NHS relies on first-class training and innovation in Chelmsford. As part of the mid-Essex area, we have the country's first new medical centre. Will the Minister confirm that he supports that medical centre?

Madam Deputy Speaker (Mrs Eleanor Laing): Order. The hon. Lady's question is slightly tangential to the subject of the debate, but I appreciate that she has made a connection. The Minister might be able to make the connection between the subject of the debate and her question, but I know that he will concentrate on the subject of the debate introduced by the hon. Member for Southend West (Sir David Amess).

Steve Brine: I will, Madam Deputy Speaker. I could feel you bristling at the length of the intervention. I can assure my hon. Friend that none of the options being considered includes the closure of any of the three A&Es, and all will continue to provide emergency care 24 hours a day, seven days a week.

[*Steve Brine*]

I was mentioning the work of the Mid and South Essex STP, which was published in November 2016 as part of the work to ensure that there are sustainable services in mid and south Essex. There is now a major workstream looking at service configuration across the three hospital sites. Work led by clinicians in 2016 arrived at five possible future configurations for consolidated specialist services across the three hospitals. As well as providing the majority of routine hospital care for its local population, each hospital site would provide some centralised specialist services.

Let me briefly outline the current thinking as it has been set out to me. Southend hospital will continue, as I have said, to provide substantial emergency services 24 hours a day, seven days a week. In addition, it will be a centre of excellence, as my hon. Friend the Member for Southend West rightly said, for planned care, alongside its already well-established cancer centre and radiotherapy services. Basildon hospital will provide enhanced specialist emergency care—for example, specialising in the total management of major life-threatening illness. Broomfield Hospital in Chelmsford will provide a combination of specialist emergency and planned care, with the potential to provide a specialist centre for children. I have to emphasise that these ideas are being further developed by the clinical groups as we speak. No single preferred option for consultation has been arrived at.

Let me now turn to the proposals for emergency care. It is important to note, and I wish to reiterate, that in all potential options for hospital reconfiguration currently being discussed, Southend hospital would continue to provide emergency services 24/7. An options appraisal process was held earlier this year involving clinicians, stakeholders and local people. The higher-scoring options listed one hospital as the provider of specialist emergency care. Basildon was identified as the better location for that. Southend and Chelmsford would continue to provide emergency services, but they would be less specialised than Basildon. Southend would instead specialise in planned care, cancer and radiotherapy, building on the excellent work already being done at the hospital. There would be separate units specially designed to give fast access to assessment and care for older and frail people, children and people who may need emergency surgery. In some cases, that could include an overnight stay, if necessary. Those units would involve both health and social care so that patients could return home as quickly as possible with any continuing support and treatment that they may need.

The potential services in the A&E and assessment units at Southend would be able to respond to a range of emergency needs, some of which could be initiated by a 999 call and may involve an ambulance. The possibility of Basildon hospital being the provider of specialist and complex emergency care has benefits for local patients. It would have several teams of specialists ready to provide immediate access to state-of-the-art scans and treatments around the clock, which is not always possible in the current three general hospital A&Es.

I also understand that the practice of taking patients by ambulance from Southend to a specialist centre is already established. For example, people who suffer an acute heart attack in Southend are currently taken by ambulance to the Essex cardiothoracic centre—that was easy for me to say—in Basildon. I have been advised that that arrangement has been in place for many years. Separating some of the major emergency work in that way releases capacity and resources for planned surgery and other treatments.

For the local NHS, new centres of excellence across the hospital group in both planned and emergency care have the potential to compete with the best in the country to attract high-calibre staff and bring the best of modern and world healthcare to mid and south Essex. I emphasise that in all options currently under discussion, about 95% of hospital visits would remain local at each hospital.

As I have stated previously, the programme is currently under discussion and I am advised that the aim is to launch a full public consultation at the end of the year at the earliest, centring on a single preferred option. The public consultation will explore in detail the benefits and implications of the proposals and will inform plans for implementation. Engagement with staff and local people will continue to influence and refine plans at every stage. That is a key principle, as I have said, in local reconfiguration of services, and it has to be right that the process is guided by those who know and understand the local area best.

In conclusion, as a constituency MP I completely appreciate the concerns of my hon. Friend the Member for Southend West, whom I again commend for his work.

Sir David Amess: I should have said in my speech that all my literature had headlines such as, “David pledges support for 24/7 A&E service”. I felt that I was not believed, so it is good that my hon. Friend has repeated that we will have 24/7 care. Finally, given that morale at the hospital has been ruined over the past few weeks, it would be great if we could have a ministerial visit at some stage, perhaps even from the Secretary of State.

Steve Brine: I thank my hon. Friend for that offer and will pass it on to the Secretary of State, although I am not entirely sure whether he or any of his Ministers can compete with royalty.

In the 30 seconds I have left, I commend my hon. Friend for his work on those issues affecting his constituents. He is a doughty champion for them. I think they do believe him, because they re-elected him admirably just a few weeks ago. I encourage both him and his constituents to maintain an open dialogue with the local NHS, as I know they will, especially during the pre-consultation and consultation phase, and reassure him that Southend A&E will continue to provide substantial A&E services.

Question put and agreed to.

5.29 pm

House adjourned.

Westminster Hall

Thursday 6 July 2017

[GRAHAM STRINGER *in the Chair*]

Global Education: G20 Summit

1.30 pm

Graham Stringer (in the Chair): Order. If hon. Members wish to remove their jackets, they have the Chair's permission so to do.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I beg to move,

That this House has considered promotion of education for all at the G20 summit.

It is a pleasure to serve under your chairmanship, Mr Stringer. Before moving on to the subject of today's debate, may I take this opportunity to welcome the letter that the Secretary of State for International Development sent to all MPs about the small charities challenge fund? This is a very positive development, which the International Development Committee called for in the previous two Parliaments. It gives smaller UK-based charities the opportunity to access Department for International Development funding to support projects to tackle extreme poverty in some of the poorest countries in the world.

As G20 leaders, including the Prime Minister, meet in Hamburg, this debate is an opportunity for the House to reaffirm the crucial importance of investment in education to tackle poverty and inequality across the world. Millennium development goal No. 2 related to the aspiration for universal primary education. There has been remarkable progress across the world: globally, the number of children not in primary school has been cut by 42% since the year 2000. We should pay tribute to all those who made that important progress possible, not least the civil society and campaigning organisations that worked so hard to secure those goals.

However, there remain about 263 million children and young people around the world who are not in school. Most disturbingly, in Africa today the number of out-of-school children is on the increase, and one in five girls there does not receive a basic education. Globally, millions of children are in school but are not getting even the basics of literacy and numeracy. It is estimated that there are 330 million such children around the world.

I pay tribute to Mark Williams, the former Member of Parliament for Ceredigion. Mark represented that constituency for 12 years, from 2005 until this general election. Between 2010 and 2017, he chaired the all-party parliamentary group on global education. During that period, he led two overseas delegations with the all-party group to Nigeria and Kenya. He hosted countless events and meetings, and engaged with several Ministers on this issue throughout his time as chair. I am sure Members on both sides of the House will wish to join me in wishing Mark Williams well for the future.

May I also take the opportunity to encourage Members on both sides of the House to join the all-party parliamentary group on global education, which does fantastic work? I thank RESULTS UK for its work in this area and for helping me prepare for this debate.

Education is at the heart of the battle against global poverty and inequality. The sustainable development goals include SDG 4, which I will return to in a moment, but education is linked inextricably to all 17 of the global goals. Investing in education can improve outcomes in health, empower women and girls, and reduce inequality. Educated populations are much better equipped to build sustainable societies that can move towards the self-financing of development programmes so they cease to be reliant on aid from wealthier countries. We know from our own experience that education is an investment in our economy. An extra year of schooling can increase someone's earnings by up to 10%, so investing in education is critical if we are to close the global skills gap and secure the jobs of the future.

The Government's aid strategy has at its core the goal of strengthening global peace, security and governance. Historical analysis demonstrates that inequality itself fuels social unrest, and evidence suggests that when educational inequality doubles, the probability of conflict more than doubles. Most importantly, education is a human right enshrined in the universal declaration of human rights, the United Nations convention on the rights of the child, and the international covenant on economic, social and cultural rights. Every child should have the right to a quality education.

As we know, the United Kingdom is the only G7 country that allocates the UN-recommended 0.7% of GNI to overseas development assistance. As I said during the Queen's Speech debate last week, I very much welcome the fact that the Queen's Speech reaffirmed the Government's commitment to 0.7%. The UK is recognised as a global leader in providing aid for education, and we rank second only after the United States in the amount of aid we invest in basic education.

Bambos Charalambous (Enfield, Southgate) (Lab): Does my hon. Friend agree that one of the problems in education is that teachers are often poorly paid, if they are paid at all, and have to do other jobs to supplement their pay as teachers? That results in poorer experiences in classrooms where teachers are provided.

Stephen Twigg: I am grateful to my hon. Friend for that point. He is my long-standing friend, and represents the constituency that I represented in the House between 1997 and 2005. I welcome him to the House. His point is extremely powerful. In a moment, I will refer briefly to the work that the International Development Committee was doing in the previous Parliament.

I am delighted that the hon. Members for Aldridge-Brownhills (Wendy Morton) and for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) are here. They are both in different roles. The hon. Member for Aldridge-Brownhills is now the Parliamentary Private Secretary to the Secretary of State—I congratulate her on her appointment—and my good friend the hon. Member for East Kilbride, Strathaven and Lesmahagow, represents DFID's offices in Scotland, but is speaking for the Scottish National party from the Front Bench today. They know that the International Development Committee did a lot of work in the previous Parliament on education, and earlier this year we visited east Africa.

The point that my hon. Friend the Member for Enfield, Southgate (Bambos Charalambous) makes is absolutely pertinent, because we saw real issues with the

[Stephen Twigg]

ability of teachers to get themselves to work. Their levels of pay are such that they often have to work other jobs, and teacher absenteeism is often as big or a bigger challenge than pupil absenteeism in some of the poorer communities of Kenya, Uganda and Tanzania. My hon. Friend makes a very good and powerful point.

DFID has a world-class team of technical staff who deliver the bilateral education programmes and lend support to some of the key multilateral bodies, such as the Global Partnership for Education and Education Cannot Wait. When the Select Committee visited east Africa and the middle east in the previous Parliament, we saw the fruits of UK aid for education. In particular, when we went to Jordan and Lebanon last year, we saw the amazing impact that aid has had on the refugee population, who came particularly from Syria but also from other conflicts in that region. I want to say once again that we owe a debt of gratitude to the Governments and the people of Jordan, Lebanon and Turkey, in particular, which have taken so many Syrian refugees. We can also be proud of our record and that of others on ensuring that many of the children from the conflict in Syria have access to education.

In east Africa, we saw some great examples of UK aid being invested. In Kenya, we visited a truly brilliant project, run by Leonard Cheshire in Kisumu, about identifying children with disabilities or special educational needs—I will return to disability later in my speech. That was a fine example of a very positive programme. In Uganda, we visited a frankly inspiring Saturday school in Kampala, which is funded by DFID and educates child refugees from conflicts elsewhere in Africa who have escaped to Uganda for their own safety, in particular from the Democratic Republic of the Congo.

The UK, via DFID, does many things in education of which we can be proud. As a result, DFID has significant political capital and influence among donors and non-governmental actors, which gives the United Kingdom a responsibility to act as a leader and global advocate on education—including, most immediately, at this weekend's G20. I urge the Government to use their voice to encourage other donors to allocate more funding to education, and to ensure that existing funding is allocated to areas that most need it.

I also believe—the previous International Development Committee felt this strongly—that DFID can use its influence more with Governments in recipient countries to encourage them to allocate a greater proportion of their domestic budgets to education. Aid alone cannot solve the challenges. Aid has an important role to play, but Governments in some of the poorer countries have a responsibility to spend more of their domestic budgets on education.

Internationally, education is underfunded. To achieve SDG 4—

“Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all”—

an enormous increase in funding is needed. The Education Commission, led by former Prime Minister Gordon Brown, estimates that annual spending on education will need to more than double, from a global level of US \$1.3 trillion to about \$3 trillion by 2030, if we are to have any hope of achieving global goal 4.

In recent years, however, the sad reality is that we have seen a decline in levels of international aid spending on education. In our own overseas development assistance spending, the amount spent on education is lower than the amounts we spend on health, government and civil society, and infrastructure. The UK remains one of the biggest donors internationally, but the figures show that DFID dedicates only 7.56% of its budget to education.

Over the past 15 years, we have seen spectacular improvements in global health. Those advances are clear evidence that the international community, working together, can bring about genuine transformation if the will is there. Innovative partnerships such as the Global Fund to Fight AIDS, Tuberculosis and Malaria, and Gavi, the Vaccine Alliance, have helped to reset global health financing standards, saving tens of millions of lives. We have the opportunity to learn from that experience and to do the same for education.

The Minister of State, Department for International Development (Rory Stewart): In the spirit of this debate and given the hon. Gentleman's view that we should increase the percentage of the funding we spend on education, may I ask the hon. Gentleman a question? If he wishes to see a 2% increase, what should we decrease spending on in the DFID budget?

Stephen Twigg: The Minister asks a very reasonable question, which I was going to come on to, but I will answer now.

The previous International Development Committee, which I chaired, was looking at education. In April, we wrote to the Secretary of State with a proposal that I will refer to in a moment. The solution that we identified is one with which the Minister may or may not agree: we should slow down the shift of ODA spending from DFID to other Government Departments. We want to have a good evidence base for additional spending, and the money saved by that slowing down would enable our proposed increase in spending on education. I will come to that in more detail now.

Before the general election, the Committee was taking evidence on education. As I have just said, I wrote to the Secretary of State in April, urging DFID to increase the percentage of its annual spend on education to no less than 10% of its budget, which would represent an additional 2.5% on the current spend of 7.5%. Many organisations, such as the Malala Fund, RESULTS and others, have urged the Government to go much further and commit 15% of the DFID budget to education.

Since we made our recommendation, the latest DFID figures for the budget spent on education have fallen slightly from that 7.56%, so in the first instance the Government need to reverse that decline and then to head to at least 10%. I would be grateful if the Minister—perhaps not in the debate today, but afterwards—provided me with a complete breakdown of all UK ODA spent on education, including that from other Departments as well as DFID.

I now move on to some of the multilateral organisations, which are more directly relevant to the G20 summit. The Global Partnership for Education supports 65 developing countries to ensure that every child receives a quality basic education, giving priority to the poorest, the most vulnerable and those living in countries affected by fragility and conflict. Along with Education Cannot

Wait, the GPE forms an essential part of the multilateral landscape on education, with its focus on low-income countries and basic education, where support is most needed. The GPE has been through significant reform in recent years and, as pointed out by DFID's multilateral development review, it now aligns well with UK priorities.

The view reached by the previous IDC—I am delighted to welcome to his place my friend, the hon. Member for Stafford (Jeremy Lefroy), an assiduous Committee member since 2010—was that the United Kingdom needs to take a lead during the Global Partnership for Education replenishment round for 2018 to 2020. A substantial contribution from the UK to that replenishment would ensure that the GPE continues to achieve results and, we hope, would act as a lever to encourage and press other Governments to commit their support to funding the work of the GPE.

I also take the opportunity to urge the Government to push for this weekend's G20 leaders' communiqué to include a reference to the importance of fully funding the key multilateral bodies, the Global Partnership for Education, Education Cannot Wait and the international finance facility for education.

One of the greatest challenges to face the world in achieving global goal 4 is tackling inequality in education. The theme of "Leaving no one behind" is indeed at the heart of the sustainable development goals. The most marginalised children, including girls, disabled children and refugees, are those most at risk of missing out. A very large proportion of the world's children are clearly being left behind, and reaching them will be a critical challenge for DFID in the years ahead.

The education of girls is essential, and DFID has rightly made it a priority in recent years. Breaking down the barriers that prevent girls from getting access to education is a huge challenge. I welcome the innovative approach of the Girls' Education Challenge and recognise that the lessons learned from its programmes could be vital in finding out what works in supporting more girls to receive an education. The G20 rightly has a focus on female economic empowerment. Education is clearly a crucial component of the economic empowerment of women and of economic opportunity for other marginalised sections of society. I urge the Government and the G20 to recognise the vital role that education performs in the economic empowerment of women, especially in the developing world. This summit is an opportune moment for them to do so.

UNICEF estimates that 90% of disabled children in the developing world—nine out of 10 disabled children in the world's poorest countries—are out of school. That is an extraordinary statistic. The British Council highlighted that although DFID has had a strong focus on girls' education, it

"has had less focus on children with disabilities and special educational needs".

The Secretary of State has acknowledged that. She said in March:

"Disability is shamefully the most under-prioritised, under-resourced area in development."

I agree, as did the last International Development Committee. We recommended in our letter that DFID should place a greater emphasis, akin to its focus on girls' education, on working to ensure that disabled children have access to appropriate high-quality education.

I mentioned the remarkable programme run by Leonard Cheshire that we witnessed in Kisumu in Kenya. That is the sort of programme that I hope DFID not only continues to fund but increases support for, where there is a proven case for doing so.

Let me say something about early childhood education. We know from academic evidence that, by the age of five, a child's brain is around 90% developed. Early childhood education is crucial for cognitive development and learning outcomes, so investing in pre-primary education can make a real difference to children's life chances and thereby help to reduce inequality and, indeed, deliver excellent value for money.

It is estimated that, for every dollar invested in early childhood education, the return can be as high as \$17 for the most disadvantaged children. Despite that, a new report by Theirworld shows that 85% of children in low-income countries do not have access to pre-primary education. Theirworld states that more than 200 million children under the age of five risk failing to reach their potential.

Jeremy Lefroy (Stafford) (Con): I apologise for arriving late, Mr Stringer—I was in another debate when this one began.

The hon. Gentleman is absolutely right. The hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron), my hon. Friend the Member for Ribble Valley (Mr Evans) and I saw a good example of the importance of early childhood education in Tanzania earlier this year. We saw pre-school children being educated in a small rural community, in preparation for their attendance at a primary school. That was a DFID-funded project, and it is exactly the kind of thing that addresses the need that the hon. Gentleman so eloquently set out.

Stephen Twigg: I am grateful to the hon. Gentleman. The example that he gave from Tanzania and my example from Uganda demonstrate that DFID is supporting some brilliant programmes for disabled children and for early childhood. If DFID is able to find the funds to increase its education spending, those are the sorts of programmes that should be protected and, where the evidence is there, expanded—either into other countries or in the countries where they already exist.

Rory Stewart: The hon. Gentleman is being generous in giving way. He raises a vital question: what does one do in a poor country with a stretched education budget that is finding it difficult to provide decent primary education or any secondary education at all? How does he envisage the conversation with the Education Minister in such a country about setting up the entire pre-primary education and early learning structure, and about the competing priorities that that involves? Has he seen any examples of that actually working on a systematic basis in a poor developing country?

Graham Stringer (in the Chair): Order. This is a relaxed debate—it is not over-subscribed—but can Members please keep interventions relatively short?

Stephen Twigg: I am grateful to the Minister for his characteristically thoughtful intervention, which speaks to a broader debate about education and where spending

[*Stephen Twigg*]

priorities should lie. I certainly do not suggest a one-size-fits-all approach for every country in which DFID operates.

To answer the Minister's question, we saw evidence of that working well in Kenya, where I was impressed by the existing investment programme for early childhood education. In a sense, this is linked to my earlier point about the domestic budgets of recipient countries. Those of us who went to Uganda and then to Kenya were struck that Kenya devotes a significantly larger part of its budget to education than Uganda, and it has chosen to allocate part of that to early childhood education. My argument is this: DFID should seek to increase its funding for early childhood education programmes and, importantly, to integrate those programmes with other relevant areas of the human development portfolio, such as child health and nutrition.

Many Members will be aware of the Send My Friend to School campaign, which for more than a decade has engaged with Members of Parliament up and down the country and invited us into schools in our constituencies to talk about global education. Last year, the campaign engaged something like 400,000 young people, and this year more than 2,000 schools have signed up to it. Next Wednesday, 12 July, 20 students from around the country will come here to Westminster to discuss their campaigning with key decision makers, both in Parliament and in the Government. I look forward to meeting them, and I know that other former members of the International Development Committee in the last Parliament will meet them too.

Many of the students will meet their own local MPs, the Foreign Secretary's special envoy for gender equality will meet them, and I understand that they will pay a visit to No. 10 to hand in a letter. I believe that an invitation has been sent to the Secretary of State for International Development, and I hope that she might find time in her busy schedule to meet them too.

I am grateful to Mr Speaker for granting the debate, which gives Parliament an early opportunity to address the challenges of global education. It is especially timely because it comes at the beginning of the G20 summit. If I am re-elected as Chair of the International Development Committee in this Parliament, I will propose that the Committee resumes and completes its inquiry into global education.

I look forward to listening to contributions to the debate, but I am particularly keen to hear from the Minister a sense of when we might expect a full response to the letter that I sent on behalf of the previous Committee to the Secretary of State. I appreciate that I sent it just as we finished for the general election and it covered a lot of issues, but it would be useful to have a sense of when I might receive a full response.

As I said, it would also be useful to have, at an early opportunity, a full breakdown across Departments of all United Kingdom ODA spending on education. Given the focus of the G20, will the Government commit to making a substantial contribution to the Global Partnership for Education during its replenishment for 2018 to 2020 and push for a G20 leaders' communiqué that commits to funding key multilateral organisations, including GPE, Education Cannot Wait and the international finance facility for education?

Investment in global education is vital to tackling poverty and inequality, to securing future economic growth, jobs and livelihoods, and to addressing the causes and consequences of conflict. I once again praise DFID for its global leadership in this area, but I urge the Department and the rest of the Government to go further, because investment in education today pays enormous social and economic dividends tomorrow.

Graham Stringer (in the Chair): Before I call the Front-Bench spokespeople, I advise new hon. Members that, if any hon. Member wishes to speak, they need to stand. I have had no applications to speak; that is just advice.

1.59 pm

Jeremy Lefroy (Stafford) (Con): Thank you, Mr Stringer. I will make only a few comments—I had not expected to be called, but I am very grateful to you for calling me.

In the course of my membership of the International Development Committee, I have seen several excellent education programmes that underlined to me how extremely important this subject is. I recall a visit—in 2011, I think—to a small private school that had been set up just outside Lahore by a lady, with some helpers, for the children of the workers of a brick factory. The children had been working in that factory, some of them for many years. This was their first opportunity for education, and the thrill on their faces could be seen as they encountered the wonders of education for the very first time. It was a small private school—the state was not able to provide that—it was basic and it was set up pretty much in the open air by an extremely dedicated lady, but it was doing a tremendous service.

Another programme I recall—I think I was with the hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron)—was in Kano in northern Nigeria. We visited a primary school with an enrolment of about 13,000 pupils. It was by far the biggest school I have ever come across. Again, the keenness of all the children could be seen. DFID's work there was in providing a modern curriculum on the basis of which the children were taught. The school educated boys and girls together, and if I remember rightly, it also had special provision for disabled children. The city of Kano had been subjected to major terrorist attacks just one year previously, but here were boys and girls whose parents were absolutely determined to send their children to be educated.

There is also the example of pre-school provision that I mentioned in my intervention. To answer my hon. Friend the Minister's point, it was very much supported by the Tanzanian Government, who were determined to put money into it. Young children were being taught Swahili and maths—basic education—in a church made of thatch, mud and wood, because that was the only public building in that village. They were taught by a volunteer from the local community who was paid for by the local community not in salary but in board and lodging. The local community combined with DFID and the Tanzanian Government to ensure that that pre-primary education was in place. We then visited the primary school where some of those children went after spending a year or two in that pre-primary education, and heard directly from the teachers how important it had been that the children had received that education.

I came to realise that education is so important through our work in the International Development Committee in the previous Parliament, under the chairmanship of the hon. Member for Liverpool, West Derby (Stephen Twigg). He is absolutely passionate about this issue, for which I commend him. I hope he is re-elected as Chair, so that he can continue that work in this Parliament. Education is so important because, unless we have first-class education systems throughout the world, people will not achieve the jobs, livelihoods and other things that they have the potential to achieve, and that are absolutely vital for development. They will not have the health services that we know can be achieved, as we have seen in our own country.

Thank you very much for giving me the opportunity to speak, Mr Stringer. I thank the hon. Member for Liverpool, West Derby for all his work on this, and I trust that this will be a major theme of the International Development Committee's work in this Parliament.

2.4 pm

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): It is an absolute pleasure to serve under your chairmanship, Mr Stringer. I congratulate the hon. Member for Liverpool, West Derby (Stephen Twigg), who as always gave an extremely comprehensive overview. It is a field that he led in both for his party and in his chairpersonship of the International Development Committee in the last Parliament. I hope he continues in that role—he has my full backing in that regard. It is a role he has taken to avidly and for which he has utilised all of his skills, abilities and experience to the utmost.

The timing of the debate is important, given the G20 summit focusing on sustainable growth and development taking place in Hamburg this week. Sustainable development has been one of the key issues we have focused on in the International Development Committee, as have the sustainable development goals, which are a step forward in overcoming poverty and giving potential and opportunity to people of all ages around the developing world. On our sustainable development goals, the key issue for me is that we leave no one behind. That is extremely important for education, and for the post-school education and vocational training that should be available to all.

I reaffirm the Scottish National party's commitment to the 0.7% foreign aid target—I believe there is cross-party consensus on that, which I am extremely pleased about. Education for girls is something that we have taken a lead role in and have championed, and we should continue to champion it in future. I will focus particularly on secondary education and girls' access to it. Our achievements in primary education are changing cultural values and beliefs about the worth of girls, and about the cultural stereotypes that we must overcome. However, until girls have equal access to secondary education, equal value and equal opportunity will never be fully achieved.

Our history shows that, when girls and boys have had access to proper education through to secondary school and further training beyond, it has been possible for all to reach their full potential, no matter which area of the country they come from or whether they come from a disadvantaged background. We need to learn from our

own history, but we also need to support those across the developing world to aspire to achieve that. We need to try our very hardest to leave absolutely no one behind.

In some countries that I had the privilege to visit with the International Development Committee, early marriage continued to be an issue, particularly for girls. It took them out of school at the age of 13 or 14, meaning that they were unable to aspire to careers or think about what they wanted to do in their future outwith a marriage at that very early stage of their lives. Secondary education is key to changing those attitudes and stereotypes, and to affording girls the full potential of their own lives and making choices therein.

There were other worries from our work on early marriage. When I visited Nigeria and Kenya, I spoke with local people who said that, although there appears to be less early marriage, it is because it is often not recorded—it still takes place, but it is a cultural marriage and not an official one. The statistics we have do not show the depth of the difficulty we face. I ask the Minister to target young girls who want to continue education and give them support to overcome early marriage where we can. I would also like the Minister to look at the data to ensure that we have accurate statistics on early marriage.

The Committee looked at the importance of data collection on our sustainable development goals. We can use innovative techniques such as mobile phone data to collect appropriate statistics. I would be interested to know how we are updating census material to show that we are working towards the sustainable development goals utilising all data sources, which will be extremely important in that regard.

Jobs and livelihoods are another key issue. It is important that we look beyond the formal role of education and think about vocational training for young people in developing countries. We should lend our support for apprenticeships, sustainable businesses and employment opportunities. When I was in Nigeria, I was rather disappointed to meet Ministers who appeared to be creating vocational training centres focused largely on opportunities for boys. There appeared to be cultural stereotypes—girls did not have the same access and thought was not given to girls' vocational opportunities.

I have a particular focus on education for disabled children, as hon. Members will attest. I have been chair of the all-party parliamentary group for disability since the previous Parliament. I was heartened to see the work being done and the progress being made on some of the International Development Committee's visits. We saw work supported by DFID, including work supported from my own constituency of East Kilbride, Strathaven and Lesmahagow. It is extremely important that we try to lead the way on inclusive education and prioritise it. We have the skills and the ability to support other countries, and it is extremely important that we use them to help the most vulnerable right across the world—disabled children are the most vulnerable. I believe the public would be behind that type of initiative, and I would like to hear from the Minister on that.

An issue that came up during one of our visits—I think it was in Kenya—was that specialist teacher training for work with disabled children tended to be for those in secondary schools. Most disabled children were not reaching secondary school—many were not able to

[Dr Lisa Cameron]

access primary school, but even when they did, they were not going on to secondary school. Where we can, we must focus our efforts on making teacher training inclusive and ensuring it is at the right level, so that teachers who will be working with disabled children are also available in primary schools, where the majority of disabled children will start their education.

Investment in buildings is important. We saw some good examples of wheelchair-accessible schools in Kenya and the difference it can make to children who can then come into the classroom, socialise with peers and have such a better quality of early life. Overcoming marginalisation and ensuring we help the most vulnerable disabled children to achieve their potential is crucial. I argue strongly that we should be leading on that. We cannot fail if we are to meet the sustainable development goal of leaving no one behind.

One example that touched my heart was in Tanzania, where I spoke to people from Sense who informed me about a young girl who was both deaf and blind. Her parents, out of fear for her safety, would tie her to a tree locally for most of the day while they worked in a nearby field, because they worried that she would wander off. Obviously, the risks to her person and the quality of her life were absolutely atrocious, but the parents struggled to know how to sustain the rest of the family while looking after her very specific needs. Sense worked with the family to ensure that a care placement was provided for her during the daytime, to give her an excellent quality of life, comparatively, and to ensure that her parents felt secure in the knowledge that she was safe during the day and that they had the support they needed. Some of these initiatives require additional resourcing, as they are resource-intensive, but the magnitude of change they can make to a young disabled child's life is without comparison.

I would like to mention the visit I undertook with the International Development Committee to a school in Lebanon that hosted Palestinian refugee children. The work being done there was inspirational. However, the school building lacked windows, and the children had to wear gloves because it was often too cold for them to write and learn. Where we are contributing funds and working on education, I would like us to take a holistic approach to ensure that the environment is conducive to the education of children attending the school.

A worrying issue was raised while I visited camps in Lebanon and Jordan. One camp that we were not able to visit, due to apparent security issues, was for Palestinian refugees. We were told by civil society representatives that the electricity system in the camp, which has been there for many decades, had no health and safety standards, and there were regular reports every week of individuals being electrocuted. Will the Minister follow that up or write to me about the work we are doing there? I understand that we provide education support to the camp, but I was told that we do not provide sanitation, electricity or other basic needs because it is not DFID's role. However, the very basic human rights are for safety, shelter and sanitation, and people being electrocuted every week is not right. If we are contributing to that camp, health and safety standards must be correct, and we must surely provide for those people's needs.

While we saw some very good education work by the British Council in the countries we visited, we tended to meet only the most affluent individuals who accessed it. I hope the Minister will tell us how the British Council is reaching out to marginalised and disadvantaged groups and ensuring that children from all backgrounds can learn English with our support.

Finally, I pay tribute to the Send My Friend to School campaign and all the work that our local schools have been doing, which shows how strongly they feel that access to education for all children right around the world is important. I look forward to the Minister's response and thank the hon. Members for Liverpool, West Derby, and for Stafford (Jeremy Lefroy), for their excellent contributions.

2.18 pm

Kate Osamor (Edmonton) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Stringer. I would particularly like to thank my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) for his invaluable work as Chair of the International Development Committee and for calling this debate today.

It is a great shame that because of the general election, the Committee's final report on its long-running inquiry, "DFID's work on education: Leaving no one behind?", was unable to be published, but I am sure it soon will be. I know that all members of the Committee worked hard on that inquiry and I thank everyone involved, including those who gave evidence and assisted on the Committee's visits to the middle east and east Africa, for their work on this important subject.

Today has been an excellent opportunity to hear more about the Committee's findings. As is often the case with international development issues, cross-party contributions have shown the strength of support on both sides of the House for global education. I thank all those who have spoken for their interesting and insightful contributions. I thank in particular my hon. Friend the Member for Enfield, Southgate (Bambos Charalambous) and the hon. Members for Stafford (Jeremy Lefroy) and for East Kilbride, Strathaven and Lesmahagow (Dr Cameron).

I want also to mention the fantastic levels of public support for education aid, which have been shown through the Send My Friend to School campaign. More than 2,000 schools have signed up to that campaign, calling on the Government to increase their investment in the power of education. I was very fortunate to visit one such school: Starks Field Primary School in my constituency.

As has been made clear throughout this debate, DFID has a proud history as a world leader in helping to transform the global education agenda. During the past 15 years, UK aid has supported 11 million children through education. The UK remains one of the biggest donors to education internationally. DFID has shown commitment to providing education to the most vulnerable in difficult situations—for example, by dedicating resources to girls' education and to the education of refugees in conflict situations.

Access to education ensures that people have an opportunity to get the best start in life. Education provides hope and empowerment to those who receive it. It is a vital tool in ending poverty, improving health

outcomes and tackling gender inequality by empowering girls. Investing in education addresses not only inequality, but issues of security and radicalisation. It is the vehicle to a more prosperous, stable and safe society. Above all, it is a human right, enshrined in law.

Thanks to the millennium development goals' focus on achieving universal primary education, the number of children in primary education has greatly improved since the year 2000. According to RESULTS UK, which supported me no end in preparing for this speech, the number of children out of primary school has been cut by 42% since 2000. However, much more needs to be done. Save the Children describes the situation as "a learning crisis". More than 263 million children worldwide are not in school, and hundreds of millions of children are in school but not learning as a result of the poor quality of their education. How is that right? If the current trend continues, how will we reach the target of ensuring that everyone has access to education? That will become almost impossible.

To provide a quality education for all, we have to address not only the issue of teachers, but the environment in which young children are trying to learn. We have heard fantastic examples today of where DFID is doing the best it can, but it needs to consider holistically how we are to achieve the goals if a school does not have windows, a roof or running water. We must work together to ensure that every child has the best education, and we must do that by setting a strong example, which I know DFID has done.

That is why Labour, in line with the International Development Committee and non-governmental organisations, recommends that DFID publish a new 10-year education strategy. In line with that recommendation, it would be helpful for the Minister to outline how DFID's strategy of value for money will take into account the higher cost of delivering ambitious education programmes, such as targeting left-behind vulnerable groups. I am thinking of programmes aimed at girls and especially persons with disabilities.

There are two bodies—the Global Partnership for Education and the Education Cannot Wait fund—that, with continued funding, will help to achieve the strategy to which I have referred, so I would welcome an announcement from the Minister on whether those two bodies will see continued funding. The next replenishment conference for the Global Partnership for Education is in early 2018, so will the Minister update the House on whether the Government will be following the International Development Committee's calls for them to sustain or increase financial support for the Global Partnership for Education? I applaud DFID's work in helping to establish the Education Cannot Wait fund to provide support for refugee education.

In the light of the excellent work that DFID has done in improving access to education for refugees in the middle east, will it be extending that work to help refugees in east Africa and particularly in Uganda, where there are more than half a million South Sudanese refugee children?

I call on the Minister today to provide an assurance that the percentage of DFID spending on education will not be cut in the next two years or, indeed, after Brexit. I am sure he will join me when I say that it is particularly important for the Government to step up as a strong advocate for global education at a time when

there is no explicit reference to sustainable development goal 4 in the G20 agenda. That will show that the UK Government want to be a world leader on education.

If the Government lead with the recommended positive actions—increasing financial support for the Global Partnership for Education and for Education Cannot Wait, along with publishing an education strategy—that will highlight Britain's continuing commitment to global education and encourage other international donors to follow suit. I look forward to working with the Minister on these issues.

2.26 pm

The Minister of State, Department for International Development (Rory Stewart): It is a great pleasure to serve under your chairmanship, Mr Stringer. As always, we have had a very good debate. I am particularly grateful to the hon. Member for Liverpool, West Derby (Stephen Twigg) for initiating the debate. He is a real inspiration, as are the other hon. Members in the Chamber. It is quite unusual in politics—it sometimes feels unusual, anyway—to have people who seem so sincere, so committed to an issue and so interested in the detail, rather than simply being interested in posturing, and that really comes across. One reason why the whole House feels strongly that the hon. Member for Liverpool, West Derby has been an excellent Chair of his Committee is precisely that he approached the role in a very fair, objective and ethical fashion. It is therefore a great pleasure to be involved in this debate.

An enormous number of things have been touched on today. The basic message that I would like to get across is that the real problem in this field is not the big ideas, but the implementation. The really big problem, underneath all the very good contributions and really good points made by hon. Members, is that the situation on the ground in many developing countries is an absolute disgrace. Very sadly, what is happening even in those schools that exist is really depressing. I will try to touch on some of the points that have been made, but the scale of the problem is the central issue.

The hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) made a series of really good points—points that it is easy to relate to. They were points about disability, about schools that she has seen in which there are no windows and children are wearing gloves and—I am imagining the Shatila camp in south Lebanon, where there are real problems—about electricity. Very good points were also made by my hon. Friend the Member for Stafford (Jeremy Lefroy) and the hon. Member for Liverpool, West Derby about issues such as pre-school education. The shadow Secretary of State, the hon. Member for Edmonton (Kate Osamor), made a very strong statement about refugees in Uganda, and others have made statements about disability.

The fundamental underlying problem is that before we start talking about all those things, we have to acknowledge that the basic primary education in most of the countries that we are discussing is not even beginning to be good enough. Nearly 67% of children coming out of primary schools in the developing world basically cannot read or write. One of the tragic choices that an international development agency faces is how to get the balance right between making sure that the schools and teachers that already exist are teaching

[Rory Stewart]

something of value to their children and a dozen really good ideas about how we can improve things by bringing new people into schools, getting girls into secondary school, improving vocational education or addressing the crisis in classrooms.

Money is one of the aspects of this problem. This excellent report, “The Learning Generation: Investing in education for a changing world”, put together by the former Prime Minister Gordon Brown, estimates that \$3 trillion needs to be spent on education annually within a pretty short period. We can have a discussion about whether DFID should spend 8%, 10% or 12%, but the amount it currently spends on education is one five-thousandth of the amount that would be needed to address global education. Even if we took up the challenge from the hon. Member for Liverpool, West Derby, ramped that up and spent 100% of the entire British aid budget on education, that would still be only one five-hundredth, or 0.2%, of the global need.

Huge theoretical problems underlie this endless debate. One of the challenges is what kind of jobs or employment opportunities are available to children in the developing world when they come out of school. One of the challenges around vocational education is working out what jobs there are at the end of it. Like the hon. Member for East Kilbride, Strathaven and Lesmahagow, I was in a vocational training centre in Nigeria last week. I was in Kaduna. I do not know whether we were looking at the same centre, but in the centre I was at the carpentry and construction schools were indeed dominated by men; the women were largely in the hospitality and sewing schools.

The fundamental problem underlying that issue is that it is not clear that there are any jobs in Kaduna for people who sew, cook, make buildings or do carpentry—the skills that those people emerge with at the end. At the end of a six or twelve-month course, are they skilled enough as carpenters or construction workers to be valuable to a business? Many of the employers we talked to in Kaduna in northern Nigeria are much less interested in those hard vocational skills than they are in soft skills—someone’s ability to engage with customers and their work ethic, discipline and desire to turn up to school.

There are huge questions in the report around family planning. All of us can see the correlation between investment in girls going into secondary education and girls having smaller families, which is very good for their health. But what exactly is that relationship? Is it that what they learn in school makes them less likely to have children or is it simply about the fact that they are in school? If it is the latter—if the fact that someone stays in high school means they are less likely to have children—will the social pressures that drive people into early marriage simply mean, conversely, that those same girls are removed from school?

The claim is made that if someone in the developing world goes to primary school, their income over their lifetime will be five times higher than that of their parents. But if we got everybody into primary school, would that be true? We would effectively be claiming that we could guarantee to quintuple the GDP per capita of these countries by getting 100% primary education. That, presumably, is not true.

Above all, we have to start from a position of realism. We agree violently with everybody in this room that education matters, but we must get a clear sense about why it matters and the unexpected ways in which it does. There are ways in which it might matter for family planning, but exactly why does it? How does it work for skills? Imagine a craftsman in central Asia. What exactly are they learning in school that will allow them to supply calligraphy to a Saudi hotel or get carpets into a London market? Is it their literacy and numeracy skills or their confidence? What kind of emphasis are we putting on opportunity, empowerment or getting people into a digital world? What kind of jobs are we trying to prepare people for?

Ethiopia famously believes in a policy of agricultural-led industrialisation, but is the industrialisation envisaged in 1991 going to be an option in 2020? Or will—as Larry Summers, one of the co-authors of the report, suggests—increased automation mean that the shoe factories we were hoping for are increasingly located close to markets such as Britain and the United States because the shoes will largely be made by robots? These are big questions underlying what we are trying to do in the education system.

Jeremy Lefroy: I am following what the Minister says extremely carefully and entirely agree with the thrust of his argument. In his work has he seen good examples of where this work preparedness and soft skills, which will be vital for young people if they are to have the jobs and livelihoods they need in the future, are happening, either in DFID’s programmes or elsewhere?

Rory Stewart: The honest answer is that I have seen them, but they are easier to identify in schools where a great deal of investment is going in to individual children. I have a particular case study in mind of a vocational training school that does a three-year course that includes literacy, numeracy and English along with vocational skills, has a business incubation process at the end of it, links people into an industrial park, helps to create the markets and then moves away. But that requires an enormous amount of investment in the individual and is very difficult to replicate at scale.

One of the challenges is that that gold standard, which really does get extraordinary successes—at that particular vocational school, 95% of graduates find their way into employment in those sectors—is being achieved for an expenditure of about \$1,200 per person per year. How is that going to be achievable with investment down at \$50 to \$60?

As I move on with the argument, the key is the very detailed work done by DFID education advisers—looking critically at what goes on on the ground, for example. One of the striking things we see from this conversation going back and forth is the real differences that exist between Kenya and Uganda, or Tanzania and Lebanon, and the different ways in which people are approaching this issue.

The hon. Member for Liverpool, West Derby has focused a great deal on spending. We will reply to the hon. Gentleman by letter, having taken on board the overall ODA expenditure on education; the plea for the excellent global partnership, which we do believe in; and the request on the G20 communiqué. All that is fully lodged in the brain. Fundamentally, however, my

argument is that, although spending is very important, the big question is not about expenditure but about what we actually do. It is not the “how much”, but the “how”.

How do we sort out teacher training in the developing world? How do we deal with the issue of ghost teachers? How do we deal with the fact that in many cases we are paying the salaries of teachers who do not exist? A survey found that in Ghor province in Afghanistan 3,500 teachers on the Afghan Government payroll were not teachers at all—they were just ordinary people sitting at home and receiving a teacher’s salary. That is replicated again and again across the developing world.

How do we deal with political resistance? How do we deal with a country where a particular political party has taken over the teachers’ union? How hard can the teachers’ union be pushed? How do we deal with the fact that many of the teachers being dealt with are spending most of their time teaching in private schools and only part of their time teaching in the public schools for which they were originally employed?

We all agree that education matters. We are really proud in DFID of what we have done. We are proud that we have achieved this 43% change in the number of people going into primary education. It is extraordinary. Countries such as Pakistan and Afghanistan now see primary school registration rates, theoretically, of 88% or 90% of children. If we look back 15 or 20 years, in Afghanistan, famously, no girl was going to school at all. These are incredible changes, but there is so much more to do.

If I may for a second, I wish to pay tribute to the Secretary of State for International Development, my right hon. Friend the Member for Witham (Priti Patel), who has, as the hon. Member for East Kilbride, Strathaven and Lesmahagow pointed out, put a lot of emphasis on disability. She has also put a lot of emphasis on some of the issues that are raised by Gordon Brown’s Education Commission. One that we have not discussed today is testing and standards—all the grisly stuff that, in the British context, gets everybody overheated about Ofsted. That is a critical question: how much emphasis do we put on testing? More than 50% of the countries concerned have no testing in place.

I am aware that I am trespassing on your patience, Mr Stringer, so I will move toward the end of my speech. I do not wish to continue for too long, but I will make two main points. One, before we all give up in despair, is that there are places where progress has been made. Ethiopia is a striking example of a place that has gone from one in five children in school to four in five. How has that been achieved? Largely through the leadership of the Ethiopian Government, who are genuinely committed to education, teacher training, getting people into remote areas and access for marginalised communities such as disabled people, women and others.

We have had other kinds of experiences in other countries. One question is how to deal with the particular context. In Afghanistan, education is community-based, and Save the Children, CARE and the Aga Khan Development Network work in remote rural villages in Hazarajat. That is quite different from what reform means in Jordan, where USAID has been working with the Jordanian Government on education for nearly 40 years; in the Education Minister’s office, reports are piled up almost to the ceiling. There is almost nothing

in one of those reports from 1987 with which we would disagree today, but the challenge has traditionally been implementation, particularly on difficult issues such as how to deal with teachers’ unions—to drop a grenade into the middle of this room.

Dealing with teachers’ unions is not as easy as it might sound in a British context. In Jordan, the issue has famously been dominated by the Muslim Brotherhood. We can discuss the political contexts in other countries, and what they mean for the curriculum and for what goes on in the classroom. In conclusion—to reassure you, Mr Stringer, that I will not remain on my hind feet forever—

Dr Cameron: I am listening intently to the Minister’s comprehensive speech. One practical thing that could be done is to give advice and support to those becoming primary school teachers, so that they have the ability, skills and experience to teach disabled children and so that education at that level can be inclusive. In the countries that we visited, some secondary school teachers have had those skills, but they do not reach primary school children.

Rory Stewart: I could not agree more. Teacher training is vital, especially teacher training on how to deal with children with disabilities and, in a refugee context, how to deal with children suffering from trauma. One impressive thing that the hon. Member for East Kilbride, Strathaven and Lesmahagow might have seen in Jordan is the learning centres run by Save the Children and UNICEF, where psycho-social counselling is a strong element of the teaching.

However, there is a more fundamental challenge, which is that in some countries, around 50% to 60% of teachers are illiterate—they cannot read or write. In many other countries, 80% of teachers are educated only one grade above their students: that is, if they are teaching second grade, they have a third grade education. While thinking about how to ensure that teachers can deal with disabled children, we must begin by ensuring that teachers can read and write. If they cannot, it does not matter how good the textbook is or how fancy the internet provision is; the teacher lacks the most basic skills to communicate. We are all a bit polite in this business. At the moment, those kinds of facts—and the fact that more than 60% of the children leaving such schools cannot themselves read or write—are not being mentioned enough in this debate.

To finish with the shadow Minister’s challenge, yes, we will produce an education strategy, which I hope will address many of these issues and more than Mr Stringer has not given me time to address in this debate. Those will include the seriousness of Governments’ commitments to education. What do we do when the national Government are not committed and do not care very much? What do we do in a conflict situation where there is no state in place and almost nobody to work with to drive through education? How do we think about classrooms? In particular, what is the point of a classroom if affordability is a challenge and if uniform or food costs make it impossible for a child to go to school, or if the opportunity costs of that child not being at home to look after livestock or a baby prevent the parents from sending them to school? What do we do with the digital revolution?

[*Rory Stewart*]

Above all, how do we challenge business as usual? How do we move beyond this excellent report and all the wonderful things that we hope will follow from organisations such as the G20 and the UN to realising that there is an enormous, fatal, terrifying gap between rhetoric and reality in this, as in so much else in international development?

2.46 pm

Stephen Twigg: I thank all hon. Members who have participated in the debate. It is always a pleasure to listen to the Minister; he was characteristically thoughtful and thought-provoking. To take up his point about “how much” versus “how”, I have focused a lot on the funding because of my sense that the G20 is an opportunity to make a breakthrough, but I absolutely concur that the “how” is of equal if not greater importance and that learning from the evidence what works is best of all. The example that he cited from Ethiopia is an interesting one from which we can learn.

I welcome the fact that DFID will publish an education strategy. I praise the work done by education advisers, and particularly by some of the bilateral education programmes that DFID runs around the world. Many of the challenges that the Minister described are not dissimilar to challenges in our own domestic education policy. As I listened to his comments on jobs, soft skills, literacy, numeracy and confidence, it struck me that, although the challenges may be of greater scale in the poorest parts of the world, the fundamental issues are very similar.

I am grateful to all hon. Members who have spoken. My good friends, the hon. Members for Stafford (Jeremy Lefroy) and for East Kilbride, Strathaven and Lesmahagow (Dr. Cameron), contributed enormously to the International Development Committee in the last Parliament, and I know that they will continue to be keen advocates for international development in this one. The hon. Member for Stafford has been a particularly

great advocate for global health, jobs and livelihoods. The voice that the hon. Member for East Kilbride, Strathaven and Lesmahagow gives to disabled people, particularly disabled children, is powerful and had a big influence on our Committee’s work in the last Parliament.

My hon. friend the Member for Edmonton (Kate Osamor), the shadow Secretary of State, referred to a number of things, but I particularly noted her point about refugees in Uganda, to which the Minister also referred. When we were in Uganda, we were struck by the generosity of the Government and the people in their response to refugee flows. Support for that, including education, is vital. I welcome the Minister’s positive response to the specific points that I raised about the G20 and the replenishment of the Global Partnership for Education. I hope to work with him and his colleagues in the weeks and months ahead to take forward that important agenda.

Finally, the Minister asked me, perfectly reasonably, where the money would come from. In our letter in April, the Committee said that we felt that the pace of the shift from DFID to other Departments could be slowed and that the money saved could be invested in education. As well as the inquiry into education that was interrupted by the general election, we had just begun an inquiry into non-DFID overseas development assistance. Whoever the Committee Chair and members are during this Parliament, I am sure that focusing attention on the parts of overseas development assistance that come through other Departments, as well as on those that come through DFID, will be an important priority for our work. I thank you for your chairmanship, Mr Stringer, and I thank all colleagues who have taken part in the debate.

Question put and agreed to.

Resolved,

That this House has considered promotion of education for all at the G20 summit.

2.50 pm

Sitting suspended.

Seasonal Agricultural Workers Scheme

[MIKE GAPES *in the Chair*]

[*Relevant document: Seventh Report of the Environment, Food and Rural Affairs Committee, Session 2016-17, Feeding the nation: labour constraints, HC 1009.*]

Mike Gapes (in the Chair): Before we begin proceedings, I invite any Member who so wishes to remove their jacket, and their tie as well, if they wish. It is certainly very hot in here.

3 pm

Neil Parish (Tiverton and Honiton) (Con): I beg to move,

That this House has considered the seasonal agricultural workers scheme.

It is a pleasure to serve under your chairmanship, Mr Gapes. There are two points to this debate: first, to highlight the current problems experienced by many in the horticulture and agriculture sectors in recruiting enough seasonal workers; and, secondly, to propose a new seasonal agricultural workers scheme after Brexit and ensure that the industry has enough seasonal workers to pick British fruit and veg.

It is no secret that this country relies on foreign labour to pick its fruit and veg. Some 80,000 seasonal workers pick and process British fruit and veg every year. The majority of them are from the European Union. Many are from Romania and Bulgaria. For better or worse, that is the current situation. Without those workers, British fruit and veg could rot in British fields, and that is the last thing we want. The problem is that seasonal EU workers are getting harder to recruit. Brexit and uncertainty about the status of EU migrants in Britain have played a part. Improving living standards in eastern Europe, particularly Poland, mean that fewer workers are attracted to Britain for higher pay. Perhaps the biggest factor in the labour shortages is the fall in the pound against the euro. The reduction has been between 17% and 20%.

Norman Lamb (North Norfolk) (LD): I am sure that the hon. Gentleman would agree that the soft fruit industry in this country is a big success story. One of the major producers in my constituency is 77 staff short at the moment. That means leaving fruit unpicked. There is a real risk that this major success story could be undermined unless we get a good new seasonal agricultural workers scheme deal in place for the post-Brexit situation.

Neil Parish: The right hon. Gentleman is right. We have an extremely successful soft fruit industry. In parts of the country, we have very good vegetable growing, too. By their nature, those crops are perishable, so we have to have the labour there at the right time.

The fall in the value of the pound has immediately made work in the UK less attractive to EU migrants. It is time that the large retailers did something. If they do not buy British fruit and veg, they will have to buy it from the continent and pay more for it because of the value of our currency. It is high time that they stepped up to the plate and ensured we are getting a good price for an excellent crop that has nowhere near as many food miles.

Labour shortages are already having serious consequences. A recent BBC survey of members of British Summer Fruits and the British Leafy Salads Association showed that one in five growers already has fewer pickers than they need. Last year, when the Select Committee did an inquiry, an asparagus grower told us that he employed 900 staff. Those staff are needed when the asparagus is fit. A full 78% of respondents said that recruitment had been more difficult in the past year. That shows that the problem might be getting worse and the situation getting tighter.

A separate National Farmers Union survey from May reported a shortfall of some 1,500 workers. It also reported fewer returning workers in the first five months of the year. That paints a worrying picture. In the short term, it means that some food might simply not be picked. It also means higher prices in the shops for the fruit and veg that is picked. In the long term, if British farmers struggle to source the labour they need, that may delay decisions to invest. That could be a real problem. It could even export jobs and agriculture and horticulture industries abroad. We must not export our industry.

We also need greater flexibility in our labour market. Constituents come to see me because they often find it difficult going on and off benefits with short-term work. They get that work, but if they cannot get any long-term work, they have to go back on benefits. They are not always encouraged to get those jobs, and we want to see more of our own labour out there in the fields.

Andrew Bridgen (North West Leicestershire) (Con): I commend my hon. Friend on securing this debate on an important topic. I bring the Chamber's attention to my declaration of interest as a major shareholder in a vegetable processing company based in my constituency. Does he agree that businesses such as those in North West Leicestershire are based in areas with sparse populations, but very low unemployment? In my constituency, unemployment is less than 1%. Not only does local labour not necessarily want to take short-term, insecure work, but they are not available to do it, because unemployment is so low.

Neil Parish: My hon. Friend makes a very good point. It is partly because of the success of our economy that we have so much going on and that we need this labour. My constituency has the same situation as his, with very low unemployment. I do not have as much vegetable growing, but I have meat and poultry processing, which are almost entirely done by central and eastern European labour, and that is an issue. We want to ensure that we can find as much home-grown labour as we can, but we have also got to have accessibility to labour from Europe and, in the future, probably from beyond Europe.

Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): I congratulate the hon. Gentleman on securing this important debate. He allows me to segue neatly on to an issue that does not just affect agriculture. We have labour from beyond Europe in fishing. There are fishing boats on the west coast of Scotland and in Northern Ireland that are tied up at the moment due to a lack of people. One boat alone has lost £100,000 in uncaught

[*Angus Brendan MacNeil*]

fish. People are willing to come back from the Philippines to the boats they used to work on. The Scottish community is one thing—everyone says yes in the Philippines and Scotland—but if one man in London says no, we cannot get the people in. The Immigration Minister has a big role to play here.

Neil Parish: The hon. Gentleman raises an interesting point on fishing. As we leave the European Union, there should be greater opportunities for fishing and catches, but we need the labour to do that. Going out to fish is not always seen as the nicest job in the world. We have probably got to look not only at labour availability in the long term, but the types of fishing boats we are using and everything. There is a lot to be done, but we need labour.

This April, the Environment, Food and Rural Affairs Committee published a report on labour constraints in agriculture. We came to a clear conclusion: the sheer weight of evidence from a range of farming and horticulture businesses was that they have big problems in retaining labour. We did not necessarily share the Government's confidence that the agriculture sector does not have a problem. Some of the figures that the Home Office Minister provided were perhaps six or nine months out of date, and the situation is getting tighter all the time. Simply put, the challenge will become a crisis if the Government do not swiftly take measures. The challenge will only become more acute after Brexit, when the free movement of workers ends.

A strategy is urgently needed to ensure that British agriculture has the workers it needs in the short to medium term. Many people ask why British people cannot do the jobs. We all agree we want to see more British workers in the industry in the long term. It is not sustainable to rely on almost exclusively foreign labour for seasonal jobs. We need to think about a long-term shift now. Unemployment is now at 4.6% nationally. As my hon. Friend the Member for North West Leicestershire (Andrew Bridgen) said, in many constituencies it is much lower. In fact, it is at its lowest since 1995.

In many constituencies we are reaching almost full employment; it could be said we are a victim of our great success. The truth is there are not necessarily enough workers who are able and want to do the jobs. In my own constituency in Devon where agriculture is a key part of the local economy, there simply is not the demand for such seasonal labour among local people, so foreign labour must play a part.

Pete Wishart (Perth and North Perthshire) (SNP): I congratulate the hon. Gentleman on securing this timely debate this afternoon. He has mentioned only in passing a word that has two syllables: one begins with “Brex” and the other begins with “it”. That clueless exercise is at the bottom and at the heart of the difficulties that we have now. The ending of freedom of movement has created massive difficulties and we will not get access to labour. What does his report say about how freedom of movement helps assist the situation?

Neil Parish: There is no doubt that freedom of movement helps to assist the required labour for these industries. In a minute I will talk about having a seasonal workers scheme that I think will help not only those in the

European Union, but those who come from beyond the European Union, if they wish to come and work here. The one thing that the Brexit vote showed is that many people who wanted to leave the European Union might have done so because they wanted some control over the number of people coming in and out. I do not think they were necessarily against people coming here to work; I think they wanted to know who was coming and who was leaving. Perhaps that is one of the policies that we will have to get in place.

The alternative is to see food go unpicked and our industry potentially relocated abroad, which we really do not want. We want a pro-British policy that keeps our industries here with enough workers to make sure we pick the fruit and veg.

So how do we solve the problem? Luckily, there is a solution that does not require unfettered free movement within the EU and addresses the need for specific skills in each sector: namely, a new seasonal agricultural workers scheme. The scheme has run in various guises since 1945. In short, it allows non-British workers to work in UK agriculture on a temporary basis. The last version of the scheme was closed in 2013, prior to the free movement of labour from Bulgaria and Romania.

Once Britain leaves the EU in March 2019, a new seasonal scheme will become essential to ensure British agriculture has enough labour. A new scheme has three main advantages: first, it would allow the Government to control the numbers. It would not be the free movement of old. Instead, it would allow the UK to import skills and labour for specific sectors of the economy. Secondly, we could extend the new seasonal scheme to EU and non-EU workers. That would give the UK wider scope to source the agricultural workforce it needs. We would not need to rely so heavily on two or three EU nations for seasonal labour. Thirdly, a scheme could be designed so that applicants have to have a confirmed job before entering the UK. That would fit with what looks like the likely immigration model for Britain after leaving the EU.

In giving evidence to the Committee the previous Immigration Minister, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill), stated it would take five to six months to establish a new seasonal agricultural workers scheme. That means it is too late to establish a scheme for this summer's harvest, but it may be an option for 2018 if labour shortages are still a problem. We are seeing a tightening in the labour market.

Helen Whately (Faversham and Mid Kent) (Con): I am sure my hon. Friend will know from conversations with farmers that they need to make decisions years in advance of growing fruit. Is it not the case that farmers need positive signals from the Government sooner rather than later and preferably a pilot scheme next year rather than a wait and see approach, which is what we have heard up till now?

Neil Parish: My hon. Friend makes a good point regarding a pilot scheme. I am fond of my hon. Friend the Member for Scarborough and Whitby, but I do not always share his confidence that Government can move quickly to make sure that everything is in place within a few months. We ought to plan ahead much more. A pilot scheme next year, or an even wider scheme, is essential. Here we are in July 2017; two years will pass incredibly quickly and we need to be ready.

On the labour shortage problem, the new scheme in 2018 would allow workers from outside the EU to top up any shortages that EU workers were not able to fill. Secondly, it would ensure the UK is match fit for Brexit after March 2019 and could easily put a new system in place. There would be no cliff edge for British agriculture industries in finding labour because a scheme would be ready to operate from summer 2019.

British food and veg industries are not yet in crisis, but there are signs that the labour situation is getting tighter and we need to take that on board. The Government must take the necessary steps now to ensure we do not face a labour cliff edge in 2019. A sensible, proportionate seasonal agricultural workers scheme is essential to make sure British agriculture has enough workers. The Minister's family has done much in the fruit and vegetable industry, so he understands the need for an availability of labour. As I said earlier, we also want to make sure our own labour market for our own workers is as flexible as it can be so that people are not worried about leaving benefits to get a seasonal job and then not being able to get on benefits again. That is an essential consideration.

If the Government were caught out, the consequences could be severe. We want more fruit and vegetables grown in this country—not less—and we want our businesses to thrive. I look forward to the Minister's response and to hearing what plans the Government have in place.

3.18 pm

Pete Wishart (Perth and North Perthshire) (SNP): It is a pleasure to serve under your chairmanship this afternoon, Mr Gapes. I once again congratulate the hon. Member for Tiverton and Honiton (Neil Parish) on his timely report and the way that he chairs with distinction the Environment, Food and Rural Affairs Committee. We are almost certain he will be returned to his post and look forward to his being elevated once again to such a robust post.

I hate using the word “peak” when we describe phenomena or an event, but we are currently experiencing peak strawberry. It is the middle of July, Wimbledon is in full session and everybody across the country is enjoying that wonderful symbol of the British summer. It is great that people are consuming vast quantities of the great healthy produce that is produced the length and breadth of the whole of the United Kingdom. Some of my colleagues represent large areas that produce berry fruit and other great things that are a part of the seasonal agricultural scene right across the UK. However, it all pales into insignificance when compared with what we have in Perthshire: the finest soft berry fruit farming that can be experienced anywhere in the whole of the United Kingdom. Nothing comes close to the Perthshire strawberry and the Perthshire raspberry.

Tom Tugendhat (Tonbridge and Malling) (Con): The hon. Gentleman is making some fine points, but I am afraid I cannot let that pass. It is clear that Kent is the garden of England, and although I am sure Scotland offers many great things, Kent is truly the home of the berry.

Pete Wishart: We will leave it at this: the hon. Gentleman and I have a difference of opinion about which British berries have superiority. Of course it is Perthshire berries.

The town of Blairgowrie in my constituency is almost synonymous with the soft fruit industry, and particularly with strawberries and raspberries. Much of the heritage of east Perthshire—Strathmore and the Carse of Gowrie—is wound together with tales of the berry farmers and stories of luggies, cleeks and dreels.

The nature of berry farming has changed significantly since those days because of different cultivation methods, changes in the industry and, of course, the increasing demands of the major supermarkets, which have such an impact on the how soft fruit farmers must design their activities and businesses. Poly tunnels are used in Perthshire. I represent the eighth or ninth largest constituency in the United Kingdom and, as I drive around at this time of year, it is covered with them. People enjoying the wonderful experience of driving through Perthshire may not find poly tunnels its most attractive feature, but they help to make sure of the crop. The cropping period is now extended, and lasts from about April to the end of October. It is remarkable to be able to get a punnet of strawberries even before the Easter holidays, and still be able to enjoy some when the leaves are falling from the trees. That is what increased use of poly tunnels has done, and we should welcome it.

What remains the same is the fact that the crop must be planted, maintained and harvested. When I was a young lad, that work was traditionally done by local people. The young Wishart would enjoy a summer holiday picking raspberries and strawberries. I would put them in my luggie and make sure I had a little bit of a supplement to my pocket money. That was a feature of life for many local people, but those days are long gone. Practically all the fruit is now lifted by people from the other side of Europe, on whom producers rely almost exclusively to get their crop in. That remains an important exercise, and it is crucial for us in Scotland, where the food and drink industry is our base export. Food and drink is running out of the door. Scottish food and drink is probably one of the biggest export industries of the whole UK.

Andrew Bridgen: I seem to remember that when I went strawberry picking as a young boy the strawberries were grown on the ground, and it was backbreaking work. Have the Perthshire berry growers adopted the same practices as in the midlands, where the fruit is grown in a substrate at waist height? Farmers appreciate that labour is valuable and that they must make good use of it. That hugely increases pickers' productivity; but even having taken those important steps forward, we are still short of labour.

Pete Wishart: The hon. Gentleman is right and that is a good point. Going around poly tunnels now, one can see that everything is raised. I am sure the hon. Gentleman respects and appreciates the fact that the work is labour-intensive, and there is no way of getting around that. Some of the producers and berry farmers in my constituency have considered all sorts of ingenious measures and machines to try to find other ways of doing things, but people are still left picking the crop from the plant. We must accept that that will continue to be a feature of the activity on berry farms.

There is huge concern about the future. Soft fruit farmers in my constituency are increasingly alarmed at the fact that there seems to be no strategy to allay

[*Pete Wishart*]

concerns about the availability of labour. I was waiting for the hon. Member for Tiverton and Honiton to mention Brexit, because it is all about that, and the ending of freedom of movement. Getting rid of the seasonal agricultural workers scheme almost worked. I remember the days of seasonal agricultural workers and participated in several debates when the scheme was being cancelled. We were told it was not necessary any more, because we were all part of the European Union. The accession nations—the Poles, Romanians and Bulgarians who were traditionally part of the seasonal agricultural workers scheme—were now part of the EU and could come in to take part in that activity. They cannot any more, because this clueless Brexit and the ending of the freedom of movement has ensured that it will not happen further.

Norman Lamb: Does the hon. Gentleman agree that there is an urgency about this? In my constituency a company has halted expansion plans until something can be sorted out with regard to availability of labour. It cannot expand its business in the current situation.

Pete Wishart: Absolutely. I will come to that very point. The issue is time-limited and we must ensure that we get something in place. A feature of the Government's approach to Brexit is the cluelessness at the heart of it: they fail to accept and recognise some of the consequences of going ahead in such folly, and the way it extends to agriculture—particularly seasonal agriculture. We are left high and dry because all the people whom we relied on to come and pick the fruit will now be limited by the daft ending of freedom of movement, and we will not be able to take advantage of it. That is why it is doubly important to cobble together some sort of scheme, so that farmers like those in my constituency and in North Norfolk are not left high and dry.

We know the difficulty. This month a report from the trade organisation British Summer Fruits predicted that the cost of strawberries and raspberries could soar by 50% if Brexit makes it harder for growers to recruit overseas. We heard earlier from the hon. Member for Tiverton and Honiton that, if the problem is not resolved, the crop will simply go unharvested and wither on the vine. Such decisions would be disastrous for Scotland's food and drink sector and its worldwide reputation for quality produce. This is all about the Government's immigration obsession, and the way the whole debate about Brexit seemed to be focused entirely on stopping freedom of movement. Protecting freedom of movement is vital for the Scottish agricultural sector, and EU workers are important to virtually all parts of the modern farming industry.

The wonderful James Hutton Institute is in my constituency, in the Carse of Gowrie, and it does great work on genetics to improve crops so that they are more resilient and pest-hardy. Most of that work is done by EU nationals. The scientists working in the James Hutton Institute come from across the EU. Thank you, Conservative Government: that will probably be ended almost immediately. The involvement of EU nationals goes from there right down to the fields, where people from Poland, Romania and Bulgaria pick the crop. We are totally dependent on freedom of movement to ensure

that the whole sector, from science research institutes to the pickers, can depend on people from the EU. That makes it doubly important to get things together.

As things stand, there is a danger that the UK Government will abandon something that is good for Scotland—membership of the single market—to restrict something else that is good for it: freedom of movement. That is another example of the absurdity of this clueless hard Brexit, and of the case the Government make. It is a good demonstration of why the Government must think again and change their mind and approach.

I have heard something encouraging today. I have been to a couple of debates on this topic before, and, with all due respect to my Conservative friends, we usually hear from them—the hon. Member for North West Leicestershire (Andrew Bridgen) today said the opposite—that local people can do the work instead, so we do not need European nationals, as if a tap can be turned on and we can somehow create a volley of people to come and do it. We know that that cannot happen. The hon. Member for North West Leicestershire mentioned low unemployment. There is low unemployment in my constituency, too. Another thing about the soft fruit sector is that farms where seasonal agricultural work happens are in prosperous, rural and hard-to-reach areas. There is not a huge hinterland of people available to do the work. Thank goodness we are not hearing the usual nonsense from Conservative Members that we will just give the work to local people. We know that that is not possible and will not happen, and I am pleased we have got to that point.

We need to hear from the Minister that he will announce a new seasonal agricultural workers scheme. The hon. Member for Tiverton and Honiton said that it did not work too badly in the past. When I was a new Member of Parliament in 2001, it was still in operation. It was useful and helpful. I have been looking at the figures. Some 21,250 visas were issued in the last year of the scheme's operation, for people who came to the UK for between five weeks and six months. As the National Farmers Union pointed out, there was a 98% return rate. All the concerns about immigration and people staying did not apply to the seasonal agricultural workers scheme.

It is worth pointing out the other benefits. One of the great pleasures and privileges of someone who has a constituency with soft fruit centres and berry-picking is to go to some of the cultural events. For example, in Perthshire, round about Blairgowrie, a number of the producers have ceilidhs and cultural evenings where people come in and speak. That is a great feature for young people—they are the brightest and the best from their countries, and they are coming across to experience the best of Scotland. They will leave Scotland with a favourable impression of our nation and hopefully at some point in the future will decide to come back for a vacation or a holiday. That is good for us—it is soft power at its very best, and it is something that we very much value as a feature of our community. It is good for the producer, it is good for the person that comes to harvest the fruit and it is good for the country. That is why we need a scheme as soon as possible.

I say to the Minister that the clock is ticking. Some 750 tonnes of Scottish soft-fruit production is hanging on the Brexit precipice. Autumn farmers need to start recruiting for next year, and there is no certainty about

freedom of movement, the movement of labour or even a permit scheme to let workers into the country. Something will have to give.

Producers cannot plant what they cannot pick, so by next autumn, big decisions will have to be made, which could possibly involve ending soft fruit production in areas such as mine. The situation is absolutely urgent. If we do not go ahead, it will be disastrous for the fantastic produce that comes from my constituency, for Perthshire, for Scotland's food and drink sector and for its worldwide reputation for quality produce. We could end up in a situation where, although we have a fantastic product, the summer shelves are stacked with foreign strawberries and raspberries, shipped into Scotland because we simply do not have the workers to pick what is hanging from the fruit trees in our own fields.

The solution lies in the hands of the Government. The rest of us can only savour those delicious Scottish strawberries and raspberries for as long as we can. We want to continue to enjoy them. I plead with the Minister to get a scheme together, give security to our producers and growers and ensure that everybody can continue to enjoy the wonderful symbol of our summer that is our strawberries and our raspberries.

3.31 pm

Mr Owen Paterson (North Shropshire) (Con): It is a pleasure to serve under your chairmanship, Mr Gapes. I thank my hon. Friend the Member for Tiverton and Honiton (Neil Parish) for securing this debate. As he said, it is very timely. I congratulate him also on his work on the Environment, Food and Rural Affairs Committee.

I begin by pointing out to the hon. Member for Perth and North Perthshire (Pete Wishart) a couple of macro facts. There was a vote of 17.4 million last year to leave. I know his party do not like it, but we are going to leave. One of the issues was taking back control of our borders. The figures are pretty startling. Last week, our population hit a record number of 65.5 million. The Department for Communities and Local Government reckons that we need to provide housing for 243,000 new households every year for the next 22 years, which means building a new home every five minutes, night and day, to cope with the increase in population. That is one macro fact that Members have to recognise.

Angus Brendan MacNeil: Will the right hon. Gentleman give way?

Mr Paterson: I will just finish making the point, because I think it is relevant.

The other fact is that, far from banging on about Brexit, it is great pleasure to state that the economies in eastern Europe are really flying. Hungary is growing at about 4% and there has been a huge increase in wages. They have risen by 15% this year, and by 25% for skilled workers, and there has been a 20% rise in the Hungarian forint. Quite soon, there will not be wage differentials between Hungarian workers and western European workers.

There are similar major strategic changes in Poland. The economy there is flying, at 4% a year. Significantly, a 250,000 annual drop in the working-age population is putting pressure on Poland, which is already opening up visa schemes for 1.3 million temporary workers from

Ukraine. We have to recognise that. It is great news that in Romania, which is very relevant to our discussions, economic growth is running at 5%. Civil servants have had a 25% pay rise. Their wages are increasing and their jobless rate is not far below Scandinavian levels. Those macro elements are completely out of the discussion on Brexit.

Where I would agree with the hon. Member for Perth and North Perthshire is that the situation is a real problem. I saw it coming when I worked in the Department for Environment, Food and Rural Affairs, and it has only got worse. The hon. Gentleman cited a survey from British Summer Fruits. It sees prices rising 35% to 50% because of labour shortages. The BBC did a survey that said that 78% of growers believed that recruitment has been harder. We are all hearing this, and it is not just in the fruit and veg industry; we are hearing it from those who work in abattoirs and those who work in tourism. Many rural industries are being affected.

Angus Brendan MacNeil: The right hon. Gentleman talks about "taking back control". He must have sympathy with the point I raised earlier: in Scotland we do not have control, because we have a system that is very centralised in London, deciding what we need and do not need, particularly if we want to take people from the Philippines. Switzerland, for example, can run a scheme where the 26 cantons control half the visas and the other half are controlled centrally. Is it not time that the UK changed its approach so that places such as Scotland can control their own destiny?

Mr Paterson: The hon. Gentleman's party lost the argument when it lost the referendum. Scotland is a firm part of the UK. I think the control of borders is a policy area that should be in the hands of the nation state.

To get back to my not being surprised, the most angry people I met when I was the Secretary of State at DEFRA were the fruit farmers in Herefordshire, Somerset or Kent. I remember clearly going on a trip with my right hon. Friend the Member for Witham (Priti Patel) to her constituency in Essex, where there is a wonderful, world-famous fruit packing, picking and jam-making company called Tiptree, which we probably all see on virtually every plane we fly on. That company was having real problems at that time with getting really skilled people to pick fruit. As the hon. Member for Perth and North Perthshire said, the picking has to be done at the right moment. There is a critical moment when fruit and veg has to be picked, or it is lost.

At that time, SAWS had already been stopped. From memory, before they had open access, the scheme brought in 21,250 Romanians and Bulgarians, who came to targeted destinations, with proper accommodation, good catering facilities, proper medical facilities and so on. They also had the requirement to go home at the end of the season. I remember that Tiptree was really struggling. I talked to various representatives of the industries at that time and we looked at all sorts of alternatives, some of which have been completely misrepresented in the press. There was talk of reviving the old tradition of urban citizens taking working holidays in the countryside, and seeing whether pensioners could do it. We looked at students. I worked closely with the Department for

[Mr Paterson]

Work and Pensions. None of those options was really practical. We looked at them, but they were not really going anywhere.

The only real long-term solution, if we are to use domestic labour—the hon. Member for Perth and North Perthshire made the right point when he said we all represent rural constituencies with very low rates of unemployment—is automation. Happily, near me, we have the University of Harper Adams, which is doing fantastic work on automated machinery. It will produce a crop in a field this year where a human being will not have entered that field from the moment that it was first touched. However, that is down the line. For the moment, I think we all agree that we have a real problem with our fruit and veg industry, and increasingly with our tourism industry, in finding labour.

We have the opportunity, and I look forward to it, once we get control back of our borders, to look well outside Europe for labour—we will have to. We are going to find—I have just cited the figures—that the Romanians and the Poles are probably going to stay at home. We had better wake up to that. It is absolutely vital that the Minister is working hard at DEFRA on a replacement seasonal agricultural workers scheme.

I would ask him not to do a straight replacement. I will cite one example, New Zealand, which has been running a recognised seasonal employers scheme since 2007. The World Bank has described it as a model for best practice. It has really worked; it has eased labour shortages in the horticulture sector, and the viticulture sector, which is growing very fast of course in New Zealand, while minimising the risks of overstaying and undercutting or displacement of local labour by immigrant labour.

There is a really strong focus in New Zealand on “New Zealand first” in the labour market. Our old seasonal agricultural workers scheme did not incorporate a resident labour market test, unlike the RSE, nor did it include measures of the type included in the RSE to prevent illegal overstaying. That is a really important difference. The number has increased from 8,000 to 10,800 Pacific islanders this year. They are provided places to work during the agricultural season, and mainly come from islands such as Samoa, the Solomon Islands, Kiribati, Tuvalu and Vanuatu, for seven to 11 months.

The conditions are pretty strict. An employer must first register as a recognised seasonal employer. That is stronger than what we had: under our old legislation, SAWS, registration with the Gangmasters Licensing Authority was optional for sole operators and compulsory only for multiple operators, depending on their recruitment arrangements.

New Zealand employers are required to take a number of reasonable steps to recruit New Zealanders to available positions. The language is pretty fierce. The main document given to employers says that they are required to take “all reasonable steps to recruit and train New Zealanders for available positions before seeking to recruit non-New Zealand citizen or resident workers”, and that they must

“not use a recruitment agent who seeks a commission from workers in exchange for securing an employment agreement, to recruit non-New Zealand citizen or resident workers”.

That is much more strict and puts more pressure on the employer than what we had.

The other really important thing is that employers are required to pay the market rate for work so there is no competition with domestic labour. “New Zealand first” really does help. Under the SAWS arrangements, SAWS operators were subject to inspection by the GLA and what was then the UK Border Agency. That included their pay systems. In New Zealand, farms are inspected, mainly by the operator, to ensure appropriate standards of health and safety, which is the main focus. Very importantly, employers must pay half the worker’s return air fare between New Zealand and their country of origin. Under SAWS, there was no requirement to pay any portion of the worker’s return air fare.

In New Zealand, employers must bear the cost of repatriating workers if they become illegal. Again, that was not the case under SAWS, although fines were eventually introduced. Importantly, workers under RSE are allowed to be re-employed in subsequent years, and there is a very strong record of their coming back, which I think is a real advantage for the disadvantaged economies from which they come. Although seasonal agricultural schemes around the world seem to use either a resident labour market test as a form of flow control, or a quota, New Zealand uses both. The policy has contributed very much to its development objectives with its Pacific neighbours.

I recommend that the Minister read the report by Professor Alan Winters, professor of economics at the University of Sussex, on New Zealand’s recognised seasonal employers scheme. Let me pick a key quote from a 2010 survey by the New Zealand Department of Labour, which is pretty festive about this. It said:

“Overall, the RSE Policy has achieved what it set out to do. The policy has provided employers in the horticulture and viticulture industries with access to a reliable and stable seasonal workforce. The labour supply crises of previous years have been avoided and employers can now plan and manage their businesses with confidence. As the policy enters its third year”—

this was back in 2010—

“there are indications many employers are now also benefiting from skilled labour as workers return for subsequent seasons. Significant productivity gains were reported in the second season, together with improvements in harvest quality.”

As I just said,

“Alongside the employer ‘wins’, Pacific workers and three Pacific states have benefited financially from participating in the RSE Policy.”

A World Bank report said:

“We find per capita incomes of households participating in the RSE to have increased by over 30% relative to the comparison groups in both countries.”

Another report found that 50% of workers returned in the next season, and that most—86.9%—returned to the same employer.

Australia’s seasonal worker programme, which I strongly recommend the Minister check out, is a similar scheme. It brings in 12,000 workers from Pacific islands. Workers come to Australia for between 14 weeks and six months. Employers must be approved by the Government; provide the Government with evidence of labour market testing; organise flights, transport and accommodation for workers; ensure a minimum of 30 hours of labour a week; and ensure that workers depart on the expiration of their visa.

It is vital that we look at introducing a replacement for SAWS. It should be tapered and temporary, and should ensure that British workers are not displaced or

undercut by migrant workers while we wait for technology to catch up—that is the real future for domestic workers. Any replacement of SAWS must include a resident labour market test and be accompanied by robust safeguards against illegal overstaying. We need to start planning that now because, given that prosperity is improving in eastern Europe, as Members have said, workers are not going to come from there. We will happily have the whole world to choose from. Hopefully, people will come here and pick our wonderful soft fruit and vegetables.

3.44 pm

Jim Shannon (Strangford) (DUP): To be fair to everyone, Mr Gapes, is there a time limit that we all have to observe?

Mike Gapes (in the Chair): I am not imposing a time limit, but I should be grateful if the hon. Gentleman kept his remarks relatively brief.

Jim Shannon: The deadline is 4 pm, so we will work towards that.

I thank the hon. Member for Tiverton and Honiton (Neil Parish) for introducing the debate. I wish him well in his quest to be re-elected as Chair of the Environment, Food and Rural Affairs Committee. Without disrespect to any other hon. Member who runs for it, I have no doubt that no one else would fit the job so well and perform it with such ability. [*Interruption.*] I am sorry, but I have already given him my commitment. I wholeheartedly support him in underlining the importance of seasonal agricultural workers to our agri-food industry.

I spoke on this subject at length in this Chamber in November. Some Members will be pleased to know that I do not intend to speak for too long today, since the Chair has asked us not to. However, the topic bears highlighting once again because of the urgency of the situation, which other right hon. and hon. Members have referred to. The agri-food industry is important not only in my constituency, but to every one of us across the whole United Kingdom of Great Britain and Northern Ireland.

My constituency has a very strong agri-food sector. Our employers include Mash Direct and Willowbrook Foods, which have about 60% and 40% European labour, respectively. There is a very clear need for a system that works. I can say without fear of contradiction that Strangford is not only a beautiful constituency, but one that provides a lot of cereals, vegetables, beef, lamb and poultry. Agriculture is a very important part of our psyche in my constituency.

I hark back to the labour shortage in 2008, during which horticulture businesses lost an average of £140,000, as crops were left unpicked in the fields and retailers were left to try to fill their shelves with imported produce. There is no way we can go back to those hard, problematic times, which I know the Minister will have been aware of. The industry contributes some £3 billion to the UK economy and employs about 37,000 people on a permanent basis. The loss of workers and of the ability to work the land would have a massive effect on the local economy—I can vouch for that, as can other hon. Members present—as well as the UK-wide economy. The time is past due to stabilise the industry.

There is no question of Brexit not taking place. There are people who continuously throw up obstacles, negativity and problems, but let us look at it positively. The right hon. Member for North Shropshire (Mr Paterson) outlined clearly the positivity that we need. Within this debate, we all have some thoughts to put to the Minister, and I know he will respond to them very positively. It is imperative that we take steps now to ensure that the worker scheme is open to all—Europeans and non-Europeans alike—who have a skill that they wish to use to fill a space. We have such gaps, undoubtedly; the figures indicate that.

I declare an interest as a member of the Ulster Farmers Union, which is the sister union of the National Farmers Union, and as a landowner. The NFU and the UFU do a marvellous job on behalf of all farmers, but they also have some very good insurance premiums, which is one reason for our membership over the years. The NFU's 2015 end-of-season labour survey has shown that, for the first time since the seasonal agricultural workers scheme closed, growers are starting to struggle to source an adequate supply of seasonal workers to meet their needs. Some 29% of respondents stated that they experienced problems in 2015, while 66% predicted that the situation will worsen by 2018. That is the crux of the problem: 2018 is six months away, so this is no longer a long-term outlook, but an impending crisis that demands action as a matter of urgency.

I have every faith that the Government—particularly the Minister, whom I know personally from our involvement with fishing and other farming issues—will respond with the message we need to hear. I ask him to give us, either in his reply or, if he cannot get to it today, in a letter to interested Members, an outline of how the shortfall can be met. I also underline the need to address the issue that the hon. Member for Na h-Eileanan an Iar (Angus Brendan MacNeil) raised about fishermen, although I know that it is not the subject of this debate.

Since the referendum, labour providers have reported a marked drop-off in interest from EU workers in seasonal work. That was demonstrated by the results of the NFU labour providers survey, in which 47% of labour providers said they were unable to meet the demands of the sectors they were supplying.

I am conscious of time, so I will conclude. The NFU says that the industry currently uses about 80,000 seasonal workers. That figure is expected to rise to 95,000 by 2021. Brexit will bring opportunities, and we need seasonal workers for that. In an industry that is worth some £108 billion to the nation's economy, there is a need for more opportunities and stability for those who wish to help where help is greatly needed.

3.50 pm

Helen Whately (Faversham and Mid Kent) (Con): It is a pleasure to speak in this debate and to support my hon. Friend the Member for Tiverton and Honiton (Neil Parish) in bringing up this topic and ensuring it stays on the agenda. This is very much a concern for farmers in my constituency, day after day, and right now, because it is peak fruit-picking season, particularly for strawberries and berries, as other Members have said.

It is good to see such a turnout on a Thursday afternoon. I am hopeful that all eligible Members here will come and join the APPG for fruit and vegetable

[*Helen Whately*]

farmers when it is reconstituted shortly, so that we have a Back-Bench voice for fruit and veg farmers. All of us are here because we have farmers in our constituencies who badly need seasonal workers. There are at least 5,000 seasonal workers, and possibly up to 10,000, in my constituency, which is a significant share of the UK's annual requirement of 80,000 seasonal workers. One farm alone employs nearly 1,000 seasonal workers.

On the other hand, unemployment is very low in my area, with only about 700 people claiming jobseeker's allowance. There is no way that local labour can plug that gap, so we need workers from outside the area to help pick the fruit. I hear consistently from farmers in my constituency that it is becoming an increasing challenge to recruit and retain the workers they need on their farms.

One issue is the dropping return rate. Usually, a significant proportion—it is sometimes 80% to 90%—of workers return every year. The important thing is that they are experienced workers, so they are extremely valuable and productive. They are often paid well above the minimum wage. However, the return rate of experienced workers is dropping, and some workers leave early. We now have a wonderful extended season, thanks to the polytunnels to which the hon. Member for Perth and North Perthshire (Pete Wishart) referred. We need workers to stay for as much of the season as possible, but they are tending to leave early.

The falling pound is clearly a factor in the shortfall. We also know that those workers are skilled, experienced and in demand across Europe—they have choices as to where they work, and some are not choosing to come to us. Another factor is uncertainty about the opportunities they will have to come here in future thanks to Brexit. Some are genuinely uncertain about how welcome they are. Although the Government have tried to put out positive messages about how we welcome people from other countries coming to work here in the UK, there is an increased level of hate crime against immigrant workers, so there is still a sense of them not being welcome. It is vital that that is addressed because it is a factor.

There are things that fruit farmers can do and are doing to address the challenges. Some farmers have improved the accommodation they offer to workers, which is a very good reaction to the challenge. There are also some helpful factors now that mean most of the fruit is being picked. One is the willingness of workers to do overtime, and the other is the unusual late frost we had, which means other jobs on the farm do not have to be done. Unfortunately, some fruit—for example, plums, in my constituency—suffered in the frost and does not need to be picked, so workers can be used for other crops.

At the moment, at least in my constituency, fruit is being picked, but there is real concern that there could be a problem, not only next year and the year after but even as soon as the apple harvest, with ensuring that fruit comes in from the fields. If that happens, prices will rise. The hon. Member for Perth and North Perthshire referred to the possibility of a 50% increase in prices. That would mean that a punnet of strawberries that currently costs £2 would go up to £3. That is a material price rise, and I am worried that if it is passed on to the

consumer, British consumers might be put off buying British fruit. We need British consumers to buy good British products.

Will the Minister look closely at this situation sooner rather than later and work with his Home Office colleagues—particularly the Immigration Minister? It is vital that something is done sooner rather than later. We must ensure that there is some way for experienced EU farm workers to come to the UK to help after Brexit. It is vital that there is clarity, that transitional arrangements are put in place as required, and that some kind of seasonal agricultural workers scheme that allows us to recruit both beyond the EU and within it is introduced sooner rather than later, so that we can keep having great British fruit for the Great British public.

Several hon. Members *rose*—

Mike Gapes (in the Chair): Order. Two Members are standing and I need to begin the winding-up speeches in about five minutes. If you are both extremely brief, you will both get in. I call Bill Wiggin.

3.56 pm

Bill Wiggin (North Herefordshire) (Con): I will be very brief, Mr Gapes. I agree with everything I have heard from my hon. Friends on the Government Benches. More than 20,000 fruit pickers come into my constituency alone every year, and the people who employ them constantly make this plea: if there is a seasonal agricultural workers scheme, the people in it must stay working on the farms that work hard to apply for them to come. There must be some degree of stickiness to stop those people disappearing into the local economy and doing other things. The administration of such a visa will be expensive. The whole purpose of all this is to ensure that businesses are competitive, so it is critical that we keep the costs of any scheme down and ensure that the people who apply come and work for the people who go to the trouble of hiring them.

3.57 pm

Tom Tugendhat (Tonbridge and Malling) (Con): I, too, shall be brief. I would like to emphasise the science element of agriculture. I am pleased to represent East Malling Research, which, as we all know, produced the Malling root stock from which most apples are grown—probably even some in Perthshire. That investment in British agriculture, which has been shared with the world, is essential. When we talk about seasonal agricultural workers, we need to think wider than simply soft fruits. But we are of course in Wimbledon season. Hugh Lowe Farms, which I am proud to represent, produces all the strawberries for Wimbledon and, I am sure, similar competitions around the United Kingdom. Strawberries may be drawn from Perthshire, but the pinnacle of the British summer is drawn from Kent.

Most seasonal agricultural workers are highly skilled. In Kent, many are paid well over the national living wage. We are not talking about a low-wage economy; this is hard work that is properly rewarded. However, we are already seeing some problems. One of the people I have the privilege of representing, Mrs Vivienne Tanna of Orchard Lodge farm, wrote to me to point out the

amount of pears and other fruit that she is finding it hard to pick, for exactly the reasons that many Members highlighted.

I finish with a simple question to the Minister, whom I am glad to see back in his place. When we last debated this matter, in October 2015, we acknowledged huge changes to such things as table-top picking, and he expressed confidence that farming would cope with whatever challenges it faced. I hope that he is as confident today, and I hope that he listens not just to Government Members but to all voices in the House to find innovative solutions and ideas that ensure that the premier fruit in the world, whether it is from Perthshire or from Kent, is picked and sold, because it really is one of the great exports of our country.

3.59 pm

Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): I am pleased to wind up the debate on behalf of the Scottish National party. It has been a good debate, and I congratulate the hon. Member for Tiverton and Honiton (Neil Parish) on securing it.

We know a seasonal agricultural workers scheme is important and necessary, and the feeling from all sides of the House is that it is a no-brainer. There is complete agreement across all regions and nations of the United Kingdom that it has to come into being. In many ways, this will probably be the first of many Brexit damage-reduction measures that we will debate in the next few years. As the hon. Member for Tiverton and Honiton said, there is not yet a crisis, but it is quite clear that acute pains are being felt, and that a seasonal agricultural workers scheme is essential.

My hon. Friend the Member for Perth and North Perthshire (Pete Wishart) effortlessly ranged in his speech from soft fruit to soft power, and he was absolutely certain that his constituency produces the best berries in the United Kingdom. I am pretty sure it produces the best berries in Scotland, which probably makes them the best berries in all of Europe; let us not constrain ourselves to the white cliffs of Dover, let us look internationally. He made a very good point about the changing nature of the berry-farming industry, with the planting, maintaining and harvesting of the fruits all having changed, and with polytunnels enabling him to enjoy those fine raspberries and strawberries before Easter and well beyond Halloween. He is lucky to represent such a fine area.

The hon. Member for Faversham and Mid Kent (Helen Whately) echoed my hon. Friend's point about prices rising by up to 50%. That will affect an awful lot of people. There are concerns among many of the large retailers, such as Sainsbury's, that the average shopping basket will rise in price by about 7%, even excluding changes in currency. Soft fruits are healthy foods that people should be eating. People are asked to eat them for their health in Finland, as they seem to have the effect of reducing heart attacks and other such problems. For them to become more expensive is surely not to the benefit of our society as a whole, and is certainly not to the benefit of the farmers.

Keeping with the "north" theme, I obviously disagreed with the right hon. Member for North Shropshire (Mr Paterson) on his points about Scotland, because Scotland has voted twice to stay in the European Union,

but I agreed with him on much else. He pointed out that we have certainly seen an improving economy in eastern Europe, which will be significant. Mechanisation will have to come along at some point; it is certainly happening in fishing industries. Anybody who has been to Iceland will have seen that what was once done on fishing boats by man is now done by machines. The population of Iceland working in fisheries was once 25% but is now 4.3%. Mechanisation is always the way ahead.

The right hon. Gentleman also touched on conditions for workers, which was also mentioned by the hon. Member for Faversham and Mid Kent. These are experienced and skilled workers who we must value. I expect that, under any scheme, those workers would have access to whichever of the four national health services they might need to access across the United Kingdom. He also very informatively touched on the recognised seasonal employer scheme in New Zealand. I googled it as he spoke, and found a good article on it. The news hot from New Zealand is that the scheme will be expanded to cover tourism and fisheries, which is very welcome news. I certainly hope that it will be considered for our fisheries industry, because we definitely need people in that industry. We cannot have the obstinacy we have had from the Home Office, which is terrified of stupid headlines in the *Daily Mail* about migrants, which has led to fishing boats being tied and not catching fish—affecting processing jobs on land in my constituency.

The New Zealanders are very much aware that the scheme is a win-win situation. They take workers mainly from Pacific countries and they fully realise that much of the money that those workers earn will go back to their home countries, which will help people to develop and advance there. New Zealand also wants those workers to come back, because they have become experienced workers over time, as the hon. Member for Faversham and Mid Kent also mentioned.

The hon. Member for Strangford (Jim Shannon) also mentioned that Northern Ireland shared Scotland's and England's view on this. It is vital that that is recognised. Keeping with the "north" theme as ever, the hon. Member for North Herefordshire (Bill Wiggin) gave a good speech on the amount of workers that come into his constituency, which again shows just how important and big an issue this is. The hon. Member for Faversham and Mid Kent touched on an important point about the welcome that people get when they come here. They are experienced workers. We should abhor the very idea of hate crime against them, and fight against it happening or being encouraged—even derogatory talk about migrants should be stopped. In Scotland, happily, we have seen a fall in hate crime since the Brexit referendum of June last year.

The UK Government, by pursuing a narrow-minded approach, are making decisions on migration that are detrimental to Scotland. I hope that in this first Brexit damage-reduction measure we will see something useful and helpful. I do not see why the UK, in contrast to countries such as Switzerland, has to have a centralised policy—in Scotland, we have very different demographics from the rest of the UK.

About 14,000 non-UK seasonal workers come back and forth to Scotland, most of them employed in the soft fruit and vegetable sectors in the summer and autumn. That underpins our £14 billion food and drink industry, which is one of the fastest growing and most

[Angus Brendan MacNeil]

successful sectors in Scotland. We know what we need to do for Scotland; it is terrible—frustrating—for us to have to inform and often educate a UK Minister that something beneficial to Scotland might also be beneficial to the Exchequer, with the taxes and revenues of increased economic activity.

One of the benefits that I had not seen or thought of much before was touched on by my hon. Friend the Member for Perth and North Perthshire (Pete Wishart), which is the cultural benefits naturally and normally brought about by such exchanges of people. When we talk about things like this, we sometimes think in economic tramlines, instead of about the human beings involved and the welcome cultural exchanges.

To round up, the need for a scheme is absolutely pressing. The Minister must act and the Home Office must be welcoming of such a scheme—we can have no obstruction from them. We have to widen it out to other sectors such as tourism and, certainly, fisheries. It is something that makes total sense and has been a no-brainer as far as this debate is concerned. All participants have been supportive of it, and I look forward to seeing such a scheme in the near future.

4.7 pm

Dr David Drew (Stroud) (Lab/Co-op): I am delighted to serve under your chairmanship, Mr Gapes.

I congratulate the Select Committee. It is good to know that it was in safe hands. Some of us left some time ago, but it is still turning out good reports.

I welcome the Minister to his place. My summing up could be very short, because if he intimates that he has accepted all the submissions about how we need a new SAWS by nodding at me, I will sit down and think the debate has been a great success. However, I do not want to steal his thunder and perhaps he wants to say that himself.

Whether the decision taken in 2013 was by the Minister, his predecessor or the former Secretary of State, the right hon. Member for North Shropshire (Mr Paterson), the reality is that we have to revisit it and we have to ensure that we get another SAWS. The original scheme was of course one of the achievements of the 1945 Labour Government—one that perhaps most people do not know about but was nevertheless important, because it tried to provide some stability in the agricultural industry and, more particularly, a strategy whereby we could recruit people when we needed them.

The report is a good one and, as I have said, I concur with it and with the points made by right hon. and hon. Members. I will add two caveats on where they might have made some additional points. First, among the reasons why people from this country do not necessarily go to pick fruit nowadays, I would add the housing situation. If someone lives in a council house or even rents privately, it is difficult to leave that property and go to a different part of the country, even if accommodation is provided there, given secure tenancy arrangements, the fact that we do not want empty properties even for a short time and the pressure on housing being what it is today.

My other point is about a misnomer: the scheme is not only for seasonal agricultural workers. For some industries, in particular the dairy industry, it is a year-round

scheme. In my part of the world, we have a number of Polish workers who come for a period of years. It is not only about people who come for months; sometimes they come for longer. We need flexibility built into the scheme, whatever form it takes.

To give the Minister the maximum time to respond to this very good debate, I will ask a series of questions based on where I think we ought to be moving, and how we might be able to help the Government travel in that direction. The first and most obvious question is what research has been undertaken on the impact of Brexit, whether it will lead to a substantial reduction in the number of migrant workers and how that will play out for agriculture. In particular, I know that the Home Office intends to commission the Migration Advisory Committee to review the issue. It would be good to know that DEFRA will have some input into determining the specific implications for agriculture, particularly horticulture.

My second question is about opportunity and where people might come from if not the EU. What research has been undertaken and what discussions had with other Governments to open up opportunities for people to come work here if they can no longer do so as a result of the Brexit changes? Thirdly, I am glad automation was mentioned; it appears in the Select Committee report. The difficulty is that it is a bit like—dare I say it—a cure for bovine TB; it is always 10 years away, as some of us will know. What research has been done on how automation might play a part? One body that is undervalued and ignored in many respects is Lantra, which has responsibility for providing skills training for those on the land. What discussions have the Government had with Lantra to bring forward skills training so that we might have a larger resident population interested in taking on such roles?

The main tenor of this debate has been that we need to go back to where we were, although maybe not to exactly the same places. It is useful for the Minister to at least acknowledge that things may have been misjudged back in 2013, but we have learned a lesson and things must be dealt with. Although one does not use the word “crisis”, the possibility of leaving fruit on the ground sounds as near a crisis to me as it is possible to get. To be fair to him, he has form on this matter. He intimated in an interview in *Farmers Weekly*:

“Longer term, we will be looking at issues such as work permits and how we can ensure we have the labour we need—while also having an approach that is very much around controlled migration.”

What will that work permit scheme be? Maybe it is being considered in outline at present, but we certainly need some more detail. When is it likely to be introduced? Could it be introduced before Brexit or shortly after? We need to know how people will be able to come to work on the land.

This is an important industry. The whole Brexit debate will centre on aspects of agriculture, partly because £3 billion is a huge sum relative to other industries in terms of what will happen when we leave the EU. It would be good to know, therefore, what we can expect in terms of moneys. I accept that we are looking ahead, but some of the moneys would have to go towards appropriate provision of labour, not just in terms of SAWS but to get people to go on the land, because, as everyone would agree, we want a vibrant agricultural

industry in this country. We are proud of it, and we need food security, but we must also recognise that there will be a huge economic burden if we do not produce more of our own food. In a previous incarnation, some of us spent a lot of time trying to argue that that was both necessary and helpful for the British economy. It would be good to know how this issue fits into the wider Brexit strategy, given that there is already a problem, and the problem will get worse before it gets better. If we do not grasp the nettle now, the situation could spiral out of control.

4.15 pm

The Minister for Agriculture, Fisheries and Food (George Eustice): It is a pleasure to serve under your chairmanship, Mr Gapes. I welcome the shadow Minister, the hon. Member for Stroud (Dr Drew), back to this place and back to this wonderful brief, DEFRA, where we have so many complex issues to deal with.

I congratulate my hon. Friend the Member for Tiverton and Honiton (Neil Parish) on securing this debate to discuss the important work that the Environment, Food and Rural Affairs Committee has done on migrant labour as it applies to agriculture. It published its report in April, getting it out just before the general election, and it was a pleasure to give evidence to its inquiry earlier this year, alongside the Home Office Minister who is now the Minister of State, Department for Education, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill).

I completely recognise that the Committee has received a number of strong representations from the farming industry. I also understand that, as a number of hon. Members have said, part of the backdrop to the debate is a general apprehension in the farming industry about what might happen once we have left the European Union and what arrangements might be put in place to replace the free movement of labour that it currently enjoys.

My hon. Friend the Member for Tiverton and Honiton will be aware that the Home Office leads on this issue. He will also be aware that I have personal experience in this industry and understand the challenge well. The challenge has been set out by a number of hon. Members, particularly those with fruit producers in their constituencies, including my hon. Friends the Members for Tonbridge and Malling (Tom Tugendhat), for Faversham and Mid Kent (Helen Whately) and for North Herefordshire (Bill Wiggin). All those constituencies rely heavily on migrant labour.

I ran a soft fruit enterprise for the best part of 10 years. We used to employ 250 staff. Our farm in Cornwall was nicknamed locally “the United Nations”, because we had people from many different countries. We had staff from EU countries, but also some staff from Commonwealth countries, such as Australia and New Zealand, who were here on the then holiday work visa scheme. I know what it is like, and I know what it is like to have to close the gate on a field of strawberries that cannot be harvested because there are not enough staff.

As my hon. Friend the Member for Tiverton and Honiton pointed out, the seasonal agricultural workers scheme has been around since 1945. It was brought in after the war to ensure that we could provide our farms

with the workers that they needed. However, as the EU expanded, the need for the scheme decreased. From 1990, it was subject to quotas, and in 1990 the quota was set at 5,500 places. It went up to about 25,000 by 2003, was reduced again in 2005 after the big accession of a number of new member states whose people were able to come here and work, and was put back up to 21,250 in 2008.

In 2005, the Home Office announced its intention to phase out, over time, existing quota-based low-skilled migration schemes, including SAWS, because labour needs at low skill levels were deemed to be capable of being met from an expanded EU labour market. From 2008 to 2013, SAWS was open only to nationals of Bulgaria and Romania, while transitional restrictions on their labour market access remained in place. The decision to end SAWS was informed by advice from the Migration Advisory Committee, which considered there to be no immediate shortfall in the supply of seasonal labour, although at the point at which it gave that advice, it conceded that in the medium to long term, which it identified as being possibly sometime after 2017, shortages could arise and we should therefore keep matters under review, which we have.

DEFRA established the SAWS transition working group. That met as recently as 6 March this year and discussed some of these issues of anecdotal reports that things are getting harder. Its conclusion in the March meeting, which I will come on to in more detail, was that this was a challenging situation but not a crisis.

My hon. Friend cast some doubt on the figures used by the former Home Office Minister and suggested they were out of date. That is unfair because the figures are clear and correct. The Office for National Statistics figures for January to March 2017 show that the number of EU nationals working in the UK was up by 171,000 to a total of 2.32 million. We also know that around 350,000 EU nationals work in the food chain.

The figures are right, but I agree and concede that they are migration figures. We are talking about something slightly different—seasonal migration, which does not show up in those figures. Seasonal migration is for those who come here for short periods—typically six months—and then return home for part of the year. Estimates of the number of people who come here as seasonal migrant workers and return home every year range from 67,000 to 80,000.

When the SAWS transition group met on 6 March, it discussed the reason for this anecdotal reporting of a tightening in that labour market, and a number of possible reasons were advanced. First, as a number of hon. Members have pointed out, the weakening of the pound against the euro means that it is less attractive to come here and work, particularly if people are sending money back home. Secondly, it was pointed out that there have been changes to child benefit entitlement in Poland, which means fewer people from Poland are coming to the UK. Thirdly, Bulgaria has been taking steps to encourage its workforce to stay and work there, which is also thought to be a factor. A number of factors may have had an impact on seasonal migrant workers, even though we know that net migration from the EU has continued to rise.

A number of hon. Members, including the shadow Minister, asked what research we are doing. The EFRA Committee’s report asked us to review things before the

[George Eustice]

end of the year. I have asked officials to continue to monitor the situation closely, given the reports we are getting. In fact, they have a meeting tomorrow with some of the employment providers and the NFU. The purpose of the meeting is to establish what data we need to come back from the industry and under what timescale they are able to provide it. Having established that, we have at the earliest opportunity to convene another formal meeting of the SAWS transition group to review the data. It is very important that we are able to review the data across the whole of 2017.

Neil Parish: I thank the Minister very much for that thoughtful and good response. We can collect all these data, but if we see a tightening in the labour market, are we able to put a SAWS arrangement in place for next year? This is the bit I worry about. The Government say they can act fast, but some of the previous fast actions have taken longer than six months—dare I say?—and I am a little concerned. I hope we can be swift of foot. I am not making a party political point, just a point for the Government.

George Eustice: My hon. Friend will be aware that the Home Office leads on this area. He will also be aware that our colleague, the then Immigration Minister, said that he believed it could stand up a SAWS scheme within five to six months. I understand that it would require a statutory instrument, because it is not the case that the SAWS scheme is dormant and reduced to zero. In secondary legislation, the SAWS scheme was discontinued when we passed the legislation allowing the accession and ending of the transitional arrangements for Romania and Bulgaria. I believe it needs secondary legislation, and it would be a matter for the Home Office. My hon. Friend's Committee heard what the Home Office Minister had to say on that.

There is a difference across the year and between sectors. A number of hon. Members have used the term "peak strawberry". We know that the third quarter—that is, from July to September—is always the period when demand for seasonal labour is highest and the most important quarter to watch. In other parts of the year the pressure is lower, which can mean that different sectors are affected differently. It means, for instance, that the soft fruit sector reports the greatest problems.

Earlier today I spoke to a farmer I know, a daffodil grower in Cornwall, who employs more than 1,200 seasonal staff, predominantly from Romania and Bulgaria. They reported to me that they did not have any problems at all and actually want to increase the number of seasonal staff. They are looking at Bulgaria, a very large country, and working with jobcentres there. They are not reporting any difficulty in getting the staff they need. Of course, this is the daffodil industry during the first quarter, when competition for labour tends to be low, so I appreciate that it is different for some others. I also mentioned exchange rates, and they pointed out that it is not a big issue for them because although the exchange rate is down, it is roughly back to the levels it was in 2010-11. Exchange rates do go up and down and businesses have to plan for that.

I want to talk a bit about the context of the EU, which the hon. Member for Perth and North Perthshire (Pete Wishart) raised. Obviously, while we are in the

EU, nothing changes. We still have free movement. I understand, however, that people want clarity about what will happen after we leave, and that is part of the backdrop, which the Government understand. While we want to have controlled migration, we are very clear that we are not pulling up the drawbridge. The shadow Minister, the hon. Member for Stroud (Dr Drew), asked about research. In addition to the work being done by the SAWS transition group convened by DEFRA, the Home Office intends to commission the Migration Advisory Committee to look at the UK labour market and our reliance on EU migrant labour across sectors. That will include looking at the SAWS.

Pete Wishart: Will the Minister give way?

George Eustice: I am sorry but I am running out time and I want to give my hon. Friend the Member for Tiverton and Honiton time to respond.

Finally, I want to touch on some of the points made in the debate. My right hon. Friend the Member for North Shropshire (Mr Paterson) raised the New Zealand and Australian schemes. I will indeed read Professor Alan Winters's report, which he highlighted. We have been told by Concordia, one of the labour providers, that it has managed to improve recruitment rates by offering travel and transport to help people to get here.

The hon. Member for Strangford (Jim Shannon) has a lot of agriculture in his constituency and I take his points on board. The Northern Ireland poultry sector is very large. It is less about seasonal labour there, and more often about permanent labour. I hope the Prime Minister's words about settled status will therefore give him reassurance.

My hon. Friends the Members for Faversham and Mid Kent (Helen Whately) and for Tonbridge and Malling (Tom Tugendhat) talked about a number of growers in their constituencies that I know and remember from my time in the industry. Coming back to the point raised, it is the case that there is an opportunity in the soft fruit sector. It has managed to spread the season with polytunnels to stagger the crop so that there are fewer peaks. A lot of very good work has been done on plant breeding so that they can increase the average size of the fruit, reducing their picking costs. A new variety called Centenary, which is just on market, is much more consistent in the size of the fruit. As someone who ran a soft fruit operation, I know that the overall size of the fruit is the key determinant of the cost of picking.

In conclusion, we have had a very interesting debate. These are very important issues. I reassure the House that our SAWS transition group is looking closely at all of them, and that the Home Office intends to commission the Migration Advisory Committee to do a major piece of work in this area.

4.28 pm

Neil Parish: I thank the Minister very much for summing up, and thank the shadow Minister. I thank the hon. Member for Perth and North Perthshire (Pete Wishart), my right hon. Friend the Member for North Shropshire (Mr Paterson), the hon. Member for Strangford (Jim Shannon), my hon. Friends the Members for North Herefordshire (Bill Wiggin), for Faversham and Mid Kent (Helen Whately) and for Tonbridge and Malling (Tom Tugendhat), and the hon. Member for Na h-Eileanan an Iar (Angus Brendan MacNeil).

I again welcome the shadow Minister, the hon. Member for Stroud (Dr Drew). It is good to see him here. He made some interesting points regarding how the flexibility of labour in this country has something to do with some of the fixed-term tenancies in housing. That is interesting to put into the mix, because we need more home-grown labour.

I thank the Minister very much for his summing up. He is a man who actually knows the industry and what is happening. He knows that, with perishable vegetables and fruits, we need that labour and we need it now. What I will say to him, as would be expected, is that the Select Committee has done this report and realises that the labour situation is just about okay at the moment, but will follow what the Government are doing. Naturally, we will call the Government to account to ensure that

there is a scheme in place when we need it. Otherwise, those fruits and vegetables will go to waste. We want more great fruit and vegetables. Colleagues from across the country decided that their counties and countries were the best for producing fruit, but we can absolutely agree that British fruit and vegetables are great; that we want to grow more of them; that we very much want the labour, from either home or abroad, to pick it; and that we have to ensure the labour is available.

I thank the Minister, the shadow Ministers and all Members for contributing, and you, Mr Gapes, for chairing.

4.30 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).

Written Statements

Thursday 6 July 2017

TREASURY

United Kingdom Debt Management Office

The Economic Secretary to the Treasury (Stephen Barclay): The United Kingdom Debt Management Office (DMO) has today published its business plan for the year 2017-18. Copies have been deposited in the Libraries of both Houses and are available on the DMO's website, www.dmo.gov.uk.

[HCWS31]

WORK AND PENSIONS

Office for Nuclear Regulation

The Minister for Disabled People, Health and Work (Penny Mordaunt): Later today I will lay before this House two reports on the Office for Nuclear Regulation: the annual report and accounts 2016-17 and the corporate plan 2017-18. These documents will also be published on the ONR website.

I can confirm, in accordance with schedule 7, section 25(3) of the Energy Act 2013, that there have been no exclusions to the published documents on the grounds of national security.

[HCWS32]

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