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**HOUSE OF COMMONS  
OFFICIAL REPORT**

**PARLIAMENTARY  
DEBATES**

**(HANSARD)**

**Thursday 23 November 2017**

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# House of Commons

*Thursday 23 November 2017*

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

## PRAYERS

[MR SPEAKER *in the Chair*]

## Oral Answers to Questions

### INTERNATIONAL TRADE

*The Secretary of State was asked—*

#### **Leaving the EU: New Trade Agreements**

1. **Martin Vickers** (Cleethorpes) (Con): What assessment he has made of his Department's capacity to negotiate new trade agreements after the UK leaves the EU. [902501]

2. **Robert Jenrick** (Newark) (Con): What assessment he has made of his Department's capacity to negotiate new trade agreements after the UK leaves the EU. [902502]

**The Secretary of State for International Trade and President of the Board of Trade (Dr Liam Fox):** Before I begin, I would like to offer my sincerest condolences to the family and friends of Simon Speirs, who tragically lost his life while on board the Great Britain yacht during the Clipper round the world race last weekend. Our thoughts and prayers are with his family at this very sad time.

The Department for International Trade is building a world-class trade policy and negotiation capability for the long-term future of our country. Since July 2016, our trade policy group has grown significantly, from 45 to more than 400 today, and it is continuing to grow. We have also established a series of working groups and high-level dialogues with key trade partners to explore the best ways of progressing our trade and investment relationships. Those partners include the United States, Australia, Mexico and Japan.

**Martin Vickers:** I thank my right hon. Friend for his reply. The business community in my constituency is eagerly looking forward to the opportunities the new trade agreements will bring. Will he clarify which elements of the Trade Bill refer to the free trade agreements?

**Dr Fox:** The Trade Bill is about maintaining the effects of our current trading arrangements to ensure continuity for businesses, workers and consumers as we leave the European Union. That means the powers in the Trade Bill will be used only to transition our existing trade agreements that the EU has already signed prior to exit. Work is ongoing to establish how we will deal with future free trade agreements, but I am afraid that to claim that the current Bill allows Ministers a free hand to write future FTAs is simply untrue.

**Robert Jenrick:** Businesses and constituents in Newark believe it is essential that the existing EU FTAs are transferred and rolled over as expeditiously as possible, but we should not confuse that with signing new FTAs. Will the Secretary of State therefore confirm that there will be an entirely separate consultation with the public and with Parliament on how we handle those separate new FTAs?

**Dr Fox:** Yes, there will be. The trade White Paper, which is of course very separate from the Trade Bill, asked for views on what a future engagement and scrutiny framework should look like on trade. We are considering the responses and we will engage in the coming months. Given the changes we see, with Pascal Lamy describing a move away from the protection of producers to consumer precaution, we will have to take the views of consumers far more into account in future trade agreements than we have in the past.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): When I was a little boy, my grandmother used to say, "Shame the devil and tell the truth." When will this Secretary of State tell the truth? He has been, with his colleagues, going around the world begging for a trade deal and everyone is telling him, "We want to trade with the European Union, a much bigger trading group."

**Mr Speaker:** Order. Just to be absolutely clear, I am sure that the hon. Gentleman would not suggest that the Secretary of State would ever tell an untruth in this House.

**Mr Sheerman:** Absolutely not, and I did not mean to imply that he would. I thought the House would like to know what my grandmother used to say to me about the importance of veracity.

**Mr Speaker:** No further explanation is required. We are immensely interested in the hon. Gentleman's grandmother, and his ruminations on that matter will doubtless be found in his memoirs, which will be deposited in the Library and we can consult in the long winter evenings that lie ahead.

**Dr Fox:** We will want to see what the best deals we can get for the UK are, how we can get our trading volumes and value up, and what opportunities we can take as we leave the EU. Of course we are pleased to continue to go along with the British public's view on the referendum, and the hon. Gentleman will no doubt want to do the same, as his constituency voted overwhelmingly to leave—that is no doubt a view he will endorse.

**Sir Vince Cable** (Twickenham) (LD): Can the Secretary of State explain the likely impact of a no deal Brexit in respect of the 57 or so countries with which we already have association agreements through the European Union?

**Dr Fox:** We will want to ensure that those are replicated in United Kingdom law on the day we leave the EU because, whether there is an agreement or not, we will have to have a legal basis for trading with those countries.

**Bob Blackman** (Harrow East) (Con): Will my right hon. Friend confirm the position on trade agreements when we leave the EU: after April 2019, we will be

negotiating such trade deals and look forward to actually signing them when we break free from the shackles of the EU?

**Dr Fox:** Again, to make it clear, before we leave the European Union we have to be able to transition the existing EU free trade agreements to give ourselves the legal basis to trade. Of course, up to that point and beyond, we will want to see what new opportunities are available. If, during an implementation period, we decide that we are not going to introduce and put into effect new trade agreements, we will still want to negotiate and sign them.

**Patrick Grady** (Glasgow North) (SNP): The Secretary of State is repeating what he told *Politico* recently: that his Department wants to copy and paste the trade deals because it does not yet have the capacity to negotiate new ones. As there cannot really be a better trading relationship with the European Union than membership of the single market, is that not actually the best idea? If taking back control simply means duplicating what we already have, why not take the easy and obvious path and stay in the single market?

**Dr Fox:** I shall help the hon. Gentleman out of his confusion. As I have said on numerous occasions, it is not possible simply to copy and paste the existing agreements. For example, we must take into account the disaggregation of tariff-rate quotas, so it is not quite that simple.

**Mr Philip Hollobone** (Kettering) (Con): Do the Secretary of State's officials trudge into work, full of doom and gloom-laden, thinking it is all going to be too difficult, or do they bounce into his office, full of energy and enthusiasm, seeing Brexit as a wonderful opportunity for Britain to be at the forefront of leading the world into the bright sunlit uplands of freer trade?

**Dr Fox:** Not all that many people bounce into my office, although they regularly bounce out of it. We are an incredibly optimistic Department and we look to the future with great confidence. Let me give some figures: the most recent time we advertised jobs in the Department, there were 1,698 applicants for the 92 jobs available. That suggests to me that there is a great deal of optimism, even in our civil service.

**Barry Gardiner** (Brent North) (Lab): The Secretary of State is indeed an optimist, and it is good to hear him so upbeat about all the trade opportunities that he thinks await us in the post-Brexit world. Perhaps he can explain why, when the Red Book shows trade in the world economy increasing year-on-year by 4% over the next five years, it shows the UK's export growth decline from 3.4% next year to 1.2% in 2019, and then plummet to just 0.1% in each of the following three years. Is the Secretary of State perhaps an optimist who can find no rational grounds for his optimism?

**Dr Fox:** It is nice to see that "Project Fear" never dies. Rather than going on projections, let me tell the hon. Gentleman what our economy has actually done. He is right that global trade has been growing at around 3%, but UK exports have been up 13.1% in the past year—in goods they are up by more than 16%. That is the real

performance of the UK economy. There is incredible slack in our ability to export further and we should be encouraging British exporters to do so.

### Exports: South-west

3. **Kevin Foster** (Torbay) (Con): What assessment he has made of the prospects for increasing exports from the south-west in the next five years. [902503]

**The Secretary of State for International Trade and President of the Board of Trade (Dr Liam Fox):** I am glad my hon. Friend asks about our export promotion capability. In 2016, exports of goods from the region, which includes my own constituency, grew by 10.6% compared with 2015, with double-digit growth for markets such as Singapore and South Korea. DIT stands ready to support these businesses, including through the global growth pilot, which offers deeper export support, or through a targeted export programme alongside Torbay Development Agency.

**Kevin Foster:** I thank my right hon. Friend for his answer, not least because he is a fellow south-west MP. Gooch & Housego's Torquay factory recently won national recognition for how its staff and management have worked together to grow their business. What support does my right hon. Friend intend to give to that and other companies in Torbay's vital photonics sector so that they can grow further by increasing their exports?

**Dr Fox:** Photonics is about the science of light generation and manipulation, Mr Speaker—of course, you and all other Members already knew that. DIT's local international trade adviser engages with businesses in the photonics sector and with the Torbay Development Agency, and will soon address the Torbay manufacturing forum. DIT specialists will meet the Torbay Development Agency in January to review the marketing proposition for the sector, and a DIT sector specialist will visit Japan to promote UK photonics capability.

**Rebecca Pow** (Taunton Deane) (Con): The south-west traditionally grows very fine livestock and has a buoyant export market. Will the Secretary of State give me and the farmers of Taunton Deane some assurance that if export certification demands increase as we leave the EU, the Government will give the right support to the agricultural industry, and will they look into the development of electronic systems to help the certification process?

**Dr Fox:** Yes. The Government are committed to ensuring as smooth as possible an exit from the EU, including for all our business sectors, which obviously covers agriculture. Beyond that, the Department is particularly focused on finding new markets for our agricultural sector. There is substantial growth in demand for agricultural products in countries such as China and India. Given that the UK's are the finest in the world, we should be at the forefront of those export markets.

### Economic Partnership Agreements

4. **Lloyd Russell-Moyle** (Brighton, Kemptown) (Lab/Co-op): What assessment he has made of the potential merits of revising the basis of economic partnership agreements better to incorporate the aims of the UN sustainable development goals. [902504]

**The Minister for Trade Policy (Greg Hands):** We are guided by a desire to seek continuity first of all in our trading relationships with developing countries as we leave the European Union, and that includes economic partnership agreements. Our EPA partner countries have already welcomed that commitment. The UK is of course fully committed to promoting and delivering the sustainable development goals and is the first and only G7 country to spend 0.7% of national income on overseas development assistance.

**Lloyd Russell-Moyle:** Given that countries such as Nigeria and Uganda have refused to sign the economic partnership agreements because they do not believe that they are beneficial and in their long-term interest, how does the Secretary of State intend to address those issues, and is he considering GSP—the generalised scheme of preferences—or GSP plus?

**Greg Hands:** We have already announced that we will be transitioning the full preference scheme of the European Union, including all the categories; that includes GSP and GSP plus. I am surprised if the hon. Gentleman is opposed to our transitioning the EPAs because, as you well know, Mr Speaker, UK imports worth around £290 million from the developing world were imported last year using the EPAs, and they would otherwise have had to pay a higher tariff to enter the UK.

**James Duddridge (Rochford and Southend East) (Con):** Although the EPAs in Africa are working in the south, they are working less well in the east and west. Is the Minister working with his colleagues in the Department for International Development to look at inter-African trade, rather than trade with what is a declining market sector—Europe—compared with the rest of the world?

**Greg Hands:** We have had very successful talks. The Secretary of State was in South Africa just a couple of months ago and in Ethiopia recently. We are engaging very closely with Africa and with DFID Ministers, including the Minister for Africa, my hon. Friend the Member for Penrith and The Border (Rory Stewart). In a joint statement, we have agreed to seek to transition the Southern African Development Community's EPA and, last week, we signed an agreement to seek to transition the Caribbean Forum's EPA as well.

**Mr Speaker:** What a busy fellow he is.

11. [902511] **Rosie Duffield (Canterbury) (Lab):** Economic partnership agreements have faced intense criticism both from the very countries that they are intended to help and from experts and academics across Europe. Will the Minister consider introducing a sunset clause into the rolled-over EPAs so that new and better agreements can eventually be negotiated?

**Greg Hands:** These are agreements that are being transitioned. The purpose here is to take an agreement that is already in place and to make sure that it continues to be in place after we leave the European Union. Of course we are in constant dialogue with our developing world partners, and we are open to improving those preferential arrangements in the future if that is deemed to be in the interests of the developing countries.

**Jo Swinson (East Dunbartonshire) (LD):** Under the leadership of my right hon. Friend the Member for Twickenham (Sir Vince Cable) and the noble Lord Hague, in 2013, the UK Government were the first to publish a national action plan on business and human rights. Will the Minister give a commitment that human rights impact assessments will be undertaken before any new trade deal is signed and that any new trade deal will also include provision for enforcement of human rights?

**Greg Hands:** Of course the UK remains absolutely committed to universal human rights. We have a strong track record of supporting human rights across the world. Safeguarding, promoting and defending human rights is an integral part of government and human rights and prosperity of course are mutually supportive. As part of transitioning EU arrangements, we will be maintaining a similar approach to human rights commitments in UK trade policy.

### Ministerial Discussions

5. **Ian C. Lucas (Wrexham) (Lab):** What recent discussions he has had with the Secretary of State for Business, Energy and Industrial Strategy. [902505]

**The Parliamentary Under-Secretary of State for International Trade (Mark Garnier):** The Department for International Trade has overall responsibility for both inward direct investment into the UK from abroad and outward direct investment from the UK to markets overseas. Officials in my Department and the Department for Business, Energy and Industrial Strategy have numerous discussions on how we can support our businesses. DIT is currently undertaking an export strategy to better understand the needs of businesses seeking to export, as well as identifying those opportunities via the GREAT.gov.uk website.

**Ian C. Lucas:** Exporting manufacturing businesses in north Wales such as Magellan Aerospace and Airbus are world-beating organisations, but they desperately need infrastructure, investment and support from the Government to face the challenges ahead. Why are this Government so reluctant to invest in and support north Wales?

**Mark Garnier:** I believe that a north Wales growth deal was announced in the Budget. It is also important to remember that the industrial strategy will be announced next week. That will talk about exactly how we can improve the infrastructure to support the great businesses in north Wales that the hon. Gentleman represents very well.

**Mr Speaker:** I have noticed a phenomenon of what I will call inconsistent bobbing in the Chamber. A Member bobs once and thinks that that is sufficient signal of a desire to participate. Repeated bobbing has always been required, as the hon. Member for Huddersfield (Mr Sheerman) can well testify. I encourage the hon. Member for East Renfrewshire (Paul Masterton) to increased athleticism.

**Paul Masterton (East Renfrewshire) (Con):** Thank you, Mr Speaker, and apologies.

With whisky exports worth £4 billion a year, has the Minister discussed with the Secretary of State for Business, Energy and Industrial Strategy how we can capitalise on the export success story of Scottish whisky?

**Mark Garnier:** Scottish whisky is one of our greatest export success stories, and my hon. Friend is right to say that it is worth £4 billion a year. It is this Department that leads, in every sense, on promoting exports of food and drink across the world. With the Department for Environment, Food and Rural Affairs, we look, in terms of agricultural exports, at where we have market access and at standards. We have to agree that separately.

### **Ethiopia: Human Rights**

6. **Tom Brake** (Carshalton and Wallington) (LD): Whether he received a briefing on human rights in Ethiopia from the Foreign and Commonwealth Office before his recent visit to that country. [902506]

**The Secretary of State for International Trade and President of the Board of Trade (Dr Liam Fox):** The Foreign and Commonwealth Office is responsible for policy on human rights across the whole of Government. The UK has a strong history of protecting human rights and promoting our values globally. We will continue to encourage all states to uphold international human rights obligations, including when we meet them both in the UK and on overseas visits.

**Tom Brake:** I thank the Secretary of State for that answer. I am going to put to the test the statement he made a few seconds ago—that the UK always promotes human rights in trade talks. Did he raise the case of Andy Tsege, and the prison visit that the UK Government have promised, with his Ethiopian counterparts? What progress is being made on releasing him?

**Dr Fox:** In my official meeting with the Ethiopian Prime Minister, we discussed the need for long-term political and economic stability, as well as the political space. We did, indeed, raise the consular case mentioned by the right hon. Gentleman in private and with our ambassador. I hope that we will see the results of that interaction soon.

**Jeremy Lefroy** (Stafford) (Con): I declare an interest as the Prime Minister's trade envoy to Ethiopia. Does the Secretary of State agree that the work of Her Majesty's ambassador in Addis Ababa is really tremendous—she has arranged for visits and has personally visited Andy Tsege—but that the situation needs to come to an end? At the same time, will he acknowledge the work that the Ethiopian Government are doing with the Department for International Development to try to get more than 1 million refugees throughout the country into work in a jobs compact?

**Dr Fox:** It is always the aim of our Government to get other Governments to replicate our values in a clear and practical way. I second my hon. Friend's vote of thanks to our ambassador for the work that she and her staff are doing. He makes a valid point that we need to take into consideration some of the extreme pressures that some countries are under. Taking 1 million refugees is not an easy task for the most developed country, never mind a country such as Ethiopia that is moving forward in development.

### **Trade Remedies Authority**

7. **Mr Paul Sweeney** (Glasgow North East) (Lab/Co-op): What the remit of the trade remedies authority will be; and how it will undertake to balance consumer and producer interests within that remit. [902507]

**The Minister for Trade Policy (Greg Hands):** We are taking the necessary steps to operate our own trade remedies system. That will investigate and take action against unfair trading practices that injure UK industry. The new, independent trade remedies authority will operate the system and make recommendations to address injury found by its investigations. In doing so, it will consider the interests of all parties, such as user industries, producers and consumers, as well as regional and long-term impacts.

**Mr Sweeney:** The Minister will be aware that his Conservative colleagues in the European Parliament have frustrated efforts to prevent the dumping of steel by the Chinese on the European market by pushing for the lesser duty rule, which has had a devastating impact on British steel production. Will the trade remedies authority apply a proper public interest test to protect the interest of workers and industry in this country?

**Greg Hands:** The hon. Gentleman mentions the European Parliament. Perhaps he might have a word with his own colleagues, who have sought in the recent vote in the European Parliament to frustrate the process of us even talking about trade with the European Union to start with. The purpose of trade remedies measures is to address injury caused to domestic industry. The lesser duty rule provides adequate protection to achieve the same so that industry can operate on a fair playing field and without imposing unnecessary costs on downstream industry and consumers.

**Bill Esterson** (Sefton Central) (Lab): I should remind the Minister that it was this Government that argued against trade remedies in Europe and that failed to protect our steel and ceramics industries. That is why it is not surprising that manufacturers are concerned that the new trade remedies authority will focus on consumer interests at the expense of businesses and jobs. What assurances can the Minister give that it will not always seek to apply the lesser duty rule? Will he now commit to include social and environmental criteria in the remit of the trade remedies authority, so that the UK does not become the dumping ground for goods that can no longer be dumped in the EU?

**Greg Hands:** We have taken robust action on steel in concert with the European Union, and we are playing an active role within that. The Government of course recognise that overcapacity is a significant global issue, which is why we have been working proactively through the EU and our G20 partners. The hon. Gentleman seeks to downplay the interests of consumers in all of this, but they will be absolutely vital and at the heart of our trade remedies process—exactly where they deserve to be.

### UK Export Finance

8. **Luke Graham** (Ochil and South Perthshire) (Con): What steps his Department is taking to promote to British companies the use of UK Export Finance. [902508]

13. **Mrs Anne-Marie Trevelyan** (Berwick-upon-Tweed) (Con): What steps his Department is taking to promote to British companies the use of UK Export Finance. [902513]

**The Parliamentary Under-Secretary of State for International Trade (Mark Garnier)**: We are putting export finance at the heart of trade promotion by enhancing the financial support available to exporters and smaller companies in their supply chains. This is a new guarantee to banks designed to increase liquidity in the supply chain, improving exporters' access to capital and enabling their suppliers to fulfil new orders. As my right hon. Friend the Chancellor stated yesterday, UK Export Finance will launch a targeted campaign to promote the support they offer to exporters and overseas buyers, as part of the wider GREAT campaign.

**Luke Graham**: Would the Minister agree that supporting British business, especially outside London, is crucial for a successful Brexit? Will he consider visiting my constituency to discuss boosting exports and inward investment for Scotland?

**Mark Garnier**: In the few short months my hon. Friend has been a Member, he has proved a doughty campaigner for the whisky industry and the agricultural industry in his patch, and I would be delighted to come along and visit him. I would point out that the Board of Trade has been established across the whole country to promote the interests of regions. We have regional international trade advisers, and they work through the Scottish Government, fully supported by the Department for International Trade.

**Mrs Trevelyan**: Berwick-upon-Tweed, Alnwick and Amble now have innovative high-tech software businesses designing unique products that have serious global market potential. Can the Minister confirm that these businesses will be able to access UK export finance to reach into new countries, boost British exports and bring new high-tech jobs into my constituency? He is, of course, welcome to stop off on his way to Scotland.

**Mark Garnier**: I would love to go to Berwick-upon-Tweed, and I cannot wait to go. It is absolutely right that UK Export Finance has introduced a number of measures, including passing delegated powers to the high street banks to offer up to £2 million of export credit. It is important that we recognise that this resource is vital to financing exports. My hon. Friend will know from the recent briefing session we held for Members of Parliament that we are keen to engage with all Members of Parliament to see how UK Export Finance can help their constituents.

**Jim Shannon** (Strangford) (DUP): Can the Minister give an indication of the expressions of interest thus far received from small and medium-sized enterprises, which are now able to access UK export finance through high street banks? Does he believe that that could be promoted to allow SMEs to safely expand?

**Mark Garnier**: I will have to get back to the hon. Gentleman on the exact figures, but he is absolutely right to highlight the fact that we need to do more to promote this opportunity for SMEs to get this high street financing through UK Export Finance. To that end, in the Budget, we have allocated an advertising budget in order to be able to promote UK Export Finance.

**Kerry McCarthy** (Bristol East) (Lab): Some 99% of UK Export Finance spending on energy goes on the most polluting fuels. Does the Minister consider that his Department is exempt from the Government's commitments under the Paris climate change treaty?

**Mark Garnier**: It is perfectly reasonable that the whole Government adhere to the objectives of all the agreements we have undertaken, so no Department would go against any of that. However, I would also point out that we are undertaking financing for offshore wind farms, so we are actually helping to build more carbon-neutral capacity.

### Topical Questions

T1. [902516] **Mr Philip Hollobone** (Kettering) (Con): 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)**: My Department has three tasks: promoting UK exports of goods and services, investment both inwards and outwards, and trade policy. In furtherance of this, since we last met for departmental questions on 12 October, Ministers have undertaken visits to Europe, the Gulf, Asia and Africa. Today I shall be travelling to New Zealand and then Australia.

I would also like to formally welcome Baroness Rona Fairhead to the Department. She has joined as Minister responsible for trade and export promotion, and she will be making her maiden speech in the other place on Monday.

**Mr Hollobone**: Will the Secretary of State convene a great Commonwealth trade conference in 2018 for all 52 Commonwealth nations, to harness the rising tide of good will, optimism and support for enhanced intra-Commonwealth trade post-Brexit?

**Dr Fox**: I know my hon. Friend takes a strong interest in this, and he makes a valuable point. As the host of the Commonwealth Heads of Government meeting next April, the UK is committed to highlighting the value of, and increasing, intra-Commonwealth trade. Businesses will have an opportunity to meet in a three-day forum that will see a diverse range of sectors represented. This will help us promote our vision for global Britain and to celebrate and grow the vital intra-Commonwealth trade that he mentions.

**Barry Gardiner** (Brent North) (Lab): America's Trade Secretary Wilbur Ross told the CBI this month that the essential precondition of a trade deal with the USA was to move our regulation standards and environmental protections away from the EU and closer to those of the Americans. Last week, Michel Barnier said that the

essential precondition of a good trade deal with the EU was to keep our regulation standards and environmental protections close to the European model. The Government say their top priority is securing barrier-free trade with the EU, so does the Secretary of State accept that he can have American cake or European gâteau, but he cannot have both?

**The Minister for Trade Policy (Greg Hands):** Who writes your jokes?

**Dr Fox:** Sack the writer.

When it comes to standards, we have made it very clear that we will not see a reduction in the quality or safety of products—either goods or services—made available to UK consumers. We will determine in the United Kingdom what we think those should be, and then we will negotiate with any countries that are willing to negotiate on those terms. We will determine what we choose for Britain's future. Unlike the Opposition, we will not be dictated to by Mr Barnier.

T3. [902520] **Rehman Chishti** (Gillingham and Rainham) (Con): What further steps are the Government taking to increase outward investment in frontier markets?

**Greg Hands:** Outward direct investment is a new priority of the Government since the summer of 2016. We have launched a number of pilots looking at how best we might approach that, and there is funding available in the prosperity fund for it.

May I congratulate my hon. Friend on his role as the trade envoy to Pakistan? In September I visited a very successful example of outward direct investment, the huge GSK plant in Karachi, which produces more than 200 million packages of medicine for the Pakistan market and is a vital part of GSK's overseas operation.

T2. [902519] **Ms Karen Lee** (Lincoln) (Lab): A freedom of information request revealed that the Minister acted as a lobbyist for oil and gas companies in Brazil on taxation and environmental licensing issues. Does he think that is consistent with the Government's commitment to lead the world in environmental protection, and that it conforms with the ministerial code of conduct?

**Greg Hands:** This is an excellent opportunity to correct the misinformation that was put in *The Guardian* on Monday, on which the Department put out a release afterwards to be absolutely clear that the basis of the meeting with the Brazilian Energy Minister, which I might add was public at the time—I even put it on Twitter, but it took *The Guardian* six months to pick up on it—was to secure a level playing field for British companies in that market. We make no apology for saying that Brazil's tough environmental regulations should apply equally to all companies across the board.

T4. [902522] **Martin Vickers** (Cleethorpes) (Con): Yesterday I met a delegation of businessmen from the seafood sector based in north-east Lincolnshire. One of our meetings was to discuss the possible designation of Immingham and Grimsby as free ports, and the businessmen seemed quite enthusiastic about that. Will my right hon. Friend expand on how we might pursue that post-Brexit?

**Dr Fox:** As we leave the EU, we will be able to shape trade policy in our national interest and take advantage of things that are not available to us as a member of the EU. Free ports are one possible tool in that context, and we will want to look closely at the implications. Another thing that might help my hon. Friend, who has a large fish processing capability in his constituency employing some 5,000 people, is discussing with the Department what overseas direct investment might do for expanding that business's potential.

**Martin Whitfield** (East Lothian) (Lab): Will the Secretary of State confirm how the devolved Administrations will be consulted during the process of these future free trade agreements?

**Dr Fox:** I had discussions recently with all the different parts of the devolved Administrations. They will clearly be very important partners in putting together our future free trade agreements, and they should be treated with due respect in that. However, I would say that they are not the only voices in Scotland, Wales and Northern Ireland. We will want to consult businesses, consumers, unions and the general public, and we will need to have a much wider consultation in future than we have had in the past.

**Michael Tomlinson** (Mid Dorset and North Poole) (Con): Small Business Saturday is an increasingly important business day in the run-up to Christmas. How are the Secretary of State and his Department helping small businesses in my constituency to export more?

**Dr Fox:** Small Business Saturday is in its fifth year. It is a celebration of our small businesses, and I imagine that all Members of the House will be taking part and celebrating businesses in their own constituencies. I shall be with the UK export hub, which some Members have had experience of, in Portishead in my constituency. I encourage as many as possible of the members of the public who may be paying attention to these proceedings to attend.

**Heidi Alexander** (Lewisham East) (Lab): Clause 2 of the Trade Bill gives powers to Ministers, potentially for the whole of the next decade, to sort out the issue of the 60 or so trade agreements that we currently benefit from with third countries by virtue of our membership with the EU. Far from being resolved in the next 16 months, is it not the case that that issue—dividing up tariff quotas and so on, and defining a new UK-EU trading relationship—rather than the fiction of the Secretary of State's fantasy trade deals elsewhere, will dominate the work of the Department over the next few years?

**Greg Hands:** We already touched on this a little earlier in question time. Can we be absolutely clear that my predecessor, Lord Price, and I have met all the key trading partners that are subject to those deals? We have in-principle agreement from most of them, and we have had no problem from any of them about transitioning those key trade agreements, so we do not foresee that being a difficulty. It is a technical process. Of course, there are one or two things that need to be sorted out in talks with those partners, but we are in the right position and we look forward to transitioning those agreements as a key part of our trading future.

## WOMEN AND EQUALITIES

*The Minister for Women and Equalities was asked—*

### BAME Women

2. **Gerard Killen** (Rutherglen and Hamilton West) (Lab/Co-op): What assessment she has made of the effect of the Autumn Budget 2017 on BAME women. [902525]

**The Minister for Women and Equalities (Justine Greening):** All Departments carefully consider the equalities impact of individual policy decisions on those who share protected characteristics, including gender and race, in line with the Government's strong commitment to equality issues. From April 2018, the national living wage will increase by 4.4%. Past increases have disproportionately benefited women and those from BAME backgrounds, as well as the disabled.

**Gerard Killen:** Does the Minister accept the figures contained in the "Intersecting Inequalities" report by the Women's Budget Group and the Runnymede Trust, showing the disproportionate impact of tax and benefit changes on women from black and minority ethnic backgrounds, and will the Government issue an official response?

**Justine Greening:** I am aware of that work. Part of the challenge is that we need to see much more clearly the broader picture in relation to how Budgets and Government decisions affect BAME women. The analysis that the hon. Gentleman mentions does not take into account the impact of the national living wage, the changes we have made to childcare—introducing 30 hours' free care—the work that we are doing on reducing the gender pay gap, the introduction of shared parental leave or the introduction of increased flexible working. The Institute for Fiscal Studies has been very clear that "what is possible falls a long way short of a full gender impact assessment", and that is the underlying weakness in the analysis.<sup>1</sup>

**Mrs Anne-Marie Trevelyan** (Berwick-upon-Tweed) (Con): Does the Minister agree that the welcome announcement in the Budget yesterday of £600 per pupil towards the study of maths at higher than GCSE level will be of huge benefit for BAME women, and women across the board, because many studies show that women with higher science, technology, engineering and maths qualifications can earn up to 20% more?

**Justine Greening:** My hon. Friend is absolutely right, and this has been a focus for the Government for the past seven years. The next steps were announced yesterday, with the £600 extra for young people enrolling on such A-levels, alongside a commitment to have more transparency on the STEM A-level subjects that girls are taking, so that we can really focus on gender disparities and seek to address them. It is probably worth pointing out that maths A-level has been the most popular A-level in our country since 2013, which shows that although we have a long way to go, this Government are already making a difference in successfully encouraging young people to take maths.

**Angela Crawley** (Lanark and Hamilton East) (SNP): The Chancellor's £1.5 billion package for universal credit will do very little to address the disproportionate impact of previous Budgets and policies on BAME women. According to the Women's Budget Group, BAME women will be £1,400 a year worse off. Will the Minister make representations to the Chancellor on behalf of these women?

**Justine Greening:** It is worth reflecting on the fact that two thirds of the people who will benefit from the national living wage increase—it is increasing by 4.4% from next April—will be women. Indeed, because of the tax changes we are making, with the increase in the personal allowance from 2015-16 to 2017-18, 800,000 women will be taken out of tax altogether, which is something we should all welcome.

**Jo Swinson** (East Dunbartonshire) (LD): We know that black and minority ethnic women face multiple disadvantages in society, and good information is crucial for sound policy making. I listened to the Minister's concerns about publishing such information on the impact of the Budget, but may I offer a solution? If the Government were to publish their own analysis of the impact of the Budget on gender and race, everybody would be able to see what the impacts are, and indeed Ministers would be able to make good policy decisions for all groups who are protected.

**Justine Greening:** As I have set out, it is difficult to do that, as the IFS has said. The underlying point, which I think everyone recognises, is that it is very difficult to do the analysis because it relies on assumptions about how income is shared within households. In relation to the outcomes for BAME women, and BAME people more broadly, 3.8 million ethnic minority people are now in work, which is a rise of 1.7 million since 2005. It is also worth telling the House that we are making a particular push on apprenticeships by ensuring that we see diversity among those who are taking them, and a growing number of BAME young people are doing so.

### Supporting Women back into Work

3. **James Cleverly** (Braintree) (Con): What steps the Government are taking to support women back into work when they have had time out of the workplace to look after children or other relatives. [902526]

**The Minister for Women (Anne Milton):** The 2017 spring Budget made £5 million available for returners in both the public sector and the private sector. We have already announced a number of programmes to help people return to work, including ones for allied health professionals, civil servants and social workers.

**Mr Speaker:** Order. That is all very interesting, but I thought the Minister was grouping this question with the one from the hon. Member for Dudley South (Mike Wood).

**Anne Milton:** My apologies, Mr Speaker. I will, with your permission, group this question with question 4.

4. **Mike Wood** (Dudley South) (Con): What steps the Government are taking to support women back into work when they have had time out of the workplace to look after children or other relatives. [902527]

1. [Official Report, 18 December 2017, Vol. 633, c. 4MC.]

**Mr Speaker:** Thank you. I call James Cleverly.

**James Cleverly:** The gender pay gap can be explained in part by professional and other women returning to the workplace in lesser roles than the ones they left to take time off to raise families or look after loved ones. Will my right hon. Friend highlight what the Government are doing to address that particular shortfall?

**Anne Milton:** I thank my hon. Friend for raising what is actually a very important point. It should be remembered that 89% of people who take time off work for caring responsibilities are women. Closing the gender pay gap is extremely important. Analysis by the Institute for Fiscal Studies has shown that women earn 2% less on average for every year spent out of paid work, and the figure is even higher for highly paid women. We are talking to employers, evaluating all the programmes and gathering evidence of what works, and we hope to publish guidance on best practice for small and medium-sized employers next spring.

**Mike Wood:** Will my right hon. Friend tell the House what measures the Government are taking to help employers to support women who have taken career breaks to care for children or other relatives?

**Anne Milton:** The £5 million available for returns programmes will also be aimed at employers. We must understand that a complex set of reasons put people off returning to work, and the evidence that will be gathered will be important in ensuring that the best practice guidance published in spring gives a clear direction to employers, to ensure that they can harness the skills of those who take time off work.

**Liz McInnes (Heywood and Middleton) (Lab):** Will the Minister explain what steps are being taken to ensure that older workers, including women born in the 1950s, who wish to return to work are given access to adequate training programmes in their local communities?

**Anne Milton:** The hon. Lady makes an important point—I declare an interest as I consider myself an older worker. She is right to say that people choose to return to work at various times, and we must ensure that facilities and retraining schemes are available. We must also dig deeper to find out what the obstacles are. Confidence building with women is a significant issue when they have taken time off, and the longer that someone is out of the workplace, the more difficult that becomes.

**Chris Elmore (Ogmore) (Lab):** According to the Government's own data, 54,000 women are discriminated against and forced out of work when they are pregnant. The £5 million announced for return to work schemes is, of course, enormously welcome, but will the Minister set out in more detail how many women will benefit from the scheme? What specific projects—she mentioned the civil service—will be introduced to try to get more women back into work after having a child?

**Anne Milton:** It is not just the civil service; we are looking at allied health professionals, civil servants and social workers. The social work programmes are in London, the west midlands, and the east of England.

The hon. Gentleman makes an important point: encouraging women to get back into the workplace is critical, and employers should be aware that there are very clear laws about what they can and cannot do when their employees take time off work for maternity leave.

**Mrs Maria Miller (Basingstoke) (Con):** As the hon. Member for Ogmore (Chris Elmore) said, despite some of the best laws in the world, women in this country who are in work face more discrimination when they are pregnant than they did 10 years ago, and that can also stop them getting back into work. Will the Government consider making it clearer that employment tribunals have discretion in allowing individuals to bring discrimination cases in special circumstances outside the general three-month limit? Surely pregnancy must be a very special circumstance indeed.

**Anne Milton:** My right hon. Friend is absolutely right—pregnancy is a very special circumstance, and women and employers are not always aware of their legal obligations. Some of the work that we are doing on gender pay gap reporting will be an important part of that, because it will highlight some of those issues and enable us to dig deeper into the reasons behind that pay gap. I have no doubt that some of it will be due to discrimination against women in the workplace.

**Paula Sherriff (Dewsbury) (Lab):** Further to the response that the Minister gave to my hon. Friend the Member for Ogmore (Chris Elmore), will she say what concrete action the Government are taking to address the fact that 54,000 women are forced out of work in this country every year due to maternity discrimination? Women want action, not just warm words.

**Anne Milton:** I point out to the hon. Lady that it is illegal and unlawful to discriminate in such a way, and employers are breaking the law in doing it. As constituency MPs, we can highlight to the women we meet or who come to our surgeries—*[Interruption.]* The hon. Lady says that she wants action from the Government, but action has been taken—it is against the law.

### Women's Refuges

5. **Tony Lloyd (Rochdale) (Lab):** What steps the Government are taking to increase provision of women's refuges. [902528]

7. **Vicky Foxcroft (Lewisham, Deptford) (Lab):** What steps the Government are taking to increase provision of women's refuges. [902531]

**The Parliamentary Under-Secretary of State for Communities and Local Government (Jake Berry):** Refuges provide vital support for victims of domestic abuse. Since 2014 we have invested a total of £33.5 million in services to support victims of domestic abuse, including supporting our refuges.

**Tony Lloyd:** The Minister will recognise that refuges are places of safety for women and children in flight from domestic violence and that in extreme cases they are literally life-saving, but does he understand the concern of organisations such as Women's Aid that the

changes to supported housing can have the effect of putting refugees under real pressure? Will he talk to his colleagues in the Department for Work and Pensions to make sure we get the answer right, so we have a national network of refugees?

**Jake Berry:** The hon. Gentleman raises a very important point. Knowing his experience with the police force, he will understand that this is an extremely complicated area. The Government are absolutely determined to get this right, because it is of vital importance that we do so. There is no question but that refugees provide a life-saving role in our community and that is why we are currently consulting on the best way to ensure their future funding is right to make sure they are supported as permanent parts of our community.

**Vicky Foxcroft:** Further to my hon. Friend's question, will the Minister agree to meet Women's Aid and other relevant organisations to ensure that we properly discuss their concerns about the new funding model for refugees?

**Jake Berry:** I reassure the hon. Lady that those discussions are already taking place. Ministers in my Department have already met Women's Aid. I know that it, and other organisations, will be playing an active part in the consultation on the future of funding for women's refugees. That consultation closes on 23 January and I encourage all organisations, and Members, to take part.

**Robert Jenrick (Newark) (Con):** Newark Women's Aid is without question one of the most inspiring organisations I have visited in my constituency. Its finances, however, are fragile. When considering future financial settlements for women's refugees, will the Minister ensure that the settlements are as long as possible—three or five years in length—to ensure the brave and brilliant people who run refugees have the security they need to continue?

**Jake Berry:** My hon. Friend raises a very important point. I encourage him and Newark Women's Aid to take part in the consultation. On the long-term funding of women's refugees, it is fair to say that nothing is off the table. The Government have not ruled out a national funding scheme, if our consultation shows that that is correct.

**Carolyn Harris (Swansea East) (Lab):** The Government's recently announced proposed reforms of supported housing suggest that entitlement to housing benefit when women enter a refuge will be paid directly to local authorities. This is effectively pulling the plug on secure funding and jeopardising the security of life-saving refuge organisations. Given the comments the Minister has made this morning, and the assurances that he will work with the refugees, will he meet me and refuge organisations to discuss their grave concerns about the sustainability of this model?

**Jake Berry:** Representing the Department for Communities and Local Government, I find quite offensive the idea that giving funding direct to local authorities to support women in crisis in their community is in some way pulling the plug on them. We have been absolutely clear that we will continue to review the funding for care

and support, and whether housing costs should be paid direct as grants to local authorities or not. We continue to explore all the options, including a national model for refuge provision.

### Balancing Work with Childcare Responsibilities

6. **Jim Shannon (Strangford) (DUP):** What steps the Government is taking to help (a) women and (b) men balance work with childcare responsibilities. [902529]

**The Minister for Children and Families (Mr Robert Goodwill):** Childcare is often the biggest challenge for working families. The Government are committed to supporting men and women to balance work and care obligations. That is why we have doubled the childcare entitlement for working parents of three and four-year-olds in England from 15 to 30 hours, and introduced tax-free childcare, which is available in Ulster. The right to request flexible working also enables parents to arrange care in a way that works for them.

**Jim Shannon:** Will the Minister outline how the Government intend to practically, and even financially, support small and medium-sized businesses, who incidentally are collectively the largest employers in Northern Ireland, to fulfil their obligation to consider and implement, where practical, flexible working times for parents?

**Mr Goodwill:** Flexible working is good for the employer as well as the employee, helping morale, motivation and productivity. It is vital in these times that businesses retain and recruit key staff. Progressive companies understand this and how flexible working is an essential element in securing success. We are working with employer groups and others on how best to promote genuine two-way flexible working.

**Eddie Hughes (Walsall North) (Con):** Fathers also have a critical role to play in childcare, but the Women and Equalities Committee heard recently from some fathers who suggested that the take-up of paternity leave was very low. What more can the Minister do to encourage fathers to play an active role in early childcare?

**Mr Goodwill:** It is not necessarily just a question of what the Government can do; a great deal more cultural change is needed as well. Shared parental leave was introduced in April 2015, but we would like the take-up to increase.

### Caste as a Protected Characteristic

9. **Bob Blackman (Harrow East) (Con):** When she plans to respond to the Government's consultation on caste as a protected characteristic in equality legislation. [902533]

**The Minister for Equalities (Nick Gibb):** The public consultation on how best to ensure that there is appropriate and proportionate legal protection against caste discrimination closed on 18 September. We received more than 13,000 responses, which are currently being analysed, and we will respond in due course.

**Bob Blackman:** Given the thousands of responses from British Hindus saying that having caste as a protected characteristic in equality law is unnecessary and divisive, will my right hon. Friend take action to remove that provision—which was introduced by the Labour party—from the legislative book?

**Nick Gibb:** We appreciate that caste is an extremely sensitive and emotive subject which is important to many people, but there is clearly no unanimous view among consultation respondents about how best to provide the necessary legal protection against caste discrimination. We are therefore considering the responses very carefully, and will be taking account of all the relevant points raised when deciding how to proceed.

**Kate Green (Stretford and Urmston) (Lab):** Does the Minister recognise that leaving people to rely only on case law would not be sufficient, because they would be uncertain whether their cases would necessarily accord with decisions in previous cases, and does he agree that legislation is necessary for that reason?

**Nick Gibb:** The hon. Lady has expressed an opinion, and so has my hon. Friend the Member for Harrow East (Bob Blackman). As I have said, we are looking at 13,000 opinions. We completely oppose any form of discrimination related to a person's caste, but the way in which we ensure that that does not happen must be proportionate. We will respond to the consultation in due course.

#### People with Disabilities: Changing Facilities

10. **Mims Davies (Eastleigh) (Con):** What steps the Government are taking to ensure that changing facilities are available in toilets for people with disabilities. [902534]

**The Parliamentary Under-Secretary of State for Communities and Local Government (Jake Berry):** The Government recognise that the provision of changing facilities is an important issue for people whose needs are not met by standard public lavatories. We have worked with Mencap and the Changing Places campaign to improve provision. In particular, we have provided funds for a searchable application to enable people to find their nearest Changing Places lavatories.

**Mims Davies:** I thank Changing Places for the work that it has done to improve facilities throughout the country, and I thank local campaigners for approaching me. They are right to campaign for more suitable facilities in areas of leisure such as football stadiums where people can be changed with dignity and in safety. Will the Minister outline further Government support?

**Jake Berry:** Owing to the campaigning of my hon. Friend and other organisations, since 2007 the number of Changing Places lavatories has increased from 140 to more than 1,000, but there are still not enough. I remind those in charge of all public buildings, and all buildings in which services are provided, that they have a duty under the Equality Act 2010 to make reasonable adjustments to ensure that changing places can be installed.

**Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP):** As chair of the all-party parliamentary group for disability, I hear repeated distressing

stories about disabled children being changed on toilet floors owing to lack of provision. That is unacceptable, and also degrading, in today's society. Will the Government consider putting Changing Places toilets on a statutory footing?

**Jake Berry:** Under the Equality Act, there is already a requirement to make reasonable adjustments to ensure that changing places are provided. Other alterations would have to be made in building regulations. We are currently undertaking a building regulations review, and I do not wish to prejudge its conclusions, but let me highlight the extent of the problem. Only nine train stations out of a total of 2,500, only 12 motorway service stations out of nearly 100 and only 50 out of nearly 500 shopping centres have changing places. That is simply not good enough.

#### Topical Questions

T1. [902539] **James Duddridge (Rochford and Southend East) (Con):** If she will make a statement on her departmental responsibilities.

**The Minister for Women and Equalities (Justine Greening):** Over the past month, Mr Speaker, we were both, along with many colleagues from across the House, able to attend the event recognising the Patchwork Foundation's excellent work engaging under-represented groups in politics. I was also lucky enough to be able to join the UK Youth Parliament in Parliament a few Fridays ago, when it debated important equalities issues such as LGBT rights and the need for a more diverse Parliament over the coming years.

Increasing diversity in Parliament is critical. The Government also remain committed to increasing equality in the workplace and it is good news that the new gender pay gap reporting released last month shows that the full-time gender pay gap is now the lowest it has ever been. Of course, this week marks the launch of our latest programme for returners in the public sector, for those wishing to rejoin the civil service. My Department is leading the way by offering returner places within the Government Equalities Office.

**James Duddridge:** What steps is the Minister planning to take to celebrate the centenary of women being able to vote?

**Justine Greening:** We have announced a £5 million fund that will do three things. First, it will help us fund the statue of Millicent Fawcett in Parliament Square. Secondly, there will be grassroots funding and we are alerting community organisations around the country so that they can do their own local projects. Thirdly, as we announced in the Budget yesterday, seven centenary cities and towns in England with a strong suffrage history will receive funding to make sure that the places where the push for women's votes was strongest can play their role in helping us remember such an important milestone.

**Mr Speaker:** Parliament itself is very much engaged with these matters, of course, and that will take the form of a huge exhibition in the course of 2018, which I am sure all colleagues will wish to visit and to encourage others to visit.

**Dawn Butler** (Brent Central) (Lab): Yesterday's Budget proved that austerity is a failed economic project and women have paid the price. Since 2010, 86% of net savings to the Treasury have come from women. Last year, the Treasury refused to send a Minister to the Women and Equalities Committee to answer questions about the impact of the Government's budget plans and fiscal statements on women. The intersectionality of the cuts takes into account all the benefits to women, and they are still 10 or 12 times worse off. If the Minister disagrees, does she not think that it is about time for a comprehensive equality impact assessment to be conducted by the Government and for the Treasury to be held to account on the impact of their policies on women and diverse communities?

**Justine Greening:** In the fact-free environment in which the Opposition live, it is easy to ignore what respected commentators such as the Institute for Fiscal Studies say about that analysis. It has said that

"what is possible falls a long way short of a full gender impact assessment."

The IFS makes that point because the analysis of the Budget considers tax and welfare but does not and cannot take into account the impact of the national living wage, the childcare policies this Government have introduced, the work we have done on the gender pay gap, or the legal changes we have made on shared parental leave and flexible working. It gives a very narrow picture of how much the Government are doing to support women. The other point that has been missed is that there are now more women in work than ever before. If we are really interested in women's economic empowerment, surely that is the main statistic we should focus on.

**Mr Speaker:** I call David Morris—he is not here. Where is the fellow? An extraordinary business; he is no doubt in Morecambe. What a pity. Nevertheless, Mr Cleverly is here, so let's hear him.

T3. [902545] **James Cleverly** (Braintree) (Con): Does my right hon. Friend share my encouragement that more than 100,000 people took part in the Government's LGBT survey? What further steps is she taking to ensure greater LGBT equality in British society?

**The Minister for Equalities (Nick Gibb):** The survey received an unprecedented response, making it one of the largest LGBT surveys in the world. We will analyse those results closely and set out further steps to promote LGBT equality next year. My hon. Friend will be pleased to know that we are taking other action, including running a large anti-homophobic, biphobic and transphobic bullying programme in our schools.

**Ellie Reeves** (Lewisham West and Penge) (Lab): Recent research by the Fawcett Society showed that it would take 100 years to close the gender pay gap at the current rate of change, and a report by the Women and Equalities Committee has suggested that we will achieve true economic equality only if we move to make all jobs flexible by default and introduce non-transferable paid paternity leave. What steps will the Government take to enact those recommendations?

**Justine Greening:** This is an important topic. Paying men and women unequally for the same work has been unlawful for nearly 50 years, and I spoke directly with Frances O'Grady only yesterday about the need for us to work collectively to tackle this. The Department for Education also held a flexible working summit with the teaching profession last month. I agree that improving flexible working is part of how we can ensure that women are better able to get back into the workplace. In relation to equal pay, that is a legal requirement and gender pay gap transparency is part of how we can continue to shine a light on this range of issues.

T4. [902546] **Chris Philp** (Croydon South) (Con): Many women's rights campaigners have raised concerns about women's safety in relation to the use of women's facilities, ranging from toilets right through to women's prisons, where people who were born men use them simply on the basis of self-certifying that they are now women. What response will the Secretary of State give to those women's rights campaigners who are concerned about women's safety?

**Nick Gibb:** The Equality Act 2010 allows organisations to provide single-sex services and we have no intention of changing the safeguards that are already in place to protect vulnerable women by providing those services. The consultation on the reform of the Gender Recognition Act 2004 will be a wide and open consultation, and we want to hear views from all stakeholders, including women's groups and refuges.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. I am afraid that we are out of time, and there is heavy pressure on business today, but I am going to make an exception. The voice of Kettering must be heard, and I call Mr Philip Hollobone.

**Mr Philip Hollobone** (Kettering) (Con): The noble Lord, Lord Shinkwin, is a leading disability rights campaigner and was a superb nominee for the post of Disability Commissioner. After his nomination was made known to the Equality and Human Rights Commission, however, the post was abolished. Has the Government Equalities Office informed the Prime Minister's office of this disgraceful development, and if so, when?

**Nick Gibb:** The roles and responsibilities given to board members of the Equality and Human Rights Commission are matters for the commission itself, and the Government have no power to reinstate the EHRC's Disability Commissioner role.

**Mrs Maria Miller** (Basingstoke) (Con) *rose*—

**Mr Speaker:** Far be it from me to deny the Chair of the Women and Equalities Select Committee of the House the final question of this session. I call Mrs Maria Miller.

**Mrs Miller:** Parliament and the Leader of the House are tackling the difficult issue of sexual harassment in this place, and that is to be applauded, but 50% of women in the workplace in general suffer sexual harassment.

What are the Government going to do to ensure that the strong laws set out in the Equality Act 2010 and beyond are actually abided by, by businesses in this country?

**Justine Greening:** The debate that we have been having in this place is part of how we raise these issues of sexual harassment in the workplace. We need to be clear

that it is illegal and unacceptable, and that it needs to be stamped out wherever we see it. There is legal protection, but we are increasingly understanding that attitudes fundamentally need to change. Also, the Department for Education can play a clear role in ensuring that young people at school get the kind of education that they need to understand that these attitudes are unacceptable, and that they get that from an early age.

## Uber: Personal Data Theft

10.38 am

**Wes Streeting** (Ilford North) (Lab) (*Urgent Question*): To ask the Secretary of State for Digital, Culture, Media and Sport to make a statement on Government responsibilities and policies for protecting British citizens, following the theft of the personal data of 57 million Uber customers and drivers.

**The Minister for Digital (Matt Hancock)**: Late on Tuesday, we were notified by the media of a potentially significant data breach of Uber driver and customer data. Uber had failed to tell the UK authorities before it spoke to the media about this. The breach appears to date back over a year and to involve Uber paying criminals money to try to prevent further data loss. We are told that some UK citizens' data is affected.

We are verifying the extent and the amount of information. When we have a sufficient assessment, we will publish the details of the impact on UK citizens, and we plan to do that in a matter of days. As far as we can tell, the hack was not perpetrated in the UK, so our role is to understand how UK citizens are affected. We are working with the Information Commissioner's Office and the National Cyber Security Centre, and they are talking to the US Federal Trade Commission and others to get to the bottom of things.

At this stage, our initial assessment is that the stolen information is not the sort that would allow direct financial crime, but we are working urgently to verify that further, and we rule nothing out. Our advice to Uber drivers and customers is to be vigilant and to monitor accounts, especially for phishing activity. If anyone thinks they are a victim, contact the Action Fraud helpline and follow the NCSC guidance on passwords and best practice.

More broadly, the general data protection regulation and the new Data Protection Bill, which is currently before the other place, will introduce a package of tougher measures to address data breaches. Delayed reporting is already an aggravating factor, but the new Bill will require organisations to report breaches likely to impact on data subjects to the Information Commissioner within 72 hours of becoming aware of one. In serious cases, they will also have to notify those affected by the breach. The commissioner will have increased powers to respond in the way that she considers appropriate, including with fines of up to £18 million or 4% of global turnover. We are making further assessments as I speak, and we will keep the public and the House updated.

**Wes Streeting**: I thank the Minister for that reply. Did I hear correctly that, even after the Government learned about the data breach, they are still not in a position to tell the public how many customers and drivers in the UK have had their personal data compromised? If so, that is outrageous on Uber's part. Uber apparently paid criminal hackers \$100,000 to delete the data and keep quiet, but what assurances do we have that the data of Uber customers and drivers is not in the hands of hackers or criminals today?

UK authorities have acted swiftly since the security breach came to light, so will the Government therefore push for the toughest penalties to punish Uber for this

outrageous dereliction of its ethical and legal obligations to the public? Under EU law, Uber could face a fine of €20 million or 4% of its annual global turnover—whichever is greater—but the maximum fine from the ICO is just half a million pounds. Will the Minister review the maximum fines in the UK once we leave the EU? In any case, does he really think that a fine will cut it in this case? Does he think that a company that covers up the theft of data and pays a ransom to criminal hackers can possibly be considered a fit and proper operator of licensed minicabs in our towns and cities? If not, what are the Government going to do about it? When Transport for London finally took action over Uber's abysmal safety record, the Conservative party handed out leaflets attacking the Mayor. Does the Minister agree that that is not a good look for the Government today, and will he revisit that choice?

Like the Minister, I am pro-tech, pro-competition and pro-innovation, but given that Uber stands accused by the Metropolitan Police of failing to handle serious allegations of rape and sexual assault appropriately, given that Uber has to be dragged through the courts to provide its drivers with basic employment rights and to pay its fair share of VAT and given that we now know that Uber plays fast and loose with the personal data of its 57 million customers and drivers, is it not time that the Government stopped cosyng up to this grubby, unethical company and started standing up for the public interest?

**Matt Hancock**: Licensing taxi companies and private hire companies is rightly for local authorities. This is a data protection issue, and we are dealing with it with the utmost urgency. The hon. Gentleman mentioned fines, and we are currently legislating for the higher fines that I mentioned in my initial response, and that legislation will come to this House after Christmas. As for ensuring that organisations that think that the data they hold on behalf of customers or others has been breached, they already have a responsibility to protect that data. In future, they will have a responsibility to inform the authorities within 72 hours. Delaying notification is unacceptable unless there is a very good reason and is, as I said, an aggravating factor when the Information Commissioner looks into such cases.

**Bob Blackman** (Harrow East) (Con): I thank my right hon. Friend for his answers. Given the knowledge he has already gleaned from this disgraceful data breach, does he propose to make any further amendments to the Data Protection Bill, which has been brought before the Lords and which will come here in due course, to strengthen the powers to make sure that companies report such breaches at an early stage and take further measures to safeguard customers' personal data?

**Matt Hancock**: We can debate that when the Bill comes to this House. As it happens, on our initial assessment, the two most concerning issues—the delay in notification and the need for recourse and fines, not just to punish bad behaviour but to incentivise good behaviour—are already covered in the Bill, but we can have that debate in due course, when we have a fuller assessment of the information and more confidence in that assessment, when the Bill comes before us.

**Kevin Brennan** (Cardiff West) (Lab): When Transport for London announced on 22 September that it would not renew Uber's licence in London, Uber emailed its customers the very same day to ask them to protest against the decision. Does the Minister agree that if it could email all its customers then, it should do so now, and begin that communication with an apology?

I would be grateful if the Minister answered the following questions. Can he give us a rough idea—I know he said he was looking into the precise figures—of how many customers and drivers in the UK had their personal information compromised by the hack and what kind of data was compromised? What was the first contact Uber had with the Government and when did it happen? When did he personally become aware of this security breach? In his view and that of the Government, has Uber broken current UK law? If Uber has not done so already, will the Minister or the Secretary of State call Uber into the Department immediately, or over the weekend if necessary, to explain itself and give more information about the breach?

Given the magnitude of the breach, has the Minister satisfied himself about the facts of the case, particularly given that if regulation requires strengthening, we can do it right now in the other place in the Data Protection Bill, as he has pointed out? I think that he said in his answer that he learned about the breach on Tuesday. Can he confirm that despite that, just yesterday in the House of Lords, the Government blocked the ability of consumer groups such as Which? to initiate action for victims of data breaches? Will he commit now—I think that he said he was prepared to make some movement—to reversing that position when the amendment comes before the House of Lords on Report, to show that we are on the side of consumers and employers, not huge corporations that are careless with our data?

**Matt Hancock:** I will try to address all the hon. Gentleman's questions. We do not have sufficient confidence in the number that Uber has told us to go public on it, but we are working with the National Cyber Security Centre and the ICO to have more confidence in the figure. He will remember in the Equifax breach that the initial figure suggested went up. We want to get to the bottom of it and will publish further details within days, and if required I will be happy to come before the House to take further questions.

The hon. Gentleman asked when I personally knew about the breach. I knew about it when I was alerted by the media. As far as we are aware, the first notification to UK authorities—whether the Government, the ICO or the NCSC—was through the media. He asked whether Uber has done anything illegal under current UK law, which of course would be a matter for the courts, but I think there is a very high chance that it has.

The hon. Gentleman asked about taking action on behalf of data subjects following a data breach. I am strongly in favour of people being able to take action following a data breach, and we are legislating for that. The question debated yesterday in the other place was whether people should have to give their consent to action being taken on their behalf, and the whole principle behind the Data Protection Bill is to increase the level of consent required and people's control over their own

data. The proposed amendment pushed in the opposite direction, which is why we rejected it yesterday, but we will have the debate in this House, too.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. I advise the House that I am very keen to press on to the next business at 11 o'clock, so people should pose single-sentence, short questions, which will be addressed with the characteristic succinctness of the Minister for Digital.

**Mims Davies** (Eastleigh) (Con): The situation is extremely concerning not only for London users but for users of Uber South Coast, which operates in and around Southampton. What is the Minister doing to hold to account companies that lose data and then seek to hide from their responsibilities?

**Matt Hancock:** Not only will we, of course, use the full force of the existing law, but we are strengthening the law to give people more power and control over their data.

**Drew Hendry** (Inverness, Nairn, Badenoch and Strathspey) (SNP): People across the UK will be shocked that Uber failed to notify the Information Commissioner, the National Cyber Security Centre or the UK Government. Given the current climate, covering up this breach and paying hackers could actually stimulate the growth of cyber-crime. What measures will the Minister consider to hold Uber to account? If people in Scotland are affected, will he work with the Scottish Government and share information with them?

**Matt Hancock:** Yes, of course I will. We rule nothing out.

**Rebecca Pow** (Taunton Deane) (Con): Obviously, there will be an awful lot of very worried people out there with Uber accounts. Can we please have some reassurance from the Minister that, first, Uber will be held to account and, secondly, that we have the right legislation and structures in place to stop such things happening?

**Matt Hancock:** Yes, I give the assurance that, at this stage, our initial assessment is that, for Uber customers, the stolen information is not the sort that would allow direct financial crime. People just need to make sure that they do not respond to phishing emails and that they follow NSCS guidance.

**Daniel Zeichner** (Cambridge) (Lab): Uber's scandalous disregard for the rights of the millions of people who have entrusted it with their personal data shows that we need stronger protection. There was a suggestion in yesterday's Budget that there will be a centre for data ethics. Can the Minister shed some light on the centre's relationship with the Information Commissioner's Office to ensure that we can deal with these over-mighty companies in the way that my hon. Friend the Member for Ilford North (Wes Streeting) suggested?

**Matt Hancock:** This is an important subject. The Information Commissioner, of course, is the regulator, and we think that there is a broader question to ensure

that the modern use of data is both innovative and follows a decent set of ethics, which is what the proposed centre is all about.

**Tom Pursglove** (Corby) (Con): Does my right hon. Friend intend to have any discussions with his international counterparts, given the international and cross-border nature of the problem?

**Matt Hancock:** Yes. As I said, we have already had discussions with the US Federal Trade Commission and with the Dutch authorities—Uber's European headquarters is in Holland, so they are pertinent to the matter.

**Christine Jardine** (Edinburgh West) (LD): The Minister has mentioned the forthcoming data protection regulations, but there is currently no requirement for a private company to report a data breach, although it is recommended. What will the Government do, between now and the introduction of the data protection regulations, to ensure that companies make people aware when their data is stolen?

**Matt Hancock:** The new data protection rules will come into force on 25 May 2018, and it is important that we get the Bill through before then. The premise of the hon. Lady's question is not quite right. It is already an aggravating factor if a breach is not reported promptly.

**James Cleverly** (Braintree) (Con): Market disrupters that not only rely on data but are driven by data will increasingly play an important part in the UK economy. What steps is the Department taking to ensure the confidence of the British public in such data-driven market disrupters?

**Matt Hancock:** The single best thing anybody in this House can do to try to improve our ability to respond to this sort of issue is to vote for the Data Protection Bill when it comes before this House.

**Jim Shannon** (Strangford) (DUP): I thank the Minister for his response. How will he enable big businesses to grasp their responsibility for private, detailed, confidential and significant personal data? They need to protect it as though it is their very own, and it is clear that at the moment they simply do not do that.

**Matt Hancock:** There is a lot of sense in what the hon. Gentleman says, and I hope that the action we are taking is everything we can do to keep people's data safe in response to this incident. More broadly, strengthening the rules will help give people more control over their data and help to punish those who do not have high data protection standards.

## Business of the House

10.55 am

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

**The Leader of the House of Commons (Andrea Leadsom):** In an attempt to be as helpful as possible to the House, and with your prior agreement, Mr Speaker, I should like to give the provisional business for the period up until the Christmas recess. The business for the week commencing 27 November will include:

MONDAY 27 NOVEMBER—Continuation of the Budget debate.

TUESDAY 28 NOVEMBER—Conclusion of the Budget debate.

WEDNESDAY 29 NOVEMBER—Opposition day (5th allotted day). There will be a debate on a motion in the name of the Scottish National party. Subject to be announced.

THURSDAY 30 NOVEMBER—Debate on a motion on treatment of small and medium-sized enterprises by RBS Global Restructuring Group, followed by debate on a motion on mental health and suicide within the autism community. The subjects for these debates were determined by the Backbench Business Committee.

FRIDAY 1 DECEMBER—Private Members' Bills.

The provisional business for the week commencing 4 December will include:

MONDAY 4 DECEMBER—Continuation in Committee of the European Union (Withdrawal) Bill (day 4).

TUESDAY 5 DECEMBER—Opposition day (6th allotted day): there will be a debate on an Opposition motion. Subject to be announced.

WEDNESDAY 6 DECEMBER—Continuation in Committee of the European Union (Withdrawal) Bill (day 5).

THURSDAY 7 DECEMBER—Debate on a motion on prison reform and safety, followed by general debate on the UK fishing industry. The subjects for these debates were determined by the Backbench Business Committee.

FRIDAY 8 DECEMBER—The House will not be sitting.

The provisional business for the week commencing 11 December will include:

MONDAY 11 DECEMBER—Second Reading of the Finance Bill.

TUESDAY 12 DECEMBER—Continuation in Committee of the European Union (Withdrawal) Bill (day 6).

WEDNESDAY 13 DECEMBER—Continuation in Committee of the European Union (Withdrawal) Bill (day 7).

THURSDAY 14 DECEMBER—Business to be nominated by the Backbench Business Committee.

FRIDAY 15 DECEMBER—The House will not be sitting.

The provisional business for the week commencing 18 December will include:

MONDAY 18 DECEMBER—Consideration in Committee of the Finance Bill (day 1).

TUESDAY 19 DECEMBER—Continuation in Committee of the Finance Bill (day 2).

WEDNESDAY 20 DECEMBER—Conclusion of consideration in Committee of the European Union (Withdrawal) Bill (day 8).

[*Andrea Leadsom*]

THURSDAY 21 DECEMBER—Business to be nominated by the Backbench Business Committee.

FRIDAY 22 DECEMBER—The House will not be sitting.

I should like to inform the House that the debate on restoration and renewal will take place on Thursday 11 January 2018.

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

MONDAY 4 DECEMBER—Debate on an e-petition relating to public sector pay.

MONDAY 11 DECEMBER—Debate on e-petitions relating to a referendum on the deal for the UK's exit from the European Union.

TUESDAY 12 DECEMBER—General debate on funding for domestic violence refuges.

TUESDAY 19 DECEMBER—General debate on the steel sector deal.

This week, the working group on an independent grievance policy held further meetings. I am pleased to report the positive progress we are making, and I thank colleagues for the constructive way in which we are all working together. All members of the working group are committed to bringing our proposals to the House before it rises on 21 December. The group has already received a number of contributions, all of which will inform the final policy, and we have commissioned a survey, which will be distributed to staff who work in and outside the parliamentary estate this week. The working group is balancing the need for fast action with thorough due diligence, and I will continue to update the House.

In the light of our work on harassment, it is right to mention that this Saturday is International Day for the Elimination of Violence against Women. We in this House stand with all those who are working to put an end to gender-based violence.

Finally, I congratulate Her Majesty and the Duke of Edinburgh on the occasion of their 70th wedding anniversary. I think the whole country has been inspired by their wonderful achievement.

**Mr Speaker:** Order. I should just say that there is heavy pressure on time today. The phenomenon of colleagues beetling into the Chamber after the Leader of the House has started to give the business has been growing in recent times. It is really very unsatisfactory. Members must keep an eye on the monitors and make sure that they are here on time. It is not fair to come late and then expect to be called, delaying progress to later business and opportunities for colleagues to participate in that business. Frankly, I am today disinclined to call people who turned up late. Their conduct must improve.

**Valerie Vaz:** I thank the Leader of the House for helpfully giving us the forthcoming business all the way up to the Christmas recess. I also thank her for the extra Opposition day, which is very useful.

I am slightly saddened that the date given for the debate on restoration and renewal was not when the Leader of the House originally said she intended it to be—she said it would be before Christmas—and that it is now scheduled for a Thursday, which is not particularly

helpful for Members who come from far-flung constituencies. Will she consider holding the debate earlier in the week, and may we have a look at the motion before we rise for recess? It has been 14 months since the report—[*Interruption.*] Sorry, is there a problem? The hon. Member for Newark (Robert Jenrick) is a lawyer, so he ought to know that judges would not put up with this. It has been 14 months since the report on restoration and renewal, and the costs are increasing every time they are mentioned.

Last week, I asked about the list of Ministers' interests, but the Leader of the House did not respond to that point and nor did she write to me. As of yesterday, the list had not been updated since December last year. Will she ensure that it is updated as soon as possible, particularly as trade negotiations are ongoing? We want to ensure that there is transparency and no conflict of interests.

Is the Leader of the House aware of when the EU sectoral impact assessments that have been requested are going to be provided to the Chair of the Exiting the European Union Committee, my right hon. Friend the Member for Leeds Central (Hilary Benn)? I think the deadline is on Tuesday; I am sure she is aware of the possible sanctions for missing it.

May we have a statement on the £3 billion in the Budget for preparations for our exit from the European Union? No detail was given. We know that the Department for Exiting the European Union has 300 staff and that the Department for International Trade has 2,000. Will the Leader of the House be explicit about exactly what that money is for, or could the Chancellor make a statement?

Other than the withdrawal agreement and implementation Bill, we are still waiting for the Bills on immigration, fisheries and agriculture; will the Leader of the House please say when they will be published?

Despite the Secretary of State for Exiting the European Union saying that we would not, we have lost the European Banking Authority to France and the European Medicines Agency to Holland. We are also losing our influence because we have lost our judge on the International Court of Justice.

Will the Leader of the House do the House the courtesy of providing time for a debate or oral statement on the forensic services? In 2012, the coalition Government sold off the Forensic Science Service. Despite warnings at the time and the National Audit Office warning that standards were slipping two years ago, the Minister for Policing and the Fire Service confirmed in a written statement on Tuesday that tests by Trimega between 2010 and 2014 and by Randox Testing Services between 2013 and 2014 are being treated as potentially unreliable. The police were informed that there might have been manipulation of test results, affecting almost 10,000 cases. Customers include local authorities, individuals' legal representatives, employers and the police. The House needs to know what the Government will do to restore public confidence in forensic science and to restore the Forensic Science Service. The Minister must come to the House, as requested by my hon. Friend the Member for Sheffield, Heeley (Louise Haigh).

If it is not being sold off, it is being cut, so may we have an urgent statement from the Justice Secretary? In response to a written question from the shadow Justice Secretary, my hon. Friend the Member for Leeds East

(Richard Burgon), it was said that the Ministry of Justice will have suffered cumulative cuts of 40% in its budget in the fiscal decade ending 2020. The right hon. Member for Aylesbury (Mr Lidington), the former Leader of the House, has now gone to a Department that has actually been cut in half. The Law Society says that the cuts are having a real impact on the ability of the most vulnerable in our society to access justice—so justice for the few, not the many.

The Chancellor has forgotten about defending our country, as there is nothing on defence; forgotten about the elderly, as there is nothing on social care; forgotten about students, as there is nothing on student finance or on the review of university finance; forgotten about those who work in the public sector or local government who provide services that underpin our communities; forgotten about affordable homes; forgotten how much was set aside for the liabilities that we will have to pay to the EU; and forgotten about mental health. There is £28 billion to a cash-rich local authority and nothing to anyone else. May we have a statement on all those topics?

There is no innovation, just stagnation. The Chancellor did not mention that the Office for Budget Responsibility had said that Brexit played a part in weak productivity, which has resulted in a revised downward growth forecast. There was also no measure to kick-start a stagnant economy. The pound has fallen today. Can we have a statement from the Chancellor on what will be done about that?

The Government cannot win an argument, which is why the Lord Commissioner of Her Majesty's Treasury, the hon. Member for Burton (Andrew Griffiths), had to resort to personal insults to the Leader of the Opposition yesterday. Mr Speaker, you were not here, but there were plenty of seats behind the Prime Minister at PMQs and during the Chancellor's Budget speech, so there was no need to sit on the stairs. We debate in this Chamber, not sledge—that is for cricket matches.

Sorry, I have forgotten something—there was one innovative thing in the Chancellor's speech. He and the Government seem obsessed by driverless cars. We know why—when driverless cars crash, there is no driver to take the blame.

**Andrea Leadsom:** Personally, I am delighted that the Government are embracing the opportunities of future technology and the high-skilled jobs of the future. I regret that the hon. Lady seeks to downplay the importance of new technologies in creating a bright future for the United Kingdom.

The hon. Lady asks about the debate on the restoration and renewal of the Palace. I encourage all hon. Members to please come to my third drop-in session next Tuesday evening where the engineers for the R&R programme will be on hand to answer questions. I will be there to hear all views on what we should be doing about this fantastic Palace of Westminster. It is right that we get a grip on it. That is what we are doing and why we will be having a debate on 11 January. I encourage all Members to ensure that they are aware of the issues before then.

The hon. Lady asks about the impact assessments. As I have said many times, we will absolutely meet the obligations of the motion that was passed by the House. She asks for information on the breakdown of the

Budget for preparedness for leaving the EU. She will appreciate that, as we leave the EU, there are requirements that we be ready by having new systems and procedures in place. It is quite right that the Chancellor provide funding for those new systems and procedures. As we go through the Brexit legislation, the extent of excellent preparation work that is going on among all Departments will be very apparent. She asks about the immigration, fisheries and agriculture Bills; I can tell her that they will all be coming forward in due course. Much work is already under way to prepare for that.

The hon. Lady also asks about the UK's influence in the world. I am sure that she does not mean to talk down our great country. We on the Government Benches are extremely optimistic about the future for the United Kingdom as we seek to leave the EU. We have very strong support: we are a key member of the United Nations Security Council; and we are absolutely key to many of the international agencies around the world, not least of which is in our support for international aid, which is something that I am sure she will welcome.

The hon. Lady asked specifically about the forensic science services. The report is very concerning and I am sure that much more will be said about it in due course. Hon. Members may well wish to raise the matter in questions at the first opportunity. She also asked about the 40% cuts in the Ministry of Justice budget. Justice questions are on 5 December. As she will be aware, all Departments are looking to make efficiency savings, and it is not the case that cuts automatically mean less access to any service. The efficiencies being made right across Government are to be welcomed as they offer better value to the taxpayer.

Finally, the hon. Lady mentioned yesterday's Budget. The Chancellor delivered a Budget that will support a Britain that is fit for the future. We have scrapped stamp duty for more than 80% of first-time buyers, which is fantastic news for young people. We have increased the living wage, which is great news for low earners. We have also cut income tax and frozen fuel duty. These measures support everyone in the UK, providing a particular boost for the lowest paid and for young people looking to get on the housing ladder. The Budget proves that we are taking a balanced approach to the economy while supporting even more people in their everyday lives.

**Mr Ian Liddell-Grainger** (Bridgwater and West Somerset) (Con): I am one of the offenders to whom you referred, Mr Speaker, as I said last time when I threw myself at your mercy. I am grateful that you gave us another telling off, but I was on time—

**Mr Speaker:** Order. I was not aware that the hon. Gentleman had been late. [*Interruption.*] The hon. Member for Gainsborough (Sir Edward Leigh) is chuntering from a sedentary position to no obvious benefit or purpose, for the simple reason that I have not the foggiest idea from this distance what he is chuntering about. I am sure that he has a good point; in subsequent years, no doubt, he will tell me what it is. Meanwhile, he can sit quietly and await his fate while we hear from the hon. Member for Bridgwater and West Somerset (Mr Liddell-Grainger).

**Mr Liddell-Grainger:** I will not chunter.

[Mr Liddell-Grainger]

The Leader of the House is fully aware that we are trying to get Hinkley Point C built as soon as possible. One problem is the A358, which is now subject to yet another consultation. Taunton Deane Borough Council has blatantly lied that the road go-ahead has been given. That is not true. Could we please have a debate on the issue, as the Hinkley C project is of massive international and national importance?

**Andrea Leadsom:** My hon. Friend raises a point that is of grave concern to him. I encourage him to take it up with Department for Communities and Local Government Ministers.

**Patrick Grady** (Glasgow North) (SNP): My hon. Friend the Member for Perth and North Perthshire (Pete Wishart) has sent his apologies to you, Mr Speaker, and to his counterparts.

I welcome the appointment of Sarah Clarke as the new Black Rod—the first woman to hold the post. I notice that her appointment follows the announcement of the first female Doctor Who. One of them inhabits a weird and wacky parallel universe full of dinosaurs and relics from the past, and the other flies around in a Tardis. It seems that the Leader of the House has also acquired a time machine, though, because the pre-Christmas debate on restoration and renewal will now take place before Christmas 2018, in the new year.

Another pioneering woman was Winnie Ewing. We are grateful to you, Mr Speaker, for the use of your state rooms to mark the 50th anniversary of her maiden speech here and 50 continuous years of Scottish National party representation. It is quite timely that next Wednesday the SNP will have its first Opposition day since before the election. I know that the House is in a state of breathless anticipation, waiting to find out which topics we will choose and whether the Government will maintain their policy of abstaining on Opposition day motions.

We welcomed the Chancellor's announcement yesterday that he is scrapping VAT on Scotland's fire and police services, although there is still the unresolved matter of the £140 million that has already been paid. It is interesting that Scotland's Tory MPs are trying to claim credit for the Chancellor's change of heart, because they have tried to shout down SNP Members whenever we have raised the matter. That prompts the question: what is the point of the Scottish Tory MPs? A couple of weeks ago, the Leader of the House told us that it was their job to "hold the Scottish Government to account"—[*Official Report*, 26 October 2017; Vol. 630, c. 461.]

But she told me in a written answer that of course the place to hold Scottish Ministers to account is the Scottish Parliament, from whence many of her colleagues came. If they are so obsessed with the performance of the Scottish Government, maybe they should go back. Perhaps when we announce our Opposition day topics, we will find out whether the Leader of the House's Scottish colleagues are able to get on with their day job by joining SNP MPs in holding the UK Government to account.

**Andrea Leadsom:** First, I wish the hon. Member for Perth and North Perthshire (Pete Wishart) well. He kindly gave the hon. Member for Walsall South (Valerie Vaz) and myself notice that he would not be here, and we wish him well.

Secondly, the hon. Gentleman raises—absolutely correctly—the SNP Opposition day next week, and we all await with bated breath the subject for discussion. I would encourage him to let the subject be congratulating my hon. Friends the Conservative Members for Scotland on the excellent negotiations they held with my right hon. Friend the Chancellor to ensure that police and fire services in Scotland would indeed be able to recover VAT, which the Scottish Government decided to bring under Scottish rule, in the full knowledge that VAT would not be recoverable. It seems extraordinary that hon. Members on the SNP Benches should be criticising, rather than thanking, my hon. Friends for their contribution.

I am glad that the hon. Gentleman welcomes the debate on R and R. It is certainly not just before Christmas 2018—it is in fact just into the new year of 2018.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. I am sure the happier-than-ever disposition of the hon. Member for Stafford (Jeremy Lefroy) is because he is joining me in continued celebration, a mere five days later, of Arsenal's 2-0 victory over Tottenham. I call Mr Jeremy Lefroy.

**Jeremy Lefroy:** Thank you, Mr Speaker—indeed I am.

My right hon. Friend has not mentioned the Second Reading in relation to High Speed 2 phase 2a, so I suspect it will be coming in the new year. However, may I ask for a debate on the importance of preparing for such a major project in terms of national road infrastructure? Phase 2a of HS2 will cut across the A38, the A34, the A51 and the M6, all within a relatively short space. It is vital that this national infrastructure is protected during the construction of phase 2a, if it is indeed to go ahead.

**Andrea Leadsom:** In specific response to my hon. Friend, I can say that the debate on HS2 will be as soon as possible in the new year. He is absolutely right to point out that proper infrastructure to accommodate this enormous project is vital. There are Transport questions on 30 November, and I encourage him to raise that matter then.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. In order to protect subsequent business, I am advising the House that I would like to move on to the next business by quarter to 12. Perhaps hon. and right Members can frame their contributions accordingly.

**Ian Mearns** (Gateshead) (Lab): I thank the Leader of the House for the business statement and for announcing the provisional business up until the Christmas recess.

The Backbench Business Committee have been busy bees. We have already done provisional determinations for the dates that have been announced. On 7 December, as we know, we have prison reform and safety, and the important general debate on the UK fishing industry, prior to the EU Fisheries Council on 11 and 12 December. Our provisional determination for 14 December is equality of pension provision for women and hormone pregnancy tests. Our provisional determination for 21 December is Russian interference in UK politics and society, and a general debate on matters to be raised before the Adjournment for the Christmas recess.

**Andrea Leadsom:** May I just say to the hon. Gentleman that I am delighted he was able to accommodate the debate on fishing prior to the December Council?

**Bob Blackman** (Harrow East) (Con): Mr Speaker, I will not join in with your allusion to football—all I will say is good luck to Arsenal this evening in the Europa league.

We rightly devolve funding to metro Mayors and local authorities and expect them to spend the money wisely. Following the Budget yesterday, the Labour Mayor of London has been on the airwaves complaining about the funding for the Metropolitan police and other services, yet, he sits on £2.5 billion of unallocated reserves and has failed to spend a single penny of the record amount of money for social housing in London. Can we have a debate in Government time at some stage on the performance of our devolved institutions?

**Mr Speaker:** Tottenham fans really are incorrigible specimens of humanity.

**Andrea Leadsom:** I am staying out of that one, Mr Speaker—Northampton Saints rugby side for me, any day.

My hon. Friend makes an extremely good point. It is absolutely unconscionable for the Mayor of London to point the finger constantly at central Government for a lack of funding whenever he falls short in providing for Londoners, given that he is sitting on enormous reserves.

**Siobhain McDonagh** (Mitcham and Morden) (Lab): May we have a debate on the plight of the Ahmadi Muslims in Pakistan, particularly Mubasher Ahmad, Ghulam Ahmed and Ehsan Ahmed, who have been sentenced to death simply because they are Ahmadi Muslims and therefore offend against the blasphemy laws?

**Andrea Leadsom:** The hon. Lady raises an incredibly concerning issue, both generally and specifically. Members throughout the House condemn the death penalty, especially when used against a particular ethnic grouping. I encourage her to write to the Foreign Office, which I am sure will be pleased to take up the issue for her.

**Douglas Ross** (Moray) (Con): Like many other Conservative Members, I have received a large amount of correspondence this week after voting against an amendment regarding animals being sentient. Given that the proposer of the amendment accepted that it would have limited practical impact, will my right hon. Friend reiterate the statement released earlier today by the Environment Secretary? It confirms that the Government believe that animals are sentient beings and outlines that Government Members—like all right hon. and hon. Members, I am sure—simply want a policy that protects animals, rather than supporting an amendment which would still allow bullfighting, fur farming and puppy smuggling in the EU.

**Andrea Leadsom:** My hon. Friend speaks for many people across the UK. We are a nation of animal lovers, and the Government are absolutely committed to the highest standards of animal welfare. We propose to increase sentencing for animal cruelty and introduce CCTV in all slaughterhouses. He is right that the current EU instrument, article 13 of the Lisbon treaty, has not delivered the progress that we want to see. It does not

have direct effect in law, its effect in practice is unclear, and it has failed to prevent practices across the EU that are cruel and painful to animals. The Government are committed to the highest standards of animal welfare and will take all steps necessary to ensure that they are in law.

**Jess Phillips** (Birmingham, Yardley) (Lab): When do the Government plan to restart the debates on what was the Prisons and Courts Bill, which fell because of the general election? I have been told that there is not parliamentary time to restart a Bill that had cross-party support and would have ended the unnecessary deaths of children in the family courts system.

**Andrea Leadsom:** The hon. Lady raises an incredibly important point. The passage of the previous Bill was not completed by the end of the last Parliament. Different but similar measures are being brought forward in this Parliament and will be debated as soon as the parliamentary timetable allows.

**Robert Jenrick** (Newark) (Con): After the end of the third siege of Newark in 1646, when the Scots took Charles I up north for ransom, we did not think it would happen again. Unfortunately, Network Rail is doing it to us this time. The barriers at Newark station are down continuously, the town is cut off and the hundreds and thousands of people who want to come to my town to work and shop cannot get in. Will the Leader of the House please arrange a debate for us on the appalling performance of Network Rail, which incidentally is in national ownership? How we can get things moving again in Newark?

**Andrea Leadsom:** My hon. Friend raises an incredibly important point. Newark is a fabulous town, and I am quite sure that his constituents are very annoyed about what is going on. He will be reassured to know that Transport questions will be on 30 November, which will be a good opportunity for him to raise his real concerns.

**Tom Brake** (Carshalton and Wallington) (LD): Has the Leader of the House had time to read a leaked report by Irish embassies around the world, which paints a rather unflattering picture of the UK Government's negotiating skills in relation to Brexit? It talks of feeling sorry for British ambassadors who are trying to present a coherent picture when there is confusion at home. Will she make time available for a debate on the Government's incompetence and inability to deliver Brexit, increasing the risk of no deal?

**Andrea Leadsom:** The right hon. Gentleman might have noticed that there are quite a number of debates on Brexit going on at the moment. Perhaps he has not been present in the Chamber. I encourage him to stop talking the country down. We are extremely optimistic about the prospects for the UK as we leave the EU, and his constant pessimism is not helping.

**Mims Davies** (Eastleigh) (Con): I was delighted to hear the Chancellor focusing on infrastructure, air pollution and productivity in his speech yesterday. Infrastructure and link roads are key, and they are vital to improving air quality. Will the Leader of the House consider finding time for a full debate on this issue?

**Andrea Leadsom:** My hon. Friend is exactly right. Air quality is vital for this country. We all want to see transport moving, to ensure that we are not polluting unnecessarily. She is right to raise the Chancellor's announcement of more money for infrastructure funding, particularly for link roads. I am sure that she will find a way to discuss the specific issues for her constituency, perhaps through an Adjournment debate, but as a general picture I think the Chancellor's announcements yesterday showed a commitment to solving the twin problems of transport and air pollution.

**Paul Flynn** (Newport West) (Lab): I congratulate the Public Accounts Committee on yesterday revealing a financial calamity of giant proportions. The Committee has calculated that instead of the anticipated £6 billion, the subsidy for Hinkley Point will be £30 billion, and the costs will fall on the poorest consumers. The EPR reactor has not produced a single watt of electricity, and every other example is years late and billions over budget. Is it not essential that we debate this, before we create more sinkholes into which we dump billions of pounds of public money?

**Mr Speaker:** The hon. Gentleman has generated plenty of electricity and other energy of his own.

**Andrea Leadsom:** As has been the case for a long time, I thoroughly admire the hon. Gentleman's commitment to always talking down nuclear. I say gently to him that, as he will be aware, this country depends greatly on nuclear electricity generation to keep our lights on, and it will continue to do so. He will also be aware that our nuclear power plants are nearing the end of their useful life. We need projects such as Hinkley Point C, not just to generate local jobs and growth but to keep the lights on, as a low-carbon source of electricity generation that will take us into the decades ahead.

**Sir Edward Leigh** (Gainsborough) (Con) *rose—*

**Sir David Amess** (Southend West) (Con) *rose—*

**Mr Speaker:** Even these illustrious knights of the realm have to learn to arrive on time. Now, which of them is the more deserving? I think we will hear Sir David Amess.

**Sir David Amess:** To echo what my hon. Friend the Member for Moray (Douglas Ross) has said, will my right hon. Friend find time for a debate on animal welfare? Many of our constituents have been led to believe that when we leave the European Union, standards of animal welfare will decline. As an animal lover myself, I want our high standards not only to be maintained, but to improve still further.

**Andrea Leadsom:** As my right hon. Friend the Prime Minister said yesterday, we have some of the highest animal welfare standards in the world. We have already set out our proposals to introduce mandatory CCTV in slaughterhouses; to increase to five years sentences for animal cruelty; to ban microbeads, which cause so much harm to our marine life; and to ban the ivory trade, to bring an end to elephant poaching. Those were all measures that I was proud to support when I was

Secretary of State for Environment, Food and Rural Affairs. We also recognise and respect the fact that animals are sentient beings and should be treated accordingly. We will do everything to ensure that our animal welfare standards remain as high as they are now, or higher, as we leave the European Union.

**Anna McMorrin** (Cardiff North) (Lab): Yesterday, another £3 billion was tossed into the endless black hole of Brexit, with just £2.8 billion extra going to NHS England and a scarce amount for Wales to use. I do not know about you, Mr Speaker, but I do not remember seeing a big red bus driving around the country bearing the slogan: "Vote leave for less NHS spending, because we will have to blow it all on Brexit." Perhaps the campaigners could not find a bus that was big enough. Will the Leader of the House commit the Government to making a statement on that?

**Andrea Leadsom:** The hon. Lady will be aware that the Government will invest a third of a trillion pounds in the NHS during this Parliament. Yesterday, the Chancellor of the Exchequer announced an extra £6.3 billion of additional funding to meet the pressures that the NHS is under. The Government will invest £3.5 billion in capital by 2022, and there is an additional £2.8 billion of resource funding to improve NHS performance and ensure that more patients receive the care they need more quickly. Conservative Members are fully committed to an NHS that works for all the people in our country, and she should bear it in mind that the NHS has been independently voted the best health system in the world.

**Sir Edward Leigh:** I apologise for being late, Mr Speaker, but may I remind you that the labourer who turns up late at the vineyard is entitled to equal wages?

May I ask my right hon. Friend about the debate on restoration and renewal that will take place in the first week back after the Christmas recess? I urge her to lay her motion early, perhaps before the recess, because I will certainly table an amendment and I will need time to have it on the Order Paper for people to sign it, if you are kind enough to select it, Mr Speaker. Of course we accept that there should be the delivery authority and the sponsor board that the Leader of the House has spoken about, but some of us are worried that unless there is clear instruction to these boards of experts now, there will inevitably be pressure to build a replica Chamber and kick us out of the old Palace for many years. We want an amendment to test the will of the House on that matter.

**Andrea Leadsom:** I am grateful to my hon. Friend for his interest and engagement with the whole R&R project. He will be aware that the Joint Committee report set out:

"It is not possible to set a precise budget for the Programme at this stage. As part of further feasibility work it will be imperative, therefore, that a thorough business case should be prepared, balancing costs against value in order to assess and validate the preferred options in more detail."

Work on the motion to establish a sponsor board and a delivery authority will be essential if we are to provide a proper evaluation of the options, but we will bring it forward as soon as we can.

**Chris Elmore** (Ogmore) (Lab): May I ask the Leader of the House for a debate about the work of the Parliamentary and Health Service Ombudsman? A constituent of mine made a complaint in November 2016 and was told that they would receive a response by March 2017, but did not get a response until the end of October. My office sent eight emails and three letters and made numerous phone calls to get a response. I do not think it is acceptable for a constituent to have to wait a year for a response to their complaint, so will she find time for such a debate?

**Andrea Leadsom:** If the hon. Gentleman wants to write to me about that case, I will certainly take it up on his behalf.

**Alison Thewliss** (Glasgow Central) (SNP): I am sure you will want to wish Motherwell all the best in the league cup final this coming Sunday, Mr Speaker, as you wished other teams well earlier.

On a more serious matter, may we have a debate on the impact of medical assessments by Department for Work and Pensions agencies and contractors? A constituent of mine, who is 60, has had cerebral palsy from birth and has arthritis and fibromyalgia, so she cannot work and needs her family to help with her daily living. Despite this, she was assessed as having zero points, and she received a letter that caused her to try to commit suicide. May we have a debate on this because vulnerable people are being put at risk?

**Andrea Leadsom:** The hon. Lady raises a very concerning issue. As I have said a number of times in this place, it is good that all colleagues take up specific constituency cases. The DWP has committed many billions of pounds—£50 billion—to support for people with disabilities, and the personal independence payment assessments are designed to give people more control over their lives and their care. Inevitably, however, we all find specific cases where the work has not been done properly, and I encourage her to contact Work and Pensions Ministers about her specific case.

**Diana Johnson** (Kingston upon Hull North) (Lab): The whole of the northern powerhouse section in the Budget Red Book has 376 words, but there are 453 words just on the Cambridge-Milton Keynes-Oxford growth corridor. May we have a debate about what exactly the Government have got against funding and fair investment for the north?

**Andrea Leadsom:** I am surprised by the hon. Lady's question. The northern powerhouse has been at the heart of everything this Government have sought to do since 2010. Under the previous Chancellor and the current Chancellor, we have shown enormous commitment to the northern powerhouse. There has been huge employment growth and investment in transport and rail infrastructure, which is spread right across the United Kingdom. If the hon. Lady wants to take up the specifics, I suggest that she raises this matter during the Budget debate that is about to happen, or during debates on the Finance Bill.

**Dr Rosena Allin-Khan** (Tooting) (Lab): The Foreign Secretary is yet to make a statement to the House on the Rohingya Muslims fleeing Myanmar. On Monday I

returned from Bangladesh, where I gathered evidence and treated victims of the unfolding genocide in Myanmar against the Rohingya people. Each day that our Government fail to act is another day wasted with innocent lives lost. Will the Leader of the House grant a debate in Government time on that topic, so that we can discuss the numerous reports that suggest that we are bystanders to a genocide?

**Andrea Leadsom:** Members across the House are incredibly concerned about the plight of the Rohingya people. There are now more than 610,000 refugees in Bangladesh. It is a major humanitarian crisis, and I commend the hon. Lady for taking steps to see it for herself, as have hon. Members from across the House. The UK has delivered a clear message that the Burmese authorities must act urgently to protect civilians and allow full humanitarian access, and to allow refugees to return. The UK Government have given £47 million to an aid effort, including £5 million to match the generous donations from the British public to the appeal by the Disasters Emergency Committee.

**Angela Smith** (Penistone and Stocksbridge) (Lab): Thanks to your gracious hospitality yesterday, Mr Speaker, Women's Aid was able to hold a reception in your apartment. We heard the most incredibly moving testimony from my constituent Claire Throssell about how her children were murdered by their father when he barricaded them in an attic and set fire to the family home. The Leader of the House has already acknowledged the importance of the issue of domestic violence, so I ask once again for the Prisons and Courts Bill, and the Domestic Violence and Abuse Bill, to be brought forward not within this Parliament, but within this Session of Parliament.

**Mr Speaker:** I was privileged to be there yesterday with the hon. Lady and many others, and I will say in this Chamber what I said to Claire: her speech was the bravest and most remarkable speech that I have ever heard in Speaker's House in nearly eight and a half years as Speaker. I salute her extraordinary courage and determination, as I think everybody present did. It was a privilege to hear her.

**Andrea Leadsom:** That sounds incredibly harrowing, and my heart goes out to Claire. It must have been the most horrendous experience. Over many years, the Prime Minister has personally shown her commitment to eradicating the appalling and frequent incidence of domestic violence. We have committed to bringing forward the Domestic Violence and Abuse Bill, and that will be done as soon as possible. I encourage the hon. Lady—as I know she will—to continue to speak with Home Office Ministers about the experiences of her constituents, and about her thoughts on the shape that the Bill should take.

**Jim Shannon** (Strangford) (DUP): Since 2001, mass violence between Muslim Fulani herders and Christian farmers in Nigeria's middle belt has killed up to 60,000 people, with villages, churches, mosques, livestock and businesses destroyed. Will the Leader of the House agree to a statement or a debate on that issue, so that the UK Government can outline steps to stop or mitigate the violence?

**Andrea Leadsom:** The hon. Gentleman raises an important point. He often raises different aspects of the religious and ethnic battles that are going on across the world. He is right to do that, and I encourage him to continue to highlight such cases. Should he feel the need to hold an Adjournment debate to highlight a particular issue, I encourage him to do so.

**Vernon Coaker** (Gedling) (Lab): May we have an urgent debate on the future of local authorities? There is not a word in the Budget about local authorities or social care, yet millions of our citizens depend on them. Gedling Borough Council has lost 62% of its grant, and Nottinghamshire County Council has lost £212 million. Those are not efficiencies; they are cuts to the services on which our constituents depend.

**Andrea Leadsom:** The hon. Gentleman will be aware, as we all are, of the pressures our economy is under as we seek to get the deficit that we inherited in 2010 under control to avoid leaving that burden of debt for the next generation. At the same time, the Chancellor made it clear yesterday that he is taking steps to ensure a balanced approach that enables us to support the most needy while protecting our public finances.

**Mrs Madeleine Moon** (Bridgend) (Lab): One of the most vulnerable communities is those who are bereaved by suicide. Dr Sharon McDonnell, director of Suicide Bereavement UK at the University of Manchester, and Support after Suicide Partnership are carrying out research into the services available for those bereaved by suicide to prevent future deaths. I am sending out details of a survey to hon. Members, but could we have a debate on suicide bereavement and its impact on families and friends, and will the Leader of the House support me in encouraging Members to circulate the survey to their constituents?

**Andrea Leadsom:** I am always delighted to help in any way I can to promote something as important as the impact on those bereaved by suicide. I encourage the hon. Lady to seek a Westminster Hall debate or an Adjournment debate on this specific subject, so that other Members can bring forward examples from their own constituencies.

**Melanie Onn** (Great Grimsby) (Lab): May we have a debate in Government time on the process and implementation of school exclusions? In the last year alone, nearly 900 pupils across north-east Lincolnshire have lost 3,489 days of their education. It is critical for schools to have the support they need to provide education. Making sure that those children get the education they deserve is really important.

**Andrea Leadsom:** The hon. Lady is absolutely right to highlight the importance of every child getting a good education. She may be aware that Education questions are on 11 December, and I am sure Ministers will be pleased to answer her questions. I would like to point out that we now have a commitment to spend £4,800 for every secondary school child and £3,500 for every primary school child, with increases in specific funds to deal with special needs issues that may lead to exclusion or other challenges faced in school life. It is right that we focus our education spend on those who need it the most.

**Justin Madders** (Ellesmere Port and Neston) (Lab): I have been contacted by a number of constituents who are members of the HSBC Midland bank occupational pension scheme. The scheme operates a clawback provision, which appears to disproportionately impact those who have been the longest serving and lowest paid in the scheme. It has an impact on their access to the state pension, too. May we have a debate on that very important subject, which is affecting thousands of people up and down the country?

**Andrea Leadsom:** The issue of fairness in pensions, whether private sector or public sector, is always important for those who are affected. The hon. Gentleman will be aware that he can take that matter up with the Financial Conduct Authority, which can look into specific concerns pensioners have about a particular scheme. Equally, he may wish to raise the issue in the Budget debate next week.

**Paula Sherriff** (Dewsbury) (Lab): A constituent of mine has a serious debilitating spinal condition and it is absolutely crystal clear to everybody that she is unfit for work. However, she has been declared fit for work, with an appeal date set for after Christmas, which she does not think she will be able to celebrate as her benefits have been stopped. Each of these cases is a stain on the right hon. Lady's Government and on society. May we have an urgent debate in Government time on her Government's continuing vilification of the vulnerable and disabled in our society?

**Andrea Leadsom:** I have to say that I reject what the hon. Lady is saying about the Government's approach. We have done an enormous amount to improve the ability of those with disabilities to be in control of the spend on their care and welfare, and to make it much fairer so that those with greater need receive greater support from the Government. If the hon. Lady wants to raise her particular case, I encourage her to do so either during the statement that follows or at Work and Pensions questions.

**Drew Hendry** (Inverness, Nairn, Badenoch and Strathspey) (SNP): Christmas is coming, but my constituents are being made unhappy by unfair and excessive delivery charges, which are an escalating blight in highlands and other rural constituencies. I have raised the issue many times—for instance, in a ten-minute rule Bill. May we have a debate in Government time on the need to finally deal with this sharp practice?

**Andrea Leadsom:** The same point has been raised by one of my hon. Friends. I completely agree that it is not right for delivery charges to be artificially hiked in particular areas. I urge the hon. Gentleman to take the matter up with Ministers at the Department for Business, Energy and Industrial Strategy during the next session of BEIS questions, and see what can be done about it.

**Vicky Foxcroft** (Lewisham, Deptford) (Lab): Last weekend I attended a "Girls to the Front" conference at Deptford Green school, along with more than 200 young women and girls. We discussed, among other matters, feminism and sex and relationship education in schools. May we have a debate on that important issue?

**Andrea Leadsom:** I commend the hon. Lady for taking part in the conference, and for encouraging young women to talk about issues such as feminism, the rights of young women and their success in the workplace. It is vital for us in the House to act as role models as much as we possibly can to encourage young women to aspire to fulfil their dreams. I urge the hon. Lady to seek an Adjournment or Westminster Hall debate, so that we can further share our experiences in that regard.

**Lloyd Russell-Moyle** (Brighton, Kemptown) (Lab/Co-op): This week the Competition and Markets Authority said that Concordia had overcharged the NHS by £100 million when it raised the price of Liothyronine tablets from £4 to £258. Will the Leader of the House ensure that there is time for the Secretary of State for Health to make a statement in the House—or is that talking down greedy corporate bosses at Concordia?

**Andrea Leadsom:** I share the hon. Gentleman's concern about that information. If it is true, I am sure that Ministers will want to look into it. As the hon. Gentleman knows, Health questions will take place on 19 December, and if he cannot obtain an answer earlier, I encourage him to raise the matter then.

**Mr Paul Sweeney** (Glasgow North East) (Lab/Co-op): It is two years since the announcement of the flagship Glasgow city deal, which includes a major redevelopment of the Sighthill district in my constituency. However, 10% of the constituency still consists of vacant and derelict land, and I was very disappointed that yesterday's Budget statement did not contain more proposals to deal with what is a fundamental issue in urban areas. Will the Leader of the House consider calling a debate so that we can discuss how national policy could be better honed to promote the regeneration of urban areas that have suffered as a result of deindustrialisation and dereliction?

**Andrea Leadsom:** The hon. Gentleman has raised an incredibly important point. Throughout the United Kingdom there are pockets of land that require regeneration. Following the Chancellor's announcement of more money for infrastructure and developing areas to make a Britain that is fit for the future, we will definitely want to look into specific cases such as the one the hon. Gentleman has mentioned to see what more could be done to regenerate such areas.

## Universal Credit

11.47 am

**The Secretary of State for Work and Pensions (Mr David Gauke):** With permission, Mr Speaker, following the announcement made by my right hon. Friend the Chancellor in his Budget speech yesterday, I shall make a statement on universal credit.

Universal credit represents the biggest modernisation of the welfare state in a generation. It supports those who can work and cares for those who cannot. Under universal credit, people are moving into work faster and staying in work longer than under the previous system. Once it is fully rolled out it will boost employment by about 250,000, which is equivalent to about 400 extra jobs for every constituency. It was introduced to replace the complex and failed benefit system run by the last Government, which created cliff edges, discouraging people from working more than 16 hours a week and trapping 1.5 million on out-of-work benefits for nearly a decade. Members on both sides of the House have voiced their support for the principles underpinning universal credit. It is a modern welfare system which—through one simple monthly payment—ensures that work always pays, mirrors the world of work, and helps people to earn their way out of financial insecurity and welfare dependency.

As we introduce universal credit, we are constantly improving the way in which the system works. We recently introduced changes to ensure that everyone who needs advance payments has access to them, and we are making our telephone lines Freephone numbers. I have consistently made it clear that we will continue to introduce universal credit gradually. Of the total number of households that will eventually move on to it, 9% are currently receiving it, and the number will increase to 12% by February. That will enable us to make improvements over time.

Colleagues have had concerns about the waiting time for the first payment, and I am grateful to my parliamentary colleagues for their constructive engagement on this issue. There have been several debates here and in the other place. This statement responds to them and fulfils the commitment made on behalf of the Government by my right hon. Friend the Leader of the House in relation to the resolution of the House on 18 October 2017. We are now offering a balanced package of improvements that puts more money into claimants' hands earlier, ensuring extra support for those who most need it.

Next month, new guidance will be issued to staff to ensure that claimants in the private rented sector who have their housing benefit paid directly to landlords are offered that option when they join universal credit. In January we will make two changes to advances. First, the period over which an advance is recovered will increase from six to 12 months, making it easier for claimants to manage their finances. That will apply regardless of the level of advance claimed. Secondly, we are increasing the amount of support a claimant can receive from up to 50% of their estimated entitlement to up to 100%, interest free. In practice, that means that new claimants in December could already receive an advance of up to 50% of their estimated overall entitlement, and may receive a second advance to take it up to

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100% in the new year. Taken with the first payment, that means that claimants in need could receive nearly double the money they would previously have received. In addition, from spring next year we will make it possible to apply for an advance online, further increasing accessibility for those who need it.

From February, we will remove the seven-day waiting period, reducing the length of time claimants might wait to receive their first full payment. From April, for new claimants already receiving support towards their housing costs, we will provide an additional payment of two weeks of their housing benefit to support them as they transition to universal credit, helping to address the issue of rent arrears for those who most need it. That is a well-targeted measure that will support 2.3 million people, including the most vulnerable, with an unrecoverable automatic payment worth an average of £233 each. This is a one-off investment of £550 million to ensure that universal credit supports those who need it.

In April, as a short-term measure, we will change how claimants in temporary accommodation receive support for their housing costs to ensure that local authorities can recover more of their costs and can therefore continue to offer this valuable support to those who need it most. We will also consider longer-term solutions.

The majority of claimants are comfortable managing their finances. However, personal budgeting support and digital skills training are provided to claimants through universal support, delivered through local authorities. Building on this, we are exploring with Citizens Advice the scope for greater collaborative working to help claimants locally as they move to universal credit.

We must remember that universal credit is aimed at supporting those out of work to move into work, and, once in work, to progress and increase their earnings. That is why, in addition to these measures, the Government have allocated £8 million over four years to conduct a number of tests and trials to support development of the evidence about what works to help people progress in work. This is a comprehensive and wide-ranging package worth £1.5 billion, offering significantly more support than a simple reduction in the wait for the first payment to one month.

To deliver this package, we have carefully revised the UC roll-out plan to ensure that we continue to safely and gradually roll out this important welfare reform. I will place the updated roll-out plan in the House of Commons Library. This does not change the final point at which the roll-out of universal credit will be completed.

To help to ensure a smooth transition to full service, we have also decided to close new claims to our prototype universal credit live service. That will not affect any existing claims. In addition, currently any new UC claim from a family with three or more children will be routed back to tax credits until November 2018. With the extension to the roll-out plan that will now shift to the end of January 2019.

This is a comprehensive package that responds to concerns raised inside and outside the House. We have a clear objective: to ensure that as many people as possible get the opportunity to work, and to maximise their

potential to better their circumstances. We will continue to roll out universal credit in a steady and considered manner, and in doing so deliver a welfare reform that will positively transform lives. I commend the statement to the House.

11.54 am

**Debbie Abrahams** (Oldham East and Saddleworth) (Lab): I thank the Secretary of State for giving me early sight of his statement. There was little surprise when the Government announced reforms to their embattled universal credit programme in the Budget yesterday following months of Labour campaigning, a unanimous defeat on the Opposition-day motion and discontent across the whole House about the rising debt, arrears and even evictions that the social security reforms are causing to so many constituents. We of course welcome any steps to improve the programme, not least the small reduction in the so-called long hello, meaning that those on the lowest incomes will now only be expected to wait five weeks for support to arrive, compared with six under the current design.

Before I address the detail of today's announcement, let us step back and look at the big picture. The Government introduced universal credit with three promises: to reduce child poverty by 350,000; to simplify the social security system; and to ensure that work always pays. As the mounting evidence has shown, universal credit is not living up to those ambitions. Now it is our task see whether the Chancellor's announcements meet the Government's own tests. First, the most immediate matter: the reforms announced today will not be introduced until next year and will do nothing for the tens of thousands who are stuck in the six-week waiting period over Christmas. Anyone who has tried to claim universal credit since Tuesday 14 November will not get their first payment until after Christmas day. That will mean tens of thousands of families going without over the festive period.

Secondly, we are concerned that the Government have decided to remove only a single week from the waiting period, taking it down to five weeks. Under existing Department for Work and Pensions guidance on alternative payment arrangements, claimants should be offered the option of being paid every two weeks, reflecting their previous employment patterns. A report published by the Resolution Foundation has found that 58% of those moving on to UC from work were paid more regularly than monthly. Can the Secretary of State tell us whether there is capacity in the system to offer claimants more regular payments if the Government do not change the payment period to fortnightly as opposed to monthly?

There is no change to the monthly assessment period that is particularly affecting the self-employed, and I want to press the Secretary of State on why that is the case when the current arrangements are clearly so punitive. In relation to the advance payment, we have concerns over the details of the extended repayment period. What additional debt does the Secretary of State expect the average claimant to incur? What does his Department predict will be the average monthly repayment amount deducted from a claimant's income? Our position remains the same: the social security system should prevent people from getting into debt, rather than making matters

worse. It is contrary to the ambitions of universal credit that instead of alleviating poverty, it is going to cause it. It is also an insult to ask people who are unable to make ends meet under the Government's punitive reforms to bear even more risk, stress and concern.

The Government's housing benefit proposals are not due to be introduced until April next year, nearly six months after the Budget. Support for rent will be available for the first two weeks of the five-week period before claimants receive their first payment. That will leave a three-week gap, which is still too long for many people to cope with. It will lead to arrears and even evictions, as we have said already seen from the programme.

Finally, this announcement did nothing to restore the key ambition that work will always pay. The swingeing cuts to UC have not been addressed, condemning more disabled people, children and their families to poverty. Taken together, these announcements equate to putting in £1 for every £10 that the former Chancellor cut. In a further nonsensical approach, he has downgraded planned increases to the national living wage, leaving a full-time worker on the minimum wage £900 a year worse off by 2020. Why have the Government failed to give our workers the pay rise they deserve? The Government seem content to leave us with 17 years of pay stagnation.

In summary, these measures for UC are not enough. They must be brought forward, amended and added to. We stand ready to work with the Government to make the necessary changes. Failing that, they should stand aside and let a Labour Government get on with the job.

**Mr Gauke:** Where to start? Let me begin with the point about people having to wait five weeks. People do not have to wait five weeks; they can get a payment within five days. As for the dismissal of an interest-free advance as immaterial, that is just completely unreasonable and wrong. An advance enables people to have control over when they receive their payments. We are making it more generous and giving people a longer period over which to repay it, but we are also making it more flexible by enabling people to get a larger advance if that is what they want and need.

The hon. Lady suggests that we should move towards paying fortnightly, saying that the system should reflect how people's previous employment packages worked, but only 3% of people in employment are paid fortnightly. If we are to have a system that has the flexibility to cope with people who are out of work moving into work, a monthly approach is absolutely sensible, but we need flexibility in the first assessment period, so that people can get access to money earlier. That is exactly what we are delivering.

The approach of the Opposition Front-Bench team is not one of constructive engagement. They are a roadblock to welfare reform. They have sought to stand in the way of delivering universal credit—[*Interruption.*] They have just asked for a pause. I am unsure whether we heard a request for a pause from the hon. Lady today, but I would be fascinated to know what they mean by a pause. Do they mean not rolling universal credit out to any new jobcentres, or do they mean stopping any new claimants going on to universal credit at all? I am not quite sure which it is.

**Debbie Abrahams:** I am happy to talk afterwards.

**Mr Gauke:** Does the hon. Lady mean stopping the roll-out for new jobcentres or for everybody? We are not getting an answer. If it means stopping universal credit across the board, that would show a woeful lack of grasp of the operational realities. The idea that we could suddenly switch everybody back on to jobseeker's allowance and employment and support allowance is ridiculous, and the idea that we could do that overnight betrays a lack of understanding of how the system works.

We listened to the constructive comments of Members on both sides of the House and made some sensible reforms to help people, but let us not forget that this is a welfare reform that will positively transform lives. I am proud that this Government are delivering it. I think the Labour party might reflect on the fact that it is seen as a roadblock to this welcome reform.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. First, I say with crystal clarity to the House that Members who arrived after the statement began should not be standing and will not be called, which is in conformity with long-established practice in this House. I have often said it; I do not know why it is so difficult for some people to grasp, but that is the reality of the matter.

Secondly, there is heavy business to follow, with a large number of colleagues wishing to participate in the continuation of the Budget debate, so I implore colleagues to be pithy in their questions. I know that the Secretary of State will be correspondingly succinct by way of reply. I am keen to move on at as close as possible to 12.30 pm.

**Mr Iain Duncan Smith** (Chingford and Woodford Green) (Con): In support of my right hon. Friend the Secretary of State, may I say that the whole roll-out of universal credit was set up deliberately to allow the Government to respond to any problems and make the necessary changes? I will not rehearse my views about some of the previous Budget discussions, but I congratulate my right hon. Friend on having secured from the Chancellor what is nearly £1.5 billion to help the roll-out process, particularly the transferring of people who are on housing benefit and, of course, the waiting days, which will help enormously by giving flexibility to advisers.

Universal credit is not just about getting people into work. It was deliberately designed to find the people who have the greatest problems and, alongside universal support, to help change their lives. I urge my right hon. Friend to look carefully at universal support to ensure that it is rolling out alongside universal credit to make the roll-out a success. I give my congratulations again to a very good Secretary of State.

**Mr Gauke:** First, I thank my right hon. Friend for his kind words and once again acknowledge the tremendous work he did in driving universal credit forward. Its delivery will be a truly great achievement for the Government. On universal support, he is absolutely right. I will give one brief illustration, if I may, Mr Speaker. I recently visited a jobcentre where someone had got in contact and, because of the IT support they received in making a universal credit claim, they were much more confident and competent and had just made their first

[Mr Gauke]

grocery order online. That might seem a small matter to some of us, but it was helping someone make progress in life, and that is what universal credit and universal support are delivering.

**Several hon. Members** *rose*—

**Mr Speaker:** Order. I have no desire to be unkind—far be it from me to be so—but the hon. Member for Ochil and South Perthshire (Luke Graham) was late. He beetled into the Chamber after the statement had started. I said that if Members were late they should not stand and would not be called. It is, in those circumstances, frankly rather discourteous to persist in standing. Please, in your own interests and out of respect to the House, do not do it.

**Drew Hendry** (Inverness, Nairn, Badenoch and Strathspey) (SNP): I thank the Secretary of State for advance sight of his statement. I suppose we should be grateful that, in making these changes, the Chancellor and the DWP have accepted that universal credit is failing, but this was not the robust and comprehensive response it should have been. Universal credit should be halted and fixed. The response does nothing to address the structural failings, the delays and errors, the arrears by default, the evictions and the misery they are causing. The reduction in the six-week wait is welcome, but five weeks is still too long—and let us not forget that many people wait far longer than that.

I was disappointed by the Secretary of State's earlier answer. The Scottish Government are allowing people to receive payments fortnightly, taking account of and showing respect for working people on universal credit and those on zero-hours contracts paid weekly or fortnightly. Will the Government reconsider the freeze on benefits? As the Resolution Foundation has pointed out, work does not pay for people on universal credit, because, with the consumer prices index so high, working claimants lose money, which creates disincentives. Will he also look into the number of DWP cancelled personal independence payment assessments? Finally, at no cost to the Treasury, will the Government reinstate the third-party consent and legacy benefits removed by universal credit for people in difficulty, especially the disabled, cancer patients and the terminally ill?

**Mr Gauke:** On the last point, people can get explicit consent—they just need to get the consent. On the delays and moving to fortnightly payments, I am aware that the Scottish Government have taken a different approach, but they are doing so by ensuring that the second payment, at the end of the second assessment period, is half what it would be in England and Wales, deferring it and then paying it a fortnight later. If the Scottish Government are happy with that and want to defend it to the Scottish people, they are welcome to do so, but it seems a strange way to deliver the benefit. On the public finances, we fought the 2015 general election with a commitment to find savings in the welfare budget, and we will deliver those savings.

**Sir Desmond Swayne** (New Forest West) (Con): I congratulate the Secretary of State. Does he anticipate any increase in the number of very short-term claims and did he consider spending the money on the taper rather than on reducing the number of waiting days?

**Mr Gauke:** I am sure that there will be an ongoing debate about the taper, which, as we made clear yesterday, we will continue to keep under review, but we acknowledge that there is a particular issue with the first assessment period and helping people over that period, which is why we made changes to the advances system back in October. I said at the time that we would continue to look at this, and that is why we have announced the package we have.

**Frank Field** (Birkenhead) (Lab): Will the Secretary of State please commit now to bringing forward the loans scheme and keeping open the jobcentres and helplines due to be closed for eight out of 10 days over Christmas, to prevent any of my constituents from going hungry? May I also congratulate him on applying the financial armlock he learned in the Treasury to his then boss to such good effect?

**Mr Gauke:** I should probably thank the right hon. Gentleman for that comment. Relations between the Treasury and my Department are very good at the moment, which perhaps could not always be said.

**Mr Duncan Smith:** No.

**Mr Gauke:** Steady.

The right hon. Member for Birkenhead (Frank Field) raises a serious point about Christmas, and it is worth bearing in mind that people who open a new claim in, for example, mid-December can get a 50% advance, knowing that they can come back and get the other 50% in the new year. DWP will continue to operate as usual over Christmas, and a lot of effort is put into ensuring that the payment system works over the Christmas period.

**Dr Sarah Wollaston** (Totnes) (Con): I thank the Secretary of State for listening to colleagues on both sides of the House in this welcome package of changes to universal credit, and particularly for scrapping the seven waiting days, for improving the loans and advances that are available and for the changes to housing benefit. Will he join me in thanking Citizens Advice? Citizens Advice does so much to support all our constituents, and it too welcomes the changes.

**Mr Gauke:** My hon. Friend is right to draw attention to Citizens Advice, with which we have strongly engaged. Indeed, I spoke to its chief executive yesterday, and I have a meeting with her—the chief executive—later today. We will continue to work closely with Citizens Advice, and I am keen to ensure that, when it comes to universal support, we continue to work closely with Citizens Advice because it provides people with a huge amount of practical support and help.

**Stephen Timms** (East Ham) (Lab): The Secretary of State's characterisation of the tax credits system is wrong, but I welcome the helpful steps he announced today to start clearing up the problems he inherited. Will he make available large-print versions of the documentation about these changes? Does he accept that, if someone who is paid weekly and has no savings loses their job, denying them any income at all for five weeks will cause a serious problem that offering a loan does not resolve?

**Mr Gauke:** The flexibility of the advance system means that nobody is left without any financial support at all. Compared with the legacy systems, such as JSA, universal credit will provide more support to people earlier. I will consider a large-print version of the documentation and, perhaps on another occasion, I would happily debate the tax credits system with him at some length—not only the disincentives within the system but the huge difficulties that its roll-out caused back in 2003, which were still reverberating when I entered the House in 2005.

**Maria Caulfield (Lewes) (Con):** I welcome the statement, in which the Secretary of State said that there will be extra support for tenants in the private rented sector. Will he expand on that? Will it include private landlords having access to the portal available to social landlords?

**Mr Gauke:** We have to remember that, since the reforms in 2008, most tenants in the private rented sector receive their housing benefit directly, rather than the benefit going to landlords, but about 30% of tenants have alternative payment arrangements in which the money goes directly to the landlord. Once we change the guidance, the presumption will be that such alternative payment arrangements will continue and that the money will therefore go to the landlord, rather than to the tenant. We are constantly considering ways in which we can ensure there is support, and let us not forget that housing benefit transitional payments will provide two weeks of support—the payments are not recovered, they are additional support—to help people as they migrate on to universal credit.

**Ms Karen Buck (Westminster North) (Lab):** The changes and additional resources to help tackle some of the glaring problems emerging in universal credit are welcome, but social landlords and others are still extremely worried about the impact of potential arrears. Will the Secretary of State work with his colleagues in the Department for Communities and Local Government to ask social landlords to ensure that they do not go for “ground 8” possession, which reduces the flexibility of the courts in dealing with arrears? It is critical that we do all we can to prevent the eviction of tenants who fall into arrears.

**Mr Gauke:** I welcome the hon. Lady’s warm words, and I note the constructive approach taken by a number of Labour Back Benchers. On evictions, it is important that the pre-action protocols are respected. The Leader of the Opposition’s comments on what happened with Gloucester City Homes turned out to be wildly inaccurate, for which he should apologise. We are keen to work constructively with landlords in both the social sector and the private sector, and it is important that we debate this in a reasonable way, without causing unnecessary stress by scaremongering, which the Leader of the Opposition did.

**Peter Aldous (Waveney) (Con):** I welcome the Secretary of State’s announcement. Successful completion of the roll-out requires ongoing dialogue with a variety of organisations, including Jobcentre Plus offices, local housing authorities, charities, food banks and local landlords. Can he provide an assurance that he will continue to liaise and work with such bodies?

**Mr Gauke:** I can give that assurance. A pleasing aspect of the response to the announcement made by my right hon. Friend the Chancellor is the warm and broad support for the changes from, for example, the Trussell Trust, Citizens Advice, landlords associations and so on. Engaging closely with all those organisations and partners is key to delivering universal credit successfully.

**Toby Perkins (Chesterfield) (Lab):** The most significant part of the statement is that we must remember universal credit is aimed at supporting people who are out of work to move into work. That makes perfect sense if universal credit was just replacing JSA, but, of course, many people going on to universal credit are nowhere near work and are very seriously disabled. Those people seem to be entirely missing from the statement and from the steps the Chancellor announced yesterday. Will the Secretary of State at least acknowledge that universal credit is failing the most disabled and tell us what he plans to do to address the concerns raised by the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) about the most seriously disabled people, who are being failed by universal credit?

**Mr Gauke:** I do not accept the hon. Gentleman’s characterisation of either universal credit or what I actually said. I make it clear that universal credit provides support for those who need it. On the severe disability premium, which he raised yesterday at Prime Minister’s questions, it is worth bearing in mind there is no reduction in the overall amount of support. When universal credit was introduced, it was designed to widen the support that is provided. Universal credit is about providing support to everyone, and getting people closer to work and into work, where possible, is absolutely the right thing to do.

**Alex Burghart (Brentwood and Ongar) (Con):** As a member of the Select Committee on Work and Pensions, I warmly welcome the £1.5 billion and the loss of the seven-day waiting time announced yesterday. Will the Secretary of State confirm that, as the roll-out of universal credit continues, test and learn will continue to be an essential part of the process?

**Mr Gauke:** Absolutely. I make it clear that we must constantly consider ways in which we can refine and improve the system. I have set out a number of things we will be doing over the months ahead to make the system work as well as it possibly can. As of today, universal credit is already better than the legacy system.

**Chris Stephens (Glasgow South West) (SNP):** Small housing associations in Glasgow tell me that they do not know whether a person is on universal credit until they fall into arrears. I press the Secretary of State to ensure that all housing associations, no matter their size, have access to the landlord portal, to eliminate rent arrears and to make sure that housing associations do not fall into financial difficulty.

**Mr Gauke:** The hon. Gentleman makes a perfectly reasonable point. The landlord portal is a good step forward. We are starting with the largest landlords because that is the quickest way to ensure as many people as possible benefit, but the increased use of the landlord portal as it is rolled out will be helpful for housing associations and councils, as well as for the DWP.

**Mims Davies** (Eastleigh) (Con): On a recent visit to Eastleigh jobcentre, I found that staff were hugely positive about universal credit, as IT skills and computer access for their claimants was vital. Will my right hon. Friend join me in thanking jobcentre staff across the UK for remaining positive about the benefits of this, particularly for those stuck on the 16-hours contracts?

**Mr Gauke:** My hon. Friend makes an excellent point. I have similar experience of visiting jobcentres and being struck by the enthusiasm of the staff for UC. I urge Members from all parts of the House to visit their local jobcentre and talk to the staff there. The work coaches and jobcentre staff generally are doing excellent work, transforming lives, and they believe overwhelmingly that UC is giving them the tools to help people to transform their lives. That is what this reform is all about, and it is why I am so determined to deliver it and why I am so pleased we have united support for it today on our side of the House.

**Melanie Onn** (Great Grimsby) (Lab): Given the Government's assumptions on minimum incomes—the so-called floor, which penalises self-employed people on low incomes—will the Secretary of State review these rules, as they are putting people such as my constituent Tracy out of business and into debt?

**Mr Gauke:** The minimum income floor is an important part of our system. If we do not have it, we can leave the system in a place where we are simply not able to help people in self-employed jobs that are not giving them sufficient income to have the living standards they want. We have to provide support to those people, so that they have a sustainable job that provides sufficient income to them and does not provide an unfair burden on the taxpayer.

**Jeremy Lefroy** (Stafford) (Con): I congratulate my right hon. Friend on these welcome changes. When does he expect to have the new guidance out on managed payments to landlords? Might this be available to existing UC claimants as well as new ones?

**Mr Gauke:** We will have that guidance out in December, so we will be moving quickly on that. This is designed for those who have previously been on housing benefit with an alternative payment arrangement. Of course where work coaches, as they engage with new claimants, identify that the right approach is for an alternative payment arrangement to exist—in other words, the money goes to the landlord—they can take that forward.

**Kate Green** (Stretford and Urmston) (Lab): I very much welcome the announcement about the housing benefit run-on, and I was even more pleased to hear the Secretary of State say it would not be an advance but an award. Can he say why it will not be available to those who have not previously been in receipt of housing benefit? As he will know, rent arrears have been one of the features of UC that has caused the most difficulty and high levels of debt.

**Mr Gauke:** This housing benefit transitional payment is designed for those people who have previously been on housing benefit, so a claim is already there. That is why we have done this, but may I thank the hon. Lady for her welcome for this policy?

**Kevin Foster** (Torbay) (Con): As the Secretary of State will know, the UC full service is due to be rolled out to Torbay in May 2018. What efforts will he be making to ensure that staff are fully trained on these changes and, in particular, that people are aware of the advances available? People may not be quite so confident in doing this when they first put in a claim.

**Mr Gauke:** On the advances, we changed the guidance in October. It was already the case in July and August that about half the people were taking up an advance. From my visits to jobcentres, I can say that this system has improved. Of course, with the increased flexibility on advances, it may well prove to be even more widely used—we shall see. My hon. Friend raises a good point about training. I have visited jobcentres that have just launched the full service, and I am impressed by the level of training and by the support that a jobcentre that has had this for a while then provides to a new jobcentre. That degree of co-operation is proving to be very effective.

**Tom Brake** (Carshalton and Wallington) (LD): The Secretary of State is putting up £8 million to develop evidence about what works to help people progress in work. I have done the job already, for nothing: he needs to restore the £3 billion-worth per annum of work allowances that he cancelled from 2015 onwards. To help to reflate the economy, he could start lifting the benefits freeze. Will he do that?

**Mr Gauke:** If that is an attempt by the Liberal Democrats to find an economy saving, I am not sure the right hon. Gentleman has managed it. I understand the case he is making. Obviously, we have to balance what is affordable within the public finances. I make the point that we may find some savings in terms of fraud and error in the UC system, but this is not an overall reduction on what we were previously spending on the legacy benefits.

**Bob Blackman** (Harrow East) (Con): I warmly welcome my right hon. Friend's statement. Will he update the House on exactly how many people in receipt of UC have gone on into work as a direct result of going on to this new system? Obviously, that is the intention and we should be singing it from the rooftops.

**Mr Gauke:** Three studies have compared this system with the legacy benefits and all three showed that a higher proportion of people have gone into work and progressed there than did so under the legacy benefits. There is greater flexibility in the system, so that people are not stuck on doing 16 hours, as is undoubtedly the case at the moment. The analysis we have done, which has been peer reviewed, suggests that there will be about 250,000 more jobs in the economy than would have been the case had we not made that reform. That works out at about 400 people per constituency, and I am proud of that.

**Liz McInnes** (Heywood and Middleton) (Lab): Weekly paid workers in receipt of UC are set to lose their UC next month simply because there are five payday in December. What urgent action is his Department going to take to address this ridiculous anomaly?

**Mr Gauke:** I saw that report on “Money Box”. It was confused and misleading in its alarmist tone. It was inaccurate in the numbers it was using. The principle of UC is that if someone earns more, they get less UC, whereas if they earn less, they get more UC. That is the principle that applies and it should not be shocking to anybody.

**Michael Tomlinson** (Mid Dorset and North Poole) (Con): I warmly welcome the Secretary of State’s statement, and I thank him and the Minister for Employment for their hard work and for this additional support to the most vulnerable in society. Can the Secretary of State confirm that the housing benefit payments will not be repayable and that that again will help the most vulnerable as they make the transition on to UC?

**Mr Gauke:** Absolutely. This will not be recoverable and will not reduce what people are entitled to under UC. This is additional support for people as they move over from housing benefit to UC, and I hope that it will have the support of the whole House.

**Martin Whitfield** (East Lothian) (Lab): I acknowledge much in this statement. On citizens advice bureaux and local authorities and the indication of greater collaboration, I wonder whether the Secretary of State will confirm two things. The first is that additional funds will be available to the third party sector to help with this collaboration and advice. Secondly, has he looked at having implied consent, which would cut a huge amount of waiting time in respect of advice given?

**Mr Gauke:** There are confidentiality issues that we have to deal with. I am not going to get drawn on the funding today, but I will say that we do fund universal support, providing the support that my right hon. Friend the Member for Chingford and Woodford Green was talking about, which is helping to transform lives.

**Eddie Hughes** (Walsall North) (Con): I chair the board of a housing association that has 20,000 homes, operating across 18 local authorities. I do not want those residents unnecessarily disturbed by the scare-mongering from Opposition Members. Will the Secretary of State therefore confirm that those claimants can get an emergency payment of up to 100% of their monthly entitlement within only a few days?

**Mr Gauke:** My hon. Friend is absolutely right to say that we will have that 100% advances system available in the new year. Let me come back to a point I made. The Leader of the Opposition said that one in eight people in Gloucester City Council had been evicted because of UC—that would be 650 people. It turned out that it was not one in eight—it was eight. And it turned out that it was not because of UC; it was because of other problems that had arisen, including in one case someone who had not lived in the property for 18 months.

**Chris Ruane** (Vale of Clwyd) (Lab): Until recently, my local authority, Denbighshire, had the highest levels of household debt in the whole country. People were

forced into the arms of loan sharks, pawn shops and payday-loan usury. Will the Government’s decision to encourage universal credit recipients to apply for and accept Government loans increase or decrease household debt in Denbighshire?

**Mr Gauke:** If we want to stop people falling prey to loan sharks, the flexibility of advances in the system, with the addition of budgeting loans to help people with white goods, is exactly the right way to go about it. If we do not offer that, the risks that the hon. Gentleman set out would be real.

**Dr Lisa Cameron** (East Kilbride, Strathaven and Lesmahagow) (SNP): The Government say they are allocating £8 million over four years to conduct trials and get evidence of what works. What trials will be put in place specifically for disabled people—other than the trial of universal credit itself, of course? Will the Secretary of State meet the all-party group on disability, which I chair, to listen to disabled people’s voice on what works?

**Mr Gauke:** We do engage and listen to the voices of disabled people; indeed, our announcements yesterday were strongly welcomed by some disabled groups. On the test and learn approach, we obviously only made the announcement yesterday, so we are designing the trials. The purpose is to ensure that people can progress in work.

**Alison Thewliss** (Glasgow Central) (SNP): The Secretary of State claims that universal credit is constantly improving and that he is responding to concerns. Will he respond to my concerns and those of the Child Poverty Action Group and others, that the Government are knowingly putting 200,000 children into poverty as a result of the two-child cap, that they know the two-child cap is having a disproportionate impact on religious minorities and that their vile rape clause is stigmatising women in Northern Ireland and putting them in danger?

**Mr Gauke:** We have of course put transitional protection into the system. The hon. Lady represents a Scottish constituency; if the Scottish Government wish to provide support for third, fourth and fifth children, they can provide exactly that.

**Mr Paul Sweeney** (Glasgow North East) (Lab/Co-op): The Secretary of State might be interested to know that Citizens Advice Scotland recently carried out a survey in my constituency and determined that 32% of my constituents do not have any access to the internet and a further 32% would have difficulty accessing the online full service universal credit system. In the context of half the jobcentres in Glasgow being closed, will he consider additional measures to ensure that the interface for the full service universal credit system is improved, so that those claiming universal credit can have increased confidence that they can access the system efficiently?

**Mr Gauke:** The vast majority of people do have access online, but of course it is possible for people to access facilities in jobcentres, and that will continue to be the case.

# Ways and Means

## Budget Resolutions

### INCOME TAX (CHARGE)

*Debate resumed (Order, 22 November).*

*Question again proposed,*

That income tax is charged for the tax year 2018-19.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

12.33 pm

**John McDonnell** (Hayes and Harlington) (Lab): After a disastrous election campaign and a party conference that literally fell apart, yesterday's Budget's sole purpose was to revive the fortunes of the Conservative party—and maybe to fend off for a time the Tory pack that has been hounding the Chancellor, week after week. But the Budget showed just how out of touch and cut-off from the real world of the economy and from people's real lives the Chancellor and his Government really are.

Only this morning, the Chancellor said on "Sky News" that the UK economy is "fundamentally strong". What is strong about an economy in which economic growth has been downgraded to the lowest in the G7 countries? What is strong about an economy in which productivity growth has been revised down to the lowest since modern records began; in which business investment is, to quote the Office for Budget Responsibility, "significantly lower than...expected in March"; and in which real pay and living standards continue to deteriorate?

The official growth forecasts from the Government's own Office for Budget Responsibility were the worst in its history. No Government in modern times has ever presented a set of growth forecasts in which growth in every year is less than 2%. Productivity growth is forecast to have ground to a halt this year, and barely increase next year. That, too, is the worst downgrade in the OBR's history.

The squeeze on living standards is now so great that the Resolution Foundation estimates that real pay will not return to its pre-crash levels until 2023.

**Jack Dromey** (Birmingham, Erdington) (Lab): The shadow Chancellor is making a powerful case. The Governor of the Bank of England has said that the last time workers suffered such wage stagnation was 150 years ago, when Victoria wore the crown, Gladstone and Disraeli were in No. 10 Downing Street, Darwin was evolving the theory of evolution and trade unions were illegal. Does the shadow Chancellor agree that under a Labour Government wages go up, but under a Conservative Government—

**Madam Deputy Speaker (Mrs Eleanor Laing):** Order. Before we go any further in this debate, which has only just started, I should explain to the House that a great many people have indicated that they wish to speak this afternoon. Speeches will have to be time-limited and short. It is simply not fair for people to make very long interventions and possibly not stay for the whole debate. [HON. MEMBERS: "Ah!"] I am not suggesting that the hon. Member for Birmingham, Erdington (Jack Dromey)

will not. He is an honourable gentleman and knows how to behave in the Chamber. It is perfectly in order and good debating practice for the shadow Chancellor and anyone else to take lots of interventions so that we can have a debate, but interventions must be short and Members must recognise that every minute taken up by an intervention takes a minute off the speech of someone who waits all day to speak. It is a matter of being fair and decent to each other.

**John McDonnell:** I will take some interventions, Madam Deputy Speaker, but I am cognizant of what you have said about the need to ensure that everyone can speak.

On the point made by my hon. Friend the Member for Birmingham, Erdington (Jack Dromey), we all knew that the election of a Tory Government would set us back; what we did not appreciate was that it would set us back a century.

Average annual pay is now projected to be £1,030 lower in 2022 than was forecast in the March 2017 Budget. It is those delivering our key services—the nurses, midwives, firefighters and teachers—who are worse off than they were a decade ago. There is nothing here that could remotely be considered strong. This is a weak economy. In terms of growth, it is now the weakest in the G7.

Let us remember that we are in this mess because for the past seven years the Government have implemented policies that have undermined and weakened our economy. The Chancellor was a key figure in all those policies. He and his colleagues were warned that austerity spending cuts would fail to bring the debt or the deficit under control, and that instead they would undermine the real economy. We were promised in 2010 by the Chancellor's predecessor that the deficit would be cleared by 2015, yet today the debt burden is still rising. The Chancellor borrowed more in his first year in the job than any Chancellor in history.

**Mr Bob Seely** (Isle of Wight) (Con): The shadow Chancellor paints a very negative picture, but can he explain why patient satisfaction in the NHS is at its highest for 20 years, why we have the lowest unemployment for 43 years, and why we have the highest employment in our history?

**John McDonnell:** There are now waiting lists of 4 million in the NHS, predicted to rise to 5 million because of the lack of investment. We welcome the increase in those in employment, but 800,000 are zero-hour contracts, and we now have more than 2 million people in insecure work. It is no wonder that people are anxious about their futures.

As I have said, the Chancellor has borrowed £145 billion—more than £5,000 per household—which is more in his first year in the job than any other Chancellor in history. The OBR now expects the deficit in 2021 to be almost three times higher than it forecast in March. It blames this deterioration on the collapse in productivity growth, but productivity growth has collapsed because investment has fallen. Government investment is £20 billion less in real terms today than it was in the last year of the previous Labour Government.

**Huw Merriman** (Bexhill and Battle) (Con): May I ask the shadow Chancellor, or indeed his iPad, how much it would cost to service the Government debt in the event that his own spending plans came to fruition?

**John McDonnell:** I welcome the opportunity to respond to the hon. Gentleman. What we have said very clearly is that under our fiscal rule, unlike that of this Government, we will borrow not for day-to-day expenditure but to invest. That investment will grow the economy, and, as a result of that growth, we will cover any need to borrow. That is what any sensible Government is doing right the way across the globe, right the way across Europe. It is that attitude displayed by the hon. Gentleman that has caused our economic problems. The lack of investment over seven years has affected our productivity.

**Clive Efford (Eltham) (Lab):** Many of the things that have been welcomed in this Budget—and some things have been welcomed—by people outside this House are measures that we have been calling for since the downturn in 2008. If those measures are right now, they were right back then, which means that it is a consequence of austerity and the economic policies followed by the Tories that has made our economy flatline for virtually seven years.

**John McDonnell:** The issue is that whatever was put forward in the Budget yesterday was so trivial that it will not have the effect that is required.

Investment by businesses is the lowest in the G7 countries. The few measures announced yesterday just will not address that. They will not close the gap between the south and the rest of the country by investing in a rail project in the north-east that will receive just 2% of the total cost of Crossrail in London. Our economy and our people will only reach their potential when there is real new investment brought forward by Government on a scale that is needed to meet the opportunity. The right approach from 2010 would have been to target the real economy and real investments to produce growth and so bring the deficit into line. Because the investment that was needed then did not materialise, productivity growth has stagnated, and because productivity growth has fallen away, the forecast deficit has been widened by the OBR to some £30 billion by 2021. The Government know that austerity is not working. They have now been reduced to fiddling the figures to meet their own targets.

**Sir Edward Leigh (Gainsborough) (Con) rose—**

**John McDonnell:** Let me just quote the OBR, because it is important. On how the Government will meet some of their targets, the OBR was damning. It said that

“the Government has ensured that net debt still falls fractionally as a share of GDP in 2018-19...It has achieved this largely by announcing fresh sales of RBS shares and by passing regulations that ease local and central government control over housing associations in England.”

That is creative accounting on a scale that we have not seen under any Government. In other words, the Government have met their own debt target—barely—by exploiting a reclassification of housing association debt and putting in some extraordinarily optimistic forecasts for their sale of RBS shares.

**Sir Edward Leigh:** I am very grateful to the right hon. Gentleman for giving way. I am genuinely trying to find a way out of our problems that we agree exist. I accept his point that he wants to borrow more to invest. The trouble is that we are already paying in interest more than we spend on defence and the police—that is just

paying interest on our debt. I understand where he is coming from, but whatever we spend this money on, the interest will still be accrued, so how will he deal with that?

**John McDonnell:** Debt under the hon. Gentleman's Government has gone up by nearly £800 billion, and it is debt to pay for failure rather than to pay for investment. If we borrow to invest, we grow the economy, which means that we can put more people to work with more skills and higher wages. They pay more taxes and it pays for itself. That is the lesson that the Government still have not learned.

The Government appear, as is demonstrated today, to be completely out of touch with the mess that our economy is in. They have no understanding of the consequences of their choices for the lives of our people. They do not seem to grasp the scale of what is happening to our people out there. The Chancellor has tried to claim that income inequality has fallen, but he does not seem to be aware that more than a million food parcels have been handed out in this, the sixth richest economy on the planet. Inequality is not falling. He may well be aware that London is home to more billionaires than ever before, but does he know that there are more people homeless than ever? How can he claim that inequality is falling when that stark comparison is made? This Government's decisions will make the poorest poorer still. Buried away in an annex, at the very back of the Treasury's own distributional analysis, is the truth on this. The poorest fifth are being made poorer by the changes this Government is implementing. Those in the poorest fifth will lose almost £250 a year.

The House of Commons Library has confirmed that the burden of cuts—86%—made in tax and benefits measures since 2010 have fallen on women. Is that what equality is under this Government—86% of cuts on the shoulders of women?

**Rebecca Pow (Taunton Deane) (Con) rose—**

**John McDonnell:** I will come back to the hon. Lady.

On housing, the Government's proposed solution to the crisis is inept, and counterproductive. The stamp duty cut for first-time buyers will not bring forward the new homes that we need. No wonder the OBR expects only 3,500 additional sales to happen because of the change. It says that thanks to the price rises

“the main gainers from the policy are people who already own property.”

The problem is simple, but perhaps it needs explaining: you cannot solve a problem of housing supply by driving up housing demand. We are not the only people saying that. Conservatives Ministers reviewed a previous stamp duty reduction and said that the cut had

“not had a significant impact on improving affordability for first time buyers”.

Setting a target of 300,000 homes a year for the mid-2020s does little for a housing crisis today.

**Rebecca Pow rose—**

**Jo Churchill (Bury St Edmunds) (Con) rose—**

**John McDonnell:** The hon. Member for Taunton Deane was first.

**Rebecca Pow:** I was going to intervene on a previous point. The people of Taunton Deane have more money in their pockets, which is what they want. We have put up the national living wage, cut income tax by raising the personal allowance, and, again, frozen fuel duty. People actually have thousands more in their pockets than they had under the Labour Government.

**John McDonnell:** I know that the hon. Lady is well intentioned, but she has displayed ignorance of what large numbers of people are experiencing. May I suggest this to her—*[Interruption.]* I do not wish to be patronising. *[Interruption.]* If that is the way it is interpreted, it is not how it is meant to be. I just say that all of us, who are on relatively high wages, need to be very careful when talking about levels of income and levels of wealth because many people, including 4 million of our children, are actually living in poverty. Two thirds of those children are living in households where someone is in work, which says something about low pay to me, as it should do to all of us.

**Mr Seely:** Will the right hon. Gentleman give way?

**John McDonnell:** I will come back to the hon. Gentleman.

The number of people sleeping on our streets has doubled since the Conservatives came to office in 2010. More than 3,500 people were forced to sleep on the streets last year. Some 80,000 households are living in temporary accommodation because councils simply do not have anywhere to house them. I repeat: in the sixth richest country in the world, there are more than 120,000 children without a home to call their own, living in temporary accommodation. That figure is up 60% since this Government have been in power. That means children are being brought up in places that are often not safe, having to share communal bathrooms and kitchens, and being robbed of a normal family life and childhood. We have seen this in our constituencies. Ministers do not seem to understand the strength of anger felt by many on the Labour Benches at the fact that our constituents are being forced to live in overcrowded, unsafe and inadequate housing.

The Government had the opportunity to deliver the funding that would build the homes we need. Only a third of the £44 billion announced yesterday is genuinely new, and there is no extra Government investment in new affordable homes. This Government's record of failure on housing will continue to blight the lives of hundreds of thousands of people trapped in overpriced, inadequate housing.

**Jo Churchill:** I was working in the construction industry in 2008-09, so I watched its decimation at the tail end of the last Labour Government. Nobody sprang to our aid to keep people in work in the industry. This Government had to start from the get-go. We have built 217,000 houses this year, which is nearly double what was built in the last period of the Labour Government. The Labour party walked away from the industry at that time, so it is wrong for the right hon. Gentleman to stand there and say it supported us.

**John McDonnell:** I ask the hon. Lady to re-examine the history of that period. I point her to the Kickstart programme, which was developed by the Labour Government to enable building to happen in the public

and private sectors. I understand what she is saying; she is right that that time was an immensely difficult period for the economy, and that many people suffered, but her party supported the policies to deregulate the banks that brought about the speculation that resulted in the economic crisis in this country and elsewhere.

Thousands of people are trapped in poverty. The Child Poverty Action Group estimates that as many as 1 million children could be pushed into poverty as a result of cuts to universal credit. The introduction of universal credit has been a disaster that has pushed many thousands of people into despair and, in many cases, outright destitution. Food bank charities have reported that they have gathered an extra 2,000 tonnes of food to cope with demand as a result of the introduction of universal credit. The Trussell Trust reports that the use of food banks is up 30% in areas where universal credit is being rolled out. Yet the amendments offered by the Chancellor yesterday and mentioned in the statement today are so feeble as to strongly suggest that he and this Government simply do not grasp the scale of the problem.

Hon. Members need to know what this poverty means for children in our society. It means not having a winter coat this winter and being left behind when the rest of the class go on a school trip. Last year's reports showed that thousands of children are going hungry during school holidays. The Chancellor did nothing yesterday for self-employed people, second earners, lone parents or disabled people, all of whom have seen their living standards suffer particularly acutely under universal credit. He failed to mitigate the £3 billion a year cuts that were slashed from the universal credit programme by his predecessor, and he failed to address the impact of the social security freeze in universal credit, due to push millions into poverty.

**Mr Seely:** Will the right hon. Gentleman give way?

**John McDonnell:** I will come back to the hon. Gentleman.

The additional funds put in place amount to £1 returned for every £10 that the Government are cutting from the system. This means that those claiming universal credit will now have to take their first payment as a loan, so they will face 12 months of reduced payments. What has the Chancellor offered to some of the most desperate people in the country—those who are already drowning in debt? More debt. The Chancellor had nothing to say for the people who are newly registered for universal credit and who face destitution this Christmas. Not a single extra penny, however inadequate, will be available for the new year. Some 59,000 families will be left without any support over the Christmas period. Those families include 40,000 of this country's children. The percentage of children living in relative poverty is the highest since records began in 1961—in the sixth richest country in the world.

Local councils are being starved of the funds they need to protect the most vulnerable children in society. Charities on the frontline are clear and report solidly that cuts to parenting classes, children's centres, substance misuse prevention, teenage pregnancy support and short breaks for disabled people risk turning the current crisis into a catastrophe for the next generation of children and families. A record 70,000 children have been taken into care this year. One in 64 children in England is at risk of abuse or neglect. There are 1,200 fewer children's

centres than in 2010, eight in 10 schools have no funding to support children with special needs and funding for early intervention to protect children is down by 55%. There was not a single penny extra in the Budget to address this emerging crisis in our children's services. The Chancellor and the Government are failing some of the most vulnerable children in society, and I urge the Government to look again at this emerging crisis.

It goes on. Schools are facing the first funding cuts per pupil in real terms since the 1990s. Headteachers are being forced to go begging to parents for funds to pay for basic supplies. Five thousand headteachers have written to the Government, asking just for the return of the funds that have been cut. One headteacher in the Prime Minister's constituency is asking parents for £1 a day to help to pay for stationery.

The National Audit Office says that schools face a £1.7 billion real-terms funding cut by 2020. For younger children, there are 1,000 fewer nursery places and childminders. Eight in 10 schools have been left without the funding to provide adequately for special needs pupils. This means that our most vulnerable children are deprived of the counselling or support they need, and spend break times away from their friends, alone. Their education is being discriminated against.

**Emma Hardy** (Kingston upon Hull West and Hessle) (Lab): I was told by a headteacher in Hull that there is not enough money for post-16 special educational needs provision, because they cannot cut the number of teaching assistants due to the ratios of staff needed to care for these children. She is looking at of not being able to offer a full-time post-16 school placement for children with SEN. Does my right hon. Friend agree that that is appalling?

**John McDonnell:** It is absolutely shocking when, as a society, we are looking to integrate everybody into the mainstream as best we can. It means that those children will be deprived for the rest of their lives. More than 4,000 children with an approved education, health and social care plan are still not receiving the provision they are entitled to, which confirms what my hon. Friend reports.

The Local Government Association is now warning the Government that the cuts to local government will mean schools being forced to turn away students with special needs. Yesterday's Budget offered £177 million for additional maths and IT teachers, supposedly to make us fit for the future, at a time when just 10% of our schools offer IT GCSEs—£177 million to compensate for £1.7 billion, or £1 pound given back for every £10 taken away. Capital spending on schools is also scheduled to be cut by £600 million over this Parliament, at a time when class sizes are rising.

On the NHS, experts and health professionals are agreed that it is approaching breaking point. The NHS needs proper funding. The chief executive of NHS England has said our national health service needs £4 billion this year to prevent it from falling over. He has warned of 5 million people being left on the waiting lists if there is not additional funding.

**Mrs Madeleine Moon** (Bridgend) (Lab): Is my right hon. Friend aware that clinical commissioning groups in the NHS are looking to introduce new taxes on

patients? Kernow CCG proposes to make kidney dialysis patients pay for transport to their dialysis. This is a death tax of £120 a month. Dialysis or death—that is their option.

**John McDonnell:** Under the figures that have been announced this week in the Budget, there will be more of this. There will be more rationing. There will be more people suffering. There will be more people's lives put at risk.

Under this Government, 4 million people are now waiting for care—the highest level in a decade. More than 100,000 patients were left waiting more than two weeks to see a specialist after being diagnosed with cancer, and more than one in 10 did not start treatment within 62 days. Only three in 10 of the most urgent 999 calls for help are answered within the targeted time. Yet, the Government have brought forward less than half the amount that is needed and that professional, sober assessments say is needed. The claim in yesterday's Budget that £10 million in capital funding is available is totally misleading. The Government will provide less than half of that. The remainder will come from selling off NHS estates or from the private sector.

Nor has the pay cap that has driven hard-working public sector workers to despair been tackled. The dedication of the staff is extraordinary. There are nurses waiting behind after 12-hour shifts to give care to keep the system from imploding. These are the same NHS nurses who have seen their pay fall so much in real terms that one in four must take a second job to make ends meet. The Royal College of Nursing reports that nurses are even visiting food banks, such is their desperation. It is not possible to run a health service worthy of the name on the unpaid and underpaid dedication of its staff alone. The Chancellor is able to offer nothing for them.

**Mr Seely:** Will the right hon. Gentleman way?

**John McDonnell:** I have given way to the hon. Gentleman, and I am worried about making sure, as you said, Madam Deputy Speaker, that other people are fully involved.

The Chancellor was able to offer nothing for these staff. The cap is not being removed, because, as the Treasury briefed once the Chancellor sat down, any pay rises the pay review boards offer above 1% must be taken from existing budgets. It is a derisory offer to make after seven years of real-terms pay cuts. Worse than that, for NHS nurses, any additional pay will be linked to "Agenda for Change" modernisation, which really means threatening their working conditions—tearing up their terms and conditions of pay.

**Chris Stephens** (Glasgow South West) (SNP): Is it not also a con, because 55% of civil servants' pay is not covered by a pay review body?

**John McDonnell:** That is exactly it. That is how the Government, up until now, have avoided their responsibility to ensure that civil servants have a proper pay rise.

For those in social care, with the system still approaching what the Care Quality Commission calls "tipping point", the Chancellor has not offered a single penny either.

[John McDonnell]

Let me turn to the environment. The Chancellor had a few choice words about electric cars yesterday—I thought a driverless car was a wonderful metaphor. However, on the bigger picture, the Budget is potentially disastrous. The fact that there will be no new low-carbon electricity levies until 2025 could spell the end of much of the low-carbon development in the UK. There was not a single mention in the Chancellor's speech of renewables, sustainable sources of energy or investment in domestic energy efficiency. It is quite clear that, beyond a few gimmicks, this issue is not, in any sense, a priority for the Government.

The Chancellor referred extensively to technological change, which offers huge potential for our economy and our society if we are prepared to commit to the investment needed. However, it was a Conservative-led Government, of which the Chancellor was a member, that cut research funding by £1 billion in real terms. Unlike the Chancellor and his party, Labour Members know that realising the possibilities of new technology will require a Government committed to providing the funding and long-term investment needed—not a Government, like this one, repackaging existing announcements on fibre optics and 5G in consecutive Budgets, and not one who re-allocates funds they allocated a year ago in the autumn statement, claiming it is new research funding. The Government say they aim to reach the OECD average of 2.4% of GDP spent on R and D by 2027, but after years of languishing below that level, Britain should be aiming to be above the OECD average, rather than belatedly hitting it a decade from now. Even the target displays a lack of ambition and foresight.

The Government have the same problem with Brexit. They never planned for it before the referendum, and they cannot see beyond their own slogans after it. Some 17 months after the referendum result, there is not a single agreement with the EU on any point. The Government are lurching towards the hardest possible Brexit, ripping up our existing relationship with our closest trading partners, instead of trying to work to create a new relationship.

Every major business group has begged the Government to take a different approach—from the CBI to the EEF to the British Chambers of Commerce. Already, businesses are pulling back investment for fear of what might come. So this Government do not just lack ambition: they will not listen to advice and cannot seem to see just how disastrous a cliff-edge plunge out of the EU would be for our economy.

The Chancellor trailed this Budget as making Britain “fit for the future”. What it actually demonstrated, as my right hon. Friend the Member for Islington North (Jeremy Corbyn) North said yesterday, is that this is a Government no longer fit for office—too divided to deliver. The Budget demonstrated that this is increasingly a Government without purpose, divided and in disarray, whose confidence is sapped and whose time is up. I just say to them: it is better to go with a bit of dignity—just go with a bit of dignity!—rather than humiliating disintegration. Labour is ready and willing to form the Government that this country needs, rather than this shambles that cannot even be described as a Government.

1.7 pm

**The Secretary of State for Communities and Local Government (Sajid Javid):** It is a pleasure to respond to the Shadow Chancellor, although I am grateful that, for everything we have heard in the past half hour, he did not literally throw the book at me.

On Saturday, it will be exactly two years since the right hon. Gentleman cited one of history's worst mass murderers in defence of his own economic policies. So let us take a look at some of the great leaps forward our economy has taken in those two years. Employment: up. House building: up. Inward investment: up. Borrowing: down. Last year, the British economy grew faster than that of any other G7 nation. This week, the CBI said that manufacturing order books have not been this full for almost 30 years. Siemens has said that it is cutting jobs on the continent, but expanding its UK operation, investing more money and creating even more jobs.

Whatever way we look at it, this is a Government that are getting things done—a Government that are growing the economy, and a Government that are building a Britain fit for the future. Yesterday's Budget builds on that success and lays the way for much more to come. It is a Budget that will lead to us building more homes in the right places and at the right prices, a Budget that will protect and enhance our precious public services, and a Budget that will tackle the burning injustices that still plague too many people in this country.

First among those injustices is the state of the housing market. As I have said before, our home is so much more than just the place we go to sleep at night. It shapes who we are, provides stability and security and shapes our life chances, opening up or closing off all kinds of opportunities. A fair, affordable housing market builds strong families and strong communities. A broken one is, of course, a barrier to social mobility and a root cause of intergenerational unfairness.

The way to fix the broken housing market is to build more homes, and that is exactly what we are doing. Last year there were 217,000 net additions to the housing stock—the highest such figure in almost a decade. But we are under no illusions about the fact that there is much, much more to be done.

Labour's answer to the housing crisis—in fact, Labour's answer to everything—is simply to throw more of someone else's money at the problem and hope that it goes away. The last time Labour tried that, we ended up with house building at its lowest level since the 1920s and an economy on its knees. This country needs at least 300,000 new homes a year. Do you know how many Labour started in its last full year in office, Madam Deputy Speaker? It was 75,000—the lowest number of starts in peacetime since the 1920s.

**Chris Williamson (Derby North) (Lab):** I am delighted that the Secretary of State says there will be a renaissance in house building. Can we therefore look forward to an announcement of a renaissance in council house building? Does he accept that the cost of building council houses is in large measure covered by the income generated from the rental stream? It is basically a free hit, so why will he not admit that it is important that we start to build the council houses that we need to tackle the housing crisis?

**Sajid Javid:** I am glad that the hon. Gentleman raises the issue of council houses, because it gives me another opportunity to remind the House that in 13 years in office, Labour built fewer council houses than have been built since the return of a Conservative-led Government. Yesterday's measures, which I will come to in a moment, are ambitious and will lead to more council houses, which we welcome.

**Clive Efford:** Can the Secretary of State explain how it is logical to cut stamp duty on houses worth less than £300,000, which will increase the price of properties, cut the tax coming in and benefit not first-time buyers but only those selling properties?

**Sajid Javid:** I think the hon. Gentleman should speak to the leader of his own party, who stood at the Dispatch Box yesterday claiming that it was his policy from his manifesto. The hon. Gentleman needs to go and do some homework.

When Labour came to power in 1997, the average home cost three and a half times the average wage. By the time it slunk out of office in 2010, it was nearly seven times the average wage. As for the neediest in society, Labour cut the number of social homes for rent by more than 420,000 units. That is its track record.

**Wes Streeting (Ilford North) (Lab):** The Secretary of State says that we need 300,000 new homes a year to address the housing crisis, so presumably he has just committed to making sure that that many homes are built. Until he addresses the supply side of the housing crisis, he must stop fuelling demand-side pressures, which is what he has done. As the Office for Budget Responsibility has said, the elimination of stamp duty will fuel demand at a time when he is not meeting the supply pressures.

**Sajid Javid:** Where the hon. Gentleman is right is on the need for further planning reform. That is why the Budget follows on from the housing White Paper earlier this year with further reforms, some of which I will come to in a moment. Where he is completely wrong, like the hon. Member for Eltham (Clive Efford), is on stamp duty. He should have a conversation with young people buying their first house, who can save up to £5,000.

**Peter Heaton-Jones (North Devon) (Con):** Does my right hon. Friend agree that what we need now is clarification from the Opposition on what they will do when it comes to a Division on the plan to scrap stamp duty for first-time buyers? Will they block those plans? If so, that says more about where they stand than any words they could ever say.

**Sajid Javid:** My hon. Friend will not be surprised to learn that the Opposition do not know what they would do. They have no idea, other than borrowing billions of pounds more and trying to bankrupt this country once again.

What Labour has never understood is that getting more homes built requires action on many fronts. It is the easiest thing in the world to say, "We'll build more homes", but it is meaningless unless we address where

we are going to build them, what we are going to build and how, who is going to do the building and who is going to pay for it all.

**Emma Hardy:** The right hon. Gentleman makes the point about where we build homes and the need to get the people to build them. Does he recognise that providing money to create maths teachers will not help with the skills shortage that we have in the building industry so that we can create the builders we need to build properties?

**Sajid Javid:** First, I would have thought the hon. Lady would welcome the extra investment in maths. If she had been listening to the Budget, she would have also welcomed the partnership that we are beginning with the TUC and the CBI to invest in the skills of the future, and the additional funding to get more skills into the construction industry.

Our housing White Paper promised action on many fronts, and that is what the Budget delivers, with more than £15 billion of new financial support to help make it happen. Over the next five years we will commit to a total of at least £44 billion of capital funding, loans and guarantees to support our housing market, to boost the supply of skills, resources and land for building, and to create financial incentives to deliver an average of 300,000 net additional homes a year—or to put it another way, almost three times as many as the shadow Housing Minister managed when he was Housing Minister.

**Susan Elan Jones (Clwyd South) (Lab):** The right hon. Gentleman speaks about action. Why are the Government not taking action on developers who sit on land? The Chancellor spoke yesterday about a consultation, but we all know what needs to happen, so why do they not just do it?

**Sajid Javid:** It really bewilders me that although the Opposition Benches were full yesterday for the Budget, it seems like no one was actually listening. If the hon. Lady had been listening, she would have heard some of the measures that the Chancellor announced, including the change to the delivery test and the new inquiry, which I will come on to.

The Budget provided new money for the home building fund, to get small and medium-sized house builders building again. The Chancellor also promised £630 million for small sites to unlock the delivery of 40,000 homes; £400 million for estate regeneration; a £1.1 billion fund to unlock strategic sites, including new settlements and urban regeneration schemes; and £8 billion of new financial guarantees to support private house building and the purpose-built private rented sector.

**Rachael Maskell (York Central) (Lab/Co-op):** Can the Secretary of State explain why York's Conservative-led council submitted a local plan that seriously undershot the number of houses he is referring to? Why such a disparity within his own party?

**Sajid Javid:** The hon. Lady will know that we are currently consulting on how councils across the country, however they are led, should assess housing need. Once the proposals go forward, it will be clear that no council will be able to avoid building the houses it needs to.

[Sajid Javid]

In the areas where supply and demand are most badly mismatched, where most homes are unaffordable to most people, we will increase local authority housing revenue account borrowing caps by a total of £1 billion. That will allow ambitious councils to invest in new homes where they are most needed. We will bring together public and private capital to support the delivery of five new locally led garden towns in areas of high demand. We are committed to building up to 1 million new homes in the Oxford-Milton Keynes-Cambridge corridor by 2050, and we have agreed one of our first ambitious housing deals, with Oxfordshire, to deliver 100,000 homes by 2031.

**Rebecca Pow:** Taunton has been made a garden town, and I am very proud to be part of it. Will the Secretary of State confirm that as well as building more homes, we are going to build homes that people really want to live in? We are going to make good communities and good places to live, with the right infrastructure and all the facilities that people want. We are going to be the Government who bring housing into the 21st century.

**Sajid Javid:** My hon. Friend is absolutely right. It is not just about building homes; it is about building communities. That means, among other things, supplying the infrastructure that is required, and I will come on to that.

**Chris Williamson:** The Secretary of State is being generous in giving way. Can he give us an indication of how many additional council houses will be built as a consequence of the lifting of the debt cap to the proposed level? I do not think it is very many—fewer than 10,000.

**Sajid Javid:** The hon. Gentleman keeps making that point, and I welcome it. I thank him for giving me another opportunity to remind the House that under the Conservatives, more council houses have already been built than were built during 13 years of Labour rule. How many more houses are built will depend on how ambitious local authorities are, but the objective is to ensure that thousands more are built each year by increasing the cap.

We have set out measures to support the workforce in this industry by providing an additional £34 million to develop vital construction skills such as plastering and bricklaying. As I have said, getting the country building will require more than just money. Planning reform is also required. We will focus on getting homes built in urban areas, where people want to live and where the most jobs are created. That will include making the best use of our urban land while continuing the protection of our green belt. We will focus on creating high-quality, high-density homes in city centres and around transport hubs.

To put the needs of our young people first, we will ensure that councils in high-demand areas permit more homes for local first-time buyers and renters. We are also launching an independent inquiry into so-called land-banking, with the promise of serious action if developers are shown to be holding back supply for financial rather than practical reasons. I am pleased that my right hon. Friend the Member for West Dorset (Sir Oliver Letwin) has agreed to lead that work.

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): The Secretary of State is going on, yet again, about investment in the south of England, but he has not mentioned Yorkshire or the north of England. Will we, for example, get the electrification of the trans-Pennine rail system? We have real opportunities to grow the population and wealth in the north of this country, but the Government do not hear that message.

**Sajid Javid:** The hon. Gentleman will know, if he has had an opportunity to study the Budget closely, that the Chancellor referred to the housing deals that we are working on in Greater Manchester, Leeds and the west midlands. The hon. Gentleman mentioned the trans-Pennine railway, and he will know that the Chancellor offered an additional £300 million yesterday for the trans-Pennine railway. I am sure the hon. Gentleman will welcome that.

**Helen Whately** (Faversham and Mid Kent) (Con): A moment ago, the Secretary of State mentioned the review of the build-out of houses. One issue in my constituency is that many planning permissions are granted, but there seems to be a delay before the houses are built. We are getting the blight but not the benefit, and therefore not the affordability. May I welcome the Secretary of State's plans to make sure that not only are planning permissions granted, but houses are built?

**Sajid Javid:** My hon. Friend is right to highlight that. Many councils are, like hers, willing to take what may be tough decisions, provide the land for new homes and give the planning permissions, only to find that developers do not build those homes out at all, or that they do so far too slowly. The measures in the housing White Paper are hugely welcome and will make a difference, but I am not sure whether they are enough. That is why we wanted to have an independent inquiry, and I am sure that it will make a big difference.

The whole planning and building process will be overseen by our new national housing agency, Homes England. That agency will be based on the Homes and Communities Agency, but its remit will be far larger and will bring together money, expertise, planning and compulsory purchase orders. That will allow it to offer specific solutions to the barriers faced by different areas, maximising its impact and getting more of the right homes built in the right places.

It is no good building homes if people cannot afford them. Growing the economy and raising wages are key to that but, as I said last week, young people face a housing market that is very different from the one that their parents' generation enjoyed. We are going to get more homes built, but that will not happen overnight. What has happened overnight is a change that means that no stamp duty will apply for the vast majority of first-time buyers. On average, a first-time buyer will save £1,600. In addition, we have provided £200 million for a pilot to extend the right to buy to housing association tenants in the midlands, allowing people to own the homes in which they have lived for many years and giving them the same opportunity as that enjoyed by council tenants.

**Huw Merriman:** Will my right hon. Friend take into account the fact that the stamp duty change—much as it may have been scoffed at—has given a couple in my

constituency, both of whom work in the public sector, £2,500 towards buying their own home? I thank him, on behalf of my constituents, for that policy, which will have a massive impact for a younger generation that is already struggling.

**Sajid Javid:** I am very pleased to hear that from my hon. Friend. I, too, have received emails overnight from members of the public who have welcomed the change. I am sure the Leader of the Opposition has received similar emails, and I am sure he is all excited about sharing them with us at Prime Minister's Question Time next week.

Not everyone is lucky enough to have a home. One person living on the street is too many, but the latest figures are simply unacceptable. It is clear to anyone who walks around any of our major cities that the current approach to tackling homelessness is not enough. It is time for a bold new way of doing things, and this Budget provides some of the resources required to do just that.

I have been a fan of the Housing First approach for some time. It does exactly what it says on the tin: it involves getting people off the street and into a safe and secure home first, and then dealing with the problems that may have forced them on to the streets in the first place. That sounds obvious, but it is a complete reversal of the traditional way of doing things under successive Governments. Earlier this year, I saw for myself how that approach has eliminated rough sleeping in Helsinki, and I want to see whether we can make it just as effective in our own country. That is why the Chancellor announced yesterday £28 million for Housing First pilots in the west midlands, Greater Manchester and the Liverpool city region.

**Ruth Cadbury** (Brentford and Isleworth) (Lab): Does the Secretary of State not realise that that is not particularly innovative and that Labour did end the obscurity of rough sleeping in less than 10 years when we were in government? If the Government had not removed the safety net of support services and housing, we would not have had people sleeping rough on our streets in the past seven years.

**Sajid Javid:** I know that the hon. Lady means well and that on this issue, at least, there is usually a welcome cross-party approach, but she is wrong to suggest that rough sleeping was ended at any time, under any Government. In fact, under the last Labour Government, statutory homelessness peaked in 2007. Since then, it is down by more than 50%. I hope that she agrees that we can all work together to do more to combat homelessness. For that reason, I hope that she will welcome the announcement of the new homelessness reduction taskforce, which will pilot a number of new ideas to help to cut rough sleeping by 2022 and to eliminate it altogether—working together—by 2027.

Homes are only part of the picture. Communities need roads, railways, schools, GP surgeries and much more besides. Investing in infrastructure can unlock a huge range of new sites and avoid putting too much pressure on existing communities that already feel squeezed. That is why we are committing a further £2.7 billion to more than double the size of the housing infrastructure fund, investing not just in houses but in the services that we all depend on.

Of course, our support for public services is not limited to new communities. We are putting an additional £6.3 billion of new funding into the NHS, upgrading facilities, improving care, improving A&E performance, reducing waiting times and treating more people this winter.

**Ms Karen Lee** (Lincoln) (Lab): I am a nurse and I still do bank shifts at Lincoln County Hospital, and I am sorry but I really do not recognise what the Secretary of State is describing. Hospitals have got leaking roofs, with buckets to catch the water coming in, and nurses leave shifts at least an hour late, while our pay has been capped and we have lost 14% since 2010. I am sorry, but I do not recognise the NHS he is talking about.

**Sajid Javid:** I say gently to the hon. Lady that if this country had taken Labour's approach to the economy, we would be heading for bankruptcy again, and there would be no new money for the NHS. I hope that she will join Members on both sides of the House in welcoming the additional £2.8 billion going to the NHS in resource spending next year and the additional £3.5 billion that has been made available for capital spending over the next five years.<sup>1</sup>

**Chris Williamson:** On the point about the country becoming bankrupt, will the Secretary of State remind the House how much extra this Government have borrowed since they came to power?

**Sajid Javid:** This is a timely point at which to remind the hon. Gentleman that when a Government leave this country with the biggest budget deficit of any industrialised country, there are consequences, and Labour Members have not once—I repeat, not once—got up at the Opposition Dispatch Box to apologise for what they did to this country in their 13 years in office.

The Chancellor has also promised to provide additional funding for a future NHS pay settlement, so that our nurses are properly rewarded without taking money out of patient services. We are investing more in our schools: they will get £600 extra for every pupil who takes A-level or core maths; £27 million will help to improve how maths is taught in 3,000 schools; £49 million will go towards helping students resitting GCSE maths; and £350,000 of extra funding a year will be given to every specialist maths school that has been set up across the country. That is a massive investment in numeracy—sadly, it comes too late for the shadow Treasury team—that will help to ensure our young people have the skills they need to compete in the future high-tech jobs of the 21st century.

Not all public services are the responsibility of central Government; many are delivered by our brilliant local councils, whether parishes, districts, counties, metropolitan or unitary authorities. I am well aware of the pressure that local authority budgets are under, particularly with regard to social care. That is why this year's spring Budget provided an extra £2 billion to help to meet the immediate needs in this vital area. I remain totally committed to delivering fair, effective funding for councils at all levels, and we will obviously return to this in next month's local government finance settlement.

In the meantime, we are pushing ahead with our pilot schemes for 100% local business rate retention, including in London, and we are reforming business rates themselves.

1. [Official Report, 27 November 2017, Vol. 632, c. 1MC.]

[Sajid Javid]

Revaluations will switch from every five years to every three years, avoiding the cliff edge that currently confronts many businesses, particularly smaller ones. We are changing the law so that businesses affected by the so-called staircase tax decision can have their original bills reinstated and backdated. We are bringing forward the change in uprating from RPI to CPI, which will now take effect from next April, saving businesses £2.3 billion over the next five years.

One council, the Royal Borough of Kensington and Chelsea, has had to deal with an unprecedented tragedy this year. The fire at Grenfell Tower should not have happened, and it should not have been possible. Since the blaze, the people of north Kensington have shown themselves to be remarkably resilient, courageous and proactive, and they deserve the full support of this Government and this House. We have already provided financial support for the victims of this terrible tragedy. This Budget sets aside a further £28 million to pay for community mental health support and to provide regeneration support for the area around Grenfell Tower and a new space for the local community to come together.

**Clive Efford:** Will the Secretary of State clarify what the Chancellor said yesterday about funds for fire safety precautions? Did he say that, where local authorities are told by an independent fire safety officer that sprinklers should be retrofitted in tower blocks, the Government will assist with paying for that to happen?

**Sajid Javid:** I thought the Chancellor was clear, but I am happy to help the hon. Gentleman by providing clarification. The Chancellor said that all local authorities need to do whatever is essential to keep their residents safe, which includes fitting sprinklers and anything else. If they receive such professional advice, they should of course follow it. If in doing so, they need to approach the Government for financial support, they should do so, and we will provide support.

**Bob Blackman** (Harrow East) (Con): Will my right hon. Friend confirm that the Grenfell relief fund will be available immediately and that we will not have to wait until the next Budget year on 1 April, so that the poor victims, who have suffered greatly, can get the help they need right now?

**Sajid Javid:** Yes, I am very happy to confirm that for my hon. Friend. The new funding that the Chancellor announced yesterday will be available immediately.

The most recent additions to the local government family are the combined authorities, led by the six directly elected Mayors. Under this Budget, they will be able to improve local transport with half a new £1.7 billion transforming cities fund. The remainder will be open to competition by other English cities. A second devolution deal has been agreed with the incredible Andy Street in the West Midlands; a whole new devolution deal has been struck north of the Tyne; and we are developing a local industrial strategy with Greater Manchester. We are investing £300 million to ensure that HS2 infrastructure can accommodate future northern powerhouse and midlands engine rail improvements.

This kind of devolution is how to deliver growth and opportunity right across the country. It is how to boost productivity and secure new jobs and increased security for hard-working people wherever they live. It underlines the fact that this is a Budget for the whole country: a Budget for the many, not the few. [Interruption.] That has woken up Labour Members, and perhaps my next point will as well. On Tuesday night, almost 24 hours before the Budget was delivered, the Leader of the Opposition emailed his supporters to call on them to oppose everything the Chancellor was going to say. I know that Marx once said:

“Whatever it is, I’m against it,”

but that was Groucho, not Karl. It is great that Labour Members have found a new source of inspiration, but their economic plans are no laughing matter.

On Sky News yesterday, the shadow Housing Minister said that people should look at what the Institute of Fiscal Studies said about the spending plans in his party’s manifesto, so I did. I took a look, and it said:

“What Labour actually want you to hear is that the spending increases they promise...would be funded by tax increases solely affecting the rich and companies. This would not happen... In the longer term, much of the cost is likely to be passed to workers through lower wages or consumers through higher prices.”

Those are not my words, but those of the independent IFS.

**Kirsty Blackman** (Aberdeen North) (SNP): Is the Secretary of State aware that the IFS has just issued a press release saying that workers are now facing two lost decades of earnings growth?

**Sajid Javid:** I am aware—far more than the Labour party, despite its name—that what workers want is work. That is why we should celebrate the fact that we have more people employed today than at any time in our history, and we have the lowest unemployment rate in 40 years.

Labour Members talk a good game, but all they have are blank cheques they know will never be cashed and empty promises they know they will never be able to keep. Over and again, the shadow Chancellor refuses to say how much his spending plans would cost, how much he would have to borrow and how much debt he would pile on to the next generation. He says that he does not “need a number”, because that is “what iPads are for”. He even accused one reporter of wanting him to “pluck a figure” out of thin air. Well, no, we do not want him to pluck a finger out of thin air—[Interruption.] A figure, and a finger as well. He is good at putting up the finger—we know that. We want him to tell the British people how much his plans would cost. His failure to do so can mean one of only two things: either he has no idea what the cost would be, in which case he is not fit to be Chancellor, or he does know, but is refusing to share his dirty little secret because he is all too aware of how shameful it is.

**John McDonnell:** I have taken a vow that I will not throw about any form of book in the Chamber ever again, but may I suggest that we send the right hon. Gentleman a copy of the “Grey Book”, which identified every policy, all costings and all funding sources—including our capital transformation fund—that would build the homes that we need and ensure a fair taxation system? That is how we would fund our policies. The only numbers in the Tory manifesto were the page numbers.

**Sajid Javid:** Once again, the shadow Chancellor says that he will provide the numbers, but on every single occasion he has failed to do so. He did that again yesterday after the Budget, and he will no doubt keep doing it for as long as he feels that he can get away with it. It is no surprise that, while we are building a Britain that is fit for the future, Labour is planning a run on the pound. Yesterday, the Chancellor stood at the Dispatch Box and laid out a compelling vision for housing and public services and for making this a country that works for everyone. Today, the shadow Chancellor appears again peddling a bankrupt ideology that will bankrupt the country and take our schools and hospitals with it. His reckless plans would drive up interest rates and unemployment. He claims to be on the side of the many, but his policies would make it harder for people to pay their rent or their mortgage and harder for ordinary working people to save up for a home of their own.

Whenever the shadow Chancellor speaks, he tries to paint a picture of a fading, failing, divided nation. He talks down our economy, our prospects, our public services and our people. It suits his purpose, I suppose, but the country that he describes is not the country I recognise. When I look at the world that my parents grew up in—no electricity, no plumbing, and my mother was not even allowed to go to school—it reminds me again just how lucky I am to have been born British; how lucky we all are to have been born British.

We have one of the world's biggest, most successful economies. We speak the language of global business, the language of the world wide web—the world wide web that we invented. We are home to more Nobel prize winners than every country bar one. Our legal system is the most respected in the world. We are unrivalled in art, culture and the creative industries. The NHS is the envy of countless nations. We have given the world everything from the steam engine to Shakespeare and even the glorious game of cricket. We may not be the biggest or the brashest, but Britain is, without doubt, the best country in the world in which to work, play, learn and live. A country with an incredible history, and an amazing future still to come. This Budget builds on that history and embraces that future. This is a country of which we should be proud, and this is a Budget that truly does it justice, and I commend it to the House.

1.44 pm

**Kirsty Blackman** (Aberdeen North) (SNP): It is an honour to speak on behalf of the Scottish National party on this second day of debate on the second 2017 Budget.

This Budget is no better than the last one. The UK Government are in chaos. Cabinet infighting means that they are hamstrung and unable to take even the most basic decisions. Brexit, and the likely economic fall-out, is set to have a dramatic impact on the household budgets of very many people. Unlike the Government, the Office for Budget Responsibility has taken that threat seriously and downgraded our GDP figures accordingly. That is the worst downgrade in the OBR's projections since its creation seven years ago.

The outlook for GDP growth is worse on all counts than even the OBR's projections in spring. GDP might seem like an ethereal concept to people, and unrelated

to their daily lives, but here are the ramifications of this drastic downgrading. The Resolution Foundation has said that it equates to £1,000 a year in wages, which is £19 a week less to spend on essentials such as food and electricity. How will low-income families cope if their spending is slashed by an extra £19 a week? The TUC has pointed out that that is an £800 decrease in wages even from the prediction in March. The Fraser of Allander Institute reported that the GDP damage of a hard Brexit could cost Scotland 80,000 jobs. That is 80,000 people not paying tax to the Treasury; 80,000 folk having to struggle through the jobcentre system, and whose journey back to employment has been made even more painful and less dignified by the number of jobcentres closed by this UK Government.

The Scottish Government estimate that a hard Brexit could reduce GDP in Scotland by £11 billion a year by 2030. That is up to £3.7 billion a year less to spend on public services—£3.7 billion would pay the salary of 185,000 new police officers, 161,000 new teachers, or 168,000 new nurses, and that is only the impact in Scotland.

On the block grant, the Chancellor announced largesse for Scotland—£2 billion—but that is smoke and mirrors because £1.1 billion of that is financial transaction money. It cannot be used to pay for vital frontline public services, and it has to be paid back. If the Chancellor was going to make an announcement for Scotland, he should have made an actual announcement of real money that could be spent by the Scottish Government at their discretion on frontline services.

Between 2010-11 and 2019-20, Scotland's budget has seen a cut of £2.6 billion in real terms. Next year, the Scottish Government will have more than £200 million less to spend on frontline public services. Over the next two years, the Scottish block grant for day-to-day services has been reduced by £531 million. Is this £2 billion more for the Scottish Government to spend? Is it tattie!

The Chancellor has announced that VAT for Scottish police and fire services will not apply as of April next year. He agreed that it was unfair to charge VAT on those services, but he has not agreed to give us the rebate that we are owed—£140 million is owed to Scotland.

**Stephen Kerr** (Stirling) (Con): Is it not a fact that the SNP Government were given good notice and warning that the impact of their centralisation of the Scottish police and the Scottish fire and rescue services would create this situation? Was it not Scottish Conservative Members who lobbied Ministers to get the SNP Government out of the mess they created?

**Kirsty Blackman:** Not long ago, Murdo Fraser, a Scottish Conservative MSP, said in the Scottish Parliament that Scotland should not have the money paid back because it was the SNP's fault for centralising the services. The Scottish Tories supported that centralisation—it was in their manifesto. The Chancellor has agreed that the VAT was unfair and that it was taking money from front-line public services, yet he is refusing to refund it. We have raised the issue and called for the change to be made 140 times. As far as I am aware, the Scottish Tories have raised it once in this House—once! It is ridiculous for them to suggest that pressure from them has twisted the Chancellor's arm. In fact, if that were true and if the Chancellor was willing

[*Kirsty Blackman*]

to listen only to representations from Conservative Members of Parliament, what does that say about the Chancellor's honour?

On money for Scotland—[*Interruption.*]

**Madam Deputy Speaker (Mrs Eleanor Laing):** Order. I am listening very carefully to what the hon. Lady is saying. She is choosing her words carefully and I am sure she is not impugning the honour of any Member of this House. She asked a rhetorical question and I am sure she will not push it any further than that.

**Kirsty Blackman:** Thank you, Madam Deputy Speaker. I will not push it any further than that.

The other thing that the SNP has been calling for—the Scottish Tories have so far been unwilling to do so, it seems—is £190 million convergence uplift that is owed to our farmers. That money should go to Scottish farmers and we will continue to push for that.

If the UK Government were not in such chaos, they would have recognised the folly of Brexit. Even if they do decide to proceed with this incredibly damaging policy, there is certainty they could give now that would reduce, slightly, the economic harm we will see. They could abandon their net migration cap of 100,000 people. That would help to keep our public services fully staffed. Earlier this year, the Nursing and Midwifery Council produced its annual report on the number of registered nurses and midwives. Compared with the period from 2012 to 2016, registrations in the last year were down 46% from Ireland, 86% from Italy, 87% from Romania and 95% from Spain. These are trained nurses and midwives registered to work in the UK in our NHS, to work in our frontline services and to work to provide nursing and midwifery care for people who are in incredibly vulnerable states, and the Government are closing the door on them. They are ensuring that fewer people come. They are ensuring that our public services will be worse staffed as a result.

On housing, we need workers from the EU. In London alone, a third of construction workers are from the EU. The Government cannot say they intend to build more housing, while at the same time shutting the door to many skilled construction workers.

The Chancellor has announced a wonderful new policy of no stamp duty for first-time buyers who are buying a house for less than £300,000 in England and Wales. In time-honoured tradition, one of the Chancellor's biggest Budget commitments has fallen apart in less than 24 hours. The OBR confirms that it expects the policy to increase house prices. Implementing the policy is costing £3.2 billion, but the OBR expects 3,500 houses to change hands as a result. That means the Government are subsidising each house by £924,000 each. One tax expert I follow on Twitter said that virtually every tax expert thinks that this policy sucks.

**Stephen Kerr:** Would the hon. Lady care to share with the House the effects of the SNP Government's land and buildings transaction tax, which has been an unmitigated disaster and caused untold turmoil in the Scottish property market? Perhaps she should be fuller in her disclosure to the House of the effect her Scottish Government have had on the Scottish property market.

**Kirsty Blackman:** You know what, Madam Deputy Speaker? I was just about to talk about the Scottish land and buildings transaction tax. I was just about to talk about the fact that it is way more progressive than the position put forward by the UK Government. Before I get on to that, however, I want to make it clear that the Scottish Government are investing £3 billion in affordable housing. Fifty thousand affordable homes will be built over the course of the Scottish Parliament, 35,000 of which will be for social rent—something sadly missing from the UK Government's proposals. We are incredibly supportive of social housing, council housing and housing association housing. It is very important that there are more properties for social rent.

On the land and buildings transaction tax, those buying a house for less than £145,000 in Scotland pay no stamp duty. Buying a house for £180,000 attracts a stamp duty charge of only £600. It is possible to buy a fairly reasonable three-bedroom semi-detached house in many places in Scotland for less than £180,000. First-time buyers will pay only £600 in stamp duty and that has been in place for the past two years. Actually, £180,000 is much more realistic for a first-time buyer than £300,000. How many first-time buyers, without inherited wealth, have got £30,000 in the bank to put down for a deposit? The effect of the LBTT in Scotland was that over the first two years 93% of those buying a house in Scotland worth more than £40,000 paid either no stamp duty at all or less than they would have in England. The hon. Member for Stirling (Stephen Kerr) said that that was an unmitigated disaster. Clearly, he has not read the figures. Some 93%—a significant portion—of those buying a house over £40,000 paid less than they would down here.

The action our Government have taken was thought through, unlike the piecemeal approach the UK Government take. Successive Chancellors have insisted on the right to pull rabbits out of hats at Budgets. This has led to the drastic unravelling that occurs after almost every Budget. If the Chancellor was collegiate and consulted on measures, and if he approached issues such as stamp duty, small business taxation or income tax with the intention to review the whole system, we would see much better policy decisions being made. We need more coherence and less drama from Chancellors. They should not be trying to pull rabbits out of hats. They should be trying to create a system that works, rather than a system that will give them a big headline the day after Budget day.

Mr Deputy Speaker, if you were to ask someone under 30 whether they expect to have a pension, they will likely tell you that they do not. If you ask them whether they will be able to afford to buy a house, they will likely laugh at you. But, most importantly, if you ask them about their security, how precarious their current housing situation is and how precarious their current work situation is, they will tell you how difficult it is to save for the future. They will tell you how difficult it is to build a stable life when their landlords move them on every year and when they have to share with other people. They will tell you how difficult it is to save for the future when they are working on zero-hours contracts. The Chancellor's pretendy national living wage is not enough to live on—it does not even apply to under-26s—and what they need is not a cut in stamp duty or to be able to save £20,000 in an ISA tax free, but

for their income to be consistently and substantially higher than their expenditure. They need an increase in the minimum wage. They need a decrease in rents and a decrease in the cost of living. In the past year, the price of vegetables has gone up 2%, the price of fish has gone up 10%, the price of electricity has gone up 11%, the price of butter has gone up 12% and the price of kids' clothes has gone up 3%. When we have wage stagnation, how do we expect people to be able to afford the most basic of essentials?

Millennials, people under 30, need a decrease in rents. The typical millennial has actually earned £8,000 less during their twenties than those in the preceding generation. An economic time bomb is ticking. Household debts continue to rise. Interest rates are going up—a major problem, given the increase in household debt. Increasing the personal allowance is welcome news from the Chancellor, but it is not enough. He is increasing it by £350. That is £350 that people will not pay 20% tax on. That is pennies in the grand scheme of things. That will not make the difference we would see with a real living wage. I have already mentioned the issues raised by the IFS, which is predicting two decades of lost wage growth.

The UK Government continue to fail. The Budget did not help. This Government are in chaos and the Chancellor has taken no real action to undo the years of austerity and wage stagnation that punishes our most vulnerable. The Government should tear this Budget up and start again: with spending commitments that increase wages and help our most vulnerable; with fairness for the WASPI women; with a U-turn on the benefits freeze; and with the devolution of powers on tax avoidance to Scotland, so we can tackle it properly. Mr Chancellor, I have a message for you: you are harming the whole of the UK, and the SNP will fight you every step of the way.

1.59 pm

**Sir Michael Fallon** (Sevenoaks) (Con): I hope to find an early opportunity to speak out on what is the right level of defence spending to meet the threats that our country faces, and to do so more freely than the constraints of government allowed, but today I want to focus on the Budget before us. It is the first Budget of this Brexit Parliament, and I warmly welcome it.

It is extraordinary that we still have no answers from Labour Front Benchers on the amount of additional borrowing they would undergo, or indeed, 24 hours later, on the amount of additional interest that they are prepared to rack up. Those are legitimate questions. This is not trite journalism. A shadow Chancellor should be able to tell the House exactly how much more he would be spending and borrowing.

I particularly welcome the additional money for the national health service and the measures for long-term investment in our infrastructure, but that long-term investment will need to be accompanied by other and deeper structural reforms. How can we be encouraged to save again rather than to spend on credit? How can we reverse some of the more pernicious side-effects of quantitative easing, which seem to benefit those who already hold significant assets?

The fall in unemployment has probably been the greatest single achievement since 2010. Unemployment has fallen not because of one single policy, but because

of the cumulative reductions in taxation and regulation that have taken place over the last seven years, almost every one of which was opposed by Labour Members. The 5 million small businesses and nearly 5 million self-employed people are the real wealth creators. They are the people who work every hour that God sends, and who invest—and risk—their own money to create, in turn, the tax revenue that funds our public services. I hope that, over the current Parliament, we will continue to cut the form-filling and let them keep more of what they earn.

There are four areas in which I hope we can make even more progress. The first is low-paid work. No Government have done more for the low-paid than this Government, who have introduced the national living wage and taken so many more people out of tax altogether, but we need to keep going. Is it logical to go on raising the personal allowance but not the national insurance threshold? A full-time worker on the national living wage pays almost as much in national insurance as in income tax. Those who are working part-time—for example, 25 hours a week—and earning between £8,000 and £11,000 a year miss out as we raise the thresholds. I hope that Ministers will look at that again.

Secondly, I particularly welcome the steps to tax the global digital companies more effectively.

**Sir Desmond Swayne** (New Forest West) (Con): Will my right hon. Friend acknowledge the leadership of the Government of which he was a part in driving that particular agenda internationally?

**Sir Michael Fallon**: I certainly recognise that, and it is important for these matters to be approached internationally.

Our constituents do, of course, benefit from the greater convenience and efficiency that digital retailers provide, but it cannot be right for our high streets, small shops and local businesses to bear all the pain of local rates while giants such as Amazon pay rates on a handful of warehouses. Their staff, too—Amazon staff, Google staff and Facebook staff—need well-funded schools, good local services and a proper NHS. It is right that they should pay their proper share of local and national taxes, and I applaud the steps that the Chancellor is taking down that path. One nation should mean one economy, for large and small businesses alike.

Thirdly, if we want to be one economy, more of our people should have a stake in it. In the year when Margaret Thatcher left office, 11 million adults in our country held shares. Today, although the population is significantly larger, only 8 million do so: a quarter fewer. When I privatised Royal Mail, I offered free shares to each of its 150,000 employees. Despite union advice—or possibly because of union advice—99% of the employees took up the offer. We deliberately skewed it towards small investors, and, as a result, 20% of Royal Mail is now owned by its staff and by small investors.

That is what we should be doing with all our remaining shareholdings, including the banks and the new social enterprises, and we should go further. Employee-owned companies are more productive and more profitable. Is not higher productivity the golden fleece for which Ministers keep searching? We need not just one John Lewis Partnership, but 1,000 John Lewis Partnerships

[*Sir Michael Fallon*]

across our economy. Existing schemes such as Sharesave and share incentive plans are not increasing the number of share ownership companies.

**Scott Mann** (North Cornwall) (Con): I speak with a bit of personal experience, having been a Royal Mail employee and having benefited down the line. My right hon. Friend is absolutely right: apart from the trade unionists who drive the Royal Mail train, a huge number of workers have benefited greatly from having that share option. I pay tribute to those workers, who are doing a good job and who will be delivering our post during the Christmas period.

**Hon. Members:** Hear, hear.

**Sir Michael Fallon:** I echo that tribute. I should like that example of share options to be followed much more widely. Let us incentivise our companies, with a lower tax rate, to offer free shares to all their employees.

Finally, let me say something about exports. Our constituents benefit, of course, from cheap imported goods, but we are now importing far more than we export. We have run deficits of more than £30 billion in goods and services in each of the past five years, and a deficit of more than £43 billion in the last year alone—and this on an island of entrepreneurs, of engineering excellence, of innovation and of ingenuity. It is good that, according to the CBI, a quarter of manufacturers now expect an increasing order book, but the cheaper pound should not obscure the reality that outside the single market we will live or die by what we can sell to the world in goods and services.

It is not just down to this Government. There were serious deficits in the Labour years as well. Too many medium-sized companies do not bother to export at all, but, post-Brexit, we must clearly put exports at the front and centre of our economic policies. Campaigns such as GREAT and Global Britain are important, but they are just campaigns. We now need to hard-wire exporting into every British business: exporting should be a condition of all our major Government support schemes, our grants and our loans. In return, the Chancellor is beefing up our export finance, making it easier for first-time exporters to take the plunge, and I fully support that.

A fairer economy, much wider employee share ownership, putting exporting at the heart of every Government industrial programme: those are some of the necessary steps towards our new economic future. Let us agree across the House, Brexiteers and Europhiles alike, that muddling along—mere managerialism—is not going to be enough. Brexit Britain demands a bigger vision: more confident, outward-looking, self-rewarding. Let us build on this successful, sensible Budget to enable Britain to be bolder still.

2.9 pm

**Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): It might surprise some people on the Government Benches in particular to hear that I agree with several of the major themes of the speech made by the right hon. Member for Sevenoaks (Sir Michael Fallon). We have worked together on manufacturing and other matters and would agree on the need for greater expenditure on our defence sector. As a Labour and Co-operative

Member of Parliament, I was surprised at his conversion to passionate advocacy of employee share ownership—I perhaps did not know about his championship of the idea. There are other matters on which we do not agree.

This is my 43rd Budget so, if I am a little cynical and pessimistic, it is because I have sat through 43 Budgets since I came to the House in 1979. Some have been amazingly bold, ambitious and brave. I remember sitting on the Government Benches during what was not a Labour party-induced economic meltdown but a banker-induced global economic meltdown, when brave men such as Alistair Darling stood at the Dispatch Box and made the right decisions about getting our country through. It is sometimes very important to set the record straight.

All Budgets are usually compared to a magician's performance. We all know what a magician is like—they take one's eye off the main business with nice sparkly things and rabbits coming out of hats. My experience is that we can never judge a Budget until the papers hit the doormat on a Sunday morning. That is when we get a relatively mature view of what is happening. Let me give an example. We should watch a Chancellor who switches from percentages to pounds, to billions. Yesterday, I noticed that the Chancellor of the Exchequer suddenly said that there would be £1.6 billion for the national health service, but this morning I had the House of Commons Library check what that was. It is 1.2% of the overall NHS budget. So, £1.6 billion sounds like a lot of money; 1.2% does not.

We must judge the Budget cautiously. It is the most depressing Budget that I have ever heard, and not just because of the growth figures or the dire situation that so many people in our country are still in, but because the shadow of Brexit looms over everything the Chancellor said yesterday. It could not be a Budget of passion, imagination, new ideas and real change, because he was hemmed in not only by those in the Cabinet who would not give him an inch if he made any slight mistake, but by the passionate Brexiteer majority behind him, which will not let anyone question this absolutely disgraceful decision to take ourselves out of the European Union. Not everyone on my Front Bench agrees with me, but I must confess that I will fight to the very end of the Brexit process to make sure that we stop it if we possibly can.

I want to deal with four points. First, let us start with productivity and growth. Sometimes, I hear the word productivity bandied around, and not many people know that the definition of productivity is the measure of the efficiency of a person, machine or factory system in converting stuff into useful outputs. We ain't very good at it. Under all parties, of all Governments, we have not quite managed to become as productive as we should be.

The right hon. Member for Sevenoaks referred to managerialism in his closing remarks. That is different from competent management, and what this country needs more than anything else, in the private and public sectors—running our hospitals, our universities and our private sector businesses—is first-class management. Our universities and colleges are producing too many people with soft social science degrees and arts degrees and not enough managers who know how to run this country, run our industries and create wealth. There is very little in this Budget about encouraging managers.

There are some nice things about science and maths, and I do not decry them, but we need good managers and more of them.

**Emma Hardy:** My hon. Friend mentions that we need skills for managers, but he will find that, ever since the right hon. Member for Surrey Heath (Michael Gove) was Education Secretary, this Government have got rid of the development of those soft skills—teamwork, leadership and oral communication—because of his ideological focus on fact retention.

**Mr Sheerman:** My hon. Friend makes a very good point.

I want to move on to skills. We can talk about higher education. When I was Chairman of the Select Committee some people said it was disgraceful that we were going to aim to have 50% of people in our country going to university, but I was very much in favour of that move. I came into politics to give every child in this country the maximum opportunity to develop their potential to the full. Often, Members of Parliament like me, with a very successful university in their town—I am very keen on my university, which got the global award for teaching recently and is a gold standard for teaching whereas my alma mater, the London School of Economics, got bronze—find that those who train people for local businesses are the further education colleges. The local FE sector is the Cinderella of our education system.

**Dr David Drew (Stroud) (Lab/Co-op):** Like my hon. Friend, I go back rather a long way. One of the problems now is the lack of security for those who are doing the teaching, both in higher and further education. Most of my friends are on short-term contracts and cannot invest in their future, let alone the future of the people they are teaching. Surely that is the wrong way to do things. Does he agree?

**Mr Sheerman:** My old friend, and hon. Friend, is absolutely right. The percentage of impermanent and short-term contracts in colleges and universities is not good and does not bode well for a happy team delivering high-quality output.

FE colleges are vital if we are to produce the people who work in the sectors in which we must improve our productivity. There is very little sign that that is being taken seriously. My local college is brand-new, with a fine new building—an extraordinarily good building—because it invested. Why should kids going to FE college not have the nice environment that university students have? All those colleges that invested in new buildings and high-class facilities are now in deep financial trouble. They are struggling.

We must also take into account the intransigence of the Department for Education on the question of GCSEs in English and maths. There should be a practical qualification as well as an academic one, and I and many others have called for this for many months and years. At the moment, most FE colleges are warehousing tens of thousands of young people who cannot get on with their lives or start an apprenticeship because they do not have a GCSE in English and maths.

We know that some very good reforms have come out of the Sainsbury recommendations. They were a good piece of policy in many ways. The new skills levy and apprenticeship levy are excellent policies, based on getting

someone who knows about that stuff to take evidence. I gave evidence. However, in the Budget the Government have not considered one of the ramifications of the policy, which is the 62% drop in the number of young people starting an apprenticeship this year. That is appalling news for the income streams of further education colleges. According to the regulators—we had the commissioner in the House of Commons only this week—many of the colleges are experiencing real problems with their financial arrangements. My own college, Kirklees College, and many others are struggling, and this Budget does nothing to help them.

My next point is on housing. I believe that everyone in this country should have the chance of a decent home, but many people cannot afford one. Let us reflect on the history of housing crises over the years. The Victorians could see the problem and, as the railways came, they established a programme for garden suburbs. After the first world war, Lloyd George declared that we needed “homes fit for heroes”, and the Liberal Government encouraged the building of council houses. What a wonderful initiative that was! Between the wars, the new towns started to be built, and after the war we had the prefabs. In every housing crisis, there has been a resolute determination to have a policy to fix it, but the policy announced in yesterday’s Budget is neither bold nor imaginative, and it will not fix the problem. As the Chancellor was making his remarks yesterday, I could see behind him rows of people who jump up and down in their constituencies and tell their constituency associations and their local electorate, “There will be no houses near you. You can have the green views and the rolling hills. No one will move in next door to you.” The nimbys rule in the Conservative party, but they should stop being so powerful.

I want to finish by mentioning the north-south divide. There was little in the Budget about the north of England, and there was precious little about Yorkshire. When I asked the Secretary of State whether the Budget would give us the money to electrify the Pennine rail link, he would not answer, because the money is not in there; we have not got it. This country has greater gaps between its regions than any other OECD country. If only the Chancellor had grasped the real chance he had in the Budget to invest in the northern regions, he could have given us great transportation and great communications. He could have invested in the north, rather than investing in London and the south all the time. We will fight this Budget. We will fight it for Yorkshire and for working people, and we will change it when there is a Labour Government.

**Several hon. Members** *rose*—

**Madam Deputy Speaker (Dame Rosie Winterton):** Order. Many people want to speak, and I ask colleagues to be considerate of others; otherwise we will not get everybody in. I am going to have to impose a five-minute time limit, and I remind colleagues that interventions will make it more difficult for others to get in to speak.

2.23 pm

**Mr Richard Bacon (South Norfolk) (Con):** After 13 minutes of what I am sure we all agree was pure gold from the hon. Member for Huddersfield (Mr Sheerman), I am going to make a more focused and narrow-cast

[Mr Richard Bacon]

speech. I particularly welcome this opportunity to follow a fellow graduate of the London School of Economics, although before he started slating soft social science degrees, he might have declared his own interest, in that he wrote a book about Harold Laski, who probably did more damage to the world economy through the people he taught over 50 years than almost any other human being alive. I should like to declare my own interest, in that I am a member of the right to build taskforce, which was referenced in the White Paper. I thank the Secretary of State for seconding Mario Wolf, an official from the Department for Communities and Local Government, to run the taskforce. I should also like to thank the Nationwide Foundation for funding it for the next three years.

I welcome this Budget. It is a Budget for housing, and I particularly welcome the announcement that my right hon. Friend the Member for West Dorset (Sir Oliver Letwin) is going to carry out an urgent review of why there is such a gap between extant planning permissions and actual build-out of housing. This is a complicated subject, but it is not that complicated. The real reason for the gap is that house builders have no incentive to build more houses than they can sell. The Home Builders Federation, the trade body for the volume house builders, did a study entitled “Why buy new? Home buyer intentions and opinions”. It was commissioned from YouGov, a professional opinion poll firm, and its conclusions were startling. It found that 67% of people would prefer not to or were unlikely to buy the product of the volume house builders—in other words, a new home. If 67% of people do not want to buy your product, you might consider changing your product, but that would involve severe risks for volume house builders, because they already face a welter of planning conditions before they can even start.

We have a broken housing market in which demand cannot sufficiently influence supply and drive volumes. I therefore particularly welcome the housing White Paper, because it offers the first explicit acknowledgement that we have a housing model that is broken. The precondition for solving our problems is that we acknowledge the existence of those problems, and Government policy is now to acknowledge that we have a broken housing model and that we need to fix it. This Budget takes many good steps in that direction.

It is my fundamental belief that the only way to make “development” a good word—it is often seen as a pejorative term, and the word “developer” is often viewed as a swear word—is to have good development. At the moment, however, most people feel that they have no say over what gets built, where it gets built, what it looks like or who has the first chance to live there. We need to change all that. We need to change the conversation. Development should be about making well-designed, well-built places that are well connected, well served and well run with good governance. They should be environmentally sensitive places where green is normal, and with a thriving economy offering local jobs. They should be active, inclusive and safe, and fair for everyone. In other words, we should separate the business of place-making—which is what all those things are about—from the business of home building.

All those things that I have just described are part of the public weal. They are part of the public responsibility to make great places. That is why the people who work in the planning profession go into planning, but when they get there they often find that they are unable to achieve those things, and end up being the person who says no. The way to separate place-making from home-making, and to make home-making available for everyone, is to have large numbers of serviced plots at scale, and thanks to the Self-build and Custom Housebuilding Act 2015, which is now on the statute book, that is now going to be easier than ever before.

People sometimes think that this is a minor obsession of mine, and they would be right, but it is for a good reason. There is no area of public policy that this does not touch on. Under that Act, it is not only individuals who can register for the chance to get a piece of land; associations of individuals can also do so. It is tenure neutral. Those associations of individuals could be the governors of a high school looking to fill difficult-to-fill teaching posts; they could be the directors of a social services department trying to recruit new senior social work managers to difficult-to-fill positions; they could be the Ministry of Defence looking to retain military personnel; they could be the Royal British Legion seeking to look after veterans better; and they could even be ex-offenders. I was pleased to have had the chance last week to brief the Secretary of State on the right to build taskforce’s latest proposals, and the Lord Chancellor has now invited me to do the same in relation to ex-offenders, because there is so much more that this policy could do.

2.28 pm

**Ruth Cadbury** (Brentford and Isleworth) (Lab): The spin ahead of yesterday’s Budget announcements kept repeating that the Chancellor had no wriggle room, but why, after seven years, have the Government got no wriggle room? The Conservatives cannot keep blaming the Labour Government—not that they ever should have done, given that we had just come out of a global financial crisis in 2010 and that the UK came out of that global financial crash in better shape than many other countries. But here in the UK the Conservatives blew it all away with their fiscally illiterate austerity policy, which hampered the country’s growth and damaged our public services.

Seven years later, wages are down and growth is down. We now have the lowest growth of all the G7 countries. Productivity is also down—it is embarrassingly poor compared with that of our competitor countries—and borrowing and debt are up. Yesterday, we saw the further downgrading of growth projections and of productivity, thanks to the disaster that Brexit is to our economy. In seven years, cuts have had to be made to virtually all our public services, and there are deeper cuts still to come. Over 80% of the burden of those cuts has fallen on women’s shoulders. What of the little titbits on welfare benefits, housing and other public services that the Chancellor dropped into yesterday’s Budget? They make big headlines, but small beer.

Given the pressure on time, I will address just a few of the Chancellor’s proposals. Housing policies need to be evidence-based. All policies should be evidence-based, but never are they less so than in the bit about housing in the Chancellor’s Red Book. It states:

“The government is determined to fix the dysfunctional housing market, and restore the dream of home ownership for a new generation.”

That is fine, but in my west London constituency many people just dream about having a home, let alone owning one. Young and even not-so-young people are unlikely to be able to leave their parents’ homes. Families are in poor-quality temporary accommodation that they can hardly afford, and they are always at risk of having to move—often for years on end. There is no hope for them. The Red Book correctly goes on to state that average house prices in London are 12 times the average worker’s salary, but then it says:

“The only sustainable way to make housing more affordable over the long term is to build more homes in the right places.”

There is not a jot of evidence to show that building more homes in London would bring prices down in the current distorted housing market. Even if it did, shaving a few thousand off the asking price of a new home would not help my constituents earning less than £100,000 or who do not have a six-figure deposit from the bank of mum and dad.

The Chancellor expects to provide at least 25,000 new affordable homes through the affordable homes programme. Does he mean affordable homes, or does he mean homes for social rent? That is a drop in the ocean. Hounslow Council alone has 10,000 families registered as needing affordable homes, and most of them can afford only a social rented home. The last time that this country built more than 250,000 homes a year was in the 1970s, and 40% of them were council homes. We need to aspire again to building good-quality homes that are affordable to all, providing stable homes, a reduced benefit bill and help for productivity.

The Chancellor’s Red Book says that councils will need support to ensure homes get built as soon as possible. If he is serious, a monetary figure needs to be attached to that. He can start by making the lifting of the borrowing cap applicable to all authorities without them having to go through as-yet-unspecified hoops to be allowed to invest in new council housing, and give them the ability to reinvest receipts from council house sales in building new council homes.

The £3.2 billion stamp duty giveaway will benefit 3,500 buyers by about £2,000—nice for them—but that is a cost to the taxpayer of £924,000. How many council homes would that money buy? It puts up prices for those struggling first-time buyers; it mainly benefits those already on the housing ladder; and it will not help anyone earning less than £150,000 in west London.

In conclusion, the Budget only scratches the surface of the issues of those who are struggling as a result of the Government’s failed fiscal policies over the past seven years. It does nothing for those on low wages or insecure zero-hours contracts, nothing for those who need substantial growth in council house building and nothing for our councils and other local services or for those who work in them. The Chancellor brought little or nothing for the many and took nothing away from the few.

2.33 pm

**Scott Mann** (North Cornwall) (Con): It is a pleasure to be called to speak in this important debate and to follow the hon. Member for Brentford and Isleworth

(Ruth Cadbury). I want to focus my remarks on housing and the direct impacts on my constituency, but I will digress slightly on to how some other elements in the Budget will affect my constituency.

The hon. Member for Huddersfield (Mr Sheerman) said that Government Members were nimbys, but I often took the view during my time on Cornwall Council that we needed more houses in Cornwall, so I was pleased to hear the announcement of the target to deliver 300,000 houses for working people across this great country. Several factors have stopped our housing supply chain, and we need to meet those challenges to support the people who need houses. The supply of land and land banking have been particularly big issues not only for us in Cornwall but for people around the country, so I welcome the review that will be carried out in the spring by my right hon. Friend the Member for West Dorset (Sir Oliver Letwin). Whether with the carrot or the stick, or the brick and the bat, I hope that we can find some practical solutions to deliver homes on sites that have been approved in the past. Several developers have been hamstrung by planning conditions, but some are land banking, and it is about time that that issue came to the fore.

With local and neighbourhood plans allocating land for delivery, we have seen many large housing developers making applications in Cornwall. While small builders have been busy picking up conversions, extensions and single dwellings, they have not been able to upscale to deliver multiple-house sites. I therefore welcome the new home building fund and the small sites fund, and I hope that many of our hard-working builders and their subcontractors—plumbers, electricians and roofers—will also benefit. However, will the Government use some of that home building fund to support the community self-build projects referred to by my hon. Friend the Member for South Norfolk (Mr Bacon)? I welcome the measures to charge 100% council tax on empty properties instead of the current 50%, which will be good news for councils such as Cornwall, leading to revenue increases and unused homes being brought back into use.

One of the biggest wins for Cornwall is the roll-over of the second homes stamp duty, which was set at 3% last year. Some £20 million was allocated to the south-west, and Cornwall benefited to the tune of £5.11 million, freeing up 1,000 affordable houses in Cornwall for local people. I look forward to seeing how that money will be spent and to working with the Cornwall Rural Housing Association, registered social landlords and Cornwall Council to see that transformational money delivering for people who are looking to get into the housing market in Cornwall.

I welcome the announcement of the abolition of stamp duty for first-time buyers, which will take thousands of pounds off the cost of purchasing a first home. That might not be such a big measure on its own, but in conjunction with the lifetime ISA and the rise in the personal allowance, the Government are putting together a package of measures to support people who are trying to do the right thing. The welcome increase in the personal allowance will put £850 of extra money into the hands of the people who need it most.

Moving on to the tech sector, as vice-chair of the parliamentary internet communications and technology forum, I welcome the news about the investment in 5G and electric car charging points. We have to be a world

[Scott Mann]

leader in getting the right regulatory framework for our start-up and tech companies. Furthermore, I welcome the tripling of computer science courses and the new national centre for computing, which is great news for our young people. Cornwall has become one of the fastest-growing tech sectors outside London over time, which is fantastic news for our industries.

I only have 47 seconds left, but I welcome the increase in duty on cheap, high-alcohol cider. We campaigned for that in the previous Budget and it will discourage consumption. I also welcome the concessions on universal credit. I am pleased that fuel duty has once again been frozen, that T-levels are being introduced and that 26 to 30-year-olds will be able to get a third off rail fares. We have seen changes to income tax and to national insurance exemptions for our armed forces, so that they can rent in the private sector. Importantly for my constituents, we are seeing investment in the fabulous Shared Lives service. All in all, I will be supporting this Budget, and I look forward to voting for it soon.

2.38 pm

**Nick Smith** (Blaenau Gwent) (Lab): It is a pleasure to follow the hon. Member for North Cornwall (Scott Mann). I will be making just one argument today on behalf of steelworkers in south Wales and across the country, because this is a live issue that needs ministerial action. The pension freedom laws are proving to be a money-spinner for the Government, with the OBR forecasting that the Government will raise over a billion pounds in taxes on withdrawals in this financial year. However, right now in South Wales, a pension problem is developing in the steel industry—one that we cannot ignore in the race to raise funds.

Around 130,000 members of the Tata retirement fund are facing a December deadline for one of the most important decisions of their lives. Their British Steel pension funds, usually worth between £300,000 and £500,000, could soon be transferring to the Pension Protection Fund or the British Steel pension scheme 2, but for members yet to claim their pension, there is a third option. Since April, the fund trustees have received requests for about 11,000 quotes for pension transfers, and 1,700 have actually transferred their benefits. I have constituents not sure what to do with their hard-earned pension pot, and some have complained about unclear guidance and poor administration.

There are concerns that some advisers, knowing that workers can now withdraw their pension pot, are suggesting transferring money to higher-risk or badly performing schemes, all the while raking in hefty administration fees. The situation has been described in the *Financial Times* as a “feeding frenzy” for unscrupulous advisers. It would be heartbreaking if, facing the pressure to make a decision, workers were pressed into life-altering decisions that destroy their futures—futures in which they wanted to enjoy the fruits of their labour or need help with the costs of care.

I have written to the Financial Conduct Authority, which has already sent supervisors to the region to see what can be done to protect these workers, but I am also asking the Government what they can do to avoid potential disaster for many. I want to ask the Minister some questions.

**Chris Ruane** (Vale of Clwyd) (Lab): He’s not listening.

**Nick Smith:** He isn’t, is he?

Have the Government assessed whether the independent financial adviser provision close to these steelworks has the capacity to deal with the demand? If it has not, can the Pensions Advisory Service help if there is a problem? Now that the FCA has visited Port Talbot, have the Government received evidence of financial sharks at the site, so that action can be taken? Given that these stories have broken so close to the deadline, do the Government think that the deadline is now appropriate and has any consideration been given to its possible delay? These pension law changes look set to provide a Treasury income stream for the years ahead, but there is a duty of care on us to make sure that this freedom of choice is backed up with guidance and support for these workers. Otherwise, I am afraid for the future of poorly advised steelworkers across the UK for the years ahead.

2.42 pm

**Peter Heaton-Jones** (North Devon) (Con): It was a pleasure to be in the Chamber to hear what I think was the first Back-Bench speech from my right hon. Friend the Member for Sevenoaks (Sir Michael Fallon), who is not in his place any more—and what a wise contribution it was!

I welcome the measures in the Chancellor’s Budget: big investment in the NHS; additional improvement to the universal credit programme; a stamp duty cut for first-time buyers; investment in our economy secured; and the Government delivering on their commitment to build a country fit for the future. I shall focus on what I want to achieve in rolling out these policies in North Devon and the wider south-west, and I will start—unashamedly—with the jobs and employment situation there.

If there is one measure of the success and strength of an economy that we ought to look at it is employment levels, and here are some figures from my constituency. In 2010, when the Conservative Government came to power, unemployment in North Devon was more than 1,015—that was the number of claimants—or 2.3% of the adult population. Today, it has more than halved to 505 claimants, or 1.1%. The figures for youth unemployment are even more impressive: in 2010, the figure was 290, or 4.2%; now there are 115 youth unemployment claimants, which is less than 1.8% of the population. That is a remarkable achievement. There is still more to do, but those figures show the underlying strength of the economy that Conservative Governments have presided over. I welcome the fact that this Budget continues that trend.

The first issue I want to briefly cover in the time available is the NHS. We heard the welcome announcement of £10 billion of capital investment to help NHS England implement its sustainability and transformation plans. I want to ensure that North Devon gets its fair share. Our STP review process found a clinical case for all acute services to be retained at North Devon District Hospital in Barnstaple. I welcome the £10 billion of capital investment and the £2.8 billion on top of that for general ongoing NHS funding, but we need to get our fair share in North Devon so that the clinical need identified can be properly resourced.

We have housing need in North Devon, as does nearly everywhere else, so the £45 billion package of investment is welcome. I was disappointed—if I may say so—to hear the shadow Chancellor gloss over the fact that a third of this money is brand new: £15 billion of brand-new investment in housing by this Conservative Government. It sounds like something to be glass-half-full about, not glass-half-empty.

Productivity is important. The Heart of the South West local enterprise partnership has its prospectus for productivity. It is currently out for consultation and highlights several projects to improve the regional economy. I attended a growth summit in Exeter about a month ago. There are a lot of ideas there and there is huge potential in our area. The south-west has vibrant cities, an amazing coastline, historic towns and villages, and stunning moorland, but it is about more than the environment: within that environment are people doing innovative business work and the small and medium-sized enterprises that are the driving force of the regional economy. I am delighted that the Chancellor's Budget does so much to push that forward and support them. The LEP's ambition is to double the size of the region's economy to £70 billion by 2036, and it is seeking the right interventions and Government backing to achieve that. I will continue to push its case.

Finally, while we are talking about money and investment, it would of course be remiss of me not to mention one project that I am particularly passionate about: the north Devon link road linking the M5 with Barnstaple. We talk about the northern powerhouse, and in Devon the northern powerhouse is Barnstaple, but it is not easy to get there at the moment. Our brilliant local economy could thrive even more were there investment in the north Devon link road we need so much. I will continue to push that point while welcoming the Chancellor's investment in public services and infrastructure.

In conclusion, I welcome the Budget, which rightly focuses on our national challenges, and I will continue to push the point to make sure that the money is similarly focused in North Devon.

2.47 pm

**Mr Adrian Bailey** (West Bromwich West) (Lab/Co-op): This Budget will be remembered more for the OBR's brutal demonstration of the failure of seven years of Tory-led austerity policies than for any of the policy announcements contained in it which were supposed to deal with the consequences of that austerity.

Having listened to Budgets since 2010, I find it remarkable that the date for the elimination of our public sector deficit, which we were told was essential for the country's long-term prosperity, has been put back year after year. The latest OBR report demonstrates that the date has effectively been abandoned, which reflects official recognition of the consignment of the so-called long-term economic plan to a place where we all thought it was anyway—never-never land.

The report's key finding is the damning demonstration of the decline in our growth and productivity. Growth was above 2% during the course of the Labour Government, and it is now much reduced—0.7%, if we are lucky. Productivity and economic growth are crucial to our future prosperity. They put money in people's pockets and provide the tax payments to pay for our public

services. It is not surprising that because of this Government's failure to understand and generate economic growth over the last seven years, we are now really struggling.

This is not talking down, as the Chancellor says; it is a reflection of the experience that every MP finds in their surgeries. People come to our surgeries because they cannot get an operation in due time within their local health authority, or because they cannot get an appointment with their GP. Headteachers come to tell us of their funding problems, which are impairing the education of our children. A detective inspector came to me to say that his morale is so low that he is leaving the police: with reduced police numbers and rising crime he cannot face the fact that the police are not delivering the service he wants to provide. There is the housing shortage and the problems with the roll-out of universal credit. They are all consequences of the seven years of austerity with which we are being confronted almost daily in our surgeries.

We need a profound change in direction, which unfortunately was not evident in the Budget. That does not mean to say that I think everything in the Budget is bad. Indeed, a number of measures are to be applauded, but essentially they are too little, too late. They are not consistent; they are incoherent.

Skills are the sinews of our economy and society and generate improvements in productivity. Although the measures to improve maths teaching are welcome, the fact remains that the money taken out of the education service—money that is needed at all levels to ensure that we have a level of literacy and numeracy that enables students to make the most of the money put into maths teaching—is unfortunately not being replaced. Further education funding is peanuts compared with what has been taken out. For all the Government's rhetoric on apprenticeships, companies are still telling me that they cannot recruit apprentices of the quality they need.

I do not have much time left but, briefly, not all the changes necessary to increase productivity involve a lot of money. We need a cultural change to oblige schools to work with industry to ensure that vocational training is much better recognised. The right hon. Member for Sevenoaks (Sir Michael Fallon) said that employee share ownership results in much higher productivity. Of course, we need change in our financial regulation to encourage long-term investment, rather than short-term investment.

2.52 pm

**Rebecca Pow** (Taunton Deane) (Con): I am pleased to follow the hon. Member for West Bromwich West (Mr Bailey). I welcome the many positive announcements in the Budget, which demonstrate that the Government are listening, are in touch and are acting to make people's lives better. Some of the announcements will certainly put money in the pockets of people in Taunton Deane and improve their lives, particularly increasing the personal allowance, freezing fuel duty and, judging by the number of texts and calls I have received, extending the railcard to 26 to 30-year-olds. The extension will please a lot of people, not least my 25-year-old daughter, who was wondering how on earth she would ever be able to come home again to visit us in Taunton because rail tickets are so expensive—the railcard extension has gone down exceptionally well.

[*Rebecca Pow*]

I welcome the Government's commitment to housing. In Taunton and Wellington we are already making a major contribution to meeting national targets. Yes, there is often opposition, but there is a demand for housing. I often meet constituents who are pleased to have gotten on the housing ladder by using Help to Buy to buy their first home. The more we can help people, the better.

I am proud to say that Taunton has garden town status, which attracts funding to set up a framework to develop the kind of housing and places to live that I believe people want. It is a great opportunity to develop sustainable, energy-efficient, environmentally friendly properties with sustainable drainage in settlements that have connectivity and green spaces where nature can live among the people. If we design such places, they will inevitably be more accepted.

It is essential that we have the right infrastructure in such housing developments, and I will give an example. A planning application has just been agreed for 1,600 houses in Staplegrove, but the application is controversial because it needs a small piece of road to go through the development. The developers say they cannot afford to put in the road and the 25% affordable housing as that makes the scheme unviable, so now they are committed to just 15% affordable housing. Luckily, help is on the horizon, because the council has applied for housing infrastructure fund money, which would enable the funds to come forward for this road to be built. I make no bones about the fact that I am very supportive of that. If that money was granted, we could build the road and build the school in advance, and everyone would be happy. I believe firmly that the Government are listening on this, because in the Budget we have put another £2.7 billion into the HIF for exactly these sorts of examples. If we can get these right, people will not be averse to the building of these houses that we so need.

Also on the housing front, I welcome the announcement that the Homes and Communities Agency is going to metamorphose into Homes England, as this will be a catalyst for bringing the right kind of housing forward and putting in money to help underwrite borrowing for developers to put in infrastructure and to work with local authorities on delivery. Before I leave the theme of housing, I would like to put in a bid to the Minister, if he is listening, for rural housing. I have met so many groups that actually want some houses in their villages; they do not want to be preserved in aspic, because if villages are to survive we need people to live in them. I ask the Minister to listen on that. I met the Blackdown Hills AONB Partnership recently and it raised this issue. We really need to pay attention, as this could help with our house building targets.

On education, I just want to praise the £20 million for the T-levels and the emphasis on maths. My maths teaching was terrible and I only hope that young people in future will have a much better maths education. This Government are putting the tools in place for that, as well as the digital skills training and the distance learning. Of course we can do distance learning only if the digital broadband and everything else is working properly, so I make a big bid for that, too.

I cannot end without mentioning the environment. It was music to my ears to hear the Chancellor say

“we cannot keep our promise to the next generation to build an economy fit for the future unless we ensure our planet has a future.”—[*Official Report*, 22 November 2017; Vol. 631, c. 1050.]

He has been listening, not only to “The Blue Planet” but to lots of colleagues in here who say that we cannot have an economy that works unless the environment is sustainable. So “Hear, hear” to that, to looking into a tax on single-use plastics and to the money for the clean air scheme.

Finally, on cider, may I make a plea to the Minister? I understand why we are going to put more duty on white cider, but please can we look at the position of traditional cider makers in my constituency, who may go out of business unless we can put a different definition in place for them? On that note, let me say cheers to this Budget and all the good things I think it is going to bring.

2.57 pm

**Matt Rodda** (Reading East) (Lab): It is pleasure to follow the hon. Member for Taunton Deane (Rebecca Pow). I would like to take this opportunity to address the need for affordable housing, which is a key issue in my constituency and many others across the country. Although I welcome the intention to build more homes, I am afraid the Budget falls well short of the major new programme of house building that is needed in my constituency and many other parts of the country. In Reading and the suburb of Woodley, many young people wonder whether they will ever be able to afford a home of their own, and significant investment is urgently needed, and not only in council house building—Reading Borough Council's plan to build 1,000 council houses was stopped by the current Government. We also need affordable homes to buy and a fair deal for renters, as 28% of the properties in Reading are privately rented—the same is true in many other English towns. The cost of housing continues to rise, not least in my constituency, where prices have at times risen faster even than those in London. For many people, this is mixed with wage stagnation. It is clear that this Government should be prioritising the construction of affordable housing as a result, yet last year they built the fewest affordable homes for 24 years.

Having dealt with the issue of housing, given the time available, I come on to discuss infrastructure. Investing in infrastructure should have been the main plank of the Budget, but the Chancellor missed a real opportunity to turn the economy round through investment. Residents in Reading and Woodley have seen the benefits of infrastructure investment, with the new Reading station and the coming of Crossrail having led to a booming of business and business investment in Reading town centre and other sites nearby.

However, the Chancellor should have announced a much bigger programme of investment in infrastructure, as the Confederation of British Industry and many unions called for. Missed opportunities to share growth through infrastructure spending include: the failure to support the full electrification of the railways; the lack of a vision for investing in the infrastructure of the north of England, which I know many colleagues are eager to mention; and the lack of investment in large energy schemes that would protect our environment for the future. As an MP from the Thames valley, I should

also point out the need for medium-sized schemes such as a new bridge over the Thames at Reading, which would ease local transport congestion.

As well as failing to deal with housing and infrastructure, the Budget failed to address the crisis in our public services and the need to lift the pay cap for our many hard-working public servants. Many people in my constituency work in the public sector, for example in the health service—we have an outstanding local hospital—and teaching, including at the University of Reading. Many branches of the civil service are based locally, and we of course have the police and many other public servants. It is deeply disappointing that so many of our colleagues who work hard in the public sector will fail to get the help they need after seven years of falling incomes and deep cuts to vital and much-loved services. To make matters worse, the modest pay rises that some will be lucky enough to get may come at the expense of other workers' jobs. That is a serious mistake that will have a terrible cost for many services.

For many families, real wages are lower than they were in 2010, and disposable incomes are falling. In that context, and bearing in mind the fact that economic growth is at its lowest since the Conservative party came to power, I wish to address the issue of universal credit. There is significant and deeply felt concern about it in my constituency, as it is due to roll out from 6 December, and delays in payment will affect residents in the run-up to Christmas in a truly Dickensian and awful way. Taking out a loan to be repaid to the Government might push residents into debt. These are deep problems for local people. Local food banks have also expressed concerns, as they have to many other MPs. The costs continue to rise, so I again urge the Government to reconsider and to pause and fix universal credit.

The failures on housing and infrastructure and to continue to support our public services, along with the continued misery of universal credit, should all have been addressed in the Budget, but sadly they were missed. The Budget has been a significant wasted opportunity. It is yet another failure from a Government who are clinging on by their fingertips.

3.2 pm

**Huw Merriman** (Bexhill and Battle) (Con): It is a pleasure to follow the hon. Member for Reading East (Matt Rodda). On behalf of my constituents in Bexhill and Battle, I warmly welcome the Budget. I particularly welcome the additional investment in the NHS. In my part of East Sussex, being able to rely on the NHS is hugely important to my constituents, so a further £2.8 billion is very welcome indeed.

I also welcome the injection of £1.5 billion into the universal credit system. The jobs factory that has been created in the economy since 2010 has been without doubt the Government's greatest achievement. We now have fewer people looking for jobs, and although some 1.4 million are looking for jobs, we have 780,000 vacancies. Universal credit is a brilliant way for us to tailor the package to meet the needs of those who are still unemployed and get them into the jobs system, so I warmly welcome that money, too.

I certainly recognise the challenges the Government have faced since 2010. It is welcome news that the deficit is now down to pre-crisis levels. In 2010, the deficit was at its highest level since the second world war. Nevertheless,

I am concerned that the size of the debt has increased as we have had to turn this ship around. Although we are fortunate that, because of low interest rates, debt repayments have not increased despite the debt going up, I am conscious that the debt will have to roll, perhaps at higher rates in future, and, indeed, that £500 billion of it is index-linked. I am grateful that the Chancellor continues to keep an eye on ensuring that the structural deficit is fixed, because ultimately it will come down to whether or not we leave the next generation with a very large interest bill. If that bill is already greater than the education budget, it needs to be tackled before it gets ever greater.

What I really want to focus on is housing. The opportunity to own a home of their own is one of the greatest gifts that this Government can give to our young people. It is also a great investment for our public services. The reality is that when young people have the opportunity to own their own home, they will tend to earn more so that they can pay off their mortgages. As they earn more, they pay more taxes, which goes into public services and improves those as well. I am particularly encouraged by the Government's commitment to deliver an extra 300,000 homes. I certainly support some of those being built in my constituency. I am very aware that, back in the '80s and '90s, one in three 16 to 24-year-olds were able to afford their own home. That figure is now one in 10. The figure for those aged between 24 to 35 was 59%; it is now down to 13%. Clearly, there is an absolute need to do more.

I also want to see my own local district council able to do more. Wealden District Council, which serves my constituency, is unable to build more homes because the habitats directive says that that would add nitrogen to Ashdown forest, a very special part of our world. If that directive stops us building more homes, which I do not believe is what the EU directive intended, local people will not be able to get a foot on the ladder. I would like us to work across parties to fix that problem.

It is all well and good for someone with the amount of grey hair that I have to talk about what this Budget can do. After all, I am in my mid-40s, but perhaps I can provide better context if I read an email from a constituent. My constituent says:

“The stamp duty break will give us £2,500. The Help to Buy ISA, which gives a 25% bonus on closure, has given us an extra £3,000. So, in total, your Government has given us over £5,000, which we would not have had, to allow us to buy our first home. Personal tax allowance movement from April 2018 gives us an extra £200 a year in our pockets as well. We have also both undertaken an apprenticeship under the Conservative Government. It is not right for the Opposition to say that there is nothing to aspire towards for young people. There is everything and more in this country to help young people to achieve. Talking everything down as the Opposition do is not going to help or inspire.”

That is the sort of constituent on whom I am particularly focused. I want to ensure that they have a home of their own and that they have the opportunity to earn more, which means that they will put more into the public services that my ageing population need. The Opposition need to take that into account and to be more optimistic. I am optimistic, and I absolutely support what this Government are doing for the economy. I look forward to supporting this Budget in the Division Lobby next week.

3.7 pm

**Judith Cummins** (Bradford South) (Lab): Thank you, Madam Deputy Speaker, for calling me to speak in today's Budget debate.

This week, the communities of Bradford, my home city, were left bruised and battered by this country's eighth austerity Budget in just seven years. They saw more cuts to vital local services, no help for our chronically underfunded blue light emergency services, and little or no investment in transport in the north. One critical area that this Government have chosen to all but ignore once again is our vital education sector.

Long gone are the days of an ambitious Sure Start programme under a Labour Government. We recognised that early years intervention boosts life chances, but cuts have now left prevention and early years services in tatters. Councils today, struggling to stay afloat, are being forced by this Conservative Government to cut vital services for our children and young people—vital prevention services that create healthier, stronger, more prosperous communities.

In my constituency, families are struggling to make ends meet, and they face worse education outcomes for their children through this Government's lack of support and investment in vital services. It surely cannot be right that a child, simply because of their place of birth, is destined to have poorer educational outcomes. A postcode should not dictate life's opportunities.

In Bradford, my local council is facing the desperate task of deciding how to cut £13 million from its prevention and early help services by 2020. Total spend in my home city will plummet by more than one third. The consequences of such cuts in funding will be appalling. The council is consulting on reducing the opening hours of three children's centres that serve Bradford South to the equivalent of just one day a week.

The Government's record in our schools is no better. Despite the Education Secretary's general election-inspired U-turn on funding, school budgets still face a £1.5 billion real-terms funding shortfall, according to the IFS. In Bradford, 178 out of 186 schools continue to face budget cuts. I struggle to identify even one out of Bradford South's 35 schools that gains from the Governments so-called fairer funding formula; that is clearly not fair. City-wide, more than £23.5 million will be lost from school budgets by 2020. This equates to £276 a year for each and every child, or the equivalent of 488 vital teachers losing their jobs.

I had the privilege last Friday of presenting two members of staff at Hollingwood Primary School with the prestigious Marjorie Boxall quality mark award from the Nurture Group Network. I was really impressed with the work done in the school's nurture group, which provides children with the skills and resilience that they need to make the most of their learning at school. However, as budgets continue to be squeezed, it will be increasingly difficult for headteachers to afford learning opportunities that fall outside the core business of their school. Many of these types of projects add great value to school life and make a real difference to the life chances of vulnerable children, but this Government seem to favour short-term cashable savings over making a long-term investment in our children's future.

Without a sea change in funding, a whole generation of children and young people in Bradford South will be denied the most basic right—the right to pursue

their ambitions, to strive to fulfil their potential and to get on in life through educational betterment. This Budget threatens all this, as our education system is run down by grinding austerity. I urge the Chancellor to change direction for the sake of a whole generation of children and young people in my home city of Bradford.

3.11 pm

**Mr Bob Seely** (Isle of Wight) (Con): I congratulate the Chancellor on a good Budget, elements of which may encourage more housing development. I wait with interest to see how the Government's detailed plans will affect housing on the Isle of Wight. Although I welcome much of the Budget, I want to take this opportunity to explain why I feel that housing policy has not helped the Island and why I look forward, perhaps in hope, to this Budget encouraging a better system.

My constituency of the Isle of Wight needs intelligent, sustainable and sensitive regeneration to drive economic and social development, much of which is supported in this Budget so I thank the Chancellor. However, the system of developer-led housing is flawed. It fails to deliver the right type of housing, specifically housing for young people and people of working age on the Island, and it also fails to deliver for older Islanders. It eats into greenfield sites, damages our tourism economy and quality of life, and forces communities to accept divisive and unpopular developments. In many ways, our system is the definition of unsustainability.

I hope that the Budget will encourage the right sort of housing to be built. Too much housing being built is financially out of reach of Islanders, particularly young Islanders. Housing associations tell me that we urgently need one-bed housing, starter housing and social housing; I would add key worker housing to that list. We also need housing for older Islanders—extra care accommodation that allows people to move out of housing and, therefore, to free it up. But those are not the houses that the developer-led system wants to build. And that, combined with Island economics, means that we have to build a lot of housing that we do not want in order to get a little bit of housing that we do want. That system is not right.

As a result, young people are forced off the Island. Even so-called affordable housing is, in reality, unaffordable. I am delighted that the Conservative Isle of Wight Council is trying to ensure a change to the system, and I congratulate Councillors Dave Stewart, Chris Quirk, Barry Abraham, Stuart Hutchinson, Tig Outlaw and others for trying to improve a highly flawed system. The Island needs a different form of social regeneration—one that invests in people, not just land. The overdevelopment we face causes many problems. It is worsening our quality of life and eating into greenfield sites. We do not have the infrastructure to afford it, and we are unlikely to get that significant infrastructure because we are an Island. We have about 600 metres maximum of dual carriageway and, frankly, we are unlikely to get more. So I am waiting to find out the details of how this extra money can help us.

I am very uncomfortable with the Government's target of over 6,000 homes in a decade. I do not believe that is sustainable, and I cannot think of any way in which I will support anything like that number, because so many of those homes will not be built for Islanders. The only target I am looking at is something possibly around half that figure, but it would be focused on the people

who need those homes. I want these homes to be largely built by housing associations. Why can we not have schemes whereby housing associations can buy back property from older sellers to repurpose it? A housing association could buy back a bungalow, repurpose it, put on a first floor and create two homes, developing the homes the Government want, without eating into new land.

As part of our commitment to the future, I will seek to work with partners to develop a sustainable model of development. I hope very much that the Government will work with me on this so that we can get sustainable models of development that meet the needs of the Island as well as the needs of Government.

3.15 pm

**Chris Stephens** (Glasgow South West) (SNP): The only difference between this Chancellor and the previous one is that of style, not substance. Where George Osborne could best be described as a tin of gloss, superficially painting over the cracks in our broken economy, the current Chancellor is the tin of matt, hoping to hide the worst lumps and bumps with repeated applications of more of the same. Either way, they are both the same shade of Tory austerity blue, with their repeated failure to recognise that the best way to grow the economy and improve productivity is to invest, to support workers, and to listen to those on the frontline and give them a pay rise. Instead, as fat cat—sorry, executive—pay continues to soar, and the bonus culture never seems to extend to frontline workers, the measures to support working people and vulnerable people in the Budget are yet again meagre, lacklustre and dismal.

Let us start with those starting out in the world of work and take it from there. Let us look at the minimum wage rises proposed in this Budget: 15p per hour for 16 to 17-year-olds, 20p per hour for apprentices, 30p per hour for 18 to 25-year-olds and 33p for the over-25s. That maintains and widens the inequality gap for young people doing the same job as those who are 26 or over.

On public sector pay, pages 68 to 69 of the Red Book can only be described as a pathetic, poor response, especially in the light of raised expectations on public sector pay—warm words and no action, except stalling for time. Let us look at some of the facts on pay review bodies, which is where the Government are now going to park the issue of public sector pay. The Government are batting this issue into the next financial year, with reviews not pledged. There is no actual funding on the table; there is just a reference to writing to ask the pay review bodies to start the process. That is so vague as to be almost meaningless.

Some 55% of public sector workers are not covered by pay review bodies. There is no pay review body for civil service workers below the senior grades—for the avoidance of doubt, these are the very workers who collect the taxes and who try to make the benefits system and the asylum and immigration system work. They are the frontline workers the Government have a duty of care for as an employer. And that is before we even get to the emergency services, the NHS and local government.

All is far from well, though, in the private sector. The statistics may show that pay has overtaken that in the public sector—as a result of the prolonged pay cap this Government cruelly pretended to be about to lift, but instead chose to drag out to ensure a miserable Christmas for the “just about managing”—but precarious work

underpins the rise in employment statistics. The Government proposed a timid report, which has now been firmly kicked into the long grass with the announcement of a further review of that review. I do love the part in the Budget report that says that the Government will publish a discussion paper and

“recognises that this is an important and complex issue, and...will work with stakeholders to ensure that any potential changes are considered carefully”—

a “Yes Minister” line if ever I saw one.

It is appropriate on this big American holiday of Thanksgiving to quote the famous song from the classic Bing Crosby film “A Connecticut Yankee in King Arthur’s Court”, which describes the Government’s approach to tackling workplace issues and in-work poverty:

“We’re busy doin’ nothin’

Workin’ the whole day through

Tryin’ to find lots of things not to do

We’re busy goin’ nowhere”.

On their journey through the world of work, many people find that their job disappears through no fault of their own, or that they have to claim benefits due to life-threatening illness or chronic conditions. Welcome to Alice in Wonderland time, as they disappear down the rabbit hole into the topsy-turvy world of a benefits system that bears no relation to the po-faced announcements about how well it is working or the good intent behind the slashing of budgets. I wonder whether every Conservative Member trotting out the Government’s line about universal credit would survive if they had to go through the process tomorrow. I am willing to bet that full service roll-out has not yet happened in their constituencies.

I note that there is to be a slowdown of a couple of months in the roll-out, but not a pause. Glasgow will be the last area in the universal credit roll-out—not least, I suspect, because some in the Department for Work and Pensions know what an unholy mess of misery the policy is.

When someone gets to the end of their working life, what happens if they are a woman born in the 1950s? I received a letter from a constituent last week that was sadly typical. Born at the end of 1954, she was a single woman who had worked her entire life in low-paid, insecure work with no occupational pension or savings. She was facing the prospect of navigating the benefits system for the first time in her life. It is a disgrace that there was nothing about the WASPI women—the Women Against State Pension Inequality Campaign—in the Budget, and I hope that the Government will sort that out and sort it quickly.

3.20 pm

**Bob Blackman** (Harrow East) (Con): It is a pleasure to follow the hon. Member for Glasgow South West (Chris Stephens). I had the dubious pleasure a short while ago of listening to the shadow Chancellor and one of his erstwhile colleagues, Alastair Campbell.

I congratulate the Chancellor on his Budget, but we need to set in context the challenge of building 300,000 housing units a year. It has not been done since 1970, so for 47 years we have not got anywhere near the number of units that we are talking about supplying.

There has been a steady decline in the number of housing units completed over the years, but it reached its trough back in the dark days of the Labour Administration,

[Bob Blackman]

when it went down to only 107,000 units in a single year. Before Labour Members get up and say, “What about the crash?”, I add that virtually no council houses were built during the whole period of the Labour Administration, and the number of social housing units built by housing associations dropped remarkably. Never did Labour get anywhere near the number of housing finishes that we need to keep our population safe. We need urgent action from the private sector, which at a push can probably contribute 170,000 units a year, but we also need housing associations and local authorities to step up to the mark and build new properties.

In London, as the Chancellor said yesterday, there are 270,000 planning permissions that have not been built. That is a scandal, and work on that has to be ramped up. I remind the shadow Chancellor that he bitterly opposed the Bill that I introduced on behalf of the then Mayor of London to get Transport for London land used to build houses. We also have to remember that the current Mayor of London is sitting on a record settlement of £3.5 billion for affordable housing, yet not a single scheme has been started under his mayoralty.

As I said yesterday, we need to get housing associations to build. It is no good just encouraging them to borrow, because last year alone they had a cash surplus, generated in-year, of £5.5 billion. They could build 48,000 homes with that surplus, and if the £42 billion that they have in reserves were spent over 10 years, it would mean 36,500 units every year—more than they have built in any year since housing associations were introduced. We need them to step up to the mark and play their part.

I believe that we can have a virtuous circle by ensuring that the tenants who go into those housing association properties can buy them at a discount at the end of 10 years, and the money raised from the sale can be reinvested in building new ones. Equally, if the housing associations do not use the balance of the public money that has been provided to them, it should be returned to the Treasury.

I warmly welcome the measures in the Budget to combat rough sleeping, which is a scandal. I am delighted that the Homelessness Reduction Act 2017, which I piloted through Parliament, will be in force from 1 April 2018. I hope that there will be no backsliding from the commitment to enforce the requirements on local authorities to help homeless people. The Housing First pilots represent a dramatic move forward. Housing First has worked in Finland, but we have to remember that Finland has far fewer people sleeping rough and far fewer homeless people, so it is sensible to pilot it in areas of our country first. I welcome the proposals.

The all-important factor, which I warmly welcome above all else, is the help for private sector tenants to get a deposit and the support for help to rent projects. That money, which was not mentioned in the Chancellor’s speech but is in the Red Book, will help 20,000 families a year to get together the deposit for a home of their own. That has got to be good news. Together with the £44 billion being spent on housing as a package, we have a series of measures that can kick-start the much-needed development of housing, but we need a grand plan and a grand strategy.

3.25 pm

**Ms Karen Lee** (Lincoln) (Lab): This Budget offered the majority of my constituents very little hope, and hope is what is missing in our society. I am not talking it down; the grim truth is that our economy has flatlined. The cut in stamp duty is of no use to my constituents on low wages who cannot afford a mortgage, and the OBR says that without an increase in supply, the stamp duty cut will drive prices up. The public sector pay cap is alive and well for our firefighters, police, teachers and local government workers, and there is a deafening silence about the 14% drop in wages that nurses have suffered since 2010. All healthcare workers—porters, healthcare support workers and housekeepers—do a vital job, and they have all suffered under the pay cap.

What about social care? There was another deafening silence about that yesterday. Although I welcome the news that people will no longer have to wait a whole week before being allowed to claim universal credit—I think that they were meant to starve for that week—the extra money that the Government boast about putting into universal credit will not replace what has already been taken out. In Lincoln, the use of food banks has increased since universal credit was partly rolled out, and the measures in this Budget do little to reassure me that my constituents will not suffer further from the full roll-out next March.

If I look across the House, I see that some Conservative Members cannot even look at us because they know that what we are saying is true. Indeed, 25% of children in Lincoln live in poverty, and this Budget has done nothing for them. This Government boast about having a low-tax economy, and the Paradise papers a couple of weeks ago put that statement in a very clear light. If we had a fair taxation system, we would not be talking about properly resourcing public services.

**Mr Seely:** Will the hon. Lady give way?

**Ms Lee:** No, I will not; I am going to make some progress.

This Budget has done nothing to challenge or address the unfairness in our society, and people will feel poorer for longer. It is most definitely not a Budget for the many, and those who benefit are, without doubt, the very few. As a newcomer to the Opposition, I think that Government Members ought to hang their heads in shame, and they ought to wake up and realise what is really going on in this country. I can promise them that things are very different in Lincoln from how they are in Taunton.

3.27 pm

**Jeremy Lefroy** (Stafford) (Con): It is a pleasure to follow the hon. Member for Lincoln (Ms Lee). The Office for Budget Responsibility, which has been referred to from time to time, is an extremely important institution that has come to be accepted by the whole House. In this case, it has provided growth figures that were perhaps not quite what we wanted but that are realistic, and the Chancellor has quite rightly used those independently evaluated figures. That shows how important it is to stick to independent advice and not make figures up when we are dealing with things as important as the future economy of the country.

Over all this hangs the prospect of our exit from the European Union. It is essential that the talks move on to the next stage in the coming weeks, to give assurance to businesses right across the country, including those in my constituency that admitted their great concern to me last week. At the same time, we need to be, as the Chancellor has said, fit for the future. I welcome the increase in UK export finance, which my right hon. Friend the Member for Sevenoaks (Sir Michael Fallon) mentioned in an excellent speech earlier. It is vital that we concentrate not only on exports but on outward investment, which my right hon. Friend the Secretary of State for International Trade has made a key point of his policy. Our current account deficit, at more than 5%, is one of the largest in the developed world, and if we are to bring it down, as we must, increasing outward investment will be as critical as growing our exports.

I urge the Chancellor to look at the introduction of a UK investment bank. We will no longer be a member of the European Investment Bank, and we need something to take its place. This is an opportunity to establish a world-class UK development finance institution. Such an institution does not exist at the moment, unlike in countries such as France and Germany. I very much support what my right hon. Friend the Member for Sevenoaks said about small and medium-sized businesses. They are the engine of our economy and drive the creation of wealth and employment, and employee ownership is absolutely critical to that.

I now turn to some of the measures that the Chancellor mentioned. I very much welcome the changes to universal credit, particularly those relating to housing. The ability for people to transfer their direct payments to their landlord when they move on to universal credit is absolutely critical, as indeed is the extra two weeks' provision from next April. However, I want to mention a couple of things that need to be looked at. One is the question of having fortnightly payments, at least for a period. For people on low incomes coming off weekly payments, it is extremely difficult, even if they receive an advance, to move to monthly payments. I believe that having fortnightly payments, at least for a period, should be considered in the near future. We should also look at having an emergency fund. Such a fund used to exist, but one does not now exist in most parts of the country.

The Budget introduced some excellent measures on housing, and I particularly welcome the stress on small house builders. In Stafford, there have been some great developments by small house builders, who employ local people—local craftsmen and women. I encourage the Government to look at two other areas. The first is innovation in finance, particularly for community schemes, and backing for smaller building societies and housing finance organisations, such as the Stafford Railway Building Society in my constituency, which is one of the best in the country. The second is innovation in design, such as self-build, which my hon. Friend the Member for South Norfolk (Mr Bacon) has championed so eloquently for many years. This also covers home offices and enabling people to have their elderly relatives stay with them. It is important to make it easier to obtain planning permission for expanding a home, so that people can work from home and have relatives needing care come to live with them.

Finally, I want to mention international development, in which I have a special interest. I believe that it is extremely important that we expand the flexibility of international development. It must be for the reduction of poverty, and we must not return to tied aid. We can do so much more if the Foreign Office, the Ministry of Defence, the Department for International Trade and the Department for International Development work together to ensure the reduction of poverty globally.

3.33 pm

**Susan Elan Jones** (Clwyd South) (Lab): It is a great pleasure to follow the hon. Member for Stafford (Jeremy Lefroy). I want to agree with the Secretary of State for Communities and Local Government on one thing. In his great peroration, he said how proud he was to have been born British. I, too, am very proud to have been born British. In fact, I am doubly blessed, of course, because I was born Welsh as well as British.

**Mr Deputy Speaker (Mr Lindsay Hoyle):** North Wales!

**Susan Elan Jones:** Yes, from north Wales—even better. *[Laughter.]* In all seriousness, one of the reasons why I feel so proud to have been born in this country is that I know the quality of our public servants across this country—the people who teach in our schools, the people who work in our hospitals, our firefighters and our police—who go above and beyond to serve us every day and right through the night. We often speak in statistics in this place, which is fair enough, but that is why we are right to feel aggrieved that there has been no real movement on the public sector pay gap. This is now as much a matter of morality as it is one of economics, and I regret the fact that the Government have not taken this more seriously.

Yesterday, I heard the very sad news of the passing of Mrs Anne Davies. She was a schoolteacher in Ponciau junior school in my constituency; indeed, she was one of my teachers. She served the communities of Ponciau and Rhosllannerchrugog with great distinction. She was a school teacher between the late 1940s and the 1980s, and I reckon she must have taught about 1,200 children. Think of the effect that one of the best teachers in Wales and one of the strongest people in those communities had on so many children. That is why the current public sector pay freeze does a grave disservice to people across the length and breadth of our country.

I agree with the Welsh Cabinet Secretary for Finance, Mark Drakeford, when he points out that the Welsh governmental budget will still be 5% lower in real terms in 2019-20 than it was in 2010-11. I feel concerned that, as the Chancellor said yesterday, we are only beginning negotiations on the north Wales growth deal. Those negotiations have been beginning for a long time, and it is time we had some action. Wrexham County Borough Council, which is run not by Labour but by a coalition of Conservatives and independents, makes that point on its website. It has already saved around £18 million in the past three years, and it thinks that it will have to find another £13 million over the next two years. It states:

“We have less and less money to spend every year”.

Yet as we hear about these great concerns, we recognise that we are now giving away £3 billion to pay for the Government's failure in the Brexit negotiations—they

[Susan Elan Jones]

never put that on the Brexit bus did they! UK national debt is now of staggering proportions. According to figures from the Office for National Statistics, debt that was £358.6 billion in May 1998 now stands at £1,726.9 billion—a staggering sum. In a phrase worthy of Jim Hacker, yesterday the Chancellor said that our productivity performance “continues to disappoint”. Had Sir Humphrey been sitting behind him, he would have said, “A brave comment, Chancellor.”

The Deputy Governor of the Bank of England, Ben Broadbent, stated:

“Productivity growth has slowed in just about every advanced economy, but it has been more severe in this country than in others.”

*The Daily Telegraph*, that most Tory of Tory papers, commented that “productivity growth has crashed”. The journalist Tim Wallace spoke of how the 1860s was the last decade of negative real income growth. He wrote:

“That the move to electricity did spark a resurgence in growth would provide reassurance if only we knew that the next technological revolution was sure to bring the same benefits in the 21st century”.

That is the view from Planet Tory, which shows how the Government are failing. Finally, the Government really need to sort out land banking for the sake of Heol Berwyn in Cefn Mawr and other communities.

3.38 pm

**Helen Whately** (Faversham and Mid Kent) (Con): We all know, at least on this side of the House, that there are no easy answers, as do our constituents, and that the recovery from the financial crash, and from 30 years of Labour spending like there was no tomorrow when in government, was never going to be easy. However, there is no need to be quite as downbeat as many Labour Members have been today. We have the lowest unemployment since the 1970s and rising wages for the lowest paid. We have taken the lowest paid out of tax altogether, and, as of next year, debt as a share of GDP will start falling. There is plenty of good news to welcome.

I welcome the Chancellor’s Budget. It is comprehensive, balanced, good for business—especially small businesses—and for the lowest paid. It addresses concerns about universal credit, and it addresses costs of living such as housing, fuel and the price of beer—that is particularly welcome in my constituency because Faversham is the home of Britain’s oldest brewery, Shepherd Neame.

I particularly welcome the theme of laying the economic foundations for the future. For people in their 30s as their careers develop, for people in their 20s as they set out into the world of work, for teenagers dreaming of what life will hold, and for children like mine who are smaller still and of whom only a very few will fulfil their current life plan of being a ballerina or a footballer, the Government are investing in the economy of the future: the skills for the future, the businesses and jobs for the future, the infrastructure for the future and the technologies for the future. The Government are investing in innovative businesses, in research and development, in 5G and fast broadband, in taking Tech City UK-wide—I just need to get an outpost in Kent—and in the teaching of computer science and maths at school. All that will build the economy of the future.

The Chancellor also recognises that people in their 20s and 30s want not only jobs but homes. On housing, a raft of policies have been set out to fulfil the ambition to build 300,000 new homes a year. The abolition of stamp duty for first-time buyers will be welcomed by first-time buyers in my constituency, who are forecast to save about £2,500.

The volume of housing is a more challenging commitment for my area, which has already seen huge housing growth. For my constituents to support this ambition, a commitment to more infrastructure funding is vital. We need encouragement for more strategic planning to enable new settlements rather than urban sprawl, and to get to the bottom of the problem of the gap between planning permissions being granted and houses being built, which will be addressed in the coming review.

As well as looking ahead, the Chancellor has listened to people’s worries about the here and now, in particular on the NHS. There is extra money for the NHS this winter and over the next two years—part of the Government’s £8 billion commitment to increase funding over this Parliament—and an extra £3.5 billion of capital. In Kent, we will be bidding for our share of that for: health centres, such as the one we need in Maidstone; a contribution to a new hospital in east Kent; and a new medical school for Kent and Medway, for which a bid is going in today.

Critically, I welcome the additional funding for pay for nurses, midwives and paramedics, which is much needed. The unhappiness among nurses is not entirely about pay, but pay is increasingly becoming a factor. Too many nurses have told me that they simply do not feel valued. I say to any nurses and other healthcare professionals listening or watching today, “You are valued—you and all the other people whose jobs are to care for people.” As a society, I fear that in past years we have not valued caring and the caring professions enough. I want to make sure we end that and care for the people who care.

I am nearing the end of what I have to say, or at least my time at any rate. As I said at the start, there are no easy answers. The key to getting what we want—good jobs and excellent public services—while enabling people to keep the lion’s share of what they earn is Britain’s productivity. That is why we have to look forwards, not backwards to the 1970s. We have to invest in the economy of the future, which is why I strongly welcome the Budget for its commitment to laying the foundations for the future.

3.43 pm

**Emma Hardy** (Kingston upon Hull West and Hessle) (Lab): It is a pleasure to follow the hon. Member for Faversham and Mid Kent (Helen Whately). I hope the right hon. Member for Sevenoaks (Sir Michael Fallon) uses his new-found freedom on the Back Benches to join me and many other Members in calling for the Red Arrows order to be brought forward to secure jobs at BAE.

The short-sightedness of the Government’s continued addiction to austerity is astounding, and the Government clearly have little understanding of cause and effect, but I hope with this speech that I can convince the Chancellor to make a proactive decision that will save NHS England money. On 18 October, I led a Westminster hall debate

on transvaginal mesh. Transvaginal mesh has been used to treat stress incontinence on the NHS for 20 years and it is the most commonly used mesh implant. More than 120,000 UK women have had this in the past 10 years. Prolapse mesh has been used on the NHS since 2002, and is placed either vaginally or through the stomach. The draft National Institute for Health and Care Excellence report, expected for publication in December 2017, announces that vaginally placed prolapse mesh must only be used in a research context. We know this is surgeons' code for "do not use". Mesh was ruthlessly marketed as a quick inexpensive fix. However, a recent report shows evidence that about 10% of women have suffered complications after surgery.

This week, representatives of the all-party parliamentary group on surgical mesh implants met campaigners from Sling the Mesh. During the meeting, Kath Sansom illustrated the cost of mesh failure to the NHS. Mesh-injured women face the long-term costs of pain medication and removals, but no one has yet realised the extent of the increased health costs because of our fragmented NHS. Mesh-injured women are an unplanned extra cost to an NHS budget that is already overstretched: for example, Hull and East Yorkshire Hospitals NHS Trust in my constituency has a deficit of £11.5 million.

Many mesh-injured women suffer chronic pain and urinary infections; many have leg pain, ranging from moderate to severe. Some are in wheelchairs, or are using sticks to help them to walk. Risks are serious, they are forever, and they are devastating. Many of these women claim benefits. Some work reduced hours and claim working family tax credit, while others receive personal independence payments or other disability benefits.

During the APPG meeting, Kath mentioned four women in connection with the costs to the NHS. I have just enough time to mention two. Joanne is an NHS administrator. She costs the NHS £180 a month, and in 11 years she has cost it £55,000. Jemima went from being super-fit to using sticks to walk, and is in daily agonising pain. Mesh has sliced her insides so badly that she knows that, at some point, her bowel will have to be removed. She is delaying that by using a special kit to pump herself out every day. It costs £900 a year, plus prescription medication costs of £135 a month.

In her response to my Westminster Hall debate, the Under-Secretary of State for Health, the hon. Member for Thurrock (Jackie Doyle-Price), dismissed my call for a public inquiry and a retrospective audit. She said:

"I think it is more important that we get the treatment that is needed, but I encourage everybody to report their cases through the yellow card scheme."—[*Official Report*, 18 October 2017; Vol. 629, c. 317WH.]

Most women are not aware of the yellow card scheme, and have no idea how to use it.

We need a retrospective audit on mesh so that the NHS can gather the necessary evidence of the scale of the injuries suffered by those who have had mesh fitted. The refusal to fund and commission such an audit is incredibly short-sighted. More women are having this operation every day, and the level of risk is unknown. We could be adding astronomical costs to our NHS daily as a result of future mesh failure. However, the costs of mesh failure are not just to the NHS; they are to all our public services.

How can Hull City Council provide the support that is needed both by mesh-injured women and other disabled adults when it has lost 32% of its funding since 2010? Those cuts are having an impact on its ability to deliver local services, including adult social care. East Riding of Yorkshire Council faces an increase in adult social care costs of more than £21 million, without the increased budget to pay for it. Some mesh-injured women need supported housing because of their disabilities. Many of them are suffering from both depression and anxiety, which adds more pressure and demand on our already overstretched mental health services. Our councils cannot continue to foot the bill for the Government's failure to take the action that is needed. The councils need budgets that will enable them to provide those services for everyone.

One way in which the Government could save money for our NHS and our councils would be to fund a retrospective audit for all mesh-injured women. That would save the costs of treating and caring for them in the future.

3.48 pm

**Martin Vickers** (Cleethorpes) (Con): If I were starting to write the Budget and I had a blank sheet of paper, the first questions that I would want to ask myself would be "What does the country need?", and then "What does the business community need?" and "What do our hard-pressed families need?"

Clearly, we must do nothing that would harm the business community. They are the wealth creators: they create the wealth that is used to provide our public services. As for hard-pressed families, we have done a considerable amount of work. We have frozen fuel duty, which is extremely welcome, as will be the increased living wage—especially in low-wage areas such as mine—and the increased tax-free allowances.

Let me now deal with one or two other issues that have been to the fore. I think that all our policies, but particularly our housing and planning policies, are in danger of focusing too much on what is good for London, the south-east and perhaps some of our bigger cities elsewhere. Housing issues are very different in, for instance, Cleethorpes, Scunthorpe and Hull. In my constituency in north-east Lincolnshire, the average cost of a three-bedroom semi-detached property is about £140,000. That seems an absolute bargain down here in the south-east, of course, but although I support the changes to stamp duty they mean a minimal saving for people buying an average property in my constituency.

The planning process does need streamlining. It is too slow. We all know, however, that if we trample over the wishes of local communities, it can be politically dangerous ground. We must not in any circumstances undermine the local democratic process that rubber-stamps those decisions.

I welcome the enhancements to the northern powerhouse and the various city deals that have been announced, but, as I have said on a number of occasions, the UK is about more than the big cities. We need also to ensure that something is done for our smaller provincial towns. My region has no big city; we do not have the trickle-down that some of the provincial towns neighbouring Manchester, Sheffield, Leeds and so on do. We need a process that enables us to regenerate and further develop the local economy and to permit the physical regeneration of our towns and villages.

[*Martin Vickers*]

I know that Ministers have taken seriously the proposals from the Greater Grimsby project board, which has made suggestions for a town deal. My understanding is that further negotiations are taking place. The advantage of the town deal proposed for the Grimsby-Cleethorpes area is that it could provide a template for how we go about regenerating and improving the economies of many of our small towns.

Connectivity and transport, of course, are equally important if we are to boost local economies. It is a pity that the Minister for Transport Legislation and Maritime has just left his place on the Front Bench, because if I mentioned to him the A15, M11 and A180, I would not need to elaborate; I have bent his and other Transport Ministers' ears about that question on more than one occasion, including those of my hon. Friend who is now the Economic Secretary to the Treasury. I need not go into detail. If we are to revitalise our local provincial towns, particularly those in coastal communities, we desperately need to improve our connectivity. That means rail and road, basically.

To return to housing in the few seconds I have left, earlier today I had a meeting with the Humber Landlords Association, which emphasised how important it was that the public and private sectors work together in partnership if we are to solve our housing issues. I am very much in favour of developing social housing, whether it is council-built or funded or provided through housing associations, but let us not forget that the private sector can help to solve this problem.

3.53 pm

**Wes Streeting** (Ilford North) (Lab): It is a pleasure to follow the hon. Member for Cleethorpes (*Martin Vickers*).

The Chancellor set low expectations ahead of this Budget, and he certainly lived up to them. What was most interesting and telling about yesterday's statement was not any particular measure but what the Chancellor and the independent Office for Budget Responsibility said about the state of our economy. Real wages are lower today than they were when the Tories came to power seven years ago, with disposable income set to fall further. Once we led Europe on economic growth; we are now lagging behind and it is the lowest it has been since the Tories came to office, and has been revised down in every year of the Treasury's forecast. Productivity has also been revised down every year, as has our business investment next year and in every following year in the forecast.

Even on the Tories' central test, the whole driver behind the seven years of austerity—the need to deal with the deficit—they have failed on their own terms. They promised to eradicate the deficit by 2015, then by 2016, then 2017, then 2020. Now they cannot even tell us when it is set to be eliminated. Seven years of pain, with absolutely no gain for the public who are paying the price through cuts to our public services. In our constituencies and in our casework, we are seeing the consequences of the Tories' bad economic management.

Headteachers are grappling with the consequences, and they tell me that they are cutting back on the curriculum, increasing class sizes and increasingly struggling to support their pupils, particularly those with special educational needs. In the national health service, my

constituents are waiting longer to get an appointment with their GP and waiting longer to have their operations. And just the other week, a teaching assistant came to see me because two primary schoolchildren in the two schools where she works had thought about taking their own lives. She said that when she referred them to the local child and adolescent mental health services, she was told that they could not see the children because they were full up. These are primary schoolchildren in desperate need of attention, but the resources and the capacity to help them are simply not there.

On policing, we see the extraordinary spectacle of London Tories—led by the Foreign Secretary, the former Mayor of London—crying crocodile tears about police station closures even though they know that the policing cuts that we are facing in London are the direct consequence of the disproportionate cuts that we are being clobbered with by central Government. Since 2010, £600 million has been lost from the Metropolitan police budget, with a further £400 million set to go by 2020-21. As those of us who are still in local government know, the Tories are remarkable anti-cuts campaigners locally, but when it comes to standing up for local government and local services in this place, we do not hear a peep out of Tory Members. Voters should remember that when they go to the polls in the London elections next year.

What was also extraordinary about this Budget was what it said about Brexit. The referendum campaign is over. We do not have to deal with hypotheticals; we are now grappling with the reality. Does it not say everything that there was more money in this Budget to deal with the cost of Brexit than to deal with meeting the needs of our public services? Thank goodness the Chancellor survived yesterday and is still in his post, because we know that the people lining up to replace him—using those “long economicky words” in Cabinet—are the same people who brought us the bus that promised £350 million a week for the NHS. Thank goodness we have Spreadsheet Phil still in place at the Treasury, because the alternatives are far worse.

I say to those on the Treasury Bench today that they have a critical job to do before Christmas if they are to give businesses the certainty that they need about what will happen on exit day in 2019 when we leave the European Union. Jobs are already being lost, and decisions about where to locate jobs and economic activity will be taken in the first quarter of next year, but the Government can currently give those businesses no certainty whatever, even about a deal on transition, let alone about a long-term deal. Members on both sides of the House have a responsibility to ensure that the minority of headbangers in this minority Government do not steer this country on a course that will make us poorer, less well-off and less prepared to weather the economic storms that lie ahead. That responsibility rests on the shoulders of the Chancellor, but it also rests on the shoulders of every Member of this House. The course that we are on at the moment will drive a coach and horses through the future prosperity of this country, and we should not let that happen.

3.58 pm

**Stephen Kerr** (Stirling) (Con): I am delighted to have this opportunity to speak in the Budget debate. I am quietly satisfied to have been found guilty by no less a personage than the Chancellor of bending his ear. I have no hesitation in saying that my Scottish Conservative

colleagues and I have indeed been bending his ear, and we will continue to bend the ears of any and all colleagues in the best interests of Scotland and the people of Scotland. Further, I have no hesitation in saying that we on these Benches have achieved more for Scotland in the five months since we entered this House than Scottish National party Members have achieved in the past two and a half years, if not longer.

I wanted to hear a responsible and measured Budget that will continue to tackle the deficit and the debt while making properly considered investment decisions that will create the right conditions to produce prosperity in our country. The cost of servicing the national debt is now an extraordinary burden on the public finances, and it is surely immoral to pile up such a debt and leave it to our children and grandchildren to pay it down later. I hope that all seven—it is soon to be eight—of our grandchildren will be glad of this Conservative Government's fiscal responsibility and the part that their grandfather played in sustaining it. Without fiscal responsibility, we cannot afford defence, health, education or any other of our immensely valuable public services on which the Government spend taxpayers' money.

I congratulate the Chancellor on his forward-looking positivity. He described a future full of change and challenges, yes, but also opportunity. His Budget speech presented a picture of a Government who are getting on with the business of governing and bringing about the change that our country needs as we embrace the future, including the fourth industrial revolution, with all the opportunities coming in its wake, and of course Brexit. I welcome the much needed investment in R and D and the necessary investment to prepare for our departure from the European Union and to make plans for all possible outcomes, including the possibility that few of us would prefer: no deal.

The Budget clearly shows the value of Scottish Conservative Members to this House. Scotland was at the heart of the Budget, and Scotland is at the heart of the Union. We have a Budget before us that is good for Scotland, and we engaged positively with the Budget process to secure our city deals and tax changes, to bring about a resurgence of activity in the oil and gas sector in the North Sea and to allow Police Scotland and the Scottish fire and rescue service to receive VAT refunds. That all goes to show what can be achieved when Scotland's place at the heart of the Union is embraced rather than scorned.

I am pleased by and welcome the universal credit reforms, and I was grateful for the news on fuel duty and spirits duty. As an aside, I was also grateful to hear my right hon. Friend the Prime Minister give my hon. Friend the Member for Angus (Kirstene Hair) a clear indication yesterday that the next phase of the broadband roll-out of local full-fibre networks and 5G in Scotland will be delivered in partnership with local authorities instead of the Scottish Government, who have gone about the first roll-out phase extremely slowly.

As we begin the implementation of the Stirling region deal, 2018 will be a seminal year for Stirling. We have a transformative vision for Stirling, including the creation of a national aquaculture innovation centre to build on that growth industry, and by enhancing the UK's position as the world capital of fashion by creating a UK tartan centre to leverage this great iconic product across the world.

We will see improvements in rural and urban infrastructure to enhance economic conditions and economic prospects right across Stirling.

**Kirsty Blackman:** How does the hon. Gentleman feel about his neighbouring city of Dundee no longer being able to be a European city of culture because this Government are dragging us out of the European Union?

**Stephen Kerr:** The Government are not dragging us out; the people of this country voted in the referendum on the UK's membership of the EU.

There are many questions that could be asked of the SNP Government. For example, will the Scottish Government lift their broadband tax? In England, new broadband infrastructure will attract tax relief, so we are waiting for the Scottish Government to act. Will the SNP Government match the Chancellor's commitment to remove stamp duty for first-time buyers by removing said buyers from having to pay the discredited land and buildings transaction tax? We will wait and see. Will the SNP Government continue to make Scotland the highest taxed part of the United Kingdom? Will they press on with their plans to increase personal taxes for everyone in Scotland earning over £24,000 a year, which is the average income in Scotland? It is a disgrace. It is hardly progressive politics. The SNP want to foment grievance, and the people of Scotland are seeing through that. We need a Conservative Government in Holyrood with Ruth Davidson as First Minister. That is the only way that we will be able to realise the full benefits of Scotland's place at the heart of the United Kingdom. I am proud to be present in the Chamber for my first Budget debate as Stirling's Member of Parliament, and I welcome this Budget.

4.3 pm

**Luke Pollard** (Plymouth, Sutton and Devonport) (Lab/Co-op): It is a pleasure to follow the hon. Member for Stirling (Stephen Kerr). He described Scotland as being at the heart of the Budget, so if one travels as far away as possible from the heart of the Budget, the destination would be the far south-west. Why was the far south-west so ignored in this Budget?

I am disappointed that the Budget did not help us with our key asks. Members may have seen that people were able to play Budget bingo on my Facebook page with Plymouth's nine key asks. I was hoping to announce a winner for a line, or even for every single ask. On behalf of Plymouth, I was asking for help with social care and the NHS; for support for our armed forces; for a reversal of the cuts to HMS Albion and HMS Bulwark; and for £30 million for our vital upgrade in Plymouth. But I am afraid that there were no winners in the Plymouth Budget bingo this time round. The Government ignore the far south-west at their peril. Ministers have taken our region for granted for far too long. It is now a region full of marginal seats, and if Ministers want to keep drawing their ministerial salaries, they would be wise to listen to both Labour and Conservative MPs for the far south-west, who were so ignored in the preparations for the Budget.

There is widespread awareness in Plymouth that we get a raw deal from the Government. There were plenty of mentions in the Budget of the north, the midlands and Scotland, but very little about the far south-west,

[*Luke Pollard*]

despite our having a very clear case for investment: the lowest per-head education spend in the country—£415 per head less than in London; just one third of the public health spending in London—£668 less per head; one third of the transport spending in London; an NHS in crisis and a hospital in a near-constant state of black alert; and a social care system in crisis. This is not because of the hard work of our public servants, who are working their socks off, but because of a lack of funding. The Government could have addressed that in the Budget but chose not to do so.

On transport, our case for investment was compelling, but there was no extra money for our precarious south-west rail link, despite the cross-party campaign. Labour has promised £2.5 billion for our investment fund to upgrade the far south-west train line. The Peninsula Rail Task Force, backed by Conservative councils and MPs, is supported by a Labour Opposition but not a Conservative Government. We asked for £30 million for track straightening so that we could improve our journey times between Plymouth, the far south-west and London. It was to be the start of the process of reducing journey times to London from Plymouth by an hour. There is £55.7 billion for HS2, but the Government could not even deliver the £600,000 we need to complete the study into the work or the £30 million it requires to complete the work next year.

People across the far south-west are asking what they have to do to be listened to by the Government. That is really important. Our transport network in the south-west is a totem for our region. The Minister might be aware that in the last couple of days CrossCountry trains has ended its service from the “heart” of the Budget, in Scotland, down to Exeter in the far south-west, because its trains cannot go through Dawlish when there are storms—they short-circuit, block the track and cut our region off. That is simply unacceptable. No other part of the country would accept this poor deal on transport, and neither should the far south-west.

Plymouth needs better road, rail and air connections. We need Government assistance to help us fund that fast and resilient train line and to back the campaign that I and the Conservative-run Plymouth City Council have announced to extend the M5 from Exeter to Plymouth. On air transport, the Government must be ready to support us in reopening Plymouth city airport.

On defence, there is a key ask as well. I know that Ministers were being lobbied by both Labour and Conservative MPs to stop the cuts to HMS Albion, HMS Bulwark and the Royal Marines. It is unthinkable in the 21st century, with Russia rising as a threat, that we should get rid of our amphibious assault capabilities and the ability to deliver humanitarian assistance.

**Wes Streeting:** My hon. Friend is speaking with characteristic passion and clarity, but is not the lesson of the defence cuts over the last seven years that once we have lost a capability it takes a huge amount of time, energy and investment to get it back, and this is a capability we cannot afford to lose?

**Luke Pollard:** I absolutely share that concern, and I know that Government Members do as well.

Many Tory Members were pinning their hopes on extra money in the Budget and on the Chancellor correcting the mistakes he made in his former role as Defence Secretary, but that money has not come. The current Defence Secretary is in Plymouth today learning about the Royal Navy. I wish him well in his endeavour and I hope that after his familiarisation with the Royal Navy and the Royal Marines he will not be supporting cuts to amphibious forces.

By next year's Budget, I ask those on the Treasury Bench please to initiate the following campaigns and proposals: to fund our train line properly; to respect our armed forces and the threats they face by not cutting our amphibious capabilities; to address the school funding shortages in the far south-west, which have seen subjects lost, teaching assistants sacked and people with special educational needs suffer the most; to address our crisis in the NHS and fund social care properly—considering how big an issue social care was in Plymouth and across the country at the general election, its absence from the Budget is telling; to cut tuition fees; to raise the minimum wage; and, importantly, to give hope to the 8,000 WASPI women in Plymouth who are looking for support from this Government.

The Budget did not name-check the south-west; neither did it name-check south-west MPs and their successful campaigns—we need those name-checks. The far south-west needs to be taken seriously by the Government, and I encourage them to listen to the campaigns raised by Labour MPs and Conservative MPs to fund us properly. The message from the Budget is clear, and Plymouth deserves better.

4.10 pm

**Jo Churchill** (Bury St Edmunds) (Con): I welcome the Budget, particularly on R and D, the enterprise investment scheme and small and medium-sized enterprises, which I hope to be able to address next week.

Today I will concentrate on housing. I am encouraged by the ambition we showed yesterday, and now we need to focus on delivery. It is a sad fact that the average age at which people now enter the housing market is 37, and half of people in their 30s do not expect to own a house like their parents have, so there is work to do.

Some 217,000 houses were built out this year, compared with the woeful 75,000 built out during the last year of the Labour Government, but arguably this is not about more council houses, more of this and more of that; it is about the industry, about housing authorities and about all of us working to deliver what people want, which is homes. No matter a person's tenure, they want a roof. The important thing is that we get the right homes for people, that we get the right quality of homes and that we get homes where we need them. I am pleased to see that we are looking for density, particularly on urban sites, because that makes a great deal of difference in ensuring that people in cities are near their place of work.

I am also pleased to see that the Homes and Communities Agency will become Homes England, and the £44 billion of capital funding, loans and guarantees is most welcome. The acknowledgement of the importance of small builders is also welcome because they have largely disappeared from the construction industry. Their need to be able to access finance has been acknowledged with a further £1.5 billion for the home building fund and £630 million for the housing infrastructure fund.

We want homes to have quality and to be well designed. We would also like homes to have electric charging points, which the Chancellor spoke about. We want to use R and D and innovation in building. There is no reason why we should not be using robotic bricklaying machines and modular builds, where accessible and appropriate, to ensure that we get on with delivering these houses in a smart way so that we put roofs over people's heads.

More houses should not mean lower quality. The all-party parliamentary group on excellence in the built environment is considering the possibility of a new homes ombudsman, because 98% of all houses that currently come to market have some sort of snagging issue. I hope to talk to Ministers about that as the idea develops.

There is also £170 million coming into the skills agenda through the industrial strategy, which is most welcome, with another £34 million going into innovation and training. It would be great to see construction colleges at every large construction site, with large house builders basing a training centre at the centre of each large site that could later be redeveloped and used as a community centre.

We need all sorts of approaches to development if we are to build this number of houses. Construction is now a high-tech industry, and it should not be thought of as the preserve of boys at the back of the class who perhaps cannot add up. I would like to see a higher degree of attention on delivering quality training in this area.

We need road and rail infrastructure to connect new housing developments. Overspill from the west-east Oxford-Cambridge corridor will undoubtedly come upon us in Bury St Edmunds. Houses are very expensive in my constituency, and they are often out of reach of people in an area where average wages sit below the national average. I would like us to concentrate on having a planning system that looks across the piece. The current two-tier system is not helpful. Bringing empty homes into use is something we are concentrating on in St Edmundsbury, but the problem is often about discovering ownership, rather than applying the council tax. I do feel, however, that applying the council tax levy will certainly add a bit of weight to encourage people to consider whether their house should be empty or not.

Given that we have little time left, let me end by thanking the Exchequer Secretary, my hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones), for listening to me and my young constituent from the Suffolk Accident Rescue Service, and examining the accident rescue charities grant scheme. We were most grateful for being able to retrieve—

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Order. I call Alison Thewliss.

4.15 pm

**Alison Thewliss** (Glasgow Central) (SNP): I am delighted to be able to speak in this Budget debate on the issues of public services and housing, both of which are intertwined in defining quality of life. They are key aspects of what should have been a Budget for people and prosperity. Unfortunately, this chaotic Tory Government just limp on in crisis and have failed to deliver on either.

One way to inject further funds into public services in Scotland would be to pay Police Scotland and the Scottish Fire and Rescue Service in full the £140 million

they are due in backdated VAT. I welcome, of course, the announcement that the Chancellor made yesterday, but if the logic of the argument is true today and yesterday, it must have been true in 2015, when we submitted it as an amendment to that Finance Bill, and it must have been true when the Scottish Government made numerous and lengthy representations to the UK Government on this matter prior to, during, after and since the implementation of the single services. I have read those representations, and it is absolutely clear that discretion has always rested with those who make the rules: the UK Treasury. We see that in the announcement yesterday. The Government could have saved not only money, but a good deal of civil service time and effort if they had conceded this point six years ago. The Tories and Labour in Scotland have supported the establishment of Police Scotland and the Scottish Fire and Rescue Service in their manifestos. Support for the principle of single services is not in dispute.

In October, Chancellor stated:

“We discussed this with the Scottish Government before they made the decision to unify the police, we warned them that under EU law they would not be able to recover VAT if they made this move, the Scottish Government told us that they had calculated that the savings they would make would be sufficiently great that even with the loss of the VAT recovery ability it was still a sensible thing to do—that’s their decision, a decision which they made, and we are now constrained by the VAT rules that are in place.”

Was the Chancellor misleading the public when he stated that to drop the VAT would break EU law?

Moreover, Murdo Fraser MSP, who was clamped gloriously today by Nicola Sturgeon, stated that

“because both Police Scotland and the Scottish Fire and Rescue Service are not part funded through local taxation, there is no justification for a VAT refund.”—[*Scottish Parliament Official Report*, 31 October 2017; c. 77.]

It seems entirely unclear as to why the Scottish Conservatives believed that there was no justification to scrap the VAT then, even a few weeks ago, yet now advocate it and actively celebrate it.

I also noticed, buried away on page 39 of the Budget Red Book—it is getting shorter, because the Government used to hide things on page 88 back in 2015—that there is a change relating to VAT for combined authorities and fire services in England and Wales. This is very interesting. At the top of page 39, under the heading “combined authorities” it states:

“Through Finance Bill 2017-18, legislation will be amended to ensure UK Combined Authorities and certain fire services in England and Wales will be eligible for VAT refunds.”

How curious! Could it be that the Chancellor realised that he could not possibly make these changes for English bodies without accepting the logic for changes in Scotland? If so, claims of influence from the baker's dozen on the Benches across from me have less substance than a cream puff. This UK Government, having accepted the logic as they did for Highways England, the Police Service of Northern Ireland and academy schools, must now make good their mistake and backdate the VAT.

There is a gaping hole in this Budget where there ought to be a commitment from the Chancellor to scrapping the public sector pay cap. Public services workers have, for years, been asked to deliver more for less, all the while seeing the cost of living increase. The Scottish Government are the only Government on these islands committed to scrapping the cap. I had hoped that,

[Alison Thewliss]

given the demonstrations, the pressure, the commitment and the U-turns, the Chancellor would have been bold and put a figure on this, rather than giving us what was in his mealy-mouthed speech yesterday.

**Chris Stephens:** Is my hon. Friend as concerned as I am that the UK Government's approach to public sector pay is such that those in male-dominated workplaces will get a pay rise but those in female-dominated workplaces will not?

**Alison Thewliss:** As on so many related issues, my hon. Friend is absolutely correct. The UK Government should commit, as the Scottish Government have, to paying the real living wage—not the pretend living wage, not the living wage that does not apply to those under 25, not the in-built age discrimination that they continue to perpetuate, but the real living wage as defined by the Living Wage Foundation.

We cannot hide from the fact that workers need a pay increase, because prices are up in a range of areas. The price of basics like bread and butter have increased—bread by 5% and butter by 12%—since the Brexit vote. This is just another example of the Government forcing people to spread too thinly—literally—to get by. The London School of Economics estimated this week that the average household has lost £7.74 per week because of the higher prices in shopping baskets. Ask anyone at the supermarket and they will tell you the same, and it feels like an awful lot more to many people.

I note from the Red Book that the full basic state pension will rise by only £3.65 per week and the full new state pension by only £4.80 per week. That hardly seems enough to meet the increase in the cost of living caused by the Government's chaotic Brexit obsession. Contrast that with the £82.2 million in sovereign grant funding going to two pensioners and their hingers-oan who live along the road from this building, and it is clear that unfairness is rife in this country. The impact of a no-deal Brexit and the lack of single-market membership will only make things worse.

We cannot deliver the public services on which we all rely without well-paid and well-motivated public sector workers. We must end the pay cap and deliver pay certainty for public sector workers right across the board, not just for those in the NHS, because as hard as they work, there are many others who work just as hard.

We must see appropriate consequentials. I mentioned the money the Chancellor trumpeted for the NHS—some £300 million. If the Government were being fair, Scotland should have had £30 million, but we are getting only £8 million. That is jiggery-pokery of the highest order. We have also lost £600 million for our trains in the Tories' great train robbery. I ask for that to be put right as soon as possible.

4.21 pm

**Wera Hobhouse** (Bath) (LD): Yesterday's Budget was supposed to be "the housing Budget." It was a crucial opportunity for the Chancellor to fix the country's housing crisis. I listened carefully to the Chancellor's speech, and it contained not a single mention of social homes for rent. That is the area where the biggest pressures are. A combination of factors has meant that the social housing stock has fallen dramatically and

very little new social housing has been built. The figures are stark: 32,000 new social homes were built in 2011, but just 5,000 were built in 2016.

In the past few years, local authorities have been encouraged to transfer all their housing stock into local housing associations, to wipe historical debt off the housing revenue account. The Chancellor announced that he will lift the borrowing cap for local authorities in high-demand areas, but that is not enough. It does not address the problem in areas where housing stock has been transferred and, if anything, it should be applicable to all local authorities. There is no need to restrict councils at all. All that does is to make it more complicated for councils and potentially delay the delivery. Why does it apply only from 2019—why not straight away?

The housing stock of my local authority, Bath and North East Somerset Council, is now held by a housing association. It needs traditional subsidies to build new social homes for rent. Let me give an example: Foxhill is a big housing estate in my constituency that is in need of regeneration, but it has to be completely self-financed and the housing association has to operate like a private house builder. Some 75% of the new homes built will be sold privately, and the overall number of social homes to rent on site will not change. The housing association has not been able to access any funding to build new social homes—and not for lack of trying or lack of will. The devil is in the detail. Will the Minister clarify exactly what has changed and how housing associations will now be able to access funding to build new social homes for rent?

On affordable housing, houses built and sold by the private sector are no longer affordable for an increasingly large number of people. The problem of affordability is not going away without a big change in housing policy. The Chancellor has talked about the problem of land-banking. This is hardly a new problem, and the announcement of a review is very small fry. The Government have had years to conduct a review and act on it. I can tell the Chancellor without a review that the problem most likely lies with the big house builders with deep pockets who can afford to sit on valuable land for years and build on it only drip by drip, to maximise profit. One solution would be for Government to parcel up public land into smaller pieces and to give small and medium-sized house builders a chance to purchase the land to build on immediately—and they will build on it immediately.

Government could go even further and sell their land at a discount with the guarantee that the homes will be affordable or for social rent and will be built immediately. My measure is about building more social homes for rent, because that is where the problems are the deepest and most urgent—I am talking about people on universal credit who can no longer rent privately; people who become homeless; and people whose mental health suffers because of the difficulty of finding somewhere they can call home.

I see many desperate people on a weekly basis at my surgery. We cannot turn a blind eye to their tragedies. This whole matter goes to the heart of whether we believe in a shrinking state or a caring state that helps the just about managing. The private sector has not solved this problem, and will not do so in the future. We have had years of an ideology of replacing public ownership with private home ownership. The two can go together, but there must be a place for social housing. Let us get building social housing again.

4.25 pm

**Lloyd Russell-Moyle** (Brighton, Kemptown) (Lab/Co-op): Yesterday, I had desperately hoped to hear about a breakthrough in funding for local government, which is currently on its knees; to hear that we would end the homeless crisis in our cities and towns next year—not in 10 years—and to hear that we would start a national house building programme to stop the scandal of thousands of children living in over-priced and poor-quality emergency accommodation. Unsurprisingly, I was bitterly disappointed. Instead, we heard that councils could borrow an extra £1 billion for home building, even though £20 billion would be available if the cap was scrapped; that we would remove stamp duty for people who can afford houses—nice if someone has the money to start with, but no help if people are just about managing to get food on the table—that the Government would build new garden towns, a policy that has been announced three times already, and people are still waiting for their homes to be built; that we would see estate regeneration, but no requirement to give tenants a say on how their estates are redeveloped; and that we would halve rough sleeping by 2020, but with no idea of how, apart from setting up three measly pilot schemes.

I always think that pilot schemes are the path of a Government who have no conviction. In 1945, did Attlee say, “Oh, I have a good idea about health care. I’ll do a pilot scheme over the next 10 years, and if it works we’ll roll it out across the country.” Did he heck! He had the courage of his convictions. Rather than waiting 10 years to do something, why can we not have a national homes first programme? The reason why we will not get it is that this Government have no convictions.

Although I do not begrudge Liverpool, Manchester or Birmingham projects of homes first, why can we not also put such a project in place in Westminster—the authority with the highest homeless population in the country? People only a few hundred yards from this Chamber will be freezing on the streets tonight. They will also be freezing on the streets of my constituency in Brighton and Hove, the area with the second highest homeless population. What are we to say to them, “Don’t worry, if you’re still alive in 2027 and the pilot scheme is successful you might get help—if you’re not already dead that is.”

Let me give some facts about what inequality looks like in this country. The average life expectancy of a man living on the streets is 47, and for a woman it is just 43. Homeless people are four times more likely to die of unnatural causes and 35 times more likely to commit suicide. In the autumn of 2016, there were 4,134 people sleeping rough in England, which is 50% up on 2014 and more than double the number in 2010. These are the people whom this Government have forgotten. There is barely a week that goes by when I do not read in the paper about another needless death on our beach, on our promenade or in our parks.

What about the thousands of damp, unsafe homes that are making children ill, or the bed and breakfasts, where families are squeezed into one room with only a shared toilet down the corridor? What about setting up a national scheme for decent council-run emergency accommodation? Of course that will not happen, because this is a Government with no ideas and no ambition.

Well, excuse me if I do not give this Budget the fanfare that the Chancellor would like—quite frankly, it is a pathetic response from a heartless Government.

Brighton Housing Trust published an impact report this month on women and homelessness. It says:

“Many homeless women seek protection from men but...some of these relationships lead to further violence.”

The trust gives the example of Lauren, who spent three months with a male friend, but in the end she was violently assaulted and raped. She said that before she could get help she

“had to get to the point where I was black and blue and in hospital with broken ribs”.

Local authorities need funding to solve this problem. They do not need another taskforce that this Government have set up, or a renamed and rebranded Homes and Communities Agency that will do little to solve the problem.

I regard every homeless person that finds a bench, a vacant building, a sofa or a park in my constituency as one of my constituents. I say to them, “Don’t give up!” I cannot defend this Budget, but let it be known that there are people working in this place—on these Benches—who will turn back the clock of austerity and who will provide for them and for our communities.

4.30 pm

**Jim Shannon** (Strangford) (DUP): We have all been waiting with anticipation for the sight of the red briefcase and for the Budget contained therein. It is a time when we can all be forgiven for being slightly parochial and looking at how our constituents will fare, as well as looking at the big issues that affect us all.

I welcome the Chancellor’s statement of the additional allocation of £650 million to Northern Ireland over a three-year period. That—on top of the £1.4 billion that we were able to secure in the confidence and supply deal—means that we are delivering not only for Unionists, but for nationalists and everyone across the whole of Northern Ireland. Everyone in Northern Ireland is gaining from that deal. I am pleased to see some of that money going to Departments and worthy projects such as the Ballynahinch bypass in my constituency, and I hope that we will see that project soon.

I am also pleased about the increase in nurses’ wages. The Chancellor said yesterday:

“Our nation’s nurses provide invaluable support to us all in our time of greatest need and deserve our deepest gratitude”—[*Official Report*, 22 November 2017; Vol. 631, c. 1054.]

The Government are delivering for nurses. The Democratic Unionist party is quite happy to be a part of that, and we have used our influence to try to make that happen. As you know, Mr Speaker, I have been in hospital three times in the past six months, so I understand just how much nurses do for us all. I should just say that the surgical gown is the most unattractive garment that any person could ever wear, and I have had to experience that three times in the past six months. Such experiences give us an idea of what nurses to do.

Fuel duty will remain the same. That will benefit my isolated rural constituents greatly, although—I have to be honest—not as greatly as a drop would. The freeze in air passenger duty will also benefit businesses and enhance our connectivity to the UK until we can scrap APD, which would greatly level the playing field for Northern Ireland businesses. I welcome the news that the high-strength

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cidiers will see a rise in duty. However, I would have preferred to see a larger increase to address the issue head-on and to be more effective in tackling young people who are drinking just to get drunk.

I am pleased that steps are being taken to address the issue of digital economy royalties relating to UK sales that are paid to a low-tax jurisdiction. They will now be subject to income tax as part of the tax avoidance clampdown. This is expected to raise about £200 million a year. I think that that is a conservative estimate, as I expect the figure to be much higher. I welcome the Government's commitment to abolishing the stamp duty on homes worth less than £300,000. That will certainly be of benefit to many of my constituents across Strangford and, indeed, to people across the whole of Northern Ireland.

We need a Northern Ireland Assembly that works. Hon. Members will understand that we do not have a functioning Assembly at this time, but we need accountable delivery. The obstruction lies, very clearly, with Sinn Féin. They are not delivering; they are not even sitting on these Benches. They are elected, but they do not come here. If we asked the nationalists and the Unionists in Northern Ireland what they want, they would say that they want effective health, effective education and effective roads. They do not want an Irish language Act.

In the remaining time, I would like to make a plea to the Minister and to the Department regarding the marriage tax allowance. Three quarters of breakdowns of families with children under five come from the separation of non-married parents. Children are 60% more likely to have contact with separated fathers if the parents were married. The prevalence of mental health issues among children of co-habiting parents is 75% higher than among those of married parents. Children from broken homes are nine times more likely to become young offenders.

I make this plea to the Minister because the key thing to recognise is that the marriage commitment is a key driver for stability, quite apart from wealth. In that context, it is entirely appropriate that our tax system now recognises marriage, but it is not right to tell a stay-at-home spouse looking after children that the unpaid work they do is not worthy of 90% of the personal allowance.

Let me quickly draw some comparisons. The income tax burden on a one-earner married couple with two children is 70% greater than the burden on a comparable French family, twice that on a family in the USA and 15 times that on a German family. The 10% marriage allowance is far too small. I ask the Minister to look at that.

The Government should introduce a fully transferable allowance and pay for it by reducing the scope of the allowance to married couples with young children. I believe that it can be done. I know that it is not something for this Budget, but I ask Ministers to consider it for a future one.

Recent ComRes polling suggested that support for increasing the marriage tax allowance is much greater, at 58%, than support for bringing in yet further increases in our personal allowances, at 21%. With that in mind, I ask the Government to consider that issue. Again, I welcome the Chancellor's statement.

4.35 pm

**Chris Ruane** (Vale of Clwyd) (Lab): What we have seen over the past 24 hours is a great unravelling of the announcements made from the Dispatch Box yesterday. The £44 billion that was going to fund 300,000 extra houses was not £44 billion in extra spending. According to the OBR, it was £15 billion. The £1.2 billion promised to Wales—there was great fanfare from the Secretary of State for Wales—was not £1.2 billion: £1 billion of that was for capital projects, and 66% of it has to be repaid to London. The OBR said the £3 billion for stamp duty will see only an extra 3,500 new people buying houses for the first time—that is £900,000 per house. There is a great unravelling, and as my hon. Friend the Member for Huddersfield (Mr Sheerman) said, once the Sunday newspapers have crawled all over these statistics over the next two or three days, we will see further unravelling over the weekend.

I turn to Wales and the capital projects that could have gone ahead but are not going ahead. The Tories have already let us down on rail electrification from Cardiff to Swansea. They had a chance to redeem themselves by announcing the go-ahead for the tidal lagoon. The Chancellor spoke about new British technologies. We had a chance of leading the way in the whole world on tidal lagoons. Six are planned for the UK, and four of those would be in Wales. The Government patently made no announcement yesterday and let down the people of Wales.

There was an announcement yesterday on the north Wales growth fund—negotiations will begin. Well, can I inform Ministers that those negotiations started three years ago? On a cross-party basis, Tory MPs, Plaid Cymru MPs and Labour MPs in north Wales went to see the former Chancellor, George Osborne, last year. They have also been to see other Ministers. Yet, all we get is talks about talks about talks. What we want in north Wales is delivery on the north Wales growth fund. We have had the city growth programme in England and in Wales. What we want in north Wales is investment in our community.

The biggest let-down yesterday was that the Government had a chance to end the pay freeze that has frozen this country and this economy over the past seven years. That has had an effect on people from all walks of life. Some 20% of police officers have lost their jobs as a result of a lack of investment in public services. Teachers have lost £5,000 on average over the past 10 years because of the pay freeze.

Then we have the debacle of universal credit. Food banks in my constituency are running out of food because there is compassion fatigue and because there is so much austerity. We have had seven years of austerity, and all we got promised is another five years of austerity. The people do not want more misery; they want a growing economy, and all the indicators point the other way.

The Local Government Association said in its briefing yesterday that there was not one mention of replacement EU funds. Some £8.4 billion a year comes from Europe into the UK. Wales is the biggest beneficiary of EU funds, and the Brexiters on the Government Benches—I presume there are one or two left here—made proud proclamations in Wales that it would not suffer as a result of Brexit. Wales has been given £3 billion every

seven years, but after 2020 that money will not be there, and there will be no tail-off funding. There are no guarantees of funding for Welsh local authorities and universities to tap into.

The Government announced that £28 million would be made available for three pilot projects on rough sleeping, in Birmingham, Liverpool and Manchester, but there is no need for a pilot project. We know what works, because Labour did it in the late 1990s and early 2000s. It got rid of rough sleeping by putting people in proper accommodation and looking after their needs. As has been said today, rough sleeping has gone up by 100% in the past seven years. This is a missed opportunity.

Yesterday's Budget did not deliver on the economy or on equality, and it did not deliver a vision. All it delivered was letting the Chancellor stay on his life support machine for an extra six months to a year.

4.40 pm

**John Healey** (Wentworth and Dearne) (Lab): The Chancellor said today in the media that the economy is fundamentally strong, but he said in the Budget statement yesterday that the economy is weakening and getting worse. That is the hard truth that confronts and challenges all of us.

This has been a serious debate, with 31 speakers, after a Budget that confirmed that these are serious times for the country. We have had growth downgraded to below 2% each year for the next five years, for the first time in recent history; productivity downgraded by 0.6% a year for the next four years, which the Office for Budget Responsibility rightly calls a "remarkable period of weakness"; business investment downgraded and subdued for the next four years; and earnings downgraded, with the Resolution Foundation showing that pay is now not set to recover to pre-global financial crisis levels until 2025—17 wasted years.

My hon. Friend the Member for West Bromwich West (Mr Bailey) was right: the big story yesterday was the OBR's damning judgment on the economy and the Budget. My hon. Friend the Member for Ilford North (Wes Streeting), one of Labour's strongest, clearest voices on the economy, said the same.

I wish to pick up on some of the points made today about the implications and impact of the Budget. A number of colleagues on both sides of the House spoke about the fact that the Government had raised expectations of lifting the public sector pay cap but then, after seven years of falling income for public servants, dashed those expectations. My hon. Friend the Member for Reading East (Matt Rodda) made that point, and my hon. Friend the Member for Lincoln (Ms Lee) spoke powerfully about the reality of work on the wards in Lincoln hospital. I enjoyed the comment of the hon. Member for Glasgow South West (Chris Stephens) about the Chancellor having a matt finish and a Budget that was more of the same. He also spoke about the need for a pay rise for public service workers, as did my hon. Friend the Member for Clwyd South (Susan Elan Jones), who said that the current situation does a grave disservice to public servants such as Mrs Davies who give their life to working for others. The hon. Members for Aberdeen North (Kirsty Blackman) and for Glasgow Central (Alison Thewliss), who are no longer in their places, made the same point.

The right hon. Member for Sevenoaks (Sir Michael Fallon) made a series of important points about the longer-term structural changes that are needed beyond the Budget to encourage savings, to spread the benefits of quantitative easing more widely and to reform business rates, which, as the hon. Member for Stafford (Jeremy Lefroy) said, too often still bear down too heavily on small and medium-sized firms.

My hon. Friend the Member for Blaenau Gwent (Nick Smith) talked about the problems that steelworkers in the British Steel pension fund face, with a lack of clear information or a clear guarantee for the future. I hope the Government will respond to that.

Good luck to the hon. Member for Taunton Deane (Rebecca Pow) in her bid to get traditional cider makers recognised by the Chancellor. Having been the Minister responsible for excise duties at one point, I am right behind her on that. Actually, cider duty was frozen for the first time when I was the Exchequer Secretary, and it made a big difference to cider makers in the south-west, as they will confirm.

A number of hon. Members—including my hon. Friend the Member for Huddersfield (Mr Sheerman), who is not in his place—made important points about how there was so little for the north of England, and how the greatest gaps are between the regions of this country. My hon. Friend the Member for Bradford South (Judith Cummins) spoke about the problems and pressures faced by Bradford Council. The hon. Member for Cleethorpes (Martin Vickers) quite rightly said that national housing and other policies are too often skewed towards the concerns of London. My hon. Friend the Member for Plymouth, Sutton and Devonport (Luke Pollard) was right to ask why the far south-west was ignored in this Budget when it came to investment, the NHS and the armed forces.

The hon. Member for Stirling (Stephen Kerr) claimed that the Budget was good for Scotland, but in the end it will be the Scottish people who decide that. The hon. Member for Strangford (Jim Shannon) was quite right to argue that people in Northern Ireland need a functioning Northern Ireland Assembly to make the best of what he sees in the Budget, and to push for what is not in it. Finally, my hon. Friend the Member for Kingston upon Hull West and Hessle (Emma Hardy) made a powerful speech to back a powerful campaign against the use of a mesh, and I really hope that the Government were listening carefully.

Much of the debate was about what is in the Budget and what is happening to the economy. The real question for us all, though, is: why? Why are Britain's real wage growth, productivity levels and economic growth prospects so much worse than those of other major countries? The OBR is clear that by far the biggest contribution to the major downgrade of growth prospects is the huge reduction in productivity, equivalent to 3% of our national economic output over the next five years. My hon. Friend the Member for Huddersfield said that that is a long-run problem, and, to be fair, all Governments have grappled with it.

During the period that I spent in the Treasury, we tried to support the five drivers of productivity by encouraging enterprise, raising skills, improving competition, funding R&D, science and innovation, and boosting

[John Healey]

investment. The Government have been in power for seven years, and it is clear that many of the problems have got a great deal worse during that time.

It is also clear that George Osborne got it wrong. What he thought was clever politics trumped sound economics. He cut too far, he choked off the recovery and he undermined our economic foundations. On enterprise, he scrapped the regional development agencies, which supported competitiveness, business and skills in all parts of the country. On skills, he cut training and education budgets by 14% in real terms, according to the IFS; that was an unprecedented cut. On competition, he did nothing to deal with the industries—including house building, energy and water—that are dominated by a few big providers.

On funding for R&D and science, spending on R&D has simply flatlined; it has been well below the OECD average in the last seven years. Finally, on investment, the Government—they were supported by the Secretary of State for Communities and Local Government when he was in the Treasury—halved public sector investment as a percentage of GDP in the first years of the Parliament after 2010; it fell from 3.4% of GDP in 2009-10 to 1.7% in 2015. The hon. Member for Faversham and Mid Kent (Helen Whately) talked, in a rather gushing speech, about how the Government were investing for the future. But the Budget pushes up the level of public sector investment by only 0.1% over the whole Parliament.

We are seeing the legacy of the decisions made in 2010, with the country paying the price and the current Chancellor playing catch-up. What is needed is a deep and big change—a proper national living wage, rising to £10 an hour; a national investment bank that will back businesses right across the country; and a long-term investment plan, especially for housing.

Let me finish with some comments on housing. I pay tribute to my hon. Friends the Members for Brentford and Isleworth (Ruth Cadbury), for Brighton, Kemptown (Lloyd Russell-Moyle) and for Vale of Clwyd (Chris Ruane), and to the hon. Member for North Devon (Peter Heaton-Jones). I am sorry that I have not been able to deal with the other points on housing.

The serious problem underpinning everything in the Government's strategy was made very clear by the hon. Member for Isle of Wight (Mr Seely). We have never built the homes this country needs because we have slashed Government capital investment in homes and outsourced responsibility for building the new homes we need to the big developers. That is the fundamental flaw in the Government's strategy. It has been the fundamental flaw for seven years, and it is the fundamental flaw of this Budget.

If we are to build not just the number of new homes we need to fix this country's housing crisis, but the range of new homes we need to deal with seven years of housing failure on all fronts, we must do more to bring public sector investment, effort and action alongside the private sector. The Budget confirmed that this is a Government without a plan to fix the housing crisis.

4.50 pm

**The Exchequer Secretary to the Treasury (Andrew Jones):** I thank all the 30 or so hon. Members who have contributed to today's debate for their very thoughtful speeches.

I will make sure that all their points, suggestions and concerns—including the specific ones mentioned by the hon. Member for Blaenau Gwent (Nick Smith), my hon. Friends the Members for Stafford (Jeremy Lefroy) and for North Cornwall (Scott Mann), and especially my right hon. Friend the Member for Sevenoaks (Sir Michael Fallon)—are raised with the relevant Departments. I gently say to the House that we have had many representations regretting what was not in the Budget, but I am not sure that we received so many in advance of it and before its details were set, even though my door was always open and I met colleagues from all parties.

I will focus my comments on housing. This is a Budget that builds a Britain fit for the future. It is one that aims to ensure that every generation prospers and can look forward to a better standard of living than the previous one. When he opened the debate, my right hon. Friend the Secretary of State for Communities and Local Government spoke very passionately about the importance of home ownership, and I simply could not agree with him more. Providing homes is key to building communities, and to giving families the stability and the security they deserve. Moreover, bringing home ownership back within the reach of first-time buyers is part of our broader intergenerational commitment to younger generations.

However, affordability is a problem. The average house price is now almost eight times the average person's salary, compared with just 3.6 times two decades ago—in my own area, the ratio is over 14 times—and the number of 25 to 34-year-olds owning their own home has dropped from 59% to just 38% over the past 13 years.

The core of this problem is clearly a lack of supply. However, we have delivered 1.1 million new homes since 2010, including nearly 350,000 affordable homes, and the total housing supply reached 217,000 last year. It is worth noting that that was the first time in almost a decade that the 200,000 milestone had been reached. We of course need to go further, and to make sure that more homes are built. This Budget sets in train a comprehensive set of reforms to address the failure of, I must say, successive Governments to provide enough homes.

**Mr Bacon:** Does my hon. Friend agree that if it was as easy to go and buy a serviced plot of land on which to build a house as it is to go into a Ford dealership and buy a motor car, that would go a very considerable way towards solving the housing problem?

**Andrew Jones:** I simply say to my hon. Friend that I know he has worked very hard on this issue. I welcome his work, and he has made a very valuable contribution to the housing debate.

This Budget sets out an ambition to deliver 300,000 new homes every year, which is 40% more than the current output and 50% more than the target we were left by Labour.

**Wera Hobhouse:** I cited very stark figures showing that social homes are not being built: 32,000 were built in 2011, but only 5,000 were built in 2016. Will the Minister address that problem?

**Andrew Jones:** I point out to the hon. Lady that affordable home building has gone up by 27% in a year, and that is of course a key part of delivering a

housing mix that will work for everybody. We need a series of effective planning reforms and substantial investment.

This Budget pledges more than £15 billion of financial support to boost housing supply over the next five years. It will open up new land, and get housing associations and councils building, including by lifting borrowing caps by £1 billion in high-demand areas. It will provide £400 million of funding for regeneration projects and to support SME developers. That brings the total amount of financial support available to at least £44 billion over this spending period. That support includes £40 million towards the development of the construction skills that we will need to deliver those homes.

The Budget also makes serious, sensible planning reforms to help towns and cities grow in the right way, while continuing to protect the green belt. We know that we cannot build new homes overnight, so it also introduces measures to support those who are looking to get on the property ladder now. The Budget has permanently removed the upfront cost of stamp duty land tax for all first-time buyers who are buying a home worth £300,000. That will save the average first-time property buyer nearly £1,700. That should be viewed not in isolation, but in the context of a balanced and broader package of supply and demand.

Those who wish to buy are not the only ones struggling in the current housing market, and many tenants in the private sector would like more security. We will work to understand the barriers to landlords offering longer, more secure tenancies, and then remove those barriers. There is also a £950 million budget to tackle homelessness in the spending period. Fixing our housing market is one of the most important issues that we currently face, and the Budget presents a balanced package of supply-side and demand-side reforms to do just that.

The second part of today's debate was on public services. We have a great track record of delivering first-class public services, but in the time available I am able to comment on only two things and give two examples of such delivery. First, more than 1.8 million more children are being taught in good or outstanding schools—a significant achievement. Secondly, the NHS is treating more people every year for cancer, and the UK now has its highest ever cancer survival rate. We are doing all that while sticking to our credible plan.

I am running out of time so I will highlight one final point. We must continue to focus on our deficit, and the Budget highlights that both debt and deficit will go down in each year of the spending period. At the same time, we can expect the economy and rates of employment to grow—that is very positive. The Budget sets out how we are investing in the future. It tackles housing supply by getting Britain building, and it addresses the long-term issue of undersupply, while also providing relief in the near term for those who are struggling to buy now. It also backs our public services.

Yesterday, my right hon. Friend the Chancellor spoke about the opportunities and optimistic vision that lie ahead for our country. I will say just this: Britain's future is bright, and this Budget makes it even brighter.

*Ordered, That the debate be now adjourned—(Andrew Stephenson.)*

*Debate to be resumed tomorrow.*

## Same Roof Rule: Familial Sexual Abuse Cases

*Motion made, and Question proposed, That this House do now adjourn.—(Andrew Stephenson.)*

4.58 pm

**Iain Stewart** (Milton Keynes South) (Con): I welcome this opportunity to raise a little-known but significant issue. Before I move on to the substance of my remarks, I wish to put on the record a number of thanks. First, I thank Pat Strickland in the House of Commons Library for providing an excellent background briefing to the subject, and I also thank Alex Mayes of Victim Support, and Lisa Longstaff from the charity Women Against Rape, who provided me with further detail and powerfully put the case for change in the current legislation. I would also like to thank Andrew Perriman, a senior lecturer in law at Teesside University, who gave me a real insight into the problem and identified potential solutions. Above all, I would like to thank my constituent Alissa Moore, who has shown great personal courage in speaking out about her case.

5 pm

*Motion lapsed (Standing Order No. 9(3)).*

*Motion made, and Question proposed, That this House do now adjourn.—(Andrew Stephenson.)*

**Iain Stewart:** My constituent, Alissa Moore, whose personal case has led me to seek this debate, has shown exceptional courage in speaking out and a great tenacity in pushing for a change to the regulations. Let me introduce the substance of the issue by giving details of Alissa's story. I have her permission to relay the details.

Alissa and her sisters were sexually abused in their own home by their father when they were children over a long period of time. In Alissa's own words, she said her father

“sexually abused me from the age of seven until I was 15. I was petrified of him. I couldn't get away. I say seven, but he was caught abusing me aged one by my mother. I don't think anyone knows what it feels like to be a child hiding under your covers, knowing that at any time your father is going to creep into your bed and rape you, and that this is something that happens almost every night. The nightmares still affect me today at the age of 53. The fear is still inside. The anxiety stops me doing so much more.”

Alissa kept her awful secret to herself until three years ago, when another family member reported her father to the police. Her father was convicted in 2015 and is rightly serving a 24-year prison sentence for his horrible crimes. She was advised by the police to make a claim to the Criminal Injuries Compensation Authority, as she still needs medication and counselling to deal with the trauma of her attacks. However—this is my reason for seeking the debate—while her sisters were eligible for compensation, she was not, owing to the 1979 same roof rule. The rule prevents any survivor who was living with their abuser, as a member of the same family at the time of an assault, from claiming compensation if the offence took place before 1 October 1979. In Alissa's case, her abuse stopped just a month or two before that deadline, while her sisters' continued after the date. That cannot be right.

I will go on, later in my speech, to argue the case for wider reform of the same roof rule, but my first request of the Minister tonight is to look at a relaxation of the

[Iain Stewart]

rule when the abuse was perpetrated by the same person or persons to members of the same family, irrespective of whether that happened before or after the 1 October 1979 deadline. I do not believe that there are many such cases, so the administrative and financial consequences of doing that would be minimal. That would be an enormous relief to my constituent and others in her situation. It would remove one of the most absurd anomalies of the legislation and allow each familial case of abuse to be treated as a whole. It would bring closure and enormous relief to people who have suffered greatly.

I would also like to make the case for the wider reform of the same roof rule. My understanding is that the intended purpose of the same roof rule was to prevent perpetrators of such despicable acts from benefiting financially from their crimes. I have to say that I struggle to understand the logic, because surely any compensation paid could have come with conditions so that the perpetrator would not be able to benefit. I am not a legal expert, but surely that could have been a way around it. Surely there could be some modification to differentiate the claims of those who still live with the perpetrator, or are likely to do so in the future, from cases in which that is not going to happen. The proposal has been made by Andrew Perriman of Teesside University, and it relates to paragraph 20 of the scheme. The distinction already applies to cases that occurred after the 1 October threshold. Why could it not apply to cases that predate it?

Over many years, Governments of all colours have been asked to review the rule. When they have done so, the defence for maintaining the status quo has been that change would cause a disproportionate financial and administrative burden. Those are not factors that we should dismiss lightly, but I remain to be convinced that such a burden would result. I have yet to see definitive figures from the Government for the number of cases that would be expected to arise. Andrew Perriman's research suggests that it would be about 80 a year, and that the compensation per case would probably be less than about £20,000. That does not strike me as a disproportionate burden on the public purse, but if my figures—or Mr Perriman's—are wrong, I should be grateful to be told why that is the case.

Mr Perriman also proposes a solution to the funding issue, if there is one. He has established that the Ministry of Justice has an annual £500,000 hardship fund which is barely touched in any one year; in one recent year, the amount spent was less than £2,000. Could that pot of money not be reallocated to the small number of cases involved? As the charity Women Against Rape has pointed out to me, achieving justice and compensation is seen by the victims as a proper and official recognition of the wrong that has been done to them, and it is often a crucial step on their path to recovery.

I also believe that the time is right for us to consider reforming wider aspects of the same roof rule, and the way in which rape victims are treated more generally. Not only is there currently a much higher focus on historical sexual abuse cases, but I know that the Secretary of State and the Criminal Injuries Compensation Authority are considering separate but related concerns, such as the two-year limit after the date of the crime for requesting compensation, the absurdity of some claims being rejected because the child supposedly complied with the attack,

and the denial of compensation to those with criminal convictions when there is plenty of evidence to suggest that those convictions arose, directly or indirectly, as a result of the abuse that they were receiving. In all those scenarios, we need to have a much more compassionate understanding of the impact that such crimes have on individuals, and set our regulations more humanely.

In securing the debate, my principal focus has been on the problem that my constituent Alissa Moore displayed to me. If the Minister can do nothing else tonight, I hope that he will give careful consideration to making the adjustments that I have suggested in cases in which all the abuse happened within one family, regardless of whether one particular attack happened before or after the 1 October deadline. I hope that he will also take this opportunity to look afresh at the wider issues that I have outlined. Victims of sexual assaults often feel that they have been doubly punished, first by the attacks themselves and secondly by the way in which they can be treated by the system. Surely we can do better than this.

Let me conclude by thanking, again, all those who have provided me with information, and have deepened my understanding of what is a very complex issue. Above all else, let me give heartfelt thanks to my constituent Alissa Moore for her bravery in speaking out so that she may be helped to gain closure, but also so that she can help those who still suffer in silence. I hope that the Minister will be able to respond positively.

5.9 pm

**The Parliamentary Under-Secretary of State for Justice (Mr Sam Gyimah):** I thank my hon. Friend the Member for Milton Keynes South (Iain Stewart) for securing the debate. Abuse is a devastating crime, and I know it must have taken great courage for his constituent, Ms Alissa Moore, to share her experiences with him. I am aware that he has previously raised concerns with my Department about how the same roof rule affected an application for compensation from his constituent, and I am grateful for the opportunity to discuss the matter today.

Sexual abuse and exploitation of children is abhorrent, and hon. Friends in the Chamber will know that we are taking action across Government to bring about a step change in the response to it. From my Department's perspective, we are taking action to ensure that vulnerable and intimidated witnesses, such as those who have suffered abuse, can give their best evidence, and to reduce the stress they face when there is a trial.

A range of measures exist to help reduce anxiety, including giving evidence from behind a screen in the courtroom or away from the courtroom, and the use of an intermediary to help the witness understand and communicate with the court. We are rolling out pre-recorded cross-examination for vulnerable witnesses in the Crown Court, which will enable witnesses to participate in the trial at an early stage. This measure will be tested in three Crown Court centres, initially for intimidated witnesses who are victims of sexual offences and modern slavery offences.

The rule we have been discussing is part of the criminal injuries compensation scheme, as my hon. Friend rightly noted. For more than 50 years, there has been a scheme to compensate victims of violent crime in Britain. In 1996, the first statutory scheme came into force through

the Criminal Injuries Compensation Act 1995. Subsequent schemes were made under that legislation in 2001, 2008 and, most recently, 2012.

The rules of the scheme and the value of the payments awarded are set by Parliament and administered by the Criminal Injuries Compensation Authority, an executive agency of the Ministry of Justice. The scheme is Government-funded and provides tariff-based awards for physical and mental injury suffered by victims of violent crime. Victims can also apply for loss of earnings and special expenses for things such as home adaptations and care costs. The scheme also provides for awards to dependants and the bereaved in fatal cases. In the financial year 2016-17, £143.3 million was paid out to victims of violent crime.

The same roof rule forms part of the eligibility criteria under the scheme, and has been part of all CICA schemes for victims injured in Great Britain since the first in 1964. From 1964 to 1 October 1979, an award could not be made for a criminal injury if, at the time of the incident giving rise to that injury, the applicant and the assailant were living together as members of the same family. The rule was put in place to ensure that perpetrators did not benefit from any compensation awarded to the victim where they were living together.

An interdepartmental working party reviewed the scheme and in 1978 recommended that the same roof rule be changed. The Labour Government accepted the recommendation of the working group that the changes to the rule should not be retrospective because of the difficulty of estimating the cost. The recommendations of the working party were reflected in a new scheme that came into effect on 1 October 1979. It was from that date that the same roof rule was relaxed, but only in relation to incidents from that date.

Consequently, the effect of the same roof rule is to render ineligible for compensation victims of historical sexual and other abuse that took place between 1964 and 1979 where the victim was living with their perpetrator as a member of the same family at the time of the incident. The change to the scheme in 1979 was not made retrospective. The Labour Government reviewed this approach in 2005 in the consultation paper "Rebuilding Lives: supporting victims of crime", which proposed major changes to the scheme. It stated:

"We recognise that changes to the scheme mean that some cases would be dealt with differently in the future and that some applicants who have already received their compensation would have received more under a new scheme. However, we do not believe that it would be fair or workable to apply changes retrospectively."

The most recent scheme was introduced on 27 November 2012 following a consultation exercise called "Getting it right for victims and witnesses". The Government considered that to open the scheme up in this way could present difficulties for claims officers in establishing a link between the offence and the injuries in individual cases. The rule does not exclude victims who were

abused in an institutional or public setting such as a school, hospital or care home prior to 1979. However, the Government understand that the same roof rule may affect some victims of abuse who were children at the time.

Hon. Friends will be aware that the independent inquiry into child sexual abuse is looking closely at the issue of compensation for victims of child sexual abuse, and the Government await its recommendations. The Criminal Injuries Compensation Authority, my officials and interested groups have an ongoing dialogue about the scheme in the context of victims of child sexual abuse. We are determined to ensure that victims get the compensation to which they are entitled under the rules of the scheme. That is why the Criminal Injuries Compensation Authority has reviewed its staff guidance to ensure that every instance where grooming could be a factor is identified. The authority is also improving staff training to help to get decisions right first time, every time. The compensation scheme will also be looked at as part of the Ministry of Justice's work to develop a strategy for victims, which we aim to publish next year.

It is vital that constituents such as my hon. Friend's are supported with the resources that they need in order to cope with and, as far as possible, recover from the effects of crime. This financial year we are providing £96 million for crucial support services for victims of crime, which includes funding for 97 rape support centres across England and Wales; £7 million funds specialist support for victims and survivors of recent and non-recent child sexual abuse; £1.74 million goes to rape support centres; £0.58 million is a fund for national and regional organisations that may find it difficult to apply to police and crime commissioners; and £7 million goes to police and crime commissioners to commission or deliver local support services for victims of child sexual abuse.

My hon. Friend asked about the reallocation of hardship funds. Hardship funds are separate from the funding of awards from the scheme, and we do not consider that they would be sufficient to meet the burden of relaxing the same roof rule. As I said earlier, the Department will be looking into this issue as part of its strategy for victims, which we aim to publish next year. I therefore suggest that he encourage his constituent to contact her local police and crime commissioner support services, especially as in the last financial year, PCCs reported spending an additional £1.6 million from other funding sources or through co-commissioning arrangements. As ever, the Department is available to offer support in any way that it can, and I am sure that the Under-Secretary of State for Justice, my hon. Friend the Member for Bracknell (Dr Lee), who is responsible for this portfolio, will be willing to engage directly with my hon. Friend on this matter.

*Question put and agreed to.*

5.18 pm

*House adjourned.*



# Westminster Hall

Thursday 23 November 2017

[Ms KAREN BUCK *in the Chair*]

## Anti-bullying Week

1.30 pm

**Gavin Newlands** (Paisley and Renfrewshire North) (SNP): I beg to move,

That this House has considered Anti-bullying Week.

It is a pleasure to serve under your chairmanship for the first time, Ms Buck. I thank the Backbench Business Committee for granting this important debate. Although parliamentary business meant that this debate could not take place last week, during Anti-bullying Week itself, I am delighted that this debate is now able to take place and that Parliament is debating Anti-bullying Week for the first time—I hope it will not be the last.

Anti-bullying Week is an annual event which aims to raise awareness of the bullying that far too many young people experience, and discuss ways in which schools and others can help end bullying. The Anti-Bullying Alliance defines bullying as,

“the repetitive, intentional hurting of one person or group by another person or group, where the relationship involves an imbalance of power. It can happen face to face or online.”

In Scotland, the main Scottish Government-funded anti-bullying charity *respectme* widens that definition to include bullying behaviour. It says:

“Bullying is both behaviour and impact; what someone does and the impact it has on the other person’s capacity to feel in control of themselves. We call this their sense of ‘agency’. Bullying takes place in the context of relationships. It is behaviour that can make people feel hurt, threatened, frightened and left out and it can happen face to face and online.”

In my experience that is an important point. There will be thousands of young people at the receiving end of this kind of behaviour, but who do not realise they are being bullied. I know this through personal experience. I do not want to overstate the bullying. I was not bullied violently, bar perhaps one time in primary school. I was not called a specific derogatory name in front of the whole school persistently, but I was constantly belittled by two or three individuals. Young people react differently to abuse of whatever level. My reaction, as a fairly socially-awkward 14-year-old, lacking in self-confidence, was to retreat into myself and essentially give up on school.

Over the first three years or so in high school I had largely 1’s—A’s, as it would be down here—across the board on report cards and was a pupil of high promise, but that changed almost overnight. I am sure that the raging hormonal imbalances of my teenage years, in conjunction with the bullying, had a big effect as well. I went from loving school, soaking up the information and learning all that I could, to avoiding school, but not in the traditional sense of “dogging it,” as we say in Scotland—that has nothing to do with car parks, I hasten to add. [*Laughter.*] We have to make light of it. I would kid on that I was going out to school and then hide under the bed until my mum left for work, and I would

bin any letters about attendance. I still had to go to school more often than not, but my heart and mind simply were not in it any more. I ended up leaving school with some at best half-decent standard grades—the equivalent of GCSEs—and two average Highers. Consequently university was not a route open to me.

It is not hard to see why an individual being bullied will have a higher absence rate than children who do not experience bullying. Research from the National Centre for Social Research confirms that over 15,000 children aged between 11 and 15 are absent from school at any one time due to bullying. Children are not only absent from school, but are struggling to reintegrate once they have returned to the classroom. People who have been bullied tend to have less education and fewer qualifications by the age of 50 than those who were never bullied. That requires us to adopt policies that not only stamp out the bullying behaviour, but help the child who was bullied to integrate back into school once the bullying has ended. Our actions to end bullying do not stop when the behaviour has ended. We have a responsibility to children beyond that.

This period in high school had the most profound effect on my self-confidence for my life since then. It has impacted on almost every life choice I have made since. A longitudinal study into bullying by the Institute of Education at University College London backs that up, and found that the victims of childhood bullying had higher rates of depression and psychological distress at ages 23 and 50 than those who were never bullied. Those who were bullied frequently while they were growing up had higher risks of anxiety and were more likely to have thought about suicide by the age of 45 than those who were never bullied. The effects of childhood bullying on adults’ mental health remained even after taking into consideration related factors such as family, social class, parenting and behavioural problems.

A lot of people who bully do so in the name of “banter;” possibly not fully realising the hurt and pain that their behaviour is causing. I would strongly encourage any young person who suspects that they may be being bullied or carrying out this behaviour: speak to one of your classmates or one of your teachers.

In preparation for today’s debate I have been sent numerous briefing papers by fantastic organisations, all doing inspirational work to combat bullying behaviour. There are too many to name, but I thank them all. I will try to cover as many points as I can in the time available. Reading through these papers is a stark reminder of the scale of the problem. The Scottish anti-bullying charity *respectme* states that 30% of schoolchildren have experienced some form of bullying during a recent academic term. Research conducted by the Anti-Bullying Alliance found that 40% of children in England would hide aspects of themselves for fear of being bullied. Engender, in a shocking 2015 report which I have quoted before in this place, found that 5,500 sexual offences were recorded in UK schools over a three-year period, including 600 rapes.

However, behind every statistic is a story of a young person who is living in fear due to the bullying behaviour of others, and behind every statistic is a story of a child who lives in fear of going through the school gates every morning or who is reluctant to go online due to the actions of others. Behind every statistic is a story of a young person being bullied due to others perceiving them as being “different.”

[Gavin Newlands]

Children who have a disability are more likely to experience bullying than their peers, with Ditch the Label suggesting that 63% of disabled schoolchildren had experienced bullying, with 19% of these kids being bullied every single day.

An amazing organisation based in Renfrewshire are doing groundbreaking work to tackle the bullying that many disabled children face day-in, day-out. I Am Me Scotland work with pupils to design an innovative programme that raises awareness of bullying and help the young people to understand what they can do to help create a safe environment for their classmates. They work with Police Scotland and travel around Renfrewshire and across Scotland in their mobile cinema bus, delivering this innovative programme to local schoolchildren. To date, they have reached over 10,000 primary school children in Renfrewshire, creating a long-lasting change in our schools.

Over the summer, I Am Me Scotland launched their network of Keep Safe places across Scotland. Keep Safe places are premises across Scotland that provide a safe space for any disabled person who is being victimised while out and about. The scheme uses an app to let people know where their closest Keep Safe space is, and staff at the premises are fully trained to help that person, should they come into their premises looking for assistance. I cannot speak highly enough of I Am Me Scotland—I have met them two or three times now. They were awarded the title Scottish charity of the year just a few weeks ago. I would definitely encourage the Minister to meet the staff of I Am Me Scotland to learn more about their work. He would be amazed by their energy and drive, and it would give him the opportunity to spread their best practice around the UK.

Homophobic, biphobic and transphobic bullying is also widespread in UK schools. The School Report in 2017 found that 45% of lesbian, gay, bi and trans young people are bullied for being LGBT at school. LGBT+ students are hiding a central part of who they are, due to the fear of being bullied if their classmates found out about their sexual orientation. In research undertaken by LGBT Youth Scotland, less than half of the respondents said they would feel confident reporting homophobic, biphobic or transphobic bullying in schools, highlighting that pupils are not confident that teachers and schools will be able to deal with their bullying. LGBT Youth Scotland calls for a dedicated fund for initiatives to prevent and address homophobic, biphobic and transphobic bullying in schools, including training for teachers. It is a no-brainer—they are right. We need to offer more support to these young people, and we can take inspiration from the work of Diversity Role Models, LGBT Youth Scotland and others who are working in our schools to eliminate this form of bullying.

Diversity Role Models provides a range of storytelling workshops to help schools create an environment where everyone feels safe. It encourages schoolchildren to celebrate being different and is achieving fantastic results; 96% of young people who have attended one of the workshops say that they would treat an LGBT+ person with more respect in the future.

Young women are also far more likely to experience bullying, especially sexist bullying, than other students. Children in Scotland reports that sexualised bullying has been described as a regular occurrence in our schools.

That complements a poll of 16 to 18-year-olds that found that 29% of girls experienced unwanted sexual touching at school, and that a further 71% said they had heard sexual name-calling towards girls at school on a daily basis. Sexual harassment in our schools undermines the dignity and safety of girls. It negatively impacts on how these young women perceive themselves and contributes to gender stereotyping, which will sadly follow them throughout their lives. Unfortunately, in Scotland schools are not required to collect data on sexist bullying, unlike with racist bullying. Engender in Scotland believes that that should be a priority to enable us to understand better the problem that too many young girls are experiencing.

We also have to take a whole-school approach that tackles the gender inequalities in schools. School policies, management processes and teacher training must all specifically address the problem of negative gender stereotypes and sexist bullying. Not only will that help us to address sexual harassment in schools, but it will be an effective preventive approach in helping to stop those stereotypes growing and leading to violence later in life.

The Race Relations Act 1976 states that schools and governing bodies have a duty to ensure that students do not face any form of racial discrimination, including attacks and harassment. However, despite the positive intentions behind that legislation, too many children are still being targeted because of the colour of their skin or their ethnicity. Last week, a poll by the Diana Award found that 61% of school staff had witnessed bullying that resulted from racism. That is a pretty shameful state of affairs in 2017 and it highlights how far we have to go to create an environment where racism does not exist in our schools.

I want to expand on the prevalence of bullying behaviour, as I believe that if we want to pursue effective preventive strategies in combatting bullying we must fully understand this behaviour, which is causing real harm to young people throughout the UK. A 2015 research report by the Department for Education highlights that one child in every classroom will be bullied every day, unable to escape the torment, and that children who say they are bullied every day are three times as likely to be excluded from school as children who are not being bullied. I hope that when he sums up, the Minister can address that point head-on. Why, all too often, are we still failing those who are being bullied? Why are we excluding those who are being bullied from our schools? What can be done to prepare our schools better to support those who are being bullied rather than excluding them?

Some bullying behaviour is as old as formal education itself, but we need to be aware of the new opportunities to bully in today's digital age. Cyber-bullying, usually through social media and messaging, means that bullying can now be extended beyond the school gates and into the safety of someone's home. It is a relatively new phenomenon, but in practice it means bullying through the use of electronic means and includes the spreading of malicious rumours, sending hurtful texts, emails or post, sharing harmful pictures or video content, manipulation, bribery and impersonation. Bullying UK reports that the number of young people seeking assistance with regard to cyber-bullying is increasing all the time. More people are searching for that form of bullying on its website, with more than 2 million views in the last year alone.

Facebook, Twitter, Snapchat and others all have a responsibility to tackle cyber-bullying. Although Facebook in particular has taken welcome steps of late, most social media responses are implemented to respond to problems once they have occurred, when often the damage has already been done, and are therefore of limited effectiveness. We must therefore look beyond social media companies for solutions, and harness the latest technologies to combat cyber-bullying, such as the SafeToNet app and others like it. That acts like a moderator, although it is exponentially quicker than any human moderator. Nevertheless, I am keen to learn what discussions the Minister has had with the major social media providers about what they are doing to create a safer online space for all our young people.

As I touched on earlier, there is a direct link between being bullied and the quality mental health. A study into users of child and adolescent mental health services in London found that more than 61% of participants reported being bullied earlier in their lives. Being the victim of bullying also significantly increases the chances of an individual experiencing depression later in life by well over 50%. *Respectme* points out that the impact of bullying can last even when the behaviour has stopped. That is particularly true when we consider some of the health difficulties that young people face because of the horrible and stressful experiences that they have gone through.

Sadly, there is a clear link between bullied teenagers and suicide. Ditch the Label, an international charity, published research in 2014 showing that one in 10 teenagers bullied at school had attempted to commit suicide, with a further 30% committing self-harm. Furthermore, studies have found that half of the suicides among young people were related to bullying. Will the Minister commission research into the impact that bullying can have on mental health at various stages in people's lives?

Unfortunately, certain schools are better at recognising bullying and implementing effective prevention strategies than others, and quite frankly that is not good enough. I know this from my own local area, where it seems to me that some schools do not have a good enough level of preventive services or support. Every child who is being bullied and who is at risk of self-harm should receive the same high level of care and attention regardless of what school they attend. In relation to that, research published during Anti-bullying Week found that 36% of children do not believe they learn enough about bullying and what to do if they experience bullying themselves. I believe that government—I include all devolved Governments in this, given the devolved nature of education—has a key role in addressing what amounts to this postcode lottery in the approach to bullying. The Government must ensure that all teachers and support staff in our schools have the appropriate training and skills to recognise incidences of self-harm and to help those students. That is the absolute minimum level of care that we should be willing to accept for our children.

I hope that following this debate we, and more importantly the Government, realise that we are not dealing with bullying as effectively as we should be. I hope the Government listen to the variety of organisations that I have referenced, and many that I have not been able to, and formulate a more effective approach to bullying that can help us to deal better with it and its consequences. That includes undertaking large-scale surveys into the mental health and wellbeing of school-age

young people, including specific questions on bullying. When summing up, the Minister should commit to reversing the Government's cuts—he will probably disagree—to mental health services in England. Recent reports suggest that mental health spending is being cut by £4.5 million in five English regions this year. Ending bullying has to be a priority for this Government and the Governments across these islands, and that includes prioritising mental health services.

As I said at the start, Anti-bullying Week was last week. This year its theme encouraged us all to celebrate being different. I have spoken about the fact that schoolchildren who are perceived as different are more likely to be bullied. That creates a situation where more than half of teenagers worry about being seen as different, with 40% of those young people hiding aspects of themselves for fear of being bullied. We all tell our kids to celebrate diversity and to take pride in being different, but the reality on the ground is that young people are scared of being seen as different for fear of being bullied. To promote last week's campaign, young people were encouraged to wear odd socks on the day as a way of celebrating diversity in our classrooms and across society.

No one is born destined to be a bully. No one sets out in life to target diversity and to see what makes us all different as a weakness. We are in a privileged position that enables us to influence younger children's behaviour, and we should use that position of power to celebrate what makes us all different. Providing children with an equal chance to flourish in life is at the heart of everything we do and should do. However, the system is failing too many children from all backgrounds. We are failing to offer protection to our children, and the consequences of that are long-standing and often lifelong. None of us wants to live in a society in which kids are frightened about entering the school gates in the morning or logging in online.

Creating a society in which bullying does not exist will not be easy—at the moment, it almost seems like an impossible goal—but we as lawmakers have a duty to aim for just that. We have a duty to listen to young people about their experience and to do what can be done to create a safe environment for all our children. We have a duty to support policies that prevent bullying from occurring in the first place. We are currently failing in that duty, but with commitment, passion and cross-party support, I believe that we can improve the experience of all our schoolchildren.

1.50 pm

**Rachael Maskell** (York Central) (Lab/Co-op): Thank you for being in the Chair this afternoon, Ms Buck, and I thank the hon. Member for Paisley and Renfrewshire North (Gavin Newlands) for his very powerful introduction to today's debate.

The reason why Anti-bullying Week is so important is that it creates a space for us to raise the issue of behaviours and provides the opportunity to reach a greater understanding of bullying, its impacts and the actions that need to be taken. Although the focus is on children and young people, bullying is clearly not exclusive to them. I want to broaden the debate to talk about bullying in a wider context. It is an important time for us here in Parliament, as we look at behaviours in our workplace, to assess the impact of bullying on all environments.

[*Rachael Maskell*]

As a national officer of Unite, I spent over a decade working with international experts in bullying and behaviours—with academics, leading experts, representatives and employers—on bullying in the workplace. In the sectors that I represented, bullying was the most prevalent issue that came to the trade union's door, whether that meant a full case or a smaller part of one. As an MP, I have also dealt with many cases of bullying across all age groups, including children. Bullying can occur in all parts of our society. It is important to recognise that it goes beyond schools into the community—including in clubs and societies that young people belong to, the workplace and the home, and even in places such as residential care settings—and I am sure that Members from across the Chamber have much experience of that. Bullying is prevalent across our society and, as we have heard, it is incredibly isolating, so we need to address these issues urgently, which is why today's debate is so pertinent.

I want to look first at the definition of bullying. That is important, and although it is not everything, we have to acknowledge that there is currently no formal definition of it. The Anti-Bullying Alliance says that it is about, "the repetitive, intentional hurting of one person or group by another person or group, where the relationship involves an imbalance of power. It can happen face to face or online".

ACAS goes into slightly more detail, teasing out harassment, as defined under the Equality Act 2010, as, "unwanted conduct related to a relevant protected characteristic, which has the purpose or effect of violating an individual's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for that individual".

Bullying has no formal definition, yet ACAS defines it as,

"offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means intended to undermine, humiliate, denigrate or injure the recipient. Bullying or harassment may be by an individual against an individual (perhaps by someone in a position of authority such as a manager or supervisor) or involve groups of people. It may be obvious or it may be insidious. Whatever form it takes, it is unwarranted and unwelcome to the individual."

An agreed definition would be incredibly helpful, not least for enhancing the legal protections. Having dealt with so many cases of bullying, it is absolutely clear to me that the framework across all sectors of our society is far too opaque to address people's real needs. We need legal levers, as well as other forms of levers and frameworks, to ensure that good practice is put in place and that bad behaviour is mitigated against.

The current legislation is very hard to handle. Some cases have been brought under stalking legislation, whereas others have been under health and safety legislation. There is also the harassment legislation, but the system is completely inefficient. Some of the more progressive nations, such as the Netherlands, Australia, the Scandinavian countries and Canada, now have specific dignity at work legislation, which can really bring about change. I hope that the Minister will commit today to looking into good practice globally to see how we can bring about a real cultural shift, let alone provide the levers that are so urgently needed.

One thing that we do understand from the definitions of bullying is that it is about negative power being exerted over another individual. Although bullying can be about hierarchical, positional, relational, resource

and knowledge power, it is definitely and most prevalently about psychological power—about identifying somebody's vulnerabilities and then exploiting them to their detriment. Bullying can sometimes be without intent. That can be tested by the remorse shown by the perpetrator, but the consequences can be significant, whatever they may be. I am therefore really pleased that the academic world has moved on—as I believe the rest of society is moving on—in talking not just about bullying, but about unacceptable, unwanted and negative behaviours. That gives us a broader definition and recognises that small incidents have to be dealt with, as opposed to people waiting, under some definitions for six months, before intervention takes place. Clearly, we want a range of behaviours to be addressed.

A final word on behaviours: I am really pleased that academics and practitioners have moved the language on to talking about how important it is to institute positive behaviours—Anti-bullying Week addresses that through its campaigns—that counteract negative behaviours. It is therefore absolutely right that behaviours are taught in workplaces, schools and the home. We need to make sure that that happens to start changing our society.

We have heard about the real impact that bullying has on mental health. Given that the vast majority of mental health challenges begin in early life, we seriously need to address this issue in schools and ensure that the support is there. As we heard, the cuts are having a significant impact on support services. I know from my city of York the number of services that have disappeared, with only six people providing such services across the whole of our city. Schools say that that is nowhere enough to address the existing need. We also need to recognise that bullying impacts on physical health. It can cause physical sickness in people as well as resulting in mental health challenges. Unchallenged behaviours can be deeply wounding.

There is something I want to highlight, certainly for the public audience listening to today's debate: if you are a target of abuse, that may just be because you are in the wrong place at the wrong time. None of us can predict the twists and turns of life that may confront us at any time. Although we have heard that disabled people, LGBTI+ people, and black and ethnic minority people have a higher risk of experiencing bullying, sometimes bullying just happens. Therefore, we need to have the framework to address that.

As a lifelong trade unionist, I say: if you are in a workplace, join a trade union. This is the work that trade unions do day by day. We often see the headlines about strikes, but holding people's hands through bullying cases makes up the vast majority of the work that unions do. If you are in school, find a trusted person that you can talk to about mental health. Go and talk to your GP—that is what your GP is there for. Ensure that you have good lifelines with friends and family. It is so easy to become isolated at a time when you really need someone to believe in you and someone with whom you can walk through that difficult time, when you are feeling so powerless.

You might be a target of bullying and determine that you want to change your workplace, or even your school. I have been battling with a case in York in which we have not been able to get the children to move school. The perpetrator and their behaviours and the culture of the school obviously have to be dealt with,

but we need the facility for children to continue their education in a safe environment. I ask the Minister to ensure that that can happen.

I want to say a couple of other things before I finish. It is really important to have mandatory audits, whether that is in a school or a workplace environment. Audits should be able to analyse in confidence to ensure that the issues being raised are addressed, appropriate action taken and sanctions brought where necessary. Training is also important. Often, people do not recognise such behaviours, and we could all be perpetrators unless they are brought to our attention. Training should include what negative behaviours are, and how important it is to display positive behaviours. I ask the Minister to comment on his support to ensure that every single school has training on bullying. We also want to see it across other environments.

In conclusion, I want to stress the importance of the bullying agenda and ask the Government to get to grips with the scale of negative behaviours across our society. Last week, as we heard, was Anti-bullying Week, and its focus was “All different, all equal”. I trust that society will seek out and celebrate our diversity, and we here have an important role in that. None of us is better than anybody else. Where there is power, we must demonstrate that we use it to dignify people.

2.1 pm

**Paul Masterton** (East Renfrewshire) (Con): I welcome the opportunity to speak in this important debate, and I congratulate the hon. Member for Paisley and Renfrewshire North (Gavin Newlands) on securing it. We have probably all been teased or made the butt of jokes at school—I should know; I am ginger, and it goes with the territory—but it does not take much for things to cross the line, and for us to start feeling intimidated or that we are being laughed at, not with. We start to feel uncomfortable and unsafe. That is when we get into the realm of bullying.

As other Members have commented, last week was Anti-bullying Week, which gave us all the opportunity to encourage young people to celebrate what makes them unique, to empower young people to be themselves without the fear of being bullied and to demonstrate to young people that diversity is to be welcomed and not something to be prejudiced against.

As the hon. Member for York Central (Rachael Maskell) mentioned, the Anti-Bullying Alliance tagline for this year was “All different, all equal”. I was brought up on the simple premise: “You are no better than anyone else, and no one else is better than you.” Such a simple, defining message can go a long way in terms of how we treat other people. It is a high benchmark, but one that we must promote and meet if young people are to grow and learn throughout life. It is vital that children going into school do not worry about what the day has in store for them, but look forward to making new friends and learning new things.

The anti-bullying strategy in my constituency was changed in 2015. In the updated strategy, the local authority ensured that each type of bullying, whether targeting race or religion, or of other kinds, was categorised with solutions for dealing with each as they arose. Subsequently, research on prejudice-based bullying commissioned by the Equality and Human Rights Commission cited East Renfrewshire’s anti-bullying policy as,

“a clear example of good practice...as it included suggested strategies for dealing with each form of prejudice to which it referred”.

Although that comment was welcome, and as much as we might like to congratulate ourselves on the progress that we are making, bullying is still a prominent problem throughout our schools. I am sure that we have all had distressed parents come into our surgeries or offices at their wits’ end about what to do with their child who is having a hard time at school, and who do not feel that they are being taken seriously. In one case of mine, a pupil who was badly bullied in primary 6 and 7 moved up to senior school, looking for a fresh start, but found herself placed in the same reception class as her bully, despite assurances from both head teachers that that would not happen.

Every year, Ditch the Label, a UK-based anti-bullying charity produces an annual bullying survey. This year more than 10,000 young people were surveyed, and the findings make for stark reading. It found more than half of respondents had been bullied and that one in five had been bullied in the past year, one in 10 in the last week. Of those who were bullied, half stated that it was down to their appearance, while 36% of those bullied developed depression and 24% had suicidal thoughts.

Bullying does not stop at the school gates. An ever more connected world brings ease of online abuse. I did not get my first mobile phone until I was in my third year at high school; my three-year-old daughter can already find her way around a tablet and likes playing with “smiley faces”, known to the rest of us as Snapchat filters. The world has changed, and mobiles are just one more thing that kids have these days.

It is an uncomfortable truth that suicide remains a main killer for anyone under 40 years of age, and there has also been a dramatic increase in suicides among 15 to 19-year-olds since 2013. We need to get to grips with that. Figures from the National Society for the Prevention of Cruelty to Children show that Childline delivered 12,248 counselling sessions about online abuse in 2016-17, a 9% increase on the year before. Worse than that is a 44% increase in child sexual exploitation online.

As parliamentarians, we are no strangers to online harassment—or indeed harassment in more traditional forms, such as odd Christmas cards—but I can only imagine the emotional strain on our young people growing up in a world where they are expected always to be available, contactable and showing the best sides of their lives. A telling statistic from the annual bullying survey is that 71% of young people do not feel that social networks are doing enough to prevent bullying online, so it is essential that we create parity between both offline and online abuse. Nearly half of all respondents stated that they had been a victim of cyberbullying on Instagram. If social media outlets are to get serious about online bullying, that cannot continue.

What can be done? In Scotland, we have taken a slightly different approach from the rest of the UK. Organisations such as *respectme*, an anti-bullying service based in the west of Scotland and mentioned earlier, have helped to reshape how we define bullying. In Scotland, “bullying” is centred more around behaviour and impact than intention. We should also consider how we talk about it. I am not sure that labelling people as bullies and victims necessarily works. As the hon. Member for Paisley and Renfrewshire North said, people are not born to bully; they bully because of learned

[Paul Masterton]

behaviour emanating from the current circumstances of their own lives. Compounding the issue with a “bully” label can degrade self-worth or have the reverse impact of becoming a strange badge of honour that people feel proud to carry around. *Respectme* believes that redefining bullying can bring about the cultural shift that the hon. Member for York Central mentioned in her remarks.

In conclusion, we must stamp out bullying wherever we see it, but we must also be flexible enough to take new approaches. We have entered the age of online abuse, and we are losing. We must put pressure on social media outlets to stamp out bullying, but we must also put pressure on ourselves to bring about the much-needed culture change that the 21st century requires of us.

2.6 pm

**Martin Whitfield** (East Lothian) (Lab): It is an honour to serve under your chairmanship, Ms Buck. I thank the hon. Member for Paisley and Renfrewshire North (Gavin Newlands) for securing this debate, which is timely after the last week. It is also a pleasure to follow the hon. Member for East Renfrewshire (Paul Masterton), whose comments were most pertinent. I would like to address two aspects in my speech, but first I would be grateful if Members noted that I am a member of the Educational Institute of Scotland and a council member of the General Teaching Council for Scotland.

Bullying among young people has been mentioned. Bullying is a strategy and a symptom of society; it is the visible result of behavioural activities among lots of people. Unfortunately, it is a very negative activity, and it permeates our society from top to bottom. I have had the dubious pleasure of dealing with people categorised as bullies in nurseries, all the way through to people rightly categorised as victims high up in primary education.

I would like to express what huge strength all victims of bullying have. They show, display and have internalised strength in standing up to, fighting and opposing behaviours that attack the very fibre of who they are. I pay huge compliments to all those who have suffered at the hands of others. It is an enormous thing to expect anyone to put up with, but most of all our young folk who are growing up to be members of our society.

It is interesting, as my hon. Friend the Member for York Central (Rachael Maskell) pointed out, that at the moment the House is only too aware of what happens if we fail to deal with problems by pretending that they do not exist, pushing them to one side or ignoring them. Those problems come back, and they need to be dealt with, because they are there. If we deal with them properly, we can come out a stronger and better society.

I would also like to express my huge thanks for the support given to all the victims of bullying who are able to cry out and receive help. A significant number of worthy charities, third parties and local authorities have excellent practices; I mention Place2Be, a charity that works within schools and with which I have had the great pleasure of working in two local authorities. It provides sympathetic and supportive help to young children, both victims and those accused of bullying. It deals with it not as a matter of blame but as a matter of support—a way of looking forward to what can be achieved and what can be better as a result of what someone has suffered.

I echo the hon. Member for East Renfrewshire on labelling; whether it is right to call someone a victim or a bully is fundamental to how we deal with it. A significant number of parents will rightly come to me and say, “Such and such has happened. This person is a bully.” We lack an agreed definition of bullying and, as a result, many activities are labelled as bullying and many people make assumptions about situations that sometimes aggravate those situations. We need to be incredibly careful about the language we choose, and we need a huge amount of work to be done to decide what the appropriate language is. That will come from research, from notification and from pooling information from good practice and otherwise, so that as a society we can accept when people are victims of a situation and need support and when people have occasioned a situation. In so many cases, those people also need support because we frequently hear that bullies were bullied. Certainly, my experience as a teacher reflects that wholeheartedly.

I have spoken a number of times in Westminster Hall and in the House about social media and the pernicious effect that it is starting to have. For previous generations of children, bullying might have been restricted to the playground, the changing rooms and transferring between lessons. Now, a significant number of children never leave the bullying situation. They get home and are pursued on their mobile phone. They log on to the computer to do their homework and are instant messaged. In our community, that is driving a wedge between people who suffer at the hands of social media and people who use it to perpetrate hideous messages.

It was interesting that only yesterday, the coroner in the Ann Maguire inquest, Kevin McLoughlin, told the Wakefield coroners court that,

“he wanted social media companies to introduce contracts that would make parents responsible for their children’s online activity.” That is an enormous call from a coroner judge about the dangers of social media companies. I have discussed with social media companies the fact that having social media accounts ought to occur only from the age of 13 because of data protection and allowing someone’s data to be out there. I have asked about the reality that so many children in primary schools—well under 13 years old—operate social media accounts. Their answer to that, on three different occasions, has been that that is the responsibility of the parent—the parent has authorised it. I question that because from a practical point of view, with so many children under 13 operating social media accounts—many perfectly lawfully and kindly, but some using them for other means—the data that social media companies push out to others who fund them are clearly incorrect.

More importantly, as a society, we should expect companies that benefit from the social media revolution to be responsible for adequately policing social media and for ensuring that it is not enough to expect a parent to say, “Yes, my child can have a social media account” or to freely accept someone entering a clearly incorrect date of birth. If it has got to the stage where coroner judges are demanding a contract between the parents and social media companies to be responsible for the children’s actions, we need to step up and do that now to protect everybody. Social media makes a positive offering to society, but it has a dark side, especially if people cannot escape it 24 hours a day. I find that very worrying and I will be interested in the Minister’s comments on that.

Finally, I want to reflect on the messages that were shared so much last week for people who are suffering bullying. There was strong advice on the Anti-bullying Week website to:

“Show open body language. Try not to show your fear. Tell someone who will listen”—

which is very important, and:

“Keep eye contact with the bully.”

That advice is massively important in the playground, in the school corridor and, unfortunately, also in the workplace. On social media it is slightly different. The last piece of advice that was shared widely is something that we should all listen to and follow and that we should all become responsible for. That advice was:

“Do not be a bystander”.

Bullies only achieve what they do because other people stand by. As members of society, we owe a responsibility to everybody. Not being a bystander would lead to a great change in our society today.

2.16 pm

**Chris Elmore** (Ogmore) (Lab): It is pleasure to serve under your chairmanship, Ms Buck, as I have many times. I congratulate the hon. Member for Paisley and Renfrewshire North (Gavin Newlands) on securing this debate. Two weeks ago today, I made a speech on the Floor of the House explaining what happened to me. I was bullied to the point where I was hospitalised after a violent attack. I spent seven years from the ages of 10 to 17 being physically and mentally assaulted on a fairly regular basis in school. That ranged from being kicked down flights of stairs to being held against my will and left to mess myself, if you will pardon the expression, Ms Buck, on the side of a school football pitch as a 14-year-old. I suffered enormously with my mental health. That started at the age of 14 when I had what would be considered to be a breakdown and continued until the age of 17 or 18 when I left school. University became my salvation and a place of great relief—not everybody I went through academic life with was a bully.

I have spoken at conferences, on the radio and on television about the experiences I faced in school, but the reason I spoke about it two weeks ago was to try to highlight that there is life beyond being bullied. We have heard from hon. Members who have been bullied and about the work of my hon. Friend the Member for York Central (Rachael Maskell) on bullying in the workplace. I am firmly of the view that if someone is bullied in school, they move on—there is lots of evidence to confirm this, but I know as someone who was bullied—to struggle in terms of relationships. That is not just in physical relationships but in the workplace and in friendships; we are naturally fearful of a joke—not something deemed to be bullying, simply something that can be humorous. Over the seven years that I was bullied, even when people were just trying to have an element of friendship with me, it became too complicated and difficult to keep that friendship going.

As my hon. Friend the Member for York Central said about going into the workplace, if people are bullies and they have never been challenged by anyone speaking out, they do not understand that that sort of behaviour is unacceptable. It is not acceptable in schools but it is certainly not acceptable in the workplace. Since I made that speech, adults have emailed me saying, “I was never bullied in school, but I am now being bullied in

the workplace. I do not know where to go or how to tackle it.” Obviously, I agree with my hon. Friend the Member for York Central about joining a trade union, but there is a real lack of understanding in the workplace that what to one person might seem to be a joke or a bit of light humour can actually be quite cold and calculated. That can cause all sorts of hurt in the workplace and indeed at home when people are having to deal with what has been said.

It is also deeply alarming how many young people from Scotland, Northern Ireland, England and Wales have contacted me to say, “Thank you for speaking out. This is happening to me.” People have emailed me to say that they have been sexually assaulted in school but the school is not dealing with it. After I said in a Radio 5 Live interview that I was frequently kicked under the school desk until my shins bled, young people in school emailed me to say that that happens to them once or twice in a month.

These things are horrific, and we need far more positive action from the Government and schools. Third sector organisations are fantastic and do amazing work, and I offer praise to the Minister, too, but this issue is not just the UK Government’s responsibility; we also need to work with the Scottish Government, the Welsh Government and the Northern Ireland Executive. I plead that we look at best practice for tackling bullying within institutions. I have had emails—the vast majority from people not in my constituency, but in other parts of Wales and large swathes of England—asking “Can you help?”, “Will you come and speak to my school?” or “Will you engage with our charity?” I will try to fulfil all those requests, but bullying has no borders; I have no doubt that the Minister understands that. No boundary between Scotland and England, or between England and Wales, affects how bullying works in schools.

The hon. Member for East Renfrewshire (Paul Masterton) described best practice in his council, and I have been told about schools in north Wales that are using Scandinavian models to tackle bullying. We must examine best practice from the UK, Europe and beyond to tackle the scourge of bullying. As I have said before, when offences are committed we do not tackle them enough through the law, nor do we give enough support and defence to young people being bullied. I am eager for cross-party working, not just through the all-party group, but through commissioning work from Ministers in the UK, Welsh and Scottish Governments, as well as in the Northern Ireland Executive once it is reconstituted and agreements are reached. We need cross-party working that engages with young people so that schools and Ministers understand what young people face every day.

The underlying theme of the emails I have received from young people has been that when they approach teachers, they are told that bullying is simply a part of life. I am not suggesting that that happens with matters as serious as sexual assault, but I have read emails from young people that say, “I tried to talk to a teacher, and they said ‘Oh, it’s simply part of growing up.’” These things are not part of growing up. As the hon. Member for East Renfrewshire said, suicide rates have increased among young people, particularly those who have been bullied. Bullying has social and mental health consequences for young people.

I praise the third sector. My constituency has a wonderful organisation called Stand Against Bullying; I march with its members every year. They did not

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know when I was marching with them that I had been bullied, so they were quite surprised to hear about my experiences. I know of many other organisations in the voluntary sector that also do amazing work.

We need more than just school bullying policies that no one checks. We need recording and reporting of what is happening to young people. I know I cannot insist on this to the Minister, but I hope we can work across Administrations to tackle bullying, examine best practice and learn from each other. Too many children are committing suicide, and too many children are in fear of going to school. I used to invent all sorts of reasons not to go to school until I became very unwell at the age of 14. We must do more to tackle the scourge of bullying.

I have compassion for bullies. They, too, need to be offered our support, because something deeply troubling must be happening if a young person thinks they can be abusive about sexual orientation or anything else. I was bullied for allegedly being gay, although I am not, and for being fat. I was bullied because I was simply the lowest common denominator for a group of boys and girls who felt that those were suitable things to attack me for.

Bullying has no boundaries and no borders, no matter who or what someone is. Unless we tackle it, it becomes a problem in the workplace. As I said two weeks ago, part of the problem the House now faces is that if we do not challenge instances of bullying, people wrongly deem them to be acceptable. I am sure that the Minister will respond positively; I hope he takes my views on board.

2.25 pm

**Ronnie Cowan** (Inverclyde) (SNP): It is a pleasure to see you in the Chair, Ms Buck. I thank my hon. Friend the Member for Paisley and Renfrewshire North (Gavin Newlands) for securing this important debate. He spoke about his own experience of being bullied and its effect on him, which I am sure many people can empathise with; about many great organisations, including in the LGBT community; and about how bullying, which has historically been targeted within schools and workplaces, has now expanded into social media and become pervasive and extreme, 24/7.

The hon. Member for York Central (Rachael Maskell) spoke about the excellent advice and support available through ACAS. She promoted the systems being used in Australia, the Netherlands and Canada, and urged the UK Government to follow suit. She described the need to challenge abuse, and the importance of positive behaviour and celebrating diversity.

The hon. Member for East Renfrewshire (Paul Masterton) highlighted the fact that parents often come to his surgeries because they feel that their complaints are not being taken seriously by schools. He also described the ease with which a younger generation can gain access to social media, with all that entails.

The hon. Member for East Lothian (Martin Whitfield) complimented those who have overcome bullying and gone on to become strong members of our society. People who are being bullied need to know that there is a positive way out; people doing the bullying need to know that they can change, too. He also encouraged us to look at the research and frame the discussion appropriately.

The hon. Member for Ogmore (Chris Elmore) spoke about his distressing experiences at the hands of bullies and the salvation that he found at university. He asked for more positive action from all Governments across the UK, sharing best practice from the UK and beyond, including from Scandinavian countries, and cross-party work to engage with young people.

I recently read "Respect for All", a new Scottish Government report that emphasises fairness, respect, equality and inclusion. It states:

"Bullying due to socio-economic status can take place in any community. Small differences in perceived family income/family living arrangements/social circumstances or values can be used as a basis for bullying behaviours."

It lists a host of characteristics that may lead to bullying, including age, asylum seeker or refugee status, body image or physical appearance, disability, gender identity, a Gypsy or Traveller background, and sexual orientation. They are not reasons but excuses. Bullies simply look for an excuse to bully. It is bullying that is important to them, and the reasoning does not stand up.

Shockingly, the report also notes:

"Young carers are at risk of bullying for a variety of reasons. Depending on responsibilities at home, they may find themselves being unable to fully participate in school or after-school activities or 'fun stuff'. This can make it difficult for them to form relationships; it can hinder successful transitions or lead to educational difficulties."

Bullying happens not because of someone's appearance, religion or sexual orientation, but because the bully gets something from being a bully. People being bullied do not have to justify themselves. Others may join in bullying because they do not want to be bullied themselves, or even because they are already being bullied at home or somewhere else.

This morning, I met pupils of Clydeview Academy, a secondary school in my constituency, who are visiting Westminster this week. I took the opportunity to ask them and their teachers how they approach bullying. The initial response was, "Tell a teacher, parent or guardian." That is good advice, but ultimately if peer pressure is used to support the person being bullied, the bully fades away. Martin Luther King said, "The only thing necessary for the triumph of evil is that good men do nothing."

So, let us consider this place, and the behaviour in the House of Commons. Members are constantly shouting over speakers; there are attempted putdowns and uncomplimentary remarks; and there are loud conversations designed to put speakers off. When parliamentarians behave in this fashion, it sends out a poor message to society at large, and too often in this place it is he who shouts loudest who gets heard.

Finally, while we must do everything we can to support schools, teachers and employers to eradicate bullying, we also have a duty to get our own House in order. We should be leading by example.

2.30 pm

**Mrs Emma Lewell-Buck** (South Shields) (Lab): It is always a pleasure to see you in the Chair, Ms Buck.

I congratulate the hon. Member for Paisley and Renfrewshire North (Gavin Newlands) on securing this debate, and I thank all hon. Members and hon. Friends who have spoken so passionately here in Westminster Hall today. It was a particular pleasure to hear my hon.

Friend the Member for Ogmore (Chris Elmore), whose powerful speech will resonate with any child anywhere who is suffering from bullying.

The theme of this year's Anti-bullying Week is, as we have already heard, "All Different, All Equal". It was taken on board by the amazing children at Westoe Crown Primary School in South Shields, who this week made a cracking film about bullying. It is on YouTube and I urge everyone here to have a look.

Bullying can have a debilitating effect. For the victim, it permeates every minute of every single day, even when they are not in the presence of those causing them harm. When bullying happens in a school environment, it is intensified because—no matter what—in any given school day there will be times when a teacher or another member of staff is not present to spot that bullying is happening and stop it. However, bullying is not confined to physical space, with children reporting rises in cyber-bullying, where the bullying is all-pervasive and the victims are completely unable to escape from it.

I know that the Department for Education has produced guidance on preventing and tackling bullying for schools, headteachers, staff and governing bodies. That guidance reiterates:

"Every school must have measures in place to prevent all forms of bullying."

However, in the context of what this Government have done to schools funding, does the Minister seriously believe that schools can give bullying the attention it needs? Cuts to education funding have led to schools in England losing more than £2.7 billion in funding since 2015. We have all seen the headlines about schools sending begging letters to parents, so that they can pay for essentials such as glue, paper, pens and other everyday items.

The Government's response to this crisis was to introduce a new funding formula—one that led to 5,000 teachers endorsing a letter to the Chancellor to demand more money for schools, as well as warning of deep cuts to resources and soaring class sizes. Those teachers, including headteachers, will be greatly disappointed that their calls fell on deaf ears yesterday when the Chancellor, with much misplaced joviality, delivered a dire Budget that failed to acknowledge the crisis in our schools.

In light of the desperate situation that our schools find themselves in, can the Minister tell us what data the Department for Education collects on bullying in schools, such as prevalence levels and effectiveness of responses? I have a strong inkling that the Department does not collect such data, in which case I have another question. Can he explain how he thinks the Government can respond properly to an issue that they do not really have a full understanding of?

**Martin Whitfield:** On funding, I will make a point about the pressure on funding for schools in Scotland, as Scottish councils have to make choices about where their reduced funding goes. In particular, there are the problems that Anti Bullying East Lothian, an award-winning service, has suffered as a result of cuts. If such cuts are being made, how can we support both the victims and the bullies?

**Mrs Lewell-Buck:** I thank my hon. Friend for that intervention. The reality is that if austerity measures and cuts continue, we will fail all our children.

Those of our children who suffer from depression, low self-esteem, anxiety and self-harm as a result of bullying should be assured that when they need professional help it is available. However, this Government's total hash of child and adolescent mental health services has left some children waiting more than a year for help, with 28% of those who apply for such services being turned away due to lack of funding.

Just yesterday, there was an opportunity in the Budget to address the deepening crisis in children's mental health, but the Government chose not to do so. Instead, the Chancellor announced that there would be a Green Paper this December, setting out the Government's plans to transform mental health services for children and young people. In short, there is no action and more discussion.

Can the Minister please assure us today that this Green Paper will be forthcoming in December? How long does he expect the consultation to take, and when does he expect that we will see some action? Will the Government explore schools-based counselling, as recommended by the Labour party?

I ask these questions because children in need of mental health support need it now, and every day they wait is a day that they will struggle with their mental health. Their problems become more entrenched. The sad reality is that some children who need mental health support as a result of bullying will leave school and move into adulthood without ever getting the kind of support they needed, which greatly damages their future prospects and even leads some of them to take their own life.

Looked-after children are reported to experience bullying at a much higher rate than their peers. Almost every single looked-after child has already endured some form of trauma, with at least 45% of looked-after children entering care with a diagnosable mental health condition. As this Government are now presiding over the largest number of children in care since the 1980s, with that number reaching 72,670 in March 2017, can the Minister explain what the Department for Education is doing in relation to providing specialist support for these children when they are subjected to bullying?

Another group of children who experience bullying at a higher rate than other children are those with disabilities or special educational needs. However, it is little wonder that children with special educational needs or disability, or SEND, are treated unequally in comparison with their peers, when the Government's approach to children with SEND has been one of segregation, whereby many children with SEND are still placed in specialist schools or special units within mainstream education. It has been a long-held view, going right back to the Education Act 1981, and it is a view supported by Ofsted, that well-resourced mainstream schools are best placed to improve the learning and social environment for disabled and non-disabled learners alike. Children with special educational needs are increasingly being pushed out of mainstream schools, and they are grossly over-represented in exclusion figures. Indeed, many of them are self-exclusions, due to bullying.

As I am in a generous mood, Ms Buck, I am happy to talk to the Minister about Labour's approach to education, which is based on inclusivity not exclusivity, and where every child should be given the very best opportunity to reach their true potential, whether they have an educational

[Mrs Lewell-Buck]

special need or a disability. That is because, much like this year's anti-bullying theme, we believe that our children really are "All different, all equal".

I am conscious of the time, so I will not detain Members much longer. However, before I make my closing comments I will press the Minister on a very serious issue. Back in January 2017, I withdrew an amendment to the Children and Social Work Bill on the basis that the then Minister assured me that guidance regarding peer-to-peer sexual abuse in schools would be updated. Bullying is insidious in all its forms, but imagine being a young girl in a school, having been raped by one of your classmates. Despite that allegation of rape being upheld, you have to go back into that classroom, day after day, lesson after lesson, and sit next to the boy who raped you. We would never force anyone in the workplace or in any other scenario to go through that, but it is happening in our schools.

Children contacting ChildLine have described being subjected to inappropriate sexual touching in school, and to verbal threats on the bus, in the playground, in toilets, in changing rooms and even in classrooms during lessons. Many young girls have reported feeling vulnerable, anxious and confused as a result of being pressurised for sex by boys at school. Some feel they should consent, as their peers talk regularly about being sexually active. Others are threatened with physical violence if they refuse to have sex, and they have rumours and lies spread about them.

As with adult-perpetrated abuse, the victim often thinks that the act was normal, as they do not know about healthy relationships or assume that all children are being similarly abused. Often, they do not have the language to tell anybody what is happening to them and they fear they will get into trouble if they try to disclose it. Sometimes, they also think that they were the initiator and may have gone through the act voluntarily. They are left with unimaginable feelings of guilt, which no child should ever suffer on top of the harm they have already suffered.

It is safe to say we all agree that we have a responsibility to keep children safe, yet the current iteration of the "Keeping children safe in education" guidance lacks the detail to support schools where incidents of peer-on-peer abuse occur. Moreover, many schools do not have the appropriate processes in place to support children returning to school following a serious incident. We cannot just leave it up to schools to formulate their own policies and procedures, as that leaves the response to a potentially serious, life-ruining act at the discretion of an individual school.

Abuse is never the fault of the victim, yet in too many cases children are left isolated with no avenue of escape. I was recently advised that the public consultation on revising "Keeping children safe in education" would be launched later this autumn. Autumn is coming to an end, so will the Minister explain why the consultation has not begun? The delay here, like the delay in implementing personal, social, health and economic education, is beyond unacceptable. There has been a long fight for PSHE. All the evidence already exists on the positive impacts it will have on all children, so it should not be taking until 2019 to implement.

Just last year the Government were examined by the United Nations Committee on the Rights of the Child in relation to their compliance with the UN convention

on the rights of the child. It found the Government failing children across the board in 150 areas. I have repeatedly asked for the convention to be in domestic law. That commitment was in Labour's manifesto.

It is estimated that one child in every single class is experiencing severe bullying. I know the Minister will agree that that is one child too many. I hope he will acknowledge that to tackle bullying, the Government need to have a more holistic view and stop operating in these monolithic ways. I hope he will share with us today how he intends to do that. I hope that in summing up the Minister can answer all my questions and those of other hon. Members, because we are asking these questions not for us, but for every child who felt physically sick this morning because they could not bear to go to school, for every child who sat in the toilet though their dinner break because being alone is safer than being with others, for every child sat right now in a lesson unable to concentrate because what follows is that terrifying journey home where the protection of the teachers disappears and it is just them and the bullies, and for every child sat at home tonight alone, scrolling through hateful messages from their peers on their phone.

2.42 pm

**The Minister for School Standards (Nick Gibb):** It is a pleasure to serve under your chairmanship, Ms Buck. I congratulate the hon. Member for Paisley and Renfrewshire North (Gavin Newlands) on securing this debate and on making a powerful speech with an honest and moving personal story. I also congratulate the hon. Member for Ogmore (Chris Elmore) on making another powerful speech with another moving story. I pay tribute to him for his speech and his activities here and elsewhere, using and highlighting his own experience of being bullied as a child to help others and to drive change. The hon. Member for East Lothian (Martin Whitfield) made the important point that people should not be bystanders when they see bullying occurring. That was a key message of the Diana Awards last week. The hon. Member for Ogmore also pointed to the damage that many of the bullies may have suffered. As one anti-bullying campaigner said last week at the Diana Awards, "Hurt people hurt people."

The hon. Member for South Shields (Mrs Lewell-Buck) raised the important issue of peer-on-peer abuse. "Keeping children safe in education", which was revised in 2016, sets out that all schools should have an effective child protection policy that minimises peer-on-peer abuse and sets out how incidents will be investigated and victims supported. We are going to revise and update that guidance. To ensure that we are doing all we can to assist schools and colleges, we will also be publishing interim advice this term specifically on peer-on-peer abuse.

Every individual instance of bullying is important. It can be a barrier to children achieving their potential and taking advantage of the same opportunities as their peers. Bullying can make a child feel isolated and alone when they should be enjoying the companionship of their close friends. As the hon. Member for Paisley and Renfrewshire North said, bullying can undermine a child's confidence, and that can last a lifetime. New generations of pupils face different challenges in relation to bullying, and we recognise that. Last year he tabled an early-day motion that highlighted the National Society for the Prevention of Cruelty to Children's figure of 16,000 children absent from school because of bullying.

He mentioned that figure again today. There is a very clear process that parents should follow if they have concerns about their child being bullied at school. All schools are required by law to have a behaviour policy that includes measures to prevent bullying among pupils. Parents can then raise direct concerns with the headteacher and governing body, and if those are not resolved, a formal written complaint to the Secretary of State for Education and the local authority team can be made.

**Rachael Maskell:** In the light of the debate we have had, there is clearly a mismatch of power between those in authority and children. Will the Minister reflect on that in his comments? Clearly it is difficult to raise concerns about bullying when there is such a mismatch of power and when someone is already experiencing a diminution of their power.

**Nick Gibb:** The hon. Lady raises an important point, and I do not disagree with anything she said. It is why we need to make it absolutely clear what the complaint procedures are. We need to ensure that the guidance that we have about keeping children safe in school is as clear as possible and kept up to date to reflect modern forms of bullying, so that changes in modern society are reflected in schools.

The local authority has a duty to put in place education for any child of compulsory school age, and that includes finding them an appropriate school place. Recent research suggests that the amount of bullying in schools has reduced in recent years, which is welcome. The longitudinal study of young people in England published in 2016 compared bullying among two cohorts of 14-year-olds from 2005 and 2014. In 2014, approximately 30,000 fewer children said that they had been bullied in the previous 12 months. There was a drop from 41% in 2005 to 36% in 2014, although 36% is still unacceptable—as the Opposition spokeswoman said, even one child bullied in a class is one too many.

Different generations of pupils face different challenges, however, and we recognise new and different types of bullying. Each individual instance of bullying is important. It can be a barrier to children achieving their potential and taking advantage of school. That is why Anti-bullying Week is an important event in the school calendar. It shines a spotlight on the issues surrounding bullying and provides an opportunity for schools, children and young people and society in general to talk openly about the effects of bullying on children and young people and take collective action against it. We have seen two examples of that openness in today's debate.

We know from the Anti-Bullying Alliance that more than three quarters of schools in England take part in Anti-bullying Week, which is welcome. Good schools recognise the issues around bullying, record incidents and review whether the action they are taking is effective. Last week I attended two events run by organisations that we help to fund to run anti-bullying initiatives in schools: the Diana Awards and the Anti-Bullying Alliance. I met many pupils, teachers and organisations committed to tackling bullying. Pupils were keen that, alongside supporting those who are bullied, schools should help to identify the issues that may be contributing to the negative behaviours displayed by those who bully.

As my hon. Friend the Member for East Renfrewshire (Paul Masterton) said, the theme of Anti-bullying Week this year is "All different, all equal". That theme is

particularly important to pupils. We know that some groups of pupils suffer disproportionately high levels of bullying because of the attitudes and behaviours that some other pupils show towards those who are different from themselves. For example, the longitudinal study of young people in England in 2014 found that 46% of respondents with special educational needs reported bullying, compared with 36% of respondents without SEN. That should not be the case. That is why the Government are providing £4.6 million of funding over two years for 10 anti-bullying organisations to support schools to tackle bullying. That funding includes projects to tackle bullying of particular groups.

The Anti-Bullying Alliance's project is focused on tackling bullying related to special educational needs and disability. It includes face-to-face training for teachers, including trainees. It also provides helplines and online information for parents of children with special educational needs and disabilities. The Anne Frank Trust's project encourages young people to think about the importance of tackling prejudice, discrimination and bullying using film clips as a catalyst for discussion. Those projects work alongside a project to report bullying online and projects to specifically tackle homophobic, biphobic and transphobic bullying in schools.

The hon. Member for Paisley and Renfrewshire North referred to Stonewall's 2017 survey, which showed that 45% of lesbian, gay, bisexual and transgender young people had experienced bullying as a consequence of their sexuality or the perception of their sexuality. In Stonewall's 2012 survey, that figure was 55%; in 2007, it was 65%. That is a welcome fall, reflecting how attitudes in society have improved over the last 10 years, but it remains unacceptable that 45% of LGBT young people still suffer HBT bullying.

The hon. Member for York Central (Rachael Maskell) raised the important issue of workplace bullying. We also know from the Stonewall survey that in 2014, 13% of schoolteachers reported homophobic bullying. That figure, too, has fallen, from 25% in 2009—but again, 13% is too high. Employers are responsible for preventing bullying and harassment. They are liable for any harassment suffered by their employees. Anti-bullying policies can help, and ACAS's advice covers that for employers and employees.

Last year's inquiry by the Women and Equalities Committee into sexual harassment and sexual violence in schools highlighted the scale of the problem. We want schools to be safe, disciplined environments where teachers can teach uninterrupted, and all pupils can thrive academically and embrace who they are. That is why it is important to create a culture of respect in schools. By creating that culture across the whole school, pupils can enjoy the knowledge-rich education they deserve in a safe and supportive environment, which allows them to embrace who they are.

Schools already have a range of legal duties that frame the positive action that they can, and should, be taking. We have already updated our anti-bullying guidance to ensure that all types of bullying and harassment are taken seriously, and to signpost schools to support in tackling different types of bullying. Creating a whole-school culture of respect is also reflected in Government advice on behaviour and discipline. The Tom Bennett review of behaviour in schools makes it clear that having a whole-school policy, consistently applied, with clear systems of rewards and sanctions, is central to achieving good

[Nick Gibb]

behaviour. Tom Bennett argued for the importance of a whole-school culture that is clearly communicated to all staff and pupils. He stated that the best behaviour policies balance a culture of discipline with effective pastoral support. The combination of clear boundaries and known sanctions for poor behaviour in a caring atmosphere is crucial to promoting good behaviour and wellbeing for all pupils. We have put in place a set of measures to ensure that schools have the powers they need to address bullying, in the context of our overall behaviour measures, such as giving teachers new disciplinary powers and holding schools to account through Ofsted inspections.

Bullying of any kind can, however, now just as easily occur online as face to face. As the hon. Member for Paisley and Renfrewshire North pointed out, cyber-bullying is increasingly becoming a means by which face-to-face bullying is extended beyond the school day, following the young person home. The Government have already put in place a number of powers that enable schools to prevent and tackle cyber-bullying, which includes making how to behave online part of the computing curriculum. Headteachers have the power to regulate pupils' conduct when they are not on school premises and under the lawful control or charge of a member of school staff. When bullying outside of school is reported to teachers, it should be investigated at the school and acted on.

We have ensured that schools have the power to ban or limit the use of mobile phones and other electronic devices in school. We have also given staff greater powers to search for prohibited items such as mobile phones and, if necessary, to delete inappropriate images or files on electronic devices. The Government Equalities Office funded the UK Safer Internet Centre to develop cyber-bullying guidance for schools, and an online safety toolkit to help schools to deliver sessions about cyber-bullying, peer pressure and sexting. The Department for Digital, Culture, Media and Sport recently published the Government's safer internet strategy. One of the questions that pupils asked the Department during last week's anti-bullying events was whether tackling bullying should be part of the curriculum. Of course schools can play an important role in teaching about relationships. The Department is committed to help schools to deliver high-quality relationships education, and relationships and sex education, ensuring that pupils are taught about healthy and respectful relationships—both online and offline—and have the knowledge and confidence required to prepare for adult life.

To help to give effect to that, we included provisions in the Children and Social Work Act 2017, which the hon. Member for South Shields referred to, to place a duty on the Secretary of State for Education to make relationships education mandatory at primary school, and RSE mandatory at secondary school, through regulations. The Department has begun a process of engagement

with stakeholders to develop the regulations and guidance for relationships education and RSE, and to ensure that subject content is age-appropriate and inclusive for all stages. We expect the regulations and guidance to be subject to public consultation next year.

The hon. Member for East Renfrewshire asked what is being done to ensure that children do not remain in the same class as their bully. As I said, we will be consulting on revisions to statutory guidance—the “Keeping children safe” education guidance—shortly. As I said in response to the hon. Member for South Shields, we intend to issue interim advice to schools this term.

I am grateful for the support that hon. Members have given to this agenda. It has helped to raise awareness of some important issues and concerns. The steps that we have taken highlight the importance of taking a strong stance on bullying, both online and offline. The Government have made a financial and legislative commitment to tackle the issue. We must now continue to work closely with schools and our partner organisations to ensure that the momentum behind progress in this important area continues.

2.56 pm

**Gavin Newlands:** I thank all the contributors to today's debate. We have heard some extremely powerful testimony—none more so than from the hon. Member for Ogmore (Chris Elmore), who spoke of his harrowing experience. I think I speak for all of us when I say that he is a credit to himself for coming through that and reaching where he is today. The hon. Member for York Central (Rachael Maskell) spoke of the various definitions of bullying; I agree wholeheartedly that it is time to draft a legal definition. The hon. Member for East Lothian (Martin Whitfield) lent his experience to today's proceedings, which was very welcome. He made an excellent point about the problem with labelling bullies, or indeed their victims. I certainly empathised with the hon. Member for East Renfrewshire (Paul Masterton) when he spoke of his three-year-old's skills on an iPad. I have two young daughters with similar skills.

To conclude, we all want the best for our children, and to ensure that they are all viewed equally and given an equal chance in life. On that basis, I urge the Minister to meet with anti-bullying organisations and to draft a new, properly-funded anti-bullying strategy to take the issue forward. I thank all Members, and you, Ms Buck. I certainly hope that this is not the last time that we debate Anti-bullying Week. I hope that this becomes an annual debate, to check our progress towards removing the scourge of bullying from our schools.

*Question put and agreed to.*

*Resolved,*

That this House has considered Anti-bullying Week.

2.58 pm

*Sitting suspended.*

## Air Force (Constitution) Act 1917

[SIR HENRY BELLINGHAM *in the Chair*]

3 pm

**Robert Courts** (Witney) (Con): I beg to move,

That this House has considered the 100th anniversary of the Air Force (Constitution) Act 1917.

It is an honour to serve under your chairmanship today, Sir Henry, and it is an honour to have secured this debate, as we are heading into a year of celebrations in 2018 to commemorate the centenary of the Royal Air Force. I would like to use this debate today to celebrate the contribution that the Air Force has made to our national life, to mark some of its sacrifices and achievements over the last 100 years and to mark how far we have come. I would also like to spend some time looking at the reasons why we have an independent Air Force, as well as the development of air power.

Today, we mark a slightly earlier anniversary than the centenary of the Royal Air Force, which is the centenary of the Air Force (Constitution) Act 1917. It received Royal Assent and became law on 29 November 1917, and its centenary is next week. That Act created an Air Force and the Air Council and was a recognition of the growing importance of air power in defence, with the Air Force itself—the world’s first independent air force—coming into being on 1 April 2018. Of course, this is of particular significance to a number of hon. Members who have Air Force bases or Air Force contingents in their constituencies. I am honoured to represent Royal Air Force Brize Norton, which is the largest base in the Royal Air Force, the sole embarkation point for British troops and the centre of the Air Force’s transport fleet.

It is only right to use this anniversary to reflect on the illustrious history of the Royal Air Force, how its role has changed and what role it will continue to play in the future. The RAF is holding many events over the next year to celebrate the anniversary and I would like to think that this debate might be a start point, or a launch pad, if you will, Sir Henry. Without the work that went on in the years preceding 1918, we would not have had the Act or the Air Force that we now have.

One of the things that is quite striking is how quickly air power became important. It was only nine years before the Royal Air Force came into being that an American named Samuel Franklin Cody made the first officially recognised aeroplane flight in Britain. He went a staggering distance of 1,390 feet in a bamboo and canvas biplane known as British Army Aeroplane No. 1. As any hon. Member who has flown in a light aircraft—certainly anyone who has flown in a Tiger Moth, which I have had the honour of doing—will realise that these were true pioneers. The technology was very unsafe in the early days; there were not really any safety requirements at all. The casualty rate was very high. The bravery of those early pioneers cannot be overstated.

That rapid period of innovation, attracting the technological white heat of its day, was undoubtedly sped along by the first world war, which gave the opportunity that warfare often sadly does for practice and experimentation in aviation and technology. Without that, it is possible that the development of military aircraft would have been set back many years.

In the late 1880s various countries had experimented with balloons, but very few were convinced of their promise in warfare. The French had used some in their revolutionary war, but even then it was only for observation. Even the great Napoleon had not foreseen the effect that aircraft would later have. In 1878, the first Army Balloon School was established in Woolwich, and the balloon factory, which went on to become the Royal Aircraft Factory, was founded four years later in Farnborough. Although there were early adopters in Britain, which is something that we should all be proud of, they were slow to recognise the full potential of air flight.

Balloons were soon overshadowed by aircraft. Heavier-than-air flight was slow off the ground in Britain—if hon. Members will pardon the unintentional pun—and requests for funding, such as from the Wright brothers, to continue experimentation were denied by the Treasury, which at the time could not see the application of the new technology. However, individuals continued to push forward, design aircraft and push the envelope of what was then technologically possible.

In 1911, the War Office changed its thinking and expanded the Balloon Section into the Air Battalion, creating Britain’s first military unit equipped with heavier-than-air craft. It was not its own branch—at the time there were only 11 men in the Army and eight in the Navy. Even with the creation of the Royal Flying Corps in 1912, many remained sceptical about the practical applications of air power.

There is a famous quote from those early years just before the outbreak of the first world war, when General Haig is alleged to have said:

“I hope none of you gentlemen is so foolish as to think that aeroplanes will be usefully employed for reconnaissance purposes in war. There is only one way for commanders to get information by reconnaissance, and that is by the cavalry.”

To be fair to Haig, at the time it was probably a fair statement. They were dealing with incredibly unreliable aircraft that could only fly in good weather and had very short endurance. Clearly, their limits at the time were significant, but that view quickly changed, because the Royal Flying Corps made a critical contribution to the early stages of the first world war.

As early as 22 August 1914, Captain Charlton and his pilot, Lieutenant Wadham, observed, crucially, the 1st German army’s approach towards the flank of the British Expeditionary Force, which allowed Commander-in-Chief Field Marshal French to realign his front and save the Army around Mons. The next day, the RFC found itself fighting in the battle of Mons; two days after that, on 25 August, it gained its first air victory, when a German Taube reconnaissance aircraft was shot down. In the great retreat from Mons, the Corps fell back to the Marne, where the RFC again proved its value by identifying von Kluck’s 1st army’s left wheel against the exposed French flank, which enabled French forces to make an effective counter-attack at the battle of the Marne.

So it is clear that, within years, the contribution of the Royal Flying Corps was hugely significant and contributed to the saving of the British Expeditionary Force in the early days of the war and to the stabilisation of the front. Of course, the war degenerated into trench warfare, but at the time it was a saving grace from an advancing and apparently nearly victorious German army.

[*Robert Courts*]

That is shown by the first official dispatch from Sir John French, the commander of the British Expeditionary Force, on 7 September, which said:

“I wish particularly to bring to your Lordships’ notice the admirable work done by the Royal Flying Corps under Sir David Henderson. Their skill, energy, and perseverance has been beyond all praise. They have furnished me with most complete and accurate information, which has been of incalculable value in the conduct of operations. Fired at constantly by friend and foe, and not hesitating to fly in every kind of weather, they have remained undaunted throughout. Further, by actually fighting in the air, they have succeeded in destroying five of the enemy’s machines.”

All of that was only years after the first powered flight.

With the advent of trench warfare, the development of air photography and the development of air-to-ground wireless technology, the reconnaissance role for aircraft was established and was invaluable. The role evolved into aerial fighting once it was realised that it was possible to stop the enemy carrying out similar reconnaissance.

At that time there were two branches of the military air force—the Royal Flying Corps, which was Army, and the Royal Naval Air Service, which was, as the name suggests, part of the Royal Navy. Broadly put, the Royal Flying Corps concentrated on supporting the Army in France, while the Royal Naval Air Service concentrated on defending fleet bases, from which evolved the requirement of home defence—taking on the Zeppelin airships and, later in the war, the German Gotha bombers.

The weakness of that disjointed approach was highlighted in 1917, and we can see how quickly events moved from the military events of 1917 through to the Act we are commemorating today and the formation of the Royal Air Force 100 years ago next year. In the summer of 1917, 72 tonnes of bombs fell within a one-mile radius of Liverpool Street station, and the aircraft of both the RFC and the RNAS were unable to take the fight to the German Gotha bombers. Around the same time, there was a great loss of life in Folkestone caused by the use of the same bombers.

Questions were asked here in the House. The Prime Minister at the time, David Lloyd George, asked the South African General Jan Smuts to study the problem and come up with a report to the Cabinet, which became the famous Smuts report.

The problem was fairly easy to understand when we look at what Jan Smuts found. Fighter defences were provided by the RFC and the RNAS. The Army provided the heavy anti-aircraft and the Royal Naval Air Service provided the small mobile ones. Local authorities provided air-raid warnings and civil defence measures. Clearly, there was inefficiency when there were two branches of the military actively competing with each other for aircraft types and engines at a time of scarce resources. There was clearly a need for a unified approach.

Extraordinarily, a Joint Air Committee had been established just before the war, but it ceased to meet when the war broke out, at a time when perhaps it ought to have been meeting more often rather than less. In 1916 a Joint War Air Committee was formed, but again made insignificant progress, which led to the Smuts report of 1917. In due course the Act made its way through the House, resulting in the 1917 Act, which we commemorate today and next week.

It was the public outcry after attacks on domestic areas of Britain in Folkestone and London that provided the political impetus for the formation of the Royal Air Force, but at the same time we saw the growth of the concept of air power, which is another thing I want to highlight today. The Army had seen the Flying Corps, as Haig’s comments suggest, as a form of airborne cavalry, there for moving quickly, for reconnaissance and for light, quick attacks. The Navy had largely concentrated on home defence to protect its bases, but little thought was given to how air power might be used in a strategic context: to attack the enemy’s ability to make war or to attack formations before they came into battle, or to attack industrial capacity and target supply lines.

The Royal Naval Air Service had made some strides during 1916 and 1917, but there was no overall strategic concept, which is precisely what was needed. An independent Air Force that was not pulled towards the Navy’s or the Army’s priorities, but was able to look at air power in a strategic, independent context was what was needed, and that is what we had—the first independent Air Force in the world, and also the most powerful, with more than 290,000 personnel and 23,000 aircraft in 1918. In a stark shift to the words of General Haig before the war, General Jan Smuts said:

“There is absolutely no limit to the scale of its future independent war use.”

From world war one to today we have had an incredible, almost unbelievable speed of technological advance. The days of dogfights over the trenches are long gone, but the years immediately after the first world war saw intense political pressure to break up the Royal Air Force and to reabsorb its constituent parts into the Navy and the Army—something that the Air Force understandably resisted. It did so in two ways by showing its relevance. The first was to be almost a colonial policeman. Whereas in the past the Army would be sent out to go and visit far-flung parts of the empire, the Air Force could do that more cheaply and more quickly. That enabled people to say that politically there was still a purpose to the Air Force. The second, which I will come to in a moment, was the concept of strategic bombing, which is still the most controversial aspect of the second world war from the allied perspective.

Of course, the RAF’s finest hour was also Britain’s. I pay tribute to what was not only an extraordinary military force, but perhaps the most strikingly multinational force in military history. There was rapid expansion of the Air Force prior to and during the second world war. British Commonwealth countries sent enormous numbers of people to be trained to fly in the RAF, either within existing squadrons or within their own. By the end of the war the Royal Canadian Air Force had contributed more than 30 squadrons to serve in RAF formations and a quarter of Bomber Command’s personnel were Canadian.

The Royal Australian Air Force represented about 9% of all RAF personnel who served in the European and Mediterranean theatres. Famously the United States, before entering the war, sent personnel who served as part of the Royal Air Force’s Eagle squadrons. They were people who volunteered to come to fight for the cause of freedom in democracy’s hour of need. It is an extraordinary record.

It is most striking when we look at the statistics for Bomber Command: approximately 55,000 were lost in the second world war, which is the same as the number

of officers lost in the British Army in the first world war. Of those 55,000, 72% were British, 18% were Canadian, 7% were Australian and 3% were New Zealanders. The example of New Zealand is extraordinary when we consider the size of that then newly independent country. The sacrifice made by the people from New Zealand serving in the Royal Air Force was absolutely extraordinary given the size of the country.

Famously in the Battle of Britain in 1940, the RAF, supplemented by two Fleet Air Arm squadrons along with Polish, Czech, French and many other pilots from countries all over the world, defended the skies over Britain in their Spitfires, Hurricanes, Blenheims and Defiants against the numerically superior German *luftwaffe*. In what is perhaps the most prolonged and complicated air campaign in history, the Royal Air Force contributed decisively to the delay and ultimate cancellation of Operation Sealion, which was Hitler's plan for an invasion of these islands. This was an extraordinary feat of bravery against incredible odds, but what is often overlooked is the fact that Fighter Command offered the finest opponent that Nazi Germany had then faced. I am keen to make this point now: the lessons of 1917 had been learned, so there was a unified command structure, early warning, radar, a proper battle plan, and the Royal Air Force Fighter Command that defended Britain in 1940 was a first-rate military fighting machine, a league away from what we had in 1917. It is an extraordinary story.

The force was also strikingly egalitarian. The Auxiliary Air Force squadrons were supplemented by the Volunteer Reserve, in which I am proud to say my grandfather served, with sergeant pilots and officers promoted from the ranks, the Air Force being then, as it is now, an extraordinary engine for social mobility and a vehicle for those whose ambition was limited only by their skill and determination.

In the House of Commons on 20 August, prompted by the ongoing efforts of the Royal Air Force, Prime Minister Winston Churchill not only sealed his own rhetorical reputation, but coined the epithet that will perhaps be the Royal Air Force's for as long as men fly:

"Never in the field of human conflict was so much owed by so many to so few."—[*Official Report*, 20 August 1940; Vol. 364, c. 1167.]

I must mention the bombers at this stage, because it is a common misconception that Churchill was referring only to the fighters. He was, of course, referring to those who had taken the fight to the enemy. I mentioned my grandfather, who was in the Volunteer Reserve. He was called up at the beginning of the war and while the fight was going on above the skies of where we stand now, he was navigating his Wellington to bomb invasion barges along the ports of northern Europe and later took part in the first raid on Berlin, which caused Hitler, in a rage, to direct Goering to take attacks away from Fighter Command's airfields and on to London. Although that was a tragedy for the civilian population, it meant that Fighter Command had a chance to get back to full strength. That is a good example of how someone from any walk of life could play a great role in history.

Throughout the rest of the war, the Air Force carried out every role imaginable: coastal defence, convoy protection, resupply, and the mostly hotly contested issue of the war years—the strategic bombing campaign. Perhaps today is not the time to debate that, but from a military perspective it is undeniable that for many years

only the RAF had the ability to take the war to the enemy at a time when Britain was at bay. From a political perspective, the need for a strategic bombing force grew out of the way that the Air Force was created, through the parliamentary debates leading up to 1917, to prove that there was a need for an independent, strategic Air Force, rather than a tactical air support force.

**Kevin Foster (Torbay) (Con):** The hon. Gentleman is making an excellent speech. Will he also reflect on the fact that the Air Force developed one of the first precision bombing missions in the form of the Dambusters raid? Of course, the last surviving British Dambuster, Johnny Johnson, was once a Torbay councillor.

**Robert Courts:** I am grateful for that excellent intervention; I was not aware that Johnny Johnson was a Torbay councillor. He was the pioneer of what would, once the technology was there to do it, become the way that the RAF operated—through the precise targeting of strategic objectives. Of course now that is entirely the way the RAF operates, but what is striking about his time is that whereas now we have technology, the technology used by the Dambusters was extremely basic—it was essentially basic geometry and physics.

Post-war, the RAF was called on to go to the aid of people against whom it had fought only shortly before—the besieged people of Berlin, in the Berlin airlift. It is moving, in reading about the Berlin airlift, to realise what gratitude there was to the RAF only a few years after that most terrible of conflicts. In the '50s and '60s, the RAF was the carrier of the UK's independent nuclear deterrent, with the V-Force, and the famous fighter types, such as the first Lightning, showcased the very best of British engineering, much as the Red Arrows and the Tornado, Typhoon and F-35 Lightning II do today.

The RAF today is the world's first and most famous independent air force. It has a brand that is recognised throughout the world as signifying quality, courage, adaptability, bravery and innovation. Next year gives us a wonderful opportunity to commemorate 100 years of extraordinary skill, sacrifices and achievement, to celebrate the professionalism and dedication of today's RAF and to inspire future generations by telling its unique story. The RAF 100 campaign kicks off next week on 29 November, commemorating the Royal Assent to the Act with a reception in Speaker's House. The national "Never Such Innocence" arts competition has been launched, along with the RAF Youth/STEAM programme for science, technology, engineering, arts and design, and mathematics this autumn.

We can look forward to a full programme of events next year, all over the country. I encourage all hon. Members to look for their nearest one. There will be a tour of historic aircraft and a centenary service in Westminster Abbey, followed by a parade in the Mall and mass flypast, which I am promised will be a spectacle unparalleled in modern times, with a global audience of millions. That will do what the Air Force has always done—it will reinforce the UK's position at the forefront of defence aviation excellence and inspire the next generation.

The event will show us just how far we have come. Where once we had canvas and wood, we now have high-tech composites. Where once the skill required for

[Robert Courts]

flying was horsemanship, now a degree in engineering is perhaps more helpful. Where once we had an all-male service, now the RAF is the first service to allow women to serve in all branches. It is a service where everyone, from all walks of life, is welcome and is helped to fulfil their potential. We have an Air Force where training is conducted jointly with the Army and Navy, where appropriate, and where the F-35 Lightning will be operated jointly by the Army and Navy alike. Above all, where once an air arm was a novelty, now no commander would countenance a contested battle space without the control of the air. In the past 100 years the RAF, and the understanding of the practice of air power, have come of age; and that all began 100 years ago, here in Parliament.

3.23 pm

**Kevin Foster** (Torbay) (Con): It is a pleasure to serve under your chairmanship, Sir Henry. I shall keep my remarks rather brief, as I must return to the Chamber in the not-too-distant future. I congratulate my hon. Friend the Member for Witney (Robert Courts) on securing the debate. There is of course a link between our constituencies, in that Torbay has just offered the freedom of the borough to RAF Brize Norton, in recognition of the long links between the RAF and Torquay and Paignton—in particular, going back to world war two, when many of our hotels were requisitioned as hospitals for those injured in the fighting.

As I mentioned in my intervention, there are other links. As a teenager I met Johnny Johnson, who has been given an honour to recognise him and that whole generation, and in particular that squadron of heroes who trained hard and operated in absolute secrecy before taking on the most famous and iconic mission that the RAF—or certainly Bomber Command—engaged in during world war two. There is a story about one of his comrades being carpeted for having rung to tell a girlfriend he would not be able to make the cinema that night. When he asked “What should I have done?” the answer was “Simple. You should have left them there. They would have worked out after about an hour that you weren’t coming. When you next met them, you should have told them, ‘There’s a war on,’ and that you cannot tell them why, and that’s it.” That was the sort of sacrifice that all of them were making, and the sort of professionalism that they had to show.

The RAF today is as relevant as it was in 1917, when Parliament voted to create it. Yesterday the first RAF aircraft to land in Argentina for some time took vital equipment there, in the hope of being able to help to rescue the submariners who may be trapped at the bottom of the sea. That shows the adaptability of the RAF—it has the ability to get resources to a country where they are needed. Similarly, they provided support to our overseas territories where, after an airport had effectively been destroyed by a hurricane, they could land, secure the base and make it ready to receive further shipments.

The RAF is a force that epitomises the highest level of professionalism, but it is not only a question of the force that serves—there is a whole RAF family. I know from dealing with the Royal Air Forces Association group that meets at the Raffles Club in Torquay, and its chairman Steve Colhoun, that although people

may leave the Air Force, it never really leaves them. There is that sense of duty and dedication, as well as the skills that they have learned, and the sense of family; there is support for those who have served, and for their families.

I hope that we can look forward to further development of the Air Force, and to its playing a key role in the next 100 years. My hon. Friend the Member for Witney talked about the change from canvas and wood to composites. It will be interesting to see what happens with a change from manned aircraft being the usual thing, to systems that are not autonomous but unmanned. What challenges will that present? We regularly hear discussion of what drones can do, in terms of being able to hang over targets, and their surveillance and strike capabilities, but what will be the opportunities as technology moves forward? If in the future there is something like the massed formations of world war two, it is likely that many of the aircraft will be based on a mother ship and that many will be completely unmanned. That new technology will bring challenges for policy makers, including for future space policy. In the same way, our forebears had to struggle with the fact that big guns at the mouth of the Thames would no longer protect London from enemy attack, if a roof for the fortress was not provided by the air force.

This debate is a welcome chance to recognise all those who have served, and I am pleased to have had a few moments to make a brief tribute to the many people who have served our nation with such distinction in the last 100 years.

3.28 pm

**Douglas Ross** (Moray) (Con): It is a pleasure to serve under your chairmanship, Sir Henry. I congratulate my hon. Friend the Member for Witney (Robert Courts) on securing this important debate.

It is my great privilege to represent a constituency with a long and distinguished association with the Royal Air Force, which continues to this day. I was honoured to be present earlier this month, along with my hon. Friend the Member for Berwick-upon-Tweed (Mrs Trevelyan), at a ceremony at RAF Lossiemouth in Moray. The First Secretary of State unveiled a frontline Typhoon jet, which was renamed Sir Roderic in honour of an RAF tradition born of one family’s tragedy in 1941. I am sure that many hon. Members present for the debate who have an association with the RAF will be aware of the story of the MacRoberts, but I shall tell it briefly, as I think it is important to mention it today.

In 1941, Lady MacRobert lost two sons who flew with the RAF within six weeks of each other. Roderic was only 25 when he was killed leading a Hurricane aircraft attack on German positions in Iraq. Iain, aged 24, was declared missing in action after his Blenheim aircraft failed to return from a mission flown over Shetland. His body was never found. Their older brother Alasdair had been killed in a civil aviation accident in 1938. The response of Lady MacRobert was to buy a £25,000 Stirling bomber for the RAF, stipulating that it be called MacRobert’s Reply. In 1942, Lady MacRobert donated a further £20,000 to purchase four Hurricane fighters, which were sent to RAF operations in the middle east. Three were named after her three sons and the fourth was named after her. A succession of RAF

aircraft have carried the MacRobert name ever since. I had discussions with the MacRobert Trust in Lossiemouth earlier this month, and it continues to do excellent work to this very day.

RAF Lossiemouth was on the frontline during the second world war. For instance, one officer and two aircrew members were killed on 26 October 1940, when Lossiemouth was attacked by the Luftwaffe for the first time. Several aircraft were destroyed and three hangars were damaged, and the resultant holes from the cannon fire are still visible today. The famous Dambusters squadron, which we heard about earlier, launched its raid on the battleship Tirpitz in November 1944 from Lossiemouth. The squadron returned to the base the year I was born—1983—flying Tornado aircraft, prior to being disbanded from service in March 2014.

In addition to RAF Lossiemouth, we have RAF Kinloss, which was commissioned in 1939 and served as a training establishment during the war. It provided the aircrew that defended our islands and took the fight to the enemy. More recently, Kinloss served with great distinction as a base for the Nimrod fleet, and before that the Shackletons, which patrolled our shores for many decades. Although the RAF has since departed from Kinloss, its tradition with the armed forces continues—39 Engineer Regiment has found an excellent home there.

Since the war, Lossiemouth has been a major base for the RAF, apart from a gap between 1946 and 1972 when the Fleet Air Arm operated from the base, during which time it was known as HMS Fulmar. It distinguished itself during the Gulf war in the 1990s, when Buccaneers flew regularly over Iraqi airspace on pathfinding missions. The Buccaneer force became known as the “Sky Pirates”, in reference to the maritime history of the Buccaneer. Each aircraft had a Jolly Roger flag painted on the port side, along with nose art featuring female characters. In recognition of the plane’s Scottish roots, the Buccaneers were named after famous Speyside Scotch whiskies, including Glenfiddich, Glen Elgin and Macallan—I am sure many will be happy that the Chancellor of the Exchequer continued the freeze on whisky duty yesterday—which ensured that two great Moray traditions were combined: service in our armed forces and an appreciation of some of our finest malts.

Lossiemouth is now one of the two main operating bases for the Eurofighter Typhoon FGR4 in the United Kingdom, and is home to three frontline units that operate the Typhoon, each of which contributes to the quick reaction alert capability, which provides continuous protection for UK airspace. The UK Government plan significant investment at Lossiemouth to accommodate the RAF’s new fleet of Boeing P-8A Poseidon aircraft, which are expected to enter into service in 2020.

In October 2016, when I was a Member of the Scottish Parliament, I was delighted to become the first ever UK politician to be offered the chance to fly in a Poseidon P-8. The predecessor of my hon. Friend the Member for Witney had been in a P-8 at the Farnborough air show but had never got into the skies in one, so I had the accolade of being the first ever UK politician to get up in the skies in one and to see at first hand the new aircraft’s capabilities. It was a great experience to see Moray from the skies and the flight deck, and to hear the RAF aircrew’s excitement at bringing that new type into service and back to RAF Lossiemouth.

So many people who come to RAF Kinloss and Lossiemouth want to stay in Moray, and a great thing for people who stay in Moray to do is to celebrate our history. There is no better way of doing that and showing how much we appreciate our connection with the Royal Air Force than through our excellent visitor attraction, Morayvia. Morayvia is a charity set up in 2011 by former RAF officers and civilian enthusiasts who wanted to preserve the last remaining Nimrod at Kinloss—the XV244. Since then, the group has grown from the original board, and now has more than 150 members from around the world. The project goes from strength to strength. A visitors centre has been established at the former primary school at Kinloss, and it has been transformed into an outstanding visitor attraction for local people and visitors. Its four-star rating from VisitScotland is testament to the many members and volunteers of Morayvia, who have supported that active organisation, and an extremely active board of directors led by chairman Mark Mair.

Morayvia has many fantastic exhibits, including Sea King, Wessex and Dragonfly search-and-rescue helicopters. They sit alongside an Antonov An-2 biplane and cockpits of Canberra, Vampire and Jet Provost aircraft, which visitors can sit in and experience. Visitors are shown around by former aircrew who either flew in or worked on them. Those former servicemen are Morayvia’s greatest asset. They share their interest, enthusiasm and passion for the aircraft and the RAF with future generations who visit in significant numbers every year.

The pride that all of us in the UK have—it is fitting that we describe our pride as we come to the 100th anniversary of the Royal Air Force—in our connection with the Royal Air Force is shared by all of us in Moray, given our historical association with the RAF. It is clear that there is great satisfaction to be had in knowing that our relationship with the Royal Air Force not only has been great in years past but will continue for many decades to come.

3.36 pm

**Robert Jenrick** (Newark) (Con): It is a pleasure to speak in this debate. I am grateful to my hon. Friend the Member for Witney (Robert Courts) for organising it. I grew up a few miles from RAF Cosford in Shropshire. My childhood was spent looking up to the Shropshire skies and seeing the aircraft training, and visiting the wonderful museum that the RAF created at Cosford.

I have the privilege of representing Newark, a border town between Nottinghamshire and Lincolnshire. In our part of the world, although we do not have the hills of the Welsh marches, we have big skies—“big skies and big hearts”, as local people say in Lincolnshire. When we look up to those skies today, we see all sorts of aircraft representing the full history of the Royal Air Force, from the battle of Britain memorial flight that visits our fairs and fetes in every village over the summer, to the Red Arrows down the road at Scampton, to training flights from RAF Syerston in my constituency and Cranwell—one of the homes of the Royal Air Force. Typhoons and Tornados train at RAF Coningsby but are also on active service, keeping the United Kingdom safe.

Newark has been at the heart of the RAF story from its very beginnings. When T. E. Lawrence was a young trainee officer down the road at Cranwell, he would come cycling for a good night out in Newark. There is an excellent exhibition at Newark Civil War Centre at

[Robert Jenrick]

the moment, where people can see the motorbike on which he cycled into the town. He used to give money to a local lady—Ruby Bryant—for looking after him and his various love interests in the town. Over the years, things have not changed. Officers, cadets and members of the Royal Air Force over in Lincolnshire like to come a few miles down the road for a good night out, which Newark continues to offer.

Today, we have RAF Syerston—a station operating Wellington, Manchester and Lancaster bombers—which was once part of Bomber Command. Thanks to a £15 million fund from the Ministry of Defence, it will be the hub for training air cadets throughout the United Kingdom. Newark, like many other towns, has a proud tradition of air cadets: they were out on parade only the other day for Remembrance Sunday.

During the second world war, we had many RAF bases—at Balderton, Newark, Ossington, Newton and Winthorpe. Some of them remain; some are merely part of our rich local history. Winthorpe is now an excellent air museum, which I thoroughly recommend for anybody who happens to be in the Newark area.

Newark today is also the home of the national Polish airmen's memorial. Anyone who comes to Newark cemetery, which has been beautifully preserved by the Commonwealth War Graves Commission, will find the graves of 397 brave Polish airmen. Also buried there for many years was General Sikorski, who was the general in charge of the Polish forces and, of course, one of the great heroes of the Polish people. He died in 1943 and was buried in Newark. His return in state to Poland in 1993 after the fall of the Berlin wall was one of the great occasions marking Poland's return after an era of sad decline under communist rule. We retain those connections and the close links with the Polish community.

For us in Newark, with such a large Polish community, that war graves cemetery—only the other day we celebrated the annual All Souls' Day service there—is a living memorial of the ties that will always bind the United Kingdom and Poland. In my constituency we will always maintain—I hope—good relations between the two integrated and respectful communities.

We have also heard today about Johnny Johnson, who was for many years a teacher in Newark and is often still seen at the Collingham agricultural show on his buggy, whizzing around and getting as much excitement and applause as the battle of Britain memorial flight always does at the end of the show. Only a couple of years ago it was my privilege to meet Johnny when Lord Hague was in Newark promoting his excellent book. I was delighted to see on 7 November that Johnny received his perhaps belatedly awarded MBE.

The community in Newark has always supported the RAF and has borne costs for doing so, such as bombings during the second world war. On 7 March 1941 a bomb was dropped on the giant Ransome & Marles factory in Beacon Hill, killing 41 local people, mostly women working in the munitions factory and producing parts for the RAF, and injuring 165 others. That was a big blow to what was then a small agricultural town.

Today hundreds if not thousands of my constituents are veterans, people who worked on the many RAF bases in Lincolnshire, loved our area and came back to settle. Many of the doors I knock on belong to people

who were in the RAF—a veteran, perhaps the widow of someone who served in the RAF or a young couple, one of whom is working in the RAF.

I am in this debate on behalf of the people of Newark to salute the people and the serving men and women of the Royal Air Force. I say to the gents who prop up the bar of the Royal Air Force Association club in Newark, the memories cast of T. E. Lawrence and the servicemen and women of the past, the young cadets who are the lifeblood and future of the RAF and, above all, the thousands of men and women serving today who call my constituency their home or spent parts of their lives in it: we salute you, we thank you for your service and we wish you another 100 years to come.

3.42 pm

**Douglas Chapman** (Dunfermline and West Fife) (SNP): It is a pleasure to serve under your chairmanship, Sir Henry.

I thank the hon. Member for Witney (Robert Courts) for securing the debate. I am sure that everything he said will be welcomed by many RAF personnel, past and present, and their families. If any of my young constituents want a quick precis of the history of the RAF, I will point them in the direction of today's *Hansard*. The background he gave us was a tour de force for where the RAF has been and comes from—it was something to behold.

The RAF has always been at the forefront of technology and we can only imagine what it must have been like in 1918 when flying was a great novelty and aircraft design was very much in its infancy. Despite huge strides in that period, the RAF was still very much seen as an ancillary service to land and sea operations during the first world war. Nevertheless, it played a vital role in securing victory. The second world war, however, brought air power to maturity. The aeroplane became a decisive weapon and the outcome of land and sea operations depended on the command of the airspace and having air superiority.

Between 1939 and 1945, the RAF was at the forefront of all operations and, as we all know from our second world war history, it prevented the invasion of Britain, and supported our armed forces in north Africa, Italy, north-west Europe and the far east. The RAF fought continuously around the coast of Britain and over the north Atlantic to protect convoys, as well as in the Mediterranean and the Indian Ocean, while carrying out countless bombing missions into the heart of the then enemy and now—for the time being—European partner, Germany.

The RAF has been on active service in, for example, the Falklands, Afghanistan and Iraq and has supported our ground troops. The level of support that we have had over the years has been second to none during all those campaigns. Through its expertise, the RAF has protected the lives of many of our troops. We can also celebrate the innumerable instances in which the RAF has provided humanitarian support in areas throughout the world under threat of famine or flood.

The RAF is moving into a new era with the American-built F-35 fighter jets and the recently ordered Boeing P-8 reconnaissance aircraft, and the technology of those aircraft is at the cutting edge of flight. The same can be said of the technology that enhances RAF firepower and capability in the air. That, too, is something to behold.

I cannot help but think, however, that the RAF has been let down badly by the Government, especially in that vital area for Scotland of maritime patrol aircraft. I am sure that I am not alone in the Chamber today thinking that the Government's decision to scrap the Nimrod fleet, which operated out of RAF Kinloss, was a huge mistake and an error of judgment. In the intervening period since then we have seen a greater number of Russian submarine incursions off the north coast of Scotland—in fact, more than we had during the cold war.

**Douglas Ross:** I did not intervene on the hon. Gentleman earlier because we seemed to be having an extremely consensual debate. I will not dwell too much on the point, but will he also accept that despite the disappointment in 2010 about the Nimrod being scrapped, there were safety concerns? Those valid concerns about the Nimrod were expressed by aircrew and their families. The P-8 is a modern aircraft that will do a great job, as the Nimrods did previously. Now we will be covered by that important aircraft based in my constituency at RAF Lossiemouth.

**Douglas Chapman:** I accept what the hon. Gentleman said about the safety of the aircraft, but we have been left with a capability gap. When the then Secretary of State for Defence, the right hon. Member for Sevenoaks (Sir Michael Fallon), gave evidence to MPs last month, he described the “extraordinary increase” in submarine activity off the north of Scotland.

In the meantime, since the Nimrods were scrapped in 2010, the RAF has unfortunately had to watch from the sidelines as our coast and seaways have been protected by maritime patrol aircraft from Canada, the USA, France, Norway and other NATO allies. The Nimrods have performed that vital role since 1971, after taking over from the Shackleton aircraft. Anyone who takes pride in the RAF will be disappointed that the new P-8s, which the hon. Member for Moray (Douglas Ross) spoke of, will not be in service until beyond 2020, meaning that we will not have had full air superiority in and command of our airspace for a period of 10 years. However, this is more of a plea to the Minister, rather than a criticism, given that we are all here to celebrate the RAF in its full glory. We must be attuned to some of the threats that face us and make sure that we have continuous capability over all those areas.

Finally, we have many serving and retired personnel from the RAF in our constituencies. On behalf of the Scottish National party, I thank them all for keeping the whole nation safe for the past 100 years. I hope that decisions can be made to prepare the RAF for the times that lie ahead, keeping it at the cutting edge of technology.

3.48 pm

**Fabian Hamilton** (Leeds North East) (Lab): I apologise once again for being a little late this afternoon, Sir Henry, thanks to the train service from Birmingham.

This has been an important and timely debate, and I am grateful to the hon. Member for Witney (Robert Courts) for securing it when there is much to celebrate about the past 100 years of the Royal Air Force. He made an important contribution to the debate, reminding us of the importance of the RAF in winning the battle of Britain, about which I will say more in a minute. He also reminded us that by the end of the first world war

—by 1918, the actual centenary of the formation of the Royal Air Force—there were 290,000 personnel and a staggering 23,000 aircraft in the RAF.

We then heard from the hon. Member for Torbay (Kevin Foster), who reminded us that the RAF is as relevant today as it was in 1917-18. Of course, he is absolutely right. The hon. Member for Moray (Douglas Ross) told us about the Lossiemouth base, which is one of the most important bases for the RAF, about the Scottish roots of the RAF—I am sure that whisky is important to the RAF—and the fact that the Eurofighter Typhoon aircraft are based at Lossiemouth. Then we heard from the hon. Member for Newark (Robert Jenrick), who spoke with great knowledge, representing a constituency that has huge roots and an important role in the RAF. He told us of the crews and personnel who live in his area and that the Red Arrows were just down the road. I remember those English Electric Lightning aircraft from my youth, in the 1960s. I think that RAF Coningsby is very nearby, and Newark is at the heart of the RAF's story, he said. Many thousands of veterans live in his constituency.

Labour welcomes this debate and the chance to highlight the work of the RAF during its hundred-year history. We would like to thank all those who have served or are serving in the RAF for the sacrifice and contribution that they make and have made to the defence of our nation.

On 29th November 1917, the Air Force Constitution Act received its Royal Assent. Today is the 24th, I think, so in just a few days we have the hundredth anniversary of Royal Assent.

**The Parliamentary Under-Secretary of State for Defence (Mr Tobias Ellwood):** Today is the 23rd.

**Fabian Hamilton:** My apologies; it is the 23rd—so in just six days' time. I do not even know what day of the week it is.

**Mr Ellwood:** It was a long train journey.

**Fabian Hamilton:** That's Virgin Trains for you. But I should not advertise.

On 1 April next year, we celebrate the 100th anniversary of the Royal Air Force actually coming into existence. It was the threat of war with Germany in the 1930s that resulted in the rapid expansion of the RAF. New stations were built, new aircraft were ordered and the strength of the RAF increased from 31,275 personnel in 1933 to 264,346 by 1939. At the end of the second world war, the strength of the RAF stood at more than one million. By 1948, of course, that had dropped to less than 250,000, and two years later it was less than 200,000. By 1979, the strength of the RAF was just over 86,000 personnel. The end of the cold war and the reconfiguring of the RAF for expeditionary warfare saw a further reduction in manpower.

I will turn to one of the most important points that the hon. Member for Witney made in his opening remarks, which is the battle of Britain. As I said earlier, I am a child of the '50s and '60s—and probably one of the older Members in this room—and I remember many of the films of the period, such as “366 Squadron”. We were brought up on those movies. “The Dam Busters”

[*Fabian Hamilton*]

was slightly before my time, being born in '55, which was the year it was made, so I do not remember it opening.

Sir Henry, if you will permit me for one minute, I will share a couple of personal recollections. "The Dam Busters" was about Operation Chastise, on 16 to 17 May 1943. We all remember that it was Sir Barnes Wallis who invented the bouncing bomb, but how many of us remember some of the other people involved? I am very privileged to have as one of my closest friends the grandson of Sir Benjamin Lockspeiser, who was the co-inventor of the bouncing bomb, and who died just months before his 100th birthday in 1990. He was one of the most influential inventors of the time, and with Barnes Wallis he invented a weapon that brought the war to an earlier close than it might have had. These are the people who are often forgotten.

Benjamin Lockspeiser was honoured after the war for his role, but there are many like him who worked hard to ensure that we could win the war and stop Hitler's Operation Sealion, which started in July 1940, from invading Britain and therefore removing the last democratic obstacle to his domination of Europe. In order to do that, he had to destroy the RAF's ability to attack his forces. We should never forget that the RAF was outnumbered 5:1 by the Luftwaffe in both machines and men. It was the first significant strategic defeat suffered by the Nazis during the second world war. Of course, the war was to last another five years.

My late father was at that time a pupil at Brentwood School, in Essex. It was a boarding school; he had come to the country as a 12-year-old from continental Europe to escape the fascist persecution of the Jews. He was on fire duty one night in 1940 as the battle of Britain was taking place over Brentwood. Hon. Members present probably do not know that area of Essex; Brentwood School is on hill, and Warley barracks is on the next hill. The Luftwaffe used to bomb Warley barracks regularly, but sometimes it got confused and bombed the school instead. When they dropped a bomb on the cricket pavilion, the deputy headmaster said to my father, who was on duty at the time, "Let it burn; we need a new pavilion." That was one of the stories I best remember from my father's wartime exploits. He ended up in the RAF himself in 1945. He never told me exactly what his duties were, but I know that at one stage, after having volunteered, he was parachuted into occupied France. That is a direct, personal connection.

Many of us who are children of that era remember building the Airfix kits. I do not know how many hon. Members in this room remember those Airfix kits—I am looking round to the boys.

**Mrs Anne-Marie Trevelyan** (Berwick-upon-Tweed) (Con): Sexism, sir!

**Fabian Hamilton:** And the girls. Surely, the hon. Lady is not old enough to remember such things. I remember building the kits of Spitfires, Hurricanes and Mosquitos out of balsa wood. I think the real aircraft were built out of balsa wood as well—those Mosquitos were very flammable, but they were extremely fast. The technologies of that time enabled the RAF to be so superior, in spite of the fact that it had fewer personnel and fewer machines—the Rolls-Royce Merlin engine was the engine that

powered the Spitfire. Indeed, when the film the "Battle of Britain" was made in 1968, I think, they re-enacted with original Spitfires and Hurricanes the battle over Brentwood School, which I was a pupil at, too, during that period.

The RAF is an important strand in the lives of all of us who grew up after the war in the '50s and '60s, and subsequently. The cost of the battle of Britain was very high. Of the nearly 3,000 air crew who fought, 544 lost their lives and of the remainder, a further 814 died before the end of the war. We should remember that not all those fighters were British. Fighter Command was a cosmopolitan mix, and some reference has been made to that this afternoon. There were 141 Poles, 87 Czechs, 24 Belgians and 13 Free French killed, who swelled the ranks of those who died fighting in the RAF as pilots and other crew in the battle of Britain and throughout the second world war.

As of October 2017, the RAF consists of 30,560 full-time, trained personnel, against a 2020 target of 31,750. The RAF as we know it today—reference has been made to this already—is at the centre of the UK's fight against Daesh. In fact, in March this year I was privileged to visit RAF Akrotiri and Dhekelia in Cyprus with the shadow Defence Secretary, my hon. Friend the Member for Llanelli (Nia Griffith). Akrotiri was the staging point for Operation Shader, the UK's military campaign against Daesh. We saw just how brilliantly well the RAF works today in spite of the many pressures on it.

Another point I want to make is about equality, which other hon. Members have referred to. The Women's Royal Air Force was formed in 1918. Although the Women's Auxiliary Air Force was disbanded in the 1920s, it was reformed in June 1939 as a result of the outbreak of the second world war. On 1 February 1949, the permanent service came into being, under its old name of the Women's Royal Air Force. The RAF has been at the very forefront, integrating its women's service in a meaningful way. In 1994, the WRAF ceased to exist as a women's service when it merged with the RAF and female personnel were fully integrated on the same rates of pay and subject to the same regulations as their male counterparts.

The RAF has been consistently praised as an excellent employer for women and has been named in *The Times* top 50 list of employers for women on more than one occasion. Not only that, but the RAF has the largest proportion of female officers: 16.9% of regular officers and 22.7% of reserve officers are women. The current target for women in the armed forces is 15% by 2020, but the RAF plans to raise its target to 20% by 2020. The RAF also created the first female two-star military officer. Air Vice-Marshal Elaine West was the first woman since the second world war to become a non-honorary air vice-marshal or equivalent in the British armed forces, and the first to achieve that rank in the regular forces. The RAF currently has three female officers of two-star rank, compared with one in the Army and none in the Royal Navy. In September, the RAF became the first service to accept women in all roles, including close combat roles.

We have had a very good debate, and I wait to hear what the Minister has to say in conclusion. I thank the hon. Member for Witney once again for bringing this important anniversary to public attention. I hope that this is the first of many celebrations.

4 pm

**The Parliamentary Under-Secretary of State for Defence**

**(Mr Tobias Ellwood):** It is a real pleasure to respond to this interesting and informative debate. I join others in congratulating my hon. Friend the Member for Witney (Robert Courts). I am afraid there is an expectation that the hon. Member who has the job of representing Brize Norton will have to deal with and support the RAF and the armed forces as a whole. My hon. Friend does so not simply because it is his duty, but because he is passionate about it. That is reflected not only in the fact that he secured this debate but in the manner in which he illustrated his points and invited us to look at the contributions made by people in all our constituencies and across Britain in the past 100 years. The 100th anniversary of the Air Force (Constitution) Act 1917 marks the beginning of a series of 100th anniversaries that I am pleased to say we will be able to enjoy over the next year and about which I will share some details.

My hon. Friend mentioned the pioneering spirit of the era, which was very much reflected in the formation of the RAF. These were dangerous forms of transport. They were really prototypes of the day. The flash to bang time—the time between the things being created as prototypes and being put into operational use—was very short indeed compared with the procurement process that we endure today, hence there were so many accidents of one form or another.

My hon. Friend also mentioned the forebears who laid the ground for our air capability and dominance. Those included the people involved in the balloon factory that was opened in 1878 and the Air Battalion, and even the generals who initially refused even to incorporate and understand the benefits of the tank. They were certainly not going to look at the skies and say, “We really need something else,” yet when the era of photography began and intelligence could be gleaned from the skies about what the Germans were up to on the battlefield, it became evident that air capability would have an interesting use. That was even before the kinetic aspect of the Air Force came into being.

My hon. Friend and others spoke about the huge loss and sacrifice that was made, and about the stoicism of individual pilots. In some cases, they paid their mess bills before they left, not knowing whether they would return the next night. Because of their commitment to duty, crews were unable to grieve and appreciate the loss of their friends until the war was over. He also mentioned Operation Sealion—that huge threat that Britain would face. Eventually, although the Air Force had lesser forces, its professionalism, capability and determination not to allow the skies to fall forced Hitler to look at other theatres of operation, namely Barbarossa in the east. By protecting UK airspace and, indeed, our land, which the Americans were able to use as a base, the Air Force allowed us to bring the war to a close. It is important to recognise the huge contribution and sacrifice that was made from the air in relation to the other components of the second world war.

My hon. Friend the Member for Torbay (Kevin Foster), too, paid tribute to the Air Force capability in his constituency. He invited us to consider what will happen next with unmanned aerial vehicles and autonomous aircraft. We are in an exciting, if perhaps curious period. We can now see those aircraft. They are very much on the horizon—they are coming. Drones are operating now.

I will come on to that, but what happens to pilotless planes in the theatre of operation? The Chancellor did not mention them yesterday—he did not venture too far beyond pilotless cars—but they bring into question the ethics of warfare and the rules of engagement, given their operators’ distance from the activity. Our love of flying and the need to use the mark 1 eyeball as opposed to a camera lens mean that it will always be necessary to have manned capability—if nothing else, to show presence, status and ownership of the skies from a human perspective.

My hon. Friend the Member for Moray (Douglas Ross) spoke about the MacRobert Trust and shared an interesting story from his neck of the woods, which we will benefit from. He also mentioned RAF Lossiemouth in his constituency, which has a wonderful history and continues to make a great contribution to the armed forces as a whole. I look forward to visiting his constituency in the near future. RAF Lossiemouth is now a significant base. The quick-reaction Typhoons are there, and the P-8s will be there to provide maritime capability. I am pleased that as we reconcile the defence estate across the United Kingdom—Scotland does very well out of that—Lossiemouth will continue to be an important military hub.

My hon. Friend the Member for Newark (Robert Jenrick) paid tribute to a variety of the historical connections of his constituency and its surrounds. He was the only hon. Member to mention the importance of air cadets. As we talk about the anniversary and the last 100 years, we must think about the next 100 years. The air cadets ensure that we embed that acorn of desire in people—that we encourage them to participate and make them want to put the uniform on. I am pleased that our cadet programme in the United Kingdom is growing, and I am very pleased that my hon. Friend raised it. He touched on Remembrance Day, where the air cadets also come in. That is our opportunity to pay tribute to and to thank, in a reverent manner, those who have fallen for our today.

My hon. Friend also spoke about General Sikorski and our commitment with our NATO allies, and about the huge contribution not just of the Polish but of other nations to us working together in the war effort. He also mentioned the Red Arrows, who are wonderful ambassadors for what our armed forces do. They operate not just in Britain, at the various air shows and displays and on commemorative days, but abroad, too. They were recently in the Gulf and elsewhere, demonstrating the capability, determination, professionalism and high standards of our pilots. Long may that continue.

A consensus had built up during the debate, but the hon. Member for Dunfermline and West Fife (Douglas Chapman) just grazed the edge of that consensus in teasing us with his views on Nimrod. I remember coming into Parliament and discussing that matter. The Nimrod replacement programme had gone on for a long time. It was based on the old Comet framework; it was not working. There were then accidents, and my hon. Friend the Member for Moray is absolutely right that that aircraft needed to be looked at. Where I take issue with the hon. Gentleman is with his suggestion that we somehow lost operational capability. We continue to ensure that we keep our skies and these islands safe. If we lose one capability, it is replaced by other assets, including Type 23s, submarines, Merlin helicopters

[*Mr Tobias Ellwood*]

and, yes, our allies. This is part of a NATO effort, from an intelligence perspective, to keep us aware of what is happening in the Nordic seas. We therefore do work with our allies. I am pleased—and grateful that he recognised—that the P-8s will be coming online in a couple of years' time, and they will operate from Lossiemouth.

I turn to the Act we are recognising here today, which created the Royal Air Force. It was born with a meeting of minds between two prominent political figures at the time, Prime Minister David Lloyd George and General Jan Christiaan Smuts, in response to the seemingly unopposed German air raids taking place over London in the summer of 1917. In ensuing reports, General Smuts provided a vision of a central body, independent of the Navy and indeed the Army, of professional qualified airmen, able to advise and direct operations from an air arm.

With the assent of Cabinet, the vision was enshrined in the Air Force (Constitution) Act 1917, which is what we are discussing, debating and recognising here today. With the amalgamation of the Royal Naval Air Service and the Royal Flying Corps on 1 April 1918, the Royal Air Force was established. From the Royal Air Force's infancy, it was clear that the creation of the world's premier independent air force was an inspired decision. The new service helped to seal the victory in the first world war.

Hon. Members will know of the RAF's many crucial interventions during the second world war—we have discussed many of them today. One of those heroic endeavours in defence of the United Kingdom was during the battle of Britain, as well as in other battles. We rightly commemorate those. The few, as my hon. Friend the Member for Witney mentioned, and those who supported them delivered a decisive victory and paved the way to ending a war that had gripped the world for so many years.

The RAF has always had an overseas element, and its contributions to the world stage continued during the cold war, following the second world war. The Berlin airlift is a great example of that, when it delivered essential supplies to the people of West Berlin in the first major humanitarian exercise in modern history. The RAF would go on to do many aid missions, flying around the world to provide humanitarian support.

Let us not forget what happened in 1982, in the Falklands campaign. Many of us of that age, understanding what was going on in the world, can still see those incredible pictures now of the Vulcan going down there, punching holes in the runways, and then the fantastic flotilla being able to go down. Against the odds, but because of our professionalism and the combined effort from air, sea and land, we were able not only to liberate the Falklands but to continue to defend them. That, I believe, sent a message across the world that, when we were required to do so, we would protect ourselves and our sovereign territory—and, in that case, the Islanders' right to govern.

More recently, we have had frontline jet squadrons operating in areas across the Gulf, first in the Gulf war in 1991 and most recently against Daesh in Syria and Iraq. It is clear that they played a pivotal role, working with the coalition in the skies and training the armed forces on the ground, which allows us to look at those two countries now and say that they are free from

Daesh extremism. That does not mean that it is all over in any sense, but we can be proud of the role that the RAF provided.

More recently, this September the RAF was again in operation, in the hurricane season, carrying important freight and humanitarian aid—water, rations, shelters and so on—helping to support the people and islands of the Caribbean caught up in the hurricanes. History has shown that, whether employed in campaigns or providing vital aid around the world, time and time again in the past 100 years the UK has called on the RAF's service, and the RAF has delivered.

It is important for us to thank and recognise all those who have been involved, whose tireless endeavours have cemented the RAF's reputation as dedicated and professional—indeed, it is exactly what the 1917 Act envisaged a hundred years ago. It is fair to say that other air forces rate themselves by comparison with the RAF—certainly the Americans do, as do our NATO allies.

I turn to the commemorations that mark the anniversary. The capstone event of the centenary celebrations will take place on 10 July 2018 in London. That will allow us to both reflect on and commemorate the sacrifices made by our brave service personnel as well as to celebrate what the Royal Air Force stands for today. A memorial service, a parade and a flypast involving more than 100 aircraft, supported by more than 1,300 service personnel, will make it a truly unforgettable event.

We should not forget that the celebration is not just by the RAF for the RAF. It is for all generations of all walks of life across the UK to participate in. From a touring display of influential RAF aircraft involving six cities across the UK, to celebratory concerts and a baton relay, historic events will take place, including that taking place at Brize Norton, which I understand my hon. Friend is already involved with.

It should be mentioned that once service personnel have done their flying, packed up and handed over their uniform, they still need to be looked after. I am pleased that that concept is not new today as we ensure that we take care of our veterans; it is something that the RAF recognised needed to be done 100 years ago as well. I pay tribute to all armed forces charities, but today particularly those connected to the Royal Air Force. The RAF Benevolent Fund was set up in the early days by Lord Trenchard in 1919 to assist airmen following the end of the first world war. Charities provide integral support to the men and women of the Air Force. Much has been said about the role of women. We should not forget that while society prevented women from taking on a combat role, because they were pilots moving aircraft to and fro as well as instructors, and they were competent in what they did, they played a vital role. On reflection, society saw their contribution in the two wars, and that changed attitudes, providing greater opportunities for employment and for parity with men in what they could do.

**Kevin Foster:** Of course, the RAF played a role in delivering those incredibly brave women who operated as part of the Special Operations Executive in occupied Europe. While society at the time did not think it was right for them to be on the frontline, many of them held some of the most dangerous roles in the war, and many paid the ultimate price for doing so.

**Mr Ellwood:** One of the most moving places to go to is the Special Forces Club. It is difficult to get into, as one needs to know someone in the Special Forces to get in. However, once in there, there is a staircase where every picture that has a certain type of frame on it is of someone who was killed. The number of women in those portraits on that staircase is truly phenomenal. I therefore absolutely concur with my hon. Friend. The contribution they made to our society, doing the most difficult of tasks in another country, completely alone, is truly phenomenal. We owe them a massive debt of gratitude.

To turn to the future, we have touched on where things might go for the next 100 years and I am pleased to say that, thanks to investment—£178 billion of procurement is coming though over the next decade—we will have some state-of-the-art equipment that the RAF will be very proud of. The first 13 F-35Bs have been delivered and will become operational in 2018. We are upgrading the Typhoon so that it can take the Brimstone mark 2 missile. We have Protector, the UAV upgrade from the Reaper and Predator coming online. Watchkeeper is also proving to be a formidable asset. We have already mentioned the P-8A, a maritime aircraft that will be in Scotland in the very near future. There are exciting times ahead for the RAF and its service personnel.

The hon. Member for Leeds North East (Fabian Hamilton) made clear, giving interesting numbers that I will not repeat, the role that women are taking on. That is worth mentioning. The RAF leads in that. We want the brightest and the best in our armed forces, and that includes the RAF. We have a target to see an increase in women in the armed forces to 20% by 2020; and it is in the RAF that they are excelling and going beyond those numbers, and that should be recognised.

I recall, during the start of the coalition against Daesh, that one of the images we received across the desk at the Foreign and Commonwealth Office was of a pilot from the United Arab Emirates in the cockpit of an F-16, refuelling from an American tanker over Iraq—a female pilot. If that is happening, given all the sensitivities of that in the middle east, it shows us that there should not be a single role that women should be prevented from applying for. That is now the case right across our armed forces, but the RAF is leading the game on that and it is to be congratulated. Moving forward, we want to see not only more women in the armed forces but more people from black, Asian and minority ethnic communities. We should be trying to reflect the society that supports our armed forces.

Throughout its 100 years, the RAF has also sought to exploit its technological advantage. That is why we are looking to see the Lightning, the F-35, take its role at RAF Marham and the P-8 aircraft take its place at Lossiemouth as well. Allying the expertise of the RAF to state-of-the-art technology will give the RAF capability and influence far exceeding what simple numbers would imply. It is therefore fitting that we use the RAF's centenary to focus on and support science, technology, engineering and mathematics, and to deliver the largest STEM programme of any Government Department. I stress that because it will include STEM projects across the country and offer dedicated STEM residential courses at RAF bases. The Government's commitment to championing an interest in science and engineering in schools is clear, and the RAF is ideally placed to show young people of the United Kingdom how they can be applied in practice to deliver a modern Air Force.

Finally, the RAF recognises that the years that follow will be no less important to the Air Force than the 100 years we have discussed and reflected on today. We need to make sure that the legacy is carried forward. To ensure that it is, the RAF will build on Lord Trenchard's founding principles of training, education and excellence to create an RAF training, education and apprenticeship system for the next century, so that we are able to deliver the next generation Air Force. Training academies are planned for RAF Cranwell and RAF Cosford to make sure that that actually happens.

I hope all hon. Members will join me in wishing the RAF well in its centenary year, and I hope all will have the opportunity to support the events around the country commemorating its sacrifices, celebrating its achievements and inspiring future generations. I was very moved by a comment made by one hon. Member about the brand itself and when we mention somebody who has served in the RAF or an event that took place in the first or second world wars. As Minister for Defence People, it has become clear to me that it is the people who matter the most in our armed forces. If we do not have the professionalism of the people, if we cannot attract the best to come in and provide the best pilots and the best people to serve, we will not have the hard power that we strive for. If we do not have the hard power, then we do not have the soft power to do what Britain does best: play a role on the international stage. Extrapolating backwards, it is critical that we keep doing our best to recruit the best to join all our armed forces. Today, we pay tribute to the RAF, what has happened over the last 100 years and what will happen over the next.

**Sir Henry Bellingham (in the Chair):** I call Robert Courts to wind up; I would be grateful if he could try to finish by 4.30 pm so that the Question can be put.

4.24 pm

**Robert Courts:** I will certainly do that, Sir Henry. I am very grateful indeed to every hon. Member who has come along and made a contribution today. I wanted to have a wide-ranging debate that looked at every aspect of the Air Force, from its foundation 100 years ago, through history, to today and indeed to the future. I think we have done so, and I am grateful to everybody who has made such wide-ranging contributions, any one of which we could have turned into an entire debate. If hon. Members will pardon me, I will spend one or two moments picking out some things that I found particularly moving.

My hon. Friend the Member for Torbay (Kevin Foster) mentioned the whole RAF family; we must not forget the dedication and duty not only of those who serve but of their families as well. That is particularly important today as we look at the whole force concept, which is not necessarily only about people in uniform who are serving but is much wider. He also mentioned the recent visit of a Voyager to Argentina for the first time since the Falklands war, which, of course, flew from Brize Norton in my constituency.

**Kevin Foster:** Of course; where else?

**Robert Courts:** Where else? It very much marked one of the most moving things: old adversaries becoming friends. As the Minister said, the Air Force has a real

*[Robert Courts]*

soft-power role in making that very clear. He also talked about manned and unmanned aircraft, which is very much the debate of the future.

My admiration for my hon. Friend the Member for Moray (Douglas Ross) is unbounded after he managed to raise whisky and aviation in the same debate. They are not normally a pair that team up with happy results—or at least not when paired at the same time. I shall have to visit Morayvia, which sounds a wonderful place. The constituency of my hon. Friend the Member for Newark (Robert Jenrick)—that border town between those Air Force counties—is almost at the heart of the Air Force. He quite rightly mentioned air cadets, who are very much the future, and the role of the Polish community. I am very happy to hear how strongly commemorated that still is.

I thank the hon. Member for Dunfermline and West Fife (Douglas Chapman) for bringing us up to date with some of the current controversies, which, of course, there will always be in such important matters. I was moved by the references of the hon. Member for Leeds North East (Fabian Hamilton) to films and Airfix. Although those were light-hearted comments, he made very clear how the Air Force has become part of the nation's psyche and emotional make-up and I am grateful to him for making that clear in the way he did. He also referenced technology and the Mosquito—the old, wooden aircraft—which was at the forefront of technology and was, for a time, the fastest aircraft in the world. That was the technology then; we have different technology now.

I am grateful to the Minister for dealing with a large number of very important things, including the importance of STEM, humanitarian input—not only in Argentina but with the recent hurricane relief, which, again, came from Brize Norton in my constituency—and the professionalism

and dedication shown in the battle of Britain, with the incredible disparity in numbers, which was displayed then and always has been since. It was also shown in the Vulcan raids on the Falklands—the Operation Black Buck raids, which were the longest-ranged bombing raids in history. That incredible professionalism is on display today as it was in the 1980s and the 1940s.

I am also grateful to the Minister for rightly reminding us of the multi-layered aspects of defence, with regards to Nimrod and P-8A procurement, and for his comments about ownership of the skies, confirming the view that there will always be a need for a manned presence, in some aspects at least, although we accept and welcome the presence of unmanned aerial vehicles as well. He took us from the past all the way through to the present and on to the future, and I am grateful to him for doing so.

We all display our communities' enormous pride in our armed forces personnel. We have all spoken of those today, and very movingly, too—everything from Brize Norton to Newark to Lossiemouth and all over the entirety of the UK. We are all on the same ground here: we have the finest Air Force in the world and we speak very much of our assets. In military terminology, assets tend to be platforms or aircraft, but they are of course not really the main asset. The main asset is the men and women of our Air Force. They have always made the Royal Air Force what it is and what it always will be in the future. We salute all the serving men and women of our Air Force—past, present and future.

*Question put and agreed to.*

*Resolved,*

That this House has considered the 100th anniversary of the Air Force (Constitution) Act 1917.

4.29 pm

*Sitting adjourned.*

# Written Statement

*Thursday 23 November 2017*

## ENVIRONMENT, FOOD AND RURAL AFFAIRS

### Animal Welfare

**The Secretary of State for Environment, Food and Rural Affairs (Michael Gove):** This Government are committed to the very highest standards of animal welfare. As the Prime Minister has set out, we will make the United Kingdom a world leader in the care and protection of animals.

It has been suggested that the vote last week on new clause 30 of the EU withdrawal Bill somehow signalled a weakening in the protection of animals—that is wrong. Voting against the amendment was not a vote against the idea that animals are sentient and feel pain—that is a misconception.

Ministers explained on the Floor of the House that this Government's policies on animal welfare are driven by our recognition that animals are indeed sentient beings and we are acting energetically to reduce the risk of harm to animals—whether on farms or in the wild. The vote against new clause 30 was the rejection of a faulty amendment, which would not have achieved its stated aims of providing appropriate protection for animals.

The Prime Minister has made clear that we will strengthen our animal welfare rules. This Government will ensure that any necessary changes required to UK law are made in a rigorous and comprehensive way to ensure animal sentience is recognised after we leave

the EU. The withdrawal Bill is not the right place to address this. However, we are considering the right legislative vehicle.

We are already proposing primary legislation to increase maximum sentences for animal cruelty from six months to five years, and the creation of a new statutory independent body to uphold environmental standards.

The current EU instrument—article 13—has not delivered the progress we want to see. It does not have direct effect in law—in practice its effect is very unclear and it has failed to prevent practices across the EU which are cruel and painful to animals.

In contrast, here in the UK, we are improving animal welfare standards without EU input and beyond the scope of article 13. We are making CCTV mandatory in all slaughterhouses—a requirement which goes above and beyond any EU rule. We will consult on draft legislation to jail animal abusers for up to five years—more than almost every other European nation. We propose combating elephant poaching with a ban on the ivory trade which is more comprehensive than anywhere else in Europe. Our ban on microbeads which harm marine animals has been welcomed by Greenpeace as “the strongest in the world”, and is certainly the strongest in Europe.

Once we have left the EU there is even more we could do. EU rules prevent us from restricting or banning the live export of animals for slaughter. EU rules also restrict us from cracking down on puppy smuggling or banning the import of puppies under six months. Article 13 has not stopped any of these practices—but leaving the EU gives us the chance to do much better. We hope to say more in these areas next year.

This Government will continue to promote and enhance animal welfare, both now and after we have left the EU.

[HCWS267]



# ORAL ANSWERS

Thursday 23 November 2017

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Thursday 23 November 2017

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