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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Tuesday 28 November 2017

House of Commons

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The House met at half-past Eleven o'clock

PRAYERS

Oral Answers to Questions

[MR SPEAKER *in the Chair*]

TREASURY

The Chancellor of the Exchequer was asked—

Low-paid Workers: Wage Growth

1. **Tommy Sheppard** (Edinburgh East) (SNP): What steps his Department is taking to support wage growth for low-paid workers. [902582]

14. **Stuart C. McDonald** (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): What steps his Department is taking to support wage growth for low-paid workers. [902598]

The Chancellor of the Exchequer (Mr Philip Hammond): The national living wage will rise to £7.83 from April 2018. In total, that represents a pay rise of over £2,000 for a full-time minimum wage worker since the introduction of the national living wage in 2016, which has helped to reduce the proportion of full-time jobs that are low paid to the lowest level in at least 20 years. At the same time, in-work benefits support the incomes of poorer households and universal credit will mean that it always pays to progress in work. Sustainable long-term pay growth relies on improving productivity, which is why we are increasing the national productivity investment fund to more than £31 billion.

Tommy Sheppard: The Chancellor's predecessor, George Osborne, boasted that the minimum wage would be more than £9 an hour by 2020. That forecast has now been downgraded. Now that we are in the middle of the longest fall in living standards in history, why should the very poorest people pay for the crisis? They will lose £500 a year compared with the promise that they were made just this spring.

Mr Hammond: As I have just pointed out, those on the national living wage have actually gained £2,000 a year. The commitment on the national living wage was, and remains, that it will reach 60% of median earnings, and it will continue to do so. On the hon. Gentleman's other point, he will note that real household disposable income per head, a much more appropriate measure of living standards, is almost 5% higher in 2016 than it was in 2010.

Stuart C. McDonald: A hard Brexit is predicted to lose workers up to £2,000 a year in real wages. Is not the best policy for wages to stay in the single market?

Mr Hammond: The best policy for Britain, including for the wages of British workers, is to get a good deal with the European Union that secures high levels of access to European markets after we leave the EU, and that is what we intend to do.

Amanda Milling (Cannock Chase) (Con): In my constituency, one key thing that is important to wage growth is to ensure that we attract businesses that create high-skilled and high-paid jobs. Will my right hon. Friend join me in encouraging all of those involved in future developments, including the redevelopment of the Rugeley B power station, to ensure that we attract high-tech and innovative businesses?

Mr Hammond: Yes. Indeed, that was the central theme of the Budget. If we are to ensure prosperity for all our people in the future, we must embrace the technologies and businesses of the future and create the jobs of the future. We must be prepared to invest in the infrastructure that is needed to support them and in giving our people the skills that they will need to take advantage of those high-paid jobs.

21. [902606] **Wes Streeting** (Ilford North) (Lab): The fact is that, according to the Office for Budget Responsibility, disposable incomes are set to fall this year. On top of that, the cost of living is rising faster than pay. The area that the Chancellor has direct responsibility for is public sector pay. Is it not time to remove the pay restraints on the lowest-paid public sector workers to make sure that, as their bills go up, their wages keep pace?

Mr Hammond: I am sure the hon. Gentleman knows that the blanket pay cap across the public sector has indeed been removed—that was announced in July by the Chief Secretary to the Treasury, my right hon. Friend the Member for South West Norfolk (Elizabeth Truss). That will mean that individual Secretaries of State can look at the particular circumstances of the workforces for which they are responsible—recruitment and retention challenges and opportunities for improving workforce efficiency—and make proposals to the pay review bodies accordingly.

Mr Philip Hollobone (Kettering) (Con): Will the Chancellor confirm that Conservatives want people to keep more of the wages that they earn and that, when we came to power in April 2010, disgracefully, people earning as little as £6,500 a year had to pay income tax? Now they can earn more than £11,500 before incurring an income tax liability.

Mr Hammond: Yes, £11,850—my hon. Friend is exactly right. It is by keeping to our commitment that we made in our manifesto of increasing the personal allowance to £12,500 by 2020 that we will ensure that people keep more of their income. Going back to the original question, people on the national living wage are now £3,600 a year better off after tax than they would have been in 2010.

20. [902605] **Martyn Day** (Linlithgow and East Falkirk) (SNP): With households facing stagnating wages, high inflation and soaring household debt and austerity, why have this Government not followed the Scottish example and ended the public sector pay cap?

Mr Hammond: I am not sure whether the hon. Gentleman was listening to the answer that I gave to the hon. Member for Ilford North (Wes Streeting) a few moments ago. We have ended the blanket pay cap across the public sector and are allowing Secretaries of State to make recommendations to the pay review bodies that reflect the circumstances of their individual workforces.

Huw Merriman (Bexhill and Battle) (Con): My constituency is in the top 10 constituencies for the highest proportion of people on the minimum wage, so the rise to £7.83 will be most welcome. Does the Chancellor agree that moves such as that and increasing the personal allowance will help us to further reduce income inequality in my constituency and the country at large?

Mr Hammond: My hon. Friend is exactly right. The uncomfortable fact for the Opposition Front Benchers is that income inequality in this country is now the lowest it has been since the mid-1980s—lower than it was at any point during the 13 years of the Labour Government.

Robert Courts (Witney) (Con): Will the Chancellor confirm that, according to last month's Office for National Statistics figures, median disposable income is £600 higher than in the previous year and £1,000 higher than before the 2008 crash? Does he agree that it is the policies of this Government, with their jobs miracle, that have made that possible?

Mr Hammond: Yes, and it is one of this Government's proudest achievements that we have created 3 million new jobs in this country since 2010. The right hon. Member for Hayes and Harlington (John McDonnell) might reflect on his prediction in 2011 that the Government's policies would cost the economy 1 million jobs. That turned out to be slightly wide of the mark.

Kirsty Blackman (Aberdeen North) (SNP): The gender pay gap has fallen by only 0.4% in the past five years. If that trend continues, it will take 113 years for women to be on an equal footing. Why is the Chancellor not doing more for women who are paid less than men?

Mr Hammond: It is a priority of the Government to continue to close the gender pay gap, which is now at its lowest level ever.

Mr Speaker: I call Kirsty Blackman.

Kirsty Blackman: Sorry, Mr Speaker; I had intended to ask my second question during topical questions.

Mr Speaker: Ah—I had been advised that the hon. Lady wished to proffer a second inquiry now. We will wait in eager anticipation for her second contribution at a later stage of our proceedings. Lacking her, let us hear Mr Cryer.

John Cryer (Leyton and Wanstead) (Lab): Thank you, Mr Speaker.

In reference to the Chancellor's first answer, what is the connection between low wage growth and the slump in productivity?

Mr Hammond: As the hon. Gentleman will know, in the end wages can only be paid for by the productive output of workers. Increasing the productivity of workers in the British economy, so that they can produce more and earn more in a way that allows their firms to remain competitive while paying them more, is the way forward, and that is what the Government will pursue.

Universal Credit: Household Income

2. **Danielle Rowley** (Midlothian) (Lab): What discussions he has had with the Secretary of State for Work and Pensions on the effect of the roll-out of universal credit on levels of household income. [902583]

The Chief Secretary to the Treasury (Elizabeth Truss): Universal credit has already been very successful in getting more people into work by ensuring that work always pays, and that has boosted household incomes.

Danielle Rowley: I am not surprised that the Government announced small changes to their discredited universal credit programme in the Budget last week, following months of criticism, unanimous defeat on an Opposition day motion, discontent across the whole House, rising debt arrears and even evictions. But what is surprising is that, rather than halt the botched roll-out and fix the failing system, the Government have chosen to put back only £1 for every £10 cut from the system.

Mr Richard Bacon (South Norfolk) (Con): Give way!

Danielle Rowley: No, thank you.

Will the Minister accept that it is now a matter of urgency that proper action is taken to address the real human suffering imposed on our communities by this roll-out?

Elizabeth Truss: I think we should remember the 1.4 million people who spent the previous decade under Labour trapped in poverty because every pound they earned was taken away in benefits. We have introduced universal credit so that every extra hour of work pays, and all the evidence suggests that it is much better than the previous scheme. Employment pays, and people on universal credit are more likely to be in work.

Andrew Bridgen (North West Leicestershire) (Con): Would my right hon. Friend like to comment on the irresponsible scare stories put out by the BBC—first on Radio 4, then on “BBC Breakfast”, on its website and across all its media platforms—that up to 100,000 people on in-work universal credit would receive no benefits over the Christmas period?

Elizabeth Truss: I think it is disgraceful that that fake news was put out on our national broadcaster, when universal credit is actually helping people get into work and earn extra money. It is particularly poor that some of the lowest-income people in our society have been unnecessarily worried when, in fact, under universal credit, everybody can receive an advance on their payment.

Anneliese Dodds (Oxford East) (Lab/Co-op): Even after the Budget's limited changes to universal credit, it will still make young single-parent families with school-age children £6,000 a year worse off—those are OBR figures. We should remember that without further action to stop that, the Government will push 1 million additional children into poverty. I would like to know what they will do about that.

Elizabeth Truss: I can tell the hon. Lady that poverty and income inequality are, in fact, at a 30-year low, thanks to this Government's policies. What universal credit does—rather than leaving people on the scrapheap, which is what happened under the Labour Government—is help people get into work. What we have seen is that the fastest growth in employment has been among the lowest-income people in our society.

Stephen Kerr (Stirling) (Con): I welcome the changes in universal credit announced in the Budget speech. Did my right hon. Friend note that, in its Budget analysis, the Institute for Fiscal Studies described the changes in universal credit as

“well targeted at those who find it difficult to cope with the six week wait”?

Elizabeth Truss: My hon. Friend is absolutely right. What we have been doing is making changes to universal credit to make sure it works for absolutely everybody. We have rolled it out gradually to make sure it is effective, unlike the previous botched efforts of tax credits under the previous Labour Government. We have learned the lessons. We are helping more people get into employment. We have the lowest unemployment since 1975, and the people who have benefited most are the lowest earners in our society.

Helen Goodman (Bishop Auckland) (Lab): Universal credit is being rolled out in Bishop Auckland over Christmas, affecting 10,000 households. On the Government's figures, we know that it will take £20 million out of the local economy. Surely the Minister can see that that is bad for jobs and bad for local shops.

Elizabeth Truss: With respect, I do not think the hon. Lady is taking into account the extra income that those families will earn because they are more likely to be in work under universal credit. That is where the benefit is. Rather than keeping people in a poverty trap, where they were losing £1 for every extra £1 they were earning, work always pays under universal credit, and people are able to earn the money they need to support their families.

Major Digital Infrastructure

4. **John Lamont** (Berwickshire, Roxburgh and Selkirk) (Con): What recent investment the Government has made in major digital infrastructure. [902585]

The Exchequer Secretary to the Treasury (Andrew Jones): The Government are investing more than £1 billion to stimulate the market to build the next-generation digital infrastructure the UK needs for its future. At the autumn Budget, we launched a £190 million challenge fund for gold-standard full fibre broadband, provided £160 million to develop 5G networks and invested £35 million to improve mobile connectivity for rail passengers.

John Lamont: Last week, I held a Westminster Hall debate on the Scottish Government's catastrophic failure to deliver superfast broadband for rural communities across Scotland. In that debate, the Minister for Digital confirmed that millions of pounds of taxpayers' money has not been released by the Scottish Government to help roll out superfast broadband. What discussions has my hon. Friend had with Ministers from the Scottish Government to ensure that money gets to where it needs to be—rural communities in need of better broadband service?

Andrew Jones: The Government are supporting the roll-out of superfast broadband right across the UK, and that has included allocating more than £120 million to help the Scottish Government deliver 100% superfast coverage in Scotland by 2021. To be specific, the Minister for Digital discussed progress with the Scottish Government on 6 November and had further discussions this week.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): This is not good enough. If we are going to tackle the appalling productivity levels in our country, we need to invest in this sort of infrastructure, we need to invest in skills and we need to invest in top-class management. The Minister should get his act together and do it.

Andrew Jones: I think the hon. Gentleman may have missed some of the announcements in the Budget. Perhaps I could highlight one in particular: the £740 million from the national productivity investment fund that has been allocated for digital infrastructure.

Several hon. Members rose—

Mr Speaker: The hon. Member for Mid Norfolk (George Freeman) is looking more upbeat than ever. Let's hear the fella!

George Freeman (Mid Norfolk) (Con): Thank you, Mr Speaker; it is nice to be back. I welcome, on behalf of my constituents, the digital announcement in the Budget last week—and the sight of a grown-up team in charge of the economy, unlike the reheated Marxists opposite. On productivity, does the Minister agree that we need public sector leadership to create a private-public partnership on digital infrastructure? May I also welcome the announcement in the Budget of a public sector leadership academy, so that we can invest in our public sector leaders?

Andrew Jones: My hon. Friend makes a typically insightful point. Digital improvement is one of the key drivers in improving our productivity, so I am happy to agree entirely with his wise points.

Mr Alistair Carmichael (Orkney and Shetland) (LD): When will local authorities be told the basis on which they will be invited to apply for the new money that the Government have earmarked? Will the Minister assure me that it will be distributed on the basis of an area's need, and not just the population numbers?

Andrew Jones: I will look into the point that the right hon. Gentleman raises and write to him with the answer.

Air Passenger Duty: Regional Airports

5. **Steve Double** (St Austell and Newquay) (Con): What recent assessment he has made of the effect of air passenger duty on smaller regional airports. [902586]

The Financial Secretary to the Treasury (Mel Stride): The Government recognise the importance of regional airports, not least for the productivity of smaller local communities. That is why, despite the fact that there is no VAT on airline tickets or duty on aviation fuel, we have frozen the APD rate for long-haul economy flights, as was announced in the Budget.

Steve Double: I thank the Minister for that reply. Many of the flights from our regional airports are internal domestic flights, on which passengers end up paying APD twice—on both legs of their journey. To support our smaller regional airports, will he consider cutting APD on internal flights by 50%, as I believe we will be able to once we leave the EU?

Mel Stride: My hon. Friend raises an interesting point. This is something that we have looked to address in the past. In 1998, the European Commission ruled that we were unable to do that under state aid rules, but of course once we have left the European Union, depending on the details of the agreement under which we do that, we may be able to revisit this.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): The Treasury's own modelling shows that Newcastle airport in my constituency will be the most affected by the devolution of air passenger duty to Scotland, so what progress have the Government made on ensuring that any impact is mitigated for English regional airports?

Mel Stride: As I have said, in this Budget we have frozen APD for long-haul economy flights. That comes on the back of a number of actions that we have taken over the years to reduce APD. In 2014, we cut it and exempted children from it on economy flights. We will continue to review it, as we do all taxes, in the light of the issues that the hon. Lady has raised.

Mr Gregory Campbell (East Londonderry) (DUP): In the light of the Chancellor's very welcome announcement last week about a possible review of air passenger duty in Northern Ireland, will the Minister take account of the fact that all our airports—Belfast City, Belfast International and Londonderry—suffer a very serious disadvantage when competing with airports in the Irish Republic, which all have significantly lower APD, and review matters accordingly?

Mel Stride: I thank the hon. Gentleman for his question. In the Budget, the Chancellor made it very clear that we will have a full call for evidence and undertake a review of matters relating to both APD and VAT, and their impact on tourism, which we recognise is so vital to the Northern Ireland economy.

Regional Economic Growth

6. **Dan Jarvis** (Barnsley Central) (Lab): What steps his Department is taking to support regional economic growth. [902587]

11. **Seema Malhotra** (Feltham and Heston) (Lab/Co-op): What steps his Department is taking to improve regional productivity. [902594]

The Chancellor of the Exchequer (Mr Philip Hammond): The Government recognise the importance of closing the economic gap between regions of our country as an economic and social priority, and the industrial strategy is focused on doing that. If we eliminated just half of the productivity gap with London, we would add £300 billion to our gross domestic product; that is £4,600 for every man, woman and child in this country. That is why the Budget announced a raft of measures designed to move forward our progress on that.

Dan Jarvis: The economic case for a wider Yorkshire devolved settlement is compelling, so much so that in Yorkshire it is supported by the CBI, the Institute of Directors, the Federation of Small Businesses, the TUC and many of the Chancellor's own colleagues in local government. Does he recognise the strength of the economic argument, and, if he does, can he speak to his colleagues in the Department for Communities and Local Government?

Mr Hammond: The Government are committed to the Sheffield city region deal, which will bring £1 billion of new Government investment to the area. We recognise the debate that is going on about a possible wider Yorkshire-based deal and we are happy to consider that, if it can be done in a way that does not disrupt the existing deal that has been agreed for the Sheffield city region.

Seema Malhotra: The Bank of England deputy governor recently argued that Brexit could lead to a "sharp step down" in the UK's productivity growth. That is likely to hit regions in different ways, and today the Social Mobility Commission talked about the "widening geographical divide". What impact does the Chancellor believe the extra resources that he has talked about in the light of preparation for Brexit will have on tackling regional productivity issues and social mobility?

Mr Hammond: We know some of the things that drive our low productivity performance. Regional differences are one of them, and others are low levels of capital investment in private businesses, relatively low levels of public infrastructure investment and poor skills. We set out in the Budget a raft of measures that will address all of them. The end result is that this Government, on average, over this Parliament will be investing £25 billion a year more in real terms than the Labour Government invested over their period in office.

Mr Richard Bacon (South Norfolk) (Con): To encourage economic growth in Stoke, the local council is offering serviced plots of land to finance directors and managing directors to build big houses, bring their businesses and invest, creating more jobs and more economic growth. Does the Chancellor agree that that model could be followed elsewhere? Does he agree that it shows that, as in all other areas of social policy, self-build and custom house building has a great deal to offer, including for economic growth?

Mr Hammond: My hon. Friend has been consistent in arguing the case for the promotion of self-build and custom house building, which has an important role

to play in our ambition of delivering 300,000 new net additional homes a year by the middle of the next decade.

Colin Clark (Gordon) (Con): Will my right hon. Friend join me in welcoming the potential for £40 billion of investment in the north-east of Scotland region oil and gas industry, as a direct result of the tax relief announced in the Budget, and could he encourage the SNP and Scottish Labour to get on board?

Mr Hammond: I am absolutely happy to agree with my hon. Friend. The North sea as a basin is coming towards the end of its life, but none the less there are many billions of barrels of oil to be exploited there, involving very large amounts of economic activity in the region and potentially significant receipts to the Treasury. The measure that we have taken will stimulate economic growth in the region and, if all goes well, generate a windfall to the UK Exchequer.

17. [902601] **Lucy Powell** (Manchester Central) (Lab/Co-op): The Chancellor is right to say that poor productivity levels and regional variations in them are closely linked to skills and education, and he will know that that starts in the very earliest years of a child's life. So will he look kindly on a bid he has had from Greater Manchester to boost school readiness in the early years? It is a small amount of money, but it could really innovate and transform these arrangements.

Mr Hammond: I heard what the hon. Lady said, and my hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones) tells me that he is meeting the Mayor of Manchester next week to discuss this issue.

Alex Chalk (Cheltenham) (Con): Thanks to this Government's investment of £22 million pledged via the local enterprise partnership, Cheltenham can look forward with confidence to a cyber-hub, creating a centre of cyber-excellence in the home of GCHQ. Is that not exactly the kind of project that will drive opportunity and boost productivity in constituencies such as mine?

Mr Hammond: It is. GCHQ is a world-class resource. The way it has engaged in seeking to use its expertise to create a world-class cyber-security business sector in the UK economy is exemplary, and we should encourage it.

Peter Dowd (Bootle) (Lab): No wonder the hon. Member for Mid Norfolk (George Freeman) referred to a leadership academy; three quarters of the Cabinet are queuing up to get into it. What impact does the Chancellor think a £1 billion, two-year grant—equivalent, let us say, to the one he gave to Northern Ireland—would have on regional economic growth in, for example, the constituency of my hon. Friend the Member for Barnsley Central (Dan Jarvis) in the Sheffield city region?

Mr Hammond: I do not like to blow my own trumpet, but on the whole I think my jokes were better than the hon. Gentleman's. As I said to the hon. Member for Barnsley Central (Dan Jarvis), the Sheffield city region deal would bring £1 billion of new Government investment into the area, which will stimulate local economic growth and job creation, and support upskilling in the area and improvement of the infrastructure. Doing these deals

around the country and making funds available to local authorities—they know best what is necessary for their areas—is the way to deliver enhanced economic growth.

Peter Dowd: I will give the Chancellor another opportunity to answer a similar question in relation to improving regional productivity. What would be the impact in, let us say, the south-west region, in the constituency of his hon. Friend the Member for St Austell and Newquay (Steve Double), if the Chancellor provided for that area a £1 billion, two-year grant commensurate with that for Northern Ireland?

Mr Hammond: There are many things in which we can invest in every region of the country, and I am pretty confident that I could take £1 billion to any region of the UK and invest it in a way that would enhance productivity and stimulate economic growth.

Manufacturing Industry: Lesser Duty Rule

7. **Gareth Snell** (Stoke-on-Trent Central) (Lab/Co-op): What assessment he has made of the potential effect on the manufacturing industry of adopting the lesser duty rule. [902588]

The Financial Secretary to the Treasury (Mel Stride): When we leave the European Union, we will ensure that we have a robust remedies regime in place. It will ensure that we have robust measures to take against dumping, excessive subsidy and import surges. Part of that will be a lesser duty rule, as we have with the European Union at present, to ensure that the measures we take are proportionate in protecting our producers at the same time as protecting the interests of consumers and other downstream businesses.

Gareth Snell: I thank the Financial Secretary for that answer, but he will be beware that the provisions of the Taxation (Cross-border Trade) Bill will be some of the least generous in World Trade Organisation countries once we have left the European Union. Will he meet me and the British Ceramic Confederation, which genuinely wishes to work with him to make the Bill better, so that we can protect British manufacturing once we are outside the EU?

Mel Stride: Yes, I will.

Government Expenditure: Young People

8. **Faisal Rashid** (Warrington South) (Lab): What steps he is taking to ensure that young people are not disproportionately affected by reductions in Government expenditure. [902590]

The Chief Secretary to the Treasury (Elizabeth Truss): Next year, we will start paying down the debt for the first time in 17 years, which will reduce the burden on future generations and help our young people.

Faisal Rashid: Today's state of the nation report makes very clear the barriers to social mobility facing many young people in England. Given this Government's record of cuts to social funding and school funding, raising tuition fees, high youth unemployment and failure to produce affordable housing for families and young

people, these findings are not surprising. What action will the Minister take to combat the intergenerational divide for young people right across the country?

Elizabeth Truss: I point out to the hon. Gentleman that youth unemployment rose under the previous Labour Government and was 20% when they left office. They let down young people, with stagnating standards in English and maths, rampant grade inflation and rising youth unemployment. Under this Government, we are increasing the number of apprenticeships, we have improved the school curriculum, we have brought in new academies and free schools, and youth unemployment is at its lowest level for over 13 years.

Luke Graham (Ochil and South Perthshire) (Con): Does my right hon. Friend agree that the railcard extension for under-30s announced in last week's Budget will support young people by significantly lowering their commuting costs and encourage more of them into employment?

Elizabeth Truss: My hon. Friend is right that that will of course help young people. We have introduced the stamp duty cut for first-time buyers, which will help many in their 20s and 30s to get on to the housing ladder for the first time. We are also putting new money into maths and computer science to help young people get the skills they need to succeed in the modern economy.

UK Economic Growth

9. **Eddie Hughes** (Walsall North) (Con): What assessment he has made of recent trends in UK economic growth. [902592]

The Economic Secretary to the Treasury (Stephen Barclay): The UK economy is fundamentally strong: we have seen 19 consecutive quarters of growth; unemployment is at its lowest level for 42 years; and the Office for Budget Responsibility forecasts that a further 600,000 people will be in work by 2022.

Eddie Hughes: Does my hon. Friend agree that it is only by investing heavily in productivity and infrastructure, such as the new junction 10 of the M6 in Walsall, that we can truly build a Britain that is fit for the future?

Stephen Barclay: I very much agree. It is for that reason that the Budget set out a devolution 2 deal with Andy Street, including £250 million for transport schemes such as junction 10 of the M6.

Jim Shannon (Strangford) (DUP): To enable economic growth among small and medium-sized enterprises in Northern Ireland, they need superfast broadband. That is critical in bringing more jobs, more opportunities and better wages, and in balancing work and family life. Will the Minister outline what he will do to ensure that that happens?

Stephen Barclay: It is for investment of exactly the sort the hon. Gentleman mentions that we have invested in the national productivity investment fund, including a further £8 billion that was set out in the Budget.

Nicky Morgan (Loughborough) (Con): The Office for Budget Responsibility forecasts last week did show the UK economy growing over the forecast period, but only just. My hon. Friend will be aware that much of the economic growth has relied on household spending. Is he also aware of the Bank of England's financial stability report, published this morning, which shows that household finances are starting to deteriorate somewhat? Can he provide confidence that the Government are aware of that and say what they are doing to help households maintain their balance sheets?

Stephen Barclay: I know that the Treasury Committee, which my right hon. Friend chairs, and the Financial Policy Committee keep that matter under constant review. It is always assessed in line with the cyclical buffers that the FPC sets for the banks.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Will the Economic Secretary explain why the Government have decided to sell their shares in RBS now, at a loss of over £26 billion? The public bailed out RBS and have sustained its losses and paid its fines. Why, just as it appears to be on the brink of returning to profit, should the public not only miss out, but make a massive loss? Is it not the case that selling those shares and reclassifying housing association debt is the only way that the Government can claim that net debt is falling?

Stephen Barclay: The Government are not selling the shares now. The Budget set out our intention, which it has always been, to return the bank to the private sector and sell those shares by the end of 2018-19. I am sure the hon. Gentleman recognises that the balance sheet is half the size it was in 2008, when his party paid 502p a share. The bank is therefore in a very different place from the mess we inherited from the Labour party.

National Living Wage

10. **David Linden** (Glasgow East) (SNP): For what reasons the national living wage does not extend to people under 25 years old. [902593]

The Chief Secretary to the Treasury (Elizabeth Truss): In the Budget, we announced the largest increases to the minimum wage youth rates in 10 years. On average, they increased by 4.9%, which was greater than the increase for the over-25s.

David Linden: I am afraid that the argument the Government have put forward blows a hole in the idea that they are building a country that works for everyone. The reality is that under-25s are not included in the national living wage. Why do we have state-sanctioned pay poverty under this Government and why, shamefully, are apprentices paid as little as £3.70 per hour under this Budget?

Elizabeth Truss: As I have just pointed out, younger workers are getting a bigger rise than those over the age of 25. The reason there is a lower rate is that it is vital to ensure that young people get into work, get work experience and build up their skills. We do not want to end up where we were at the end of the Labour Government, with 20% youth unemployment and young people losing out on opportunities for life.

Major Infrastructure Projects

12. **Lucy Frazer** (South East Cambridgeshire) (Con): What plans the Government have to invest in major infrastructure projects during the 2017 Parliament. [902595]

15. **Mrs Sheryll Murray** (South East Cornwall) (Con): What plans the Government have to invest in major infrastructure during the 2017 Parliament. [902599]

The Chancellor of the Exchequer (Mr Philip Hammond): We are expanding the national productivity investment fund to provide £31 billion of investment. That includes a £1.7 billion transport fund to transform our great cities and a more than doubling of the housing infrastructure fund to £5 billion. We have published the “National Infrastructure and Construction Pipeline” and are delivering the largest rail modernisation since Victorian times, the biggest road investment programme since the 1970s and two of the largest engineering projects in Europe—Crossrail and HS2. Taken together, that means that the Government will invest, on average, £25 billion more per annum in real terms than was invested during the 1997 to 2010 Government.

Lucy Frazer: I welcome the investment in infrastructure, in particular in the Oxford to Cambridge corridor, which will bring significant benefit to my area. It is important that when we plan more houses, we get the infrastructure in place before the housing. Does the Chancellor agree with that proposition?

Mr Hammond: I agree with my hon. and learned Friend. The Cambridge-Milton Keynes-Oxford corridor has the potential to be a globally significant growth corridor, and I agree with the National Infrastructure Commission that to realise this potential we need a joined-up plan that covers jobs, homes and infrastructure. Local and national Government must work together, with developers and investors, to align the delivery of these elements and ensure that infrastructure is in place to support housing growth in the corridor.

Mrs Murray: Over the last few months, we have seen many accidents on the main artery through my constituency, on the A38. I am currently working with partners to ensure the much-needed urgent improvements on the road. Will the Treasury make sure that the extra investment in our roads can enable this work to get under way?

Mr Hammond: Yes, we have committed to investing over £2 billion in the strategic road network in the south-west, including the first steps towards transforming the A303-A358 route and upgrading sections of the A30. Safety is one of the Government’s top priorities, and improvements to strategic roads with safety concerns, such as the A38, will be considered for inclusion within the portfolio of schemes in the second road investment strategy.

Tony Lloyd (Rochdale) (Lab): The Chancellor will know that even after the Budget the south-east and London will still receive a disproportionate share of infrastructure spending. Will he undertake to give an

annual report to Parliament detailing both the spending and the likely economic impact of that spending across different regions?

Mr Hammond: I am certainly happy to look at the information we hold and whether it could be presented in a way that satisfies the hon. Gentleman’s requirements. It is a legitimate question. Much of this infrastructure investment will have an impact across the country. For example, investment in HS2 will benefit parts of the north of England far more than many of the areas through which the railway will run.

Alan Brown (Kilmarnock and Loudoun) (SNP): With all this money swilling about for major infrastructure investment, will the Chancellor explain why the rail funding formula has been ignored and Scotland’s rail budget has been cut by £600 million over the next investment period?

Mr Hammond: As I understand it—I will correct myself if I am wrong—the allocation to Scotland in Network Rail’s control period 6 investment programme is exactly proportionate to the overall England, Wales and Scotland budget.

19. [902603] **Kelly Tolhurst** (Rochester and Strood) (Con): In advance of the huge numbers of additional houses expected to be built in Medway by 2035, plus the additional traffic that will come with the new Thames crossing, and given the congestion issues already facing commuters and trade across north Kent, will the Chancellor outline plans to boost investment in the region’s strategic transport network?

Mr Hammond: Yes, we do have plans, of course, for investment in the region, including the lower Thames crossing project, but I recognise the challenge that my hon. Friend presents. If there is to be a significant expansion of housing in the region, it is essential that the strategic infrastructure be put in place, and it will be essential that we capture uplifted land value to finance it. My right hon. Friend the Secretary of State for Communities and Local Government will bring forward proposals in due course to ensure that we can capture land value uplift for that purpose.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): In the last year, the British Government have disgracefully reneged on a promise to electrify the main line to Swansea, and there was no announcement on the Swansea bay tidal lagoon in last week’s Budget, so what specific infrastructure projects in Wales are the British Government investing in?

Mr Hammond: The hon. Gentleman says the Government have reneged on a promise to electrify the railway. What passengers care about is the quality of service, the frequency of service, the reliability of service and the speed of the service, and train technology has moved on, such that all those requirements can be met with the new hybrid trains being deployed on that network.

Start-ups

13. **Wendy Morton** (Aldridge-Brownhills) (Con): What assessment he has made of the effect on the economy of an increase in the number of start-ups. [902597]

The Exchequer Secretary to the Treasury (Andrew Jones):

The UK is a world-leading place to start a business. Start-ups create jobs, attract investment and bring innovative products and services to market. The UK's small and medium-sized enterprises have created 2 million new jobs since 2010. We want our start-ups to grow and succeed in the new economy, and that is why the Chancellor announced at the Budget a comprehensive package to unlock over £20 billion of new investment in innovative businesses.

Wendy Morton: Start-ups and small businesses, including those in my constituency, form the backbone of local economies. I shall be visiting some of them this weekend as part of Small Business Saturday. Can my hon. Friend update the House on what more is being done to support micro and small businesses?

Andrew Jones: I shall be visiting small businesses in my constituency of Harrogate and Knaresborough as part of Small Business Saturday. I agree entirely with my hon. Friend: small businesses are indeed the backbone of local economies. That is why the Chancellor responded to the No. 1 ask of business in the Budget by announcing a £2.3 billion package to reduce business rates—it follows the business rate relief announced in the 2016 Budget, which was worth approximately £9 billion over five years—and why our modern industrial strategy will provide continued funding for growth hubs to ensure that businesses can access support locally.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): What assessment has the Minister made of the impact on the economy of small businesses that have been started up by disabled entrepreneurs? How can he champion that activity, and harness the full potential of people with disabilities for our economy?

Andrew Jones: The hon. Lady has made a valuable point, and I entirely agree with her. Simply by raising the question in the House and discussing it in our political system, we are highlighting the fact that disability should not be a problem when it comes to starting businesses.

National Debt

16. **Lee Rowley (North East Derbyshire) (Con):** What progress is being made on reducing the national debt. [902600]

The Economic Secretary to the Treasury (Stephen Barclay): As a result of the Government's action to bring the public finances back under control, the Office for Budget Responsibility has forecast a sustained reduction in debt as a share of GDP from next year onwards. Debt will fall from 86.5% to 79.1% of GDP by 2022-23. That will be the first sustained decline in debt for 17 years.

Lee Rowley: Is my hon. Friend able to comment on the impact on the economy of increasing debt by £500 billion?

Stephen Barclay: Increasing debt by £500 billion would increase debt interest by £7 billion a year, which would reduce our economic and fiscal resilience, crowd out spending on valuable services, and pass a greater debt burden to future generations.

Sir Vince Cable (Twickenham) (LD): Further to the answer that the Minister gave a few minutes ago on the sale of RBS shares to deal with Government debt, can he confirm that the Government will abide by the commitment of the Chancellor's predecessor not to sell below the acquisition price?

Stephen Barclay: As the right hon. Gentleman will have heard from my earlier reply, that bank is in a very different place from where it was in 2008 when the shares were purchased. That reflects the action that has been taken to simplify the balance sheet and to make the bank safer and more streamlined.

Youth Unemployment

18. **James Morris (Halesowen and Rowley Regis) (Con):** What progress is being made on reducing youth unemployment. [902602]

The Chief Secretary to the Treasury (Elizabeth Truss): Youth unemployment has decreased by 8.3% since 2010 and is now at its lowest rate for more than 13 years, but we are not complacent, which is why we are investing in skills to get more of our young people into jobs.

James Morris: The Government have made significant progress in reducing youth unemployment, but in part of the area that I represent in the black country too many young people are emerging from education with a lack of basic skills, which is holding the region back. Does my right hon. Friend agree that we need to continue to invest in skills, particularly for those young people who lack basic skills, so that they can take advantage of the opportunities that are out there?

Elizabeth Truss: My hon. Friend is absolutely right. We are providing extra money in the Budget to triple the number of computer science teachers and give £600 to every school and sixth-form college where students take core or A-level maths, to ensure that all young people have the best possible start in life.

Topical Questions

T1. [902607] **Danielle Rowley (Midlothian) (Lab):** If he will make a statement on his departmental responsibilities.

The Chancellor of the Exchequer (Mr Philip Hammond): The Budget laid out the Government's vision for a global Britain after we leave the European Union, and our ambitious plans to tackle the long-term challenges that we face so that we can build an economy that is fit for the future. Our balanced approach enables us to give households and businesses the support that they will need in the near term, as well as investing in the future of this country. Through investment in research and development, infrastructure, skills and housing, we will seize the opportunities of a rapidly changing economy, while being fair to the next generation by reducing a national debt that remains too large.

Danielle Rowley: Members will have heard last week about the Government's failure on productivity and growth and about the OBR's downward revision of its forecast for the economy over the current Parliament. Can the Chancellor tell us how much worse off someone

on the national living wage will be in 2020, compared with the forecast in March, as a result of the Government's failure on wages?

Mr Hammond: As I have already told the House today, as a result of the increase that we announced in the Budget, somebody on the national living wage will be £2,000 a year better off than when it was introduced in 2016. That is before tax. If we take into account the effect of the significant increase in the personal allowance threshold, which has reduced tax for 30 million people and taken 4 million people out of tax altogether, the same full-time worker on the national living wage will be £3,600 a year better off compared with 2010.

T2. [902608] **Neil O'Brien** (Harborough) (Con): Small businesses in my constituency suffer from late payments from their larger clients. Some firms have been forced to accept discounts of up to 10% just to get paid within 90 days. The Government have introduced welcome measures to make large firms behave more transparently on payments, but does the Chancellor stand ready to take further action to stop big firms using small businesses as a source of cheap loans?

The Exchequer Secretary to the Treasury (Andrew Jones): We know that late payments are a serious issue for many small businesses, and that is why we are acting to tackle unfair practices. As my hon. Friend mentioned, we have legislated to improve transparency, requiring large businesses to report on their payment practices. All 32 of the Government's strategic suppliers have signed the prompt payment code, and we have appointed Paul Uppal as the UK's first small business commissioner to support small businesses in resolving disputes with larger firms.

John McDonnell (Hayes and Harlington) (Lab): Why have the Government not brought forward an amendment of the law resolution in today's Budget resolutions? This is almost unprecedented and a tactic used only when the issue to be dealt with is urgent. It will restrict the ability of hon. Members on both sides of the House to move amendments and to address the range of economic and social needs of our community.

Mr Hammond: The right hon. Gentleman is wrong: it is not without precedent. We did not move an amendment of the law resolution in relation to the Finance Bill that has just gone through Parliament. It is a small but worthwhile modernisation measure that focuses the debate on the measures that we are putting before Parliament in the Finance Bill.

John McDonnell: I will tell the Chancellor why he did not bring forward an amendment of the law resolution: it is because he wishes to avoid debate on some of the key issues facing our communities. Let me raise one of those questions, which was totally neglected last week in the Budget. The Chancellor received representations from Action for Children, the Local Government Association and Barnardo's on the crisis in children's services. Sir Tony Hawkhead, chief executive of Action for Children, has said that

"children's services are on an unstable and dangerous footing. We're calling on the Government to prioritise the services children need before this crisis turns into a catastrophe".

What was in the Chancellor's mind when he prioritised giving nearly £5 billion to the banks rather than plugging the gap in children's services for those most in need in our society?

Mr Hammond: There will be more than adequate time to discuss the measures in the Finance Bill, but the debate on the Finance Bill is a debate about the measures being put forward by the Government under the Finance Bill. That is what Parliament is here to debate and that is what we will have time to debate under this arrangement.

T3. [902609] **Robert Jenrick** (Newark) (Con): Businesses in Newark welcome rising public investment in research and development, but even more they welcome the chance to do it themselves with lower business taxes under this Government. What will the Chancellor do to encourage more businesses to take up the increased research and development tax credits and the patent box delivered in the Budget?

The Financial Secretary to the Treasury (Mel Stride): The Government recognise the vital importance of R and D, driving up investment in business and improving our productivity, which is why R and D investment as a proportion of GDP is on the rise, and we will push further towards our target of 2.4%. In the Budget we announced an increase in R and D expenditure tax credits from 11% to 12%.

Kirsty Blackman (Aberdeen North) (SNP): In the Budget, more than £1 billion of the so-called extra money for Scotland was in the form of financial transaction money—that is money that the Scottish Government have to pay back. The block grant for spending on frontline services is down £230 million in real terms. How can the Chancellor suggest that a £230 million reduction for Scotland is a good deal for our country?

Elizabeth Truss: Scotland's spending power has been increased by £2 billion in this Budget, including financial transactions, which support fantastic schemes such as Help to Buy, but what we need to see is the Scottish National party Government using their powers to deliver for Scotland, including by improving their appalling results in English and maths education.

T5. [902611] **Tim Loughton** (East Worthing and Shoreham) (Con): I congratulate the Chancellor on freezing the duty on wine and spirits and ensuring that future changes come into effect only after Christmas, but will he now look at the anomaly whereby excellent English sparkling wine, at 11% strength, is taxed at £2.77 a bottle, compared with just £2.16 for higher strength still wine and just 2p a bottle in France? Post Brexit, will he give a boost to this growing, quality British product?

Andrew Jones: We support the English wine industry, and that is why the autumn Budget announced a freeze on wine duty. Under EU law, duty on higher strength sparkling wine must be the same as that on higher strength sparkling cider, and if we reduced the duty on higher strength sparkling wine, it would mean reducing the duty on a category of alcohol that is effectively associated with problem drinking. I recognise how much

of a champion my hon. Friend is of English wine, and he is right to highlight the fact that there are opportunities ahead.

T4. [902610] **Hannah Bardell** (Livingston) (SNP): We welcome the scrapping of VAT for Scotland's police and fire services—and this Government finally seeing sense on this issue—but in an interview this year the Conservative MSP Murdo Fraser said that “there is no justification for a VAT refund”.

What does the Chancellor think of that statement? Does he not agree that the £140 million of VAT paid should be reimbursed to our vital emergency services?

Elizabeth Truss: I think that is the closest we are going to get to gratitude from the Scottish National party. The fact is that it was a mistake by the SNP to sign up to that in the devolution agreement. Despite that, we did not want to punish the people of Scotland, which is why we have taken action on that VAT as well as freezing whisky duty, thanks to the representations of our fantastic Scottish Conservative colleagues.

T6. [902612] **Andrew Lewer** (Northampton South) (Con): Does my right hon. Friend agree that it is thanks to Conservative action that today the richest 1% are paying 27% of all income tax revenue? That is more than at any time under Labour, and it makes that gap between rich and poor the lowest on record.

Mr Philip Hammond: The Government are committed to a fair tax system in which those with the broadest shoulders bear the greatest burden, and I am pleased to confirm that my hon. Friend is correct—or almost correct. The latest statistics show that in 2017-18, the top 1% of taxpayers are forecast to pay 28% of all income tax liabilities, and that in 2015-16, income inequality fell to its lowest level since the mid-1980s—under a Conservative Government.

T7. [902613] **Lucy Powell** (Manchester Central) (Lab/Co-op): Will the Chancellor take this opportunity to confirm to the House the statement that the Prime Minister gave to the *Manchester Evening News* on Sunday evening that the Government will reimburse all the moneys that have fallen on Manchester services as a result of the Arena attack, as well as future costs such as the coroner's inquest, which is just starting?

Elizabeth Truss: I thank the hon. Lady for her question, and I can confirm that that is the case.

T9. [902615] **Kevin Foster** (Torbay) (Con): The Chancellor will be aware of the need for investment in Devon's infrastructure, particularly to ensure the resilience of the coastal railway at Dawlish. What reassurance can he give me that funding will be available to carry out the scheme being proposed by Network Rail and to deliver the aspirations of the Peninsula Rail Task Force?

Andrew Jones: The railway is vital for continued growth and prosperity in south-west England, which is why this Government have invested £400 million in the south-west network. That includes £10 million for the coastal section around Dawlish. The Government have

also committed to doubling the spend on renewals in the next control period, and the south-west will benefit from that significant investment.

T8. [902614] **Ronnie Cowan** (Inverclyde) (SNP): The Scottish Government have committed £250,000 to funding four basic income projects across Scotland. This will enable the Scottish Government to make evidence-based policy. Will the UK Government commit themselves to funding a basic income project?

Elizabeth Truss: If the hon. Gentleman is looking for advice on evidence-based policies for Scotland, he needs to look at the education system, for example, where the SNP Government have failed Scottish children and are holding back opportunities.

Alan Mak (Havant) (Con): Manufacturers such as Kenwood in Havant are boosting productivity by adopting new techniques and technologies as the fourth industrial revolution accelerates. Will my right hon. Friend continue to support SME growth through R and D and innovation?

Mr Philip Hammond: My hon. Friend knows that I will. It is only by embracing technology, looking to the future, committing to accepting inevitable changes and working with our workforces and companies to ensure that we are ready for it and ready to take full advantage of it that we can raise living standards sustainably, and that is what we intend to do.

T10. [902616] **Chris Williamson** (Derby North) (Lab): I was delighted when the Financial Conduct Authority extended its compensation scheme to cover debt management companies, but will the Chancellor tell the House whether he has had any discussions with the FCA about backdating the compensation scheme to cover the victims of Compass Debt Counsellors? They lost £5.5 million when it was purloined by Compass Debt Counsellors before it went into liquidation in 2016, so will he agree to meet me and the victims?

The Economic Secretary to the Treasury (Stephen Barclay): I am always happy to meet the hon. Gentleman. As he is aware, this is a policy area for the FCA, and I am sure that it will set out further details in due course on how historical debt will be covered.

Alison Thewliss (Glasgow Central) (SNP): How can the Chancellor justify widening the age pay gap for those under 25, which sees a 17-year-old and a 25-year-old starting on the same date in the same job having a wage difference of £3.63 an hour?

Elizabeth Truss: As I have said, we are raising the minimum wage for younger workers at a higher rate—4.9% this year—than for the over-25s, but the most important thing is that we help young people to get the experience and training they need to get into workforce, instead of leaving them on the scrapheap, which is what happened under the previous Labour Government.

Nicky Morgan (Loughborough) (Con): As we are about to have a row in the House about documents being published, may I ask about another document that has gone missing in action, namely the Government's White Paper on services, financial services in particular,

in the light of Brexit? On 16 November, I tabled a question to the Department for Exiting the European Union about when it would be published, but no answer has come as yet. The City of London corporation says that the sector contributes £72 billion to this country's economy, so it is an important document and I am sure my right hon. Friend agrees.

Mr Philip Hammond: I do agree with my right hon. Friend. Financial services is of course a vital sector. The details of the publication of documents is a matter for DExEU, but as she has raised the matter I will look into it and let her know.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): Will the Chancellor tell the House whether the £350 million a week Brexit bonus promised to us by the Foreign Secretary over the weekend has been factored into OBR projections or, indeed, his Budget?

Mr Hammond: The OBR is responsible for the forecasts that it delivers to the House, and Robert Chote outlined publicly the basis of the assumptions that the OBR had made in setting those functions.

Anna Soubry (Broxtowe) (Con): Yesterday, I attended a summit organised by East Midlands Councils to consider how we can improve investment and the infrastructure in the region. However, I learned that public expenditure in the east midlands on economic affairs, public transport and, notably, transport is the lowest of any region in the entire country. *[Interruption.]* I know, Mr Speaker; I was equally as shocked given that it is the finest region in the country. In all seriousness, will the Chancellor commit to ensuring that the mighty east midlands will have its fair share in future?

Andrew Jones: It is important to have a strong level of investment in all the regions of our country. My right hon. Friend is clearly a huge champion for the east midlands, and I have met her in the east midlands to discuss the opportunities there. I can confirm that we will be working together to ensure that the east midlands benefits, particularly from HS2.

Mr Speaker: That will be very heartening to the House, because the Minister is a wise fellow and knows that he would otherwise face the irresistible force of Broxtowe and Bolsover combined. I would fear for the hon. Gentleman's physical wellbeing.

Anna Soubry: So would I!

Mr Speaker: So would the right hon. Member for Broxtowe.

There is one Member who has not got in, so we must hear from the fella. I call Kevin Hollinrake.

Kevin Hollinrake (Thirsk and Malton) (Con): Despite the clear wrongdoings in the banking sector highlighted by the RBS Global Restructuring Group scandal, small and medium-sized enterprises cannot access justice because the banks are too wealthy to sue. The all-party parliamentary group on fair business banking and finance is calling for an independent financial services tribunal to provide accountability. Will my hon. Friend agree to meet me and the group to discuss our proposals?

Stephen Barclay: I am of course happy to meet my hon. Friend to discuss the proposals. One of the issues the industry has been discussing is the role of the Financial Ombudsman Service and how it can step in to give greater comfort to those who need to bring claims.

Tom Pursglove (Corby) (Con): One of the key issues raised on the doorsteps of Corby and east Northamptonshire is the NHS. What difference will the additional spending on the health service announced in the Budget last week make to my constituents?

Elizabeth Truss: My hon. Friend is absolutely right. We have seen increasing demand on the NHS, which is why we have put in an extra £6.3 billion to help us achieve our accident and emergency targets, to help to reduce waiting lists and, importantly, to help us ensure that nurses and other public sector workers are able to get the pay rise they deserve.

Leaving the EU: Sectoral Impact Assessments

Mr Speaker: Before I call Sir Keir Starmer to ask his urgent question, I would emphasise to the House that the purpose of my selecting this urgent question today is to give an opportunity to the Minister to explain to the House what action the Government have taken in response to the order of the House and an opportunity for other Members to question him on those matters. It is not an occasion for the House to debate whether or not a contempt of the House may have occurred. There may or may not be later occasions for that matter to be discussed. This is the correct procedure, and I know the House will trust me to know of what I speak.

12.37 pm

Keir Starmer (Holborn and St Pancras) (Lab) (*Urgent Question*): To ask the Secretary of State for Exiting the European Union if he will make a statement on the release of the impact assessments arising from sectoral analysis carried out by Her Majesty's Ministers to the Select Committee on Exiting the European Union.

The Parliamentary Under-Secretary of State for Exiting the European Union (Mr Robin Walker): This House passed a motion on 1 November asking that impact assessments arising from sectoral analyses be provided to the Select Committee on Exiting the European Union. This Government take very seriously their parliamentary responsibilities, and have been clear that they would be providing information to the Committee.

In the past three weeks, Departments have worked to collate and bring together this information in a way that is accessible and informative. I am glad to be able to confirm that this information has been provided not only to the Select Committee on Exiting the European Union but to the House of Lords EU Select Committee and, indeed, to the devolved Administrations. I can also, Mr Speaker, with your permission, inform the House that we have initiated discussions with the parliamentary authorities to make this information available to all colleagues through a reading room.

We were clear from the start that we would respond to the motion, but also that the documents did not exist in the form requested. Indeed, I made it clear to the House during the debate on the day that

“there has been some misunderstanding about what this sectoral analysis actually is. It is not a series of 58... impact assessments.”— [*Official Report*, 1 November 2017; Vol. 630, c. 887.]

As I said, the sectoral analysis is a wide mix of qualitative and quantitative analysis contained in a range of documents developed at different times since the referendum. The House of Commons itself has recognised that, although Ministers should be as open as possible with Parliament, the Government also have an obligation to consider where it will be in the public interest for material to be published.

Furthermore, it is important to recognise that, in some cases, there is commercially confidential information in the analysis and that, in many cases, the analysis was developed to underpin advice to Ministers on negotiation options in various scenarios. It is well understood, as has been the case under successive Administrations, that such advice to Ministers must remain private.

In the light of all that, my right hon. Friend the Secretary of State for Exiting the European Union made a statement on 7 November in which he explained that, given the documents did not exist in the form requested, it would take

“some time to collate and bring together this information in a way that is accessible and informative to the Committee.”— [*Official Report*, 7 November 2017; Vol. 630, c. 1333.]

He committed that the reports would be provided within three weeks. In providing the information to the Committee yesterday, we have met that commitment. Parliament has endorsed the responsibility of Ministers not to release information that would undermine our negotiating position. Contrary to what has been asserted in some places, the Committee did not give any firm assurances that what was passed to it would not subsequently be published in full. Where there are precedents for Government agreeing to pass information to Select Committees in confidence, these have been on the basis of assurances received before material is shared or a clear set of rules, such as those governing intelligence material.

When he met the Secretary of State, the Chairman of the Select Committee did say that he was willing to enter into a dialogue—after the Select Committee had received documents from the Government. But that is not the same as an assurance that, if we provided confidential or sensitive material, it would not be published, and it is not in keeping with the usual practice of Committees on these sensitive issues. As such, the sectoral reports provided do not contain information that would undermine the UK's hand in negotiations or material that is commercially or market sensitive. But the House should be in no doubt that this has been a very substantial undertaking. We have been as open as possible, subject to the overwhelming national interest of preserving our negotiating position. We have collated more than 800 pages of analysis for the Committees, less than a month from the motion being passed, and this covers all the 58 sectors. We now consider the motion of 1 November 2017 to have been satisfied.

Keir Starmer: “Transparency” and “accountability” are two words this Government do not understand. On 1 November, after a three-hour debate, this House voted in favour of a Humble Address requiring all 58 sectoral analyses to be passed to the Brexit Select Committee—not some of the reports, not redacted copies, but the full reports. The Government did not seek to amend the Humble Address, nor did they vote against the motion. After your advice to us, Mr. Speaker, the Government accepted that the motion was binding. It is simply not open to the Secretary of State to choose to ignore it and to pass to the Select Committee the documents he chooses. Whether he is in contempt of Parliament is a matter we will come to at some later date, but he is certainly treating Parliament with contempt.

The Secretary of State says, and the Minister has reported, that he did not get assurances from the Select Committee about how the documents would be used. The Minister therefore had better answer some pretty blunt questions this afternoon. What assurances were sought that were not given? He had better tread carefully, because there will be an audit trail here and if he cannot answer that question, if he did not pursue the assurances, if he did not suggest a course that was rejected, his cover for not disclosing these documents will be blown.

This is not a game. This is the most important set of decisions this country has taken for decades and they need to be subjected to proper scrutiny. In my experience, the biggest mistakes are made when decisions are not tested.

May I remind the Minister and the Secretary of State that, until this House passed the motion on 1 November, Ministers routinely claimed that these analyses were extensive and authoritative? They say that they have now put the documents together. In September, they answered a freedom of information request. The first question was, “Do you hold the material?” to which the answer was, “Yes.” That calls into serious question the explanation now being put before this House.

Finally, I am deeply concerned that the sum total of documents generated by the Government’s work on the impact on the economy of their approach to Brexit can be squeezed into two lever arch files. That is the volume of paperwork I would have expected for a pretty routine Crown court trial in my old world. If that is the case, we should all be worried. Is that the extent of the analysis? Either way, this a very sorry state of affairs.

Mr Walker: Let me address some of the misconceptions in the right hon. and learned Gentleman’s statement. We have not edited or redacted reports. At the time the motion was passed, and subsequently, we were clear that the documents did not exist in the form requested. We have collated information in a way that does not include some sensitive material, but the documents, which he freely admits he has not seen, do not contain redactions. It is noticeable that the original suggestion of redactions in the debate on 1 November came from him, speaking from the Front Bench for the Opposition. He also said in the debate that he had

“accepted all along that the Government should not put into the public domain any information that would undermine our negotiating position”—[*Official Report*, 1 November 2017; Vol. 630, c. 881.]

He accepted that there is a level of detail, and confidential issues and tactics, that should not be discussed. Those were statements he made in the debate itself.

Let me tell the right hon. and learned Gentleman the logical consequences of that position. He has suggested that mechanisms are available that allow for the sharing of material in advance for Select Committees, and he is of course right—I addressed that in my opening statement. My Secretary of State met the Chair of the Select Committee and discussed these terms. It was very clear that, as the Chair has himself said in Parliament, he wanted to receive all the documents first before he would give any assurances as to the way in which they would be treated. On that basis, we had to be clear that we had to protect commercially sensitive information.

In the absence of any restrictions on what the Select Committee might do with the documentation, the Government had to be mindful of their obligations not to allow sensitive information to be public, but let me be clear again: we have been as open as possible within those obligations. The material we have provided to the Select Committee is very substantial. It is bizarre for the right hon. and learned Gentleman to dismiss it without having yet seen it. When Committee members have had an opportunity to consider it fully and to reflect on it, I think they will reasonably conclude that the Government have fully discharged the terms of the motion.

We have shared more than 800 pages of analysis with the Select Committee. The analysis describes the activity in each sector and the current regulatory regime for the sector. The report set out existing frameworks from across the globe for how trade is facilitated between countries in the sectors, as well as sector views, which cover a range of representative cross-sector views from businesses and organisations throughout the UK. We have taken care to incorporate up-to-date views from stakeholders, such as views on the proposed implementation period.

The right hon. and learned Gentleman asked: does this represent the sum of the Government’s analysis? Of course it does not. The motion referred to sectoral analyses and we have responded to that motion by sharing those sectoral analyses. I note the Select Committee’s statement following its meeting this morning and I welcome the fact that arrangements will be made for Committee members to view documents in confidence. When they do, I think they will find that there is a great deal of useful and valuable information here. I assure the House and the Committee that the Secretary of State will also be accepting their request to discuss the content.

I assure the House that my Department takes its responsibilities to Parliament extremely seriously. We have provided a vast amount of factual information to help the Committees and this House in their scrutiny. I am confident that we have met the requirements of the motion, while respecting our overriding duty to the national interest.

Mr Kenneth Clarke (Rushcliffe) (Con): If the Government wished to resist the publication of the papers that they had, they should have voted against the motion, and if they wished to qualify or edit the papers that they had, they should have sought to amend the motion. We cannot allow, post Brexit, the reduction of parliamentary sovereignty to a slightly ridiculous level. Will the Minister at least consider the possibility of sharing, at least with the Chairman of the Exiting the European Union Committee, the papers in the original form they were in when we voted on the motion, before this editing process started? The House would then no doubt be guided by the Chairman of the Select Committee on changes and omissions that are legitimately in the national interest and should be made.

Mr Walker: I share my right hon. and learned Friend’s commitment to ensuring that the House can scrutinise valuable information in this respect, but the problem with the motion that was passed is that it referred to sectoral impact analyses. We were clear from the start that the documents it referred to did not exist in the form that was required. We have therefore pulled together sectoral analysis for the scrutiny of the Select Committee. I think that that will prove valuable to the Committee.

Peter Grant (Glenrothes) (SNP): On a day in June 2016, the people of the United Kingdom were asked one question on one day. As a result of the answer they gave to that one question, there is no going back on Brexit. On 1 November, Parliament was asked one question, but for the intervening 27 days the Government have done everything possible to deny and defy the instruction—it was not a request—that they were given by this Parliament, to which, we are told, sovereignty is being restored by the Brexit process.

[Peter Grant]

I remind the Minister that the question of what the Government will provide to the Select Committee is not for the Government or, indeed, for the Select Committee to decide. This Parliament has decided, and there is no discussion, debate or negotiation as to the extent to which that decision will be complied with. It must be complied with in full; otherwise, as the letter published recently by the Chair of the Select Committee on Exiting the European Union makes clear, the Select Committee will have to consider whether to table a motion on contempt. How is that going to look to our European partners? What will it do to the credibility of the Government, and particularly of the Brexit team, if they end up being held in contempt by the Parliament to which they claim to be returning sovereignty?

Will the Minister confirm that the resolution of the House was about not what was made public but what was provided to the Select Committee? In those circumstances, does he not accept that what must be made available to the Select Committee is everything—absolutely everything? If the Government are not prepared to comply with that instruction, they should not be in government. Will he tell us categorically whether he accepts that a decision on what to publish, within the bounds of parliamentary privilege, is for the Select Committee alone, and will he confirm that he and his Government are prepared to trust the judgment of that Committee to exercise on behalf of the House responsible judgment about what the public are entitled to know?

Mr Walker: The hon. Gentleman asks a number of important questions. I would hope to hear some welcome from him for the fact that we have shared the information in these reports with the devolved Administrations. When I gave evidence to Select Committees recently in Scotland, we were pressed on whether we would do that. We do respect the fact that the Select Committee has the complete choice and discretion over what gets published of the information that is shared with it. That is why the Government have published the information to the Select Committee in the way that they have.

Mr Iain Duncan Smith (Chingford and Woodford Green) (Con): My hon. Friend has every right to ensure—as the EU has given out in its guidance—that not all confidential information is necessarily made available; otherwise, that might restrict our negotiating position. May I also urge him, however, to have that discussion with the Chairman of the Select Committee and ask him specifically what is it he was expecting that he has not got in terms of the documents?

Mr Walker: I thank my right hon. Friend for that question and his urging. I shall certainly take account of both his points.

Hilary Benn (Leeds Central) (Lab): I welcome the willingness of the Secretary of State to appear before the Select Committee—a decision that we made this morning. May I ask the Minister to convey to him our wish that he should do so very speedily indeed?

Given that it is quite clear that the Select Committee has received edited documents—in other words, they do not contain everything that is in the possession of the

Government—may I say to the Minister that that is not in keeping with the motion passed by the House of Commons? I also say to him that I made it very clear to the Secretary of State what procedure the Select Committee would use to consider the reports and, if I may put it like this, I do object to any suggestion that the Select Committee, or I as Chair, cannot be trusted to do our job.

Mr Walker: I have great respect for the right hon. Gentleman, and I will certainly communicate his message to the Secretary of State. On the point he makes about the information in the analyses, what the motion referred to was not what existed at the time. What we have tried to do is ensure that there is full information available to his Committee. When he has had the chance to scrutinise that and ask questions of Ministers about that, he will find that information very useful to his scrutiny.

Mr John Whittingdale (Maldon) (Con): As my hon. Friend has said, there are 850 pages of these documents and so far the Chairman of the Select Committee is the only Member who has actually seen them. I understand that the documents have been sent to two Select Committees of Parliament and to the devolved Administrations. As a former Chairman of a Select Committee, I can say that leaks are not without precedent. I would not want the Government to make available any information that, if it became public, could undermine our negotiating position.

Mr Walker: I thank my right hon. Friend for the point he makes, which is important, but of course we want to ensure that as much information as can be made available to the Select Committee is available within the constraints that I have discussed.

Tom Brake (Carshalton and Wallington) (LD): Why, when the Bank of England has published the frankly chilling implications of no deal, do the Government insist on selectively editing the sectoral reports? Is it true, as I was told by a DExEU insider, that what the Government have done is release selective sensitive documentation, while withholding the bulk of that sensitive information?

Mr Walker: In answer to the right hon. Gentleman's last question, no.

Mr Peter Bone (Wellingborough) (Con): I find that I agree with the comments of the Father of the House and the Chairman of the Select Committee, but I do understand that there is a dilemma for the Government. One recent motion clearly says that all documents should be delivered. A previous motion in this House says that the Government should not produce anything that damages our negotiations. Those motions are not clear, so would it not be an idea for the Government to come back with another motion clarifying the situation?

Mr Walker: I am grateful to my hon. Friend for his suggestion. Of course such suggestions are not necessarily for me to respond to, but it is certainly something that we will have a look at.

Seema Malhotra (Feltham and Heston) (Lab/Co-op): In June, the Secretary of State said on “The Andrew Marr Show” that

“We’ve got 50, nearly 60 sector analyses already done.”

In September, that was reiterated in response to my freedom of information request. In October, the Secretary of State confirmed that to our Committee and said that the reports were in “excruciating detail” and that the Prime Minister had seen the summaries. In November, we heard that they never existed. On what basis can completed reports be uncompleted, and on what basis is it right that the Government do anything other than give the reports in full to the Select Committee, in line with the resolution of this House?

Mr Walker: The Government have provided the reports covering the 58 sectors to the Select Committee, and I look forward to the Select Committee being able to scrutinise them in detail. The hon. Lady has been persistent in pressing for as much of this information as possible to be put in the public domain. Her Front-Bench team have also been persistent in recognising that that could not be done with all the information, subject to negotiations, without damaging our national interest.

Mr Jacob Rees-Mogg (North East Somerset) (Con): The issue now is not whether it is in the Government’s interest to publish these documents. If the Government did not want to publish them, they should have voted down or amended the Humble Address. In all precedent, this is a binding motion, unlike the previous motion passed earlier in the year, which was not a Humble Address and not a binding motion. To meet this motion, it is not at the discretion of the Government to decide what to take out; it is at the discretion of the Select Committee. I therefore urge the Government either to meet the terms of the motion in full, or to seek to put down a new motion.

Mr Walker: I take my hon. Friend’s expertise in parliamentary procedure extremely seriously, and I recognise the point that he is making. We do feel that we have responded to the motion in full by preparing for the Select Committee sectoral analyses. The point that I make to him is that the sectoral analyses did not exist in the form that was requested in the motion at the time.

Mr Pat McFadden (Wolverhampton South East) (Lab): This situation is entirely of the Government’s making. The motion passed by this House did not give the Government discretion to take this information and decide for themselves what to give to the Select Committee and what not to give to the Select Committee. The Government have not complied with the motion, which they did not resist. There is another underlying point here—apart from questions of parliamentary privilege and contempt—and it is this: do we believe that the public have a right to know the consequences of the options facing the country on Brexit? I believe that they do. Does the Minister agree?

Mr Walker: The right hon. Gentleman knows that we have responded to the motion. We accepted that it was binding. We have therefore brought forward information for the Select Committee. We have gone further than that by bringing forward information for the Lords Committee and for the devolved Administrations, and we are now in discussions to ensure that that information can be provided in confidential reading rooms for the whole House. Of course, what is not in the interests of the public of this country is to publish information to

the other side that could be sensitive to our negotiating position; that is what this House has repeatedly voted for us not to do.

Mr Christopher Chope (Christchurch) (Con): Most people would accept that it is perfectly reasonable to exclude commercial market and negotiation-sensitive information but, unfortunately, that was not expressly excluded in the terms of the Humble Address on 1 November. Will my hon. Friend look carefully at the option of the Government bringing forward a revised motion that expressly excludes that information from the material to be supplied to the Select Committee?

Mr Walker: My hon. Friend, like many of my hon. Friends, raises an interesting point. It is something that we will look into. What we have done is to ensure that the Select Committee has information on the sectoral analyses that the Government have conducted, which is an important step taken in response to a motion of the House.

Stephen Kinnoch (Aberavon) (Lab): In his letter of 2 November, my right hon. Friend the Member for Leeds Central (Hilary Benn), the Chair of the Select Committee, wrote:

“once the material has been provided to the committee, I would be very happy to discuss with you any particular concerns you may have about publication of parts of the material so that the committee can take these into account in making its decision on release.”

On 27 November, the Secretary of State wrote:

“we have received no assurances from the committee regarding how any information passed will be used.”

Does the Minister agree that that letter is a blatant misrepresentation of what was agreed and that the Secretary of State should withdraw that remark and apologise for it to my right hon. Friend?

Mr Walker: No, I do not.

Anna Soubry (Broxtowe) (Con): It is extremely important that we understand exactly what was voted on and what the Select Committee seeks disclosure of. I am reminding myself of the motion, which was in two parts. It first referred to the list of sectoral analyses, and then went on to make it clear that it was

“the impact assessments arising from those analyses”

that should be provided to the Select Committee.

The hon. Member for Feltham and Heston (Seema Malhotra) referred to the evidence provided by the Secretary of State to the Select Committee back in October. I remind myself of his answers to questions 131 and 132 in that session, in which he made it clear that those impact assessments existed “in excruciating detail” and that the Prime Minister had been provided with a summary, which she had read. Will the Minister confirm that what this House now seeks the Government to disclose are the impact assessments?

Mr Walker: My right hon. Friend is, as always, forensic in her questioning. We were very clear when we were debating this motion that exactly what it referred to was not available at that time. Of course, there are various assessments and documents held by the Government that have been worked on over time, addressing the

[Mr Robin Walker]

individual sectors. We have actually sought to provide the Select Committee with a great deal more information than existed at the time of the Secretary of State's evidence to it, and I think that that will be valuable to the Committee in its scrutiny.

Mr Ben Bradshaw (Exeter) (Lab): The main issues dividing the House at this stage in the Brexit negotiations are our continued membership of the customs union and of the single market. Ministers say constantly that they do not want to reveal anything that could weaken their negotiating hand, but the Government have made their position clear and the European Union has accepted that the Government want a hard Brexit, so why would it damage the Government's negotiating position to put that information out? Can the Minister confirm that the information in the edited documents will help Members to reach a view on whether we should stay in the customs union and the single market?

Mr Walker: I can confirm to the right hon. Gentleman that the information in the edited documents will be valuable to the House, but it is wrong to describe them as "edited documents". I would describe them as comprehensive sectoral analyses that the Government have provided for the Select Committee and will be providing, on a confidential basis, to the House.

In response to the right hon. Gentleman's question about the customs union and the single market, I remind him that he, like I, stood on a manifesto that said that we will respect the referendum result and confirmed that the UK will be leaving the customs union and the single market.

Richard Graham (Gloucester) (Con): The Minister is making a gallant and courteous defence of a situation that is unlikely to satisfy everybody in this House because of the terms of the Humble Address, but there are two aspects of this that need to be separated. The first is the requirement to provide everything to the Select Committee, which the Humble Address did call for. The second is the fact that surely no one in this House would want our country to go into the negotiating chamber in a weaker position as a result of decisions taken here. The shadow Secretary of State himself recognised that there is a way of dealing with these things, which is to redact what would be sensitive. Unfortunately, the Humble Address did not cover that, so I believe that it is now strongly in the Government's interest to table a motion to amend the Humble Address, which many of us in the House would strongly support.

Mr Walker: Like many Conservative Members, my hon. Friend has suggested an approach that the Government could take. It is certainly something to which we will give due consideration.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The crucial issue is the Government's failure to be open and transparent with the public and Parliament about the consequences of their approach to Brexit. They are not just doing that with regard to these papers, because they also refuse to give clear examples of the spending reprioritisation that is taking place in Departments as a result of the assessments in the papers and the

Government's policies on Brexit. Will the Government publish a breakdown of the funding that they are giving each Department to cope with their approach to Brexit?

Mr Walker: The hon. Gentleman's question strays quite a long way beyond the matter that we are discussing at the moment. We will absolutely continue to engage with Parliament and its Select Committees to support their scrutiny. We will provide them with as much information as we can, consistent with the national interest.

Sir Desmond Swayne (New Forest West) (Con): Just to rub it in: who was it who first suggested the use of redaction?

Mr Walker: I can confirm that that was the right hon. and learned Member for Holborn and St Pancras (Keir Starmer).

Joanna Cherry (Edinburgh South West) (SNP): The Minister has mentioned the devolved Administrations on a number of occasions. I am advised by Scottish Government colleagues that the documents they have received contain nothing substantial at all about Scotland. On 24 and 25 October, the Secretary of State for Scotland and the Secretary of State for Exiting the European Union gave evidence—to the Scottish Affairs Committee and the Exiting the European Union Committee respectively—that assessments of Brexit's impact on the Scottish economy existed and would be shared with the Scottish Government. Will the Minister confirm that those unedited documents will now be shared without further delay?

Mr Walker: I can confirm that the documents that are being shared with the Select Committee are also being shared in the usual way, with permanent secretaries of the devolved Administrations, on the same basis as they have been shared with the Select Committee. The sectoral analyses do, in many cases, contain important analyses of Scottish issues.

Jeremy Lefroy (Stafford) (Con): May I gently suggest to my hon. Friend, for whom I have the greatest of respect, that there should be a bit of a rethink on this matter before the Secretary of State appears before the Select Committee in the coming days? I also urge my hon. Friend to recognise that the really important thing at this stage is to get a move on with the negotiations and ensure that companies up and down the country, which are currently in limbo, know what we are going to do. We have to move forward in December; we cannot stand still.

Mr Walker: My hon. Friend makes a hugely important point. I think we all want to ensure that we have the most successful approach to the negotiations, that we move forward in December and that we talk about the implementation period, which is hugely important to companies, and the deep and special partnership that we want to form between the UK and the EU. I will certainly take his points on board.

Sammy Wilson (East Antrim) (DUP): The Brexit Committee has made the rightful assertion that it will decide what information is published, but does the

Minister accept that there is a real danger that the national interest could be put in jeopardy if more weight were given to transparency than to protecting our negotiating position? Does he therefore agree that the best way forward is to seek clarification from the House that it does not wish for information that could be sensitive to be placed in the Committee's hands, and therefore to bring forward a motion to the House along those lines?

Mr Walker: The hon. Gentleman reinforces a point that has been made by many of my hon. Friends. As I said, we will give that due consideration. He is right that we need to ensure that we protect the absolute national interest in this process by ensuring that information that is sensitive in the negotiations remains confidential.

Mr David Jones (Clwyd West) (Con): In all my hon. Friend's dealings with his European Union counterparts, has he ever formed the view that they pay no heed to the proceedings of this House and, indeed, have no interest in the contents of any documents that may be produced for any of its Select Committees?

Mr Walker: My right hon. Friend makes an interesting suggestion. I would say that the proceedings of this House—certainly as they are reported by the press—are sometimes of great interest to our continental colleagues, but I do take his point.

Stephen Timms (East Ham) (Lab): The Department has handed over some 850 pages, but the Minister has made it clear that some information has been withheld. If that additional material had also been handed over, how many pages would that have been? Would it be another couple of hundred, more or less, or has the information not actually been compiled?

Mr Walker: The right hon. Gentleman asks a hypothetical question to which I am afraid that I do not have an answer.

Mr Philip Hollobone (Kettering) (Con): It was a mistake not to amend the Opposition's motion. As a result, the Government are skating on very thin parliamentary ice. The issue could be solved next week if the Government were to come back with a sensible motion, which every Member of this House really ought to support.

Mr Walker: As with other hon. Friends, I take my hon. Friend's suggestion very seriously.

Wera Hobhouse (Bath) (LD): By not releasing the papers in their original form, is the Minister aware that the implication is that I and other members of the Select Committee cannot be trusted to act in the national interest?

Mr Walker: No, I do not believe that is the case at all. We believe that the Select Committee has a serious job of scrutiny to do. These papers have been produced at great length to help to inform that scrutiny.

Tim Loughton (East Worthing and Shoreham) (Con): I would be rather more interested in seeing the impact assessments drawn up by the EU of the impact of Britain leaving the EU and how that is affecting the

EU's negotiating position. Does my hon. Friend share my curiosity that Opposition Members are not keen to scrutinise those documents?

Mr Speaker: Order. The trouble with the interest of the hon. Gentleman, which is of great fascination to Members of the House and many spectators beyond its environs, is that it is not even adjacent to the question before us, but I am sure the hon. Gentleman can entertain himself in the long winter evenings that lie ahead.

Ms Angela Eagle (Wallasey) (Lab): This is not my definition of taking back control. This huge mess that the Government have got themselves into shows the limits of their clever-clever tactic of not engaging with Opposition motions by sitting on their hands. Despite what the Minister says, the fact is that a Humble Address, which it is compulsory for the Government to act on, has been carried. It calls not for the documents to be edited and not for them to be changed—that job now goes to the Select Committee. The Government have to get on and publish these documents, and they have to publish them now.

Mr Walker: As I made it very clear on the day we debated this issue, the documents did not exist in the form that was requested. We took the motion of the House extremely seriously, and that is why we have made sure that a great deal of information has been provided to the Select Committee.

Tom Pursglove (Corby) (Con): Has any formal protocol been put down by the Committee and conveyed to Ministers about how it would handle this information, because that is pertinent in all this?

Mr Walker: Not that I am aware of.

Hywel Williams (Arfon) (PC): What—[*Interruption.*] If I could have the Minister's attention, what guidelines were provided to the officials editing the documents as to what should be excluded?

Mr Walker: I have made it clear to the House that this information was pulled together from a range of documents. As I have also made clear, we have to ensure that commercially sensitive information, and information that would be prejudicial to the national interest, could not be at risk of being published. But this has been a process of ensuring that there is more information for the Committee, not less.

Suella Fernandes (Fareham) (Con): Does the Minister share my concern about how a letter sent by the Secretary of State to the ExEU Committee managed to reach journalists at the *Daily Mirror* before it was considered by the Committee? Does that encourage or discourage him when it comes to sharing confidential information?

Mr Walker: My hon. Friend raises a very interesting point. Of course, all leaks should be taken extremely seriously.

Mr David Lammy (Tottenham) (Lab): The Minister will understand that it is important that the Executive get on with policy, but there is a fundamental role in our constitution for Parliament to hold the Executive to

[Mr David Lammy]

account and to scrutinise this hugely important decision. The Secretary of State said that the information existed “in excruciating detail” and that the Prime Minister had seen the summaries. For that reason, it is hard to understand why we cannot see the entirety of the information—if so, with redaction. Can the Minister explain why that is not the case?

Mr Walker: The right hon. Gentleman is absolutely right about the balance we need to strike. We do need to get on with this role, but we also absolutely respect the role of parliamentary scrutiny in this process, which is why the information that has been provided to the Committee is comprehensive and in great detail. It goes beyond the type of summaries that he refers to and, indeed, that the right hon. and learned Member for Holborn and St Pancras suggested might be an answer to this. We have actually provided much more information than just summarising reports could have done.

Several hon. Members *rose*—

Mr Speaker: Order.

Points of Order

1.13 pm

Keir Starmer (Holborn and St Pancras) (Lab): On a point of order, Mr Speaker. Further to the debates we have just had, it is clear there is a lot of concern from Members on both sides of the House that the Government have not satisfied the motion passed less than a month ago. You have been very clear in your advice that the motion passed was binding. After the debate on 1 November, you said that

“I would expect the Vice-Chamberlain of the Household to present the Humble Address in the usual way.”—[*Official Report*, 1 November 2017; Vol. 630, c. 931.]

The expectation of this House was that the papers would be handed over in full, unedited. Anything less than this would be, I believe, a contempt of Parliament. Can I seek your guidance on whether you believe the Government have adequately satisfied the motion and the expectations of the House? If not, would failure to comply be considered a contempt of the House? If so, what would be the best way for Members to proceed?

Pete Wishart (Perth and North Perthshire) (SNP): Further to that point of order, Mr Speaker.

Mr Speaker: Is it very specifically further to, and therefore on the point raised by, the right hon. and learned Member for Holborn and St Pancras (Keir Starmer)?

Pete Wishart *indicated assent*.

Mr Speaker: It is. Point of order, Mr Pete Wishart.

Pete Wishart: As you will know, Mr Speaker, I wrote to you on 7 November asking you to consider contempt proceedings against the Government for failing to provide these Brexit analysis papers in full, as mandated, as you said, by the fully binding motion agreed by the House. You very generously gave the Government three weeks to comply, and you said you were awaiting the outcome of the conversations between the Secretary of State and the Chairman of the Exiting the European Union Committee. We have now had those conversations, and we have now heard the response from the Chairman of the Committee, who stated in this very Chamber just a few moments ago that the Government do not meet the motion in full. I therefore ask you to reconsider my letter of 7 November and to consider bringing contempt motions, as detailed on page 273 of “Erskine May”. I am sure you are aware of the significance of this, and I know you will deal with this sensitively. This is contempt, and the Government must be held accountable for their failure to comply.

Mr Speaker: I am very grateful to the right hon. and learned Member for Holborn and St Pancras (Keir Starmer).

Mr Marcus Fysh (Yeovil) (Con): Further to that point of order, Mr Speaker.

Mr Speaker: Order. I will come to the hon. Gentleman in due course, potentially.

Mr Fysh: It is on this matter.

Mr Speaker: Very well. Let us hear Mr Marcus Fysh.

Mr Fysh: On page 201 of “Erskine May”, the section on ministerial accountability quotes from a resolution that was passed by both Houses of Parliament in the 1996-97 Session, which makes it clear that Ministers do not have to disclose all information if it is not in the public interest to do so. Does that have any bearing on this?

Mr Speaker: I am extraordinarily grateful to the hon. Gentleman, and I say this in no spirit of discourtesy to him, but I am familiar with precedent in relation to these matters, and I did not particularly need to be advised of the presence of that material in “Erskine May”. He will not be surprised to know that I have attended to these matters recently and regularly.

What I would say in response to the hon. Member for Perth and North Perthshire (Pete Wishart) very specifically is that I can, of course, reconsider his letter, but I hope he will not mind my saying that I think it would be more orderly and courteous if he were to write to me again, if he is so minded, in the light of the developments that have ensued since his earlier letter. This is not being pedantic—it really is not. It is a question of procedural propriety. If I receive a letter from the hon. Gentleman, I will consider it and respond in a timely way.

Beyond that, what I want at this point to say is that I think it is well known to Members, and certainly to such legal luminaries as the former Director of Public Prosecutions, that a Member wishing to allege a contempt should, in the first instance, raise it not in a point of order, nor indeed in the media, but by writing to me as soon as practicable after the Member has notice of the alleged contempt or breach of privilege. I then decide whether or not the matter should have precedence. It is certainly also well known to the hon. Member for Perth and North Perthshire that this is the procedure, as he availed himself of it a few weeks ago. I am more than happy to confirm that my doors are always open for such written notices.

Beyond that formal statement, and in the hope that this is helpful to Members in all parts of the House, I would emphasise that we all heard what the Chair of the Brexit Select Committee had to say. He indicated that the Committee had made a public statement and requested an urgent audience with the Secretary of State, and that information from the right hon. Member for Leeds Central (Hilary Benn) was extremely important. The Minister responded, indicating a willingness on the part of the Secretary of State to meet, and to do so soon. May I very politely say to the Minister, who is always a most courteous fellow, that he was wise to make that statement? When it is suggested that that meeting should be soon, it means soon; it does not mean weeks hence. It means very soon indeed. Nothing—no commitment, no other diarised engagement—is more important than respecting the House, and in this case, the Committee of the House that has ownership of this matter, and to which the papers were to be provided. That is where the matter rests. As and when matters evolve, if a further representation alleging contempt is made to me, I will consider it very promptly and come back to the House. I hope that the House knows me well enough to know that I will do my duty.

Mr Peter Bone (Wellingborough) (Con): On a point of order on a slightly separate issue, Mr Speaker. Some Government Members, and perhaps some Opposition

Members, have asked the Government to come forward with a new motion to try to clarify the distinction between the two differing motions that have come before the House. Is there any technical reason why that motion could not be produced, our having just debated the Humble Address?

Mr Speaker: No; it is possible. We shall see what happens. *[Interruption.]* The hon. Member for Glenrothes (Peter Grant) should not chunter from a sedentary position in evident disapproval of the thrust of the opinion expressed by the hon. Member for Wellingborough (Mr Bone). If the hon. Member for Glenrothes wishes to raise a point of order, I am very happy to entertain it.

Peter Grant (Glenrothes) (SNP): On a point of order, Mr Speaker. In answer to the urgent question, the Minister referred to the binding decision of the House on 1 November. He also referred to a non-binding decision that the House had taken on an earlier day. He appeared to seek to interpret the second decision in terms of the first. Could you advise the House? Where a binding subsequent resolution appears to be incompatible with an earlier non-binding resolution, which should take precedence?

Mr Speaker: The hon. Gentleman can always discuss these matters, if he wishes, over a cup of tea with the Minister, if the Minister can spare the time to do so. I do not want to get into a detailed examination of all past motions. Suffice it to say—this is important—that there is a very recent motion passed by this House. If I may very politely say so to the right hon. and learned Member for Holborn and St Pancras, I did not say that it was my advice that the motion was binding or effective; as Speaker, I ruled that it was binding or effective. That, I can say to the hon. Member for Glenrothes, irrespective of other motions, remains the fact.

Mr Iain Duncan Smith (Chingford and Woodford Green) (Con): Further to that point of order, Mr Speaker. I apologise for pressing you for a further clarification, but I do so simply because it may help the House. If a motion of contempt applies in respect of a motion, and a subsequent motion amends the original motion, does that negate any charge of contempt relating to the requirements made previously of the Secretary of State?

Mr Speaker: That is perfectly reasonable. I have known the right hon. Gentleman long enough to know that he has a fertile mind and likes to explore all possible avenues. I hope that he will forgive me for resorting to my usual response to what I regard as a hypothetical question, which is to pray in aid the wisdom of the late Lord Whitelaw, who was known to observe, on I think more than one occasion, “Personally, I prefer to cross bridges only when I come to them.” That is probably the safest course in virtually every sense.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op) *rose*—

Mr Speaker: Finally, I hope, I call Mr Barry Sheerman.

Mr Sheerman: Further to that point of order, Mr Speaker. This discussion goes to the very heart of how Select Committees operate. May I say, as someone who chaired a Select Committee for 10 years, that there is long-established precedent for the Chair of a Select Committee

[Mr Sheerman]

being able to receive a highly sensitive document on their own, in private, and deal with it sensibly and in a public-spirited way? There is a long tradition of that, particularly in very sensitive inquiries concerning children and education. Why that cannot apply at some stage in this case, I do not know.

Mr Speaker: That is a very helpful piece of information from an extremely experienced former Select Committee Chair. I am grateful to the hon. Gentleman; the House will have heard what he had to say.

Mr Kenneth Clarke (Rushcliffe) (Con): On a point of order, Mr Speaker. You are very generous; you did say “finally”, but I delayed, because this is related to what has gone on but is not on quite the same subject. One Member said, very pertinently, that this all arises from the curious practice, which started in this Parliament, of the Government not voting on Opposition motions, which has never happened in the history of the House, I think. The result is that the proceedings of the House are becoming littered with motions that are extremely critical of the Government and their policies, the vast majority of which motions I do not agree with. That reduces this House to a debating Chamber, and raises the question: what is parliamentary accountability in modern times? Could you perhaps initiate discussions with the usual channels to see how we can get back to the constitutional position that we should undoubtedly have, in which the Government are accountable for all their actions and policies to this House of Commons, and cannot simply ignore motions as though they were the resolutions of some local tea party?

Mr Speaker: I am not sure how grateful I am to the right hon. and learned Gentleman for his point of order, but my response is twofold. First, the Address is just that—the Address—whether an attempt was made to amend it or not, and its binding quality is just that. Irrespective of whether that attempt was made or not, it stands anyway. Secondly, how the Government deal with Opposition day debate motions is a matter for the Government. What the Government have done to date is not disorderly. If the right hon. and learned Gentleman has suggested, as I think he has, that at the very least it has not been helpful to the House, I certainly would not dissent from that. It would be helpful if people reflected on the wider implications or ramifications of their conduct on individual occasions. He has served in this House without interruption for 47 years, five months and 10 days, and I think he knows of what he speaks.

If there are no further points of order, I thank colleagues; that will do for now. We come now to the statement by the Secretary of State for Health, for which he has been most patiently waiting.

Maternity Safety Strategy

1.28 pm

The Secretary of State for Health (Mr Jeremy Hunt): With permission, I will make a statement about the Government’s new strategy to improve safety in NHS maternity services.

Giving birth is the most common reason for admission to hospital in England. Thanks to the dedication and skill of NHS maternity teams, the vast majority of the roughly 700,000 babies born each year are delivered safely, with high levels of satisfaction from parents. However, there is still too much avoidable harm and death. Every child lost is a heart-rending tragedy for families that will stay with them for the rest of their lives. It is also deeply traumatic for the NHS staff involved. Stillbirth rates are falling but still lag behind those in many developed countries in Europe. When it comes to injury, brain damage sustained at birth can often last a lifetime, with about two multi-million pound claims settled against the NHS every single week. The Royal College of Obstetricians and Gynaecologists said this year that 76% of the 1,000 cases of birth-related deaths or serious brain injuries that occurred in 2015 might have had a different outcome with different care. So, in 2015, I announced a plan to halve the rate of maternal deaths, neonatal deaths, brain injuries and stillbirths, and last October I set out a detailed strategy to support that ambition.

Since then, local maternity systems have formed across England to work with the users of NHS maternity services to make them safer and more personal; more than 80% of trusts now have a named board-level maternity champion; 136 NHS trusts have received a share of an £8.1 million training fund; we are six months into a year-long training programme and, as of June, more than 12,000 additional staff have been trained; the maternal and neonatal health safety collaborative was launched on 28 February; 44 wave 1 trusts have attended intensive training on quality improvement science and are working on implementing local quality improvement projects with regular visits from a dedicated quality improvement manager; and 25 trusts were successful in their bids for a share of the £250,000 maternity safety innovation fund and have been progressing with their projects to drive improvements in safety.

However, the Government’s ambition is for the health service to give the safest, highest-quality care available anywhere in the world, so there is much more work that needs to be done. Today, I am therefore announcing a series of additional measures. First, we are still not good enough at sharing best practice. When someone flies to New York, their friends do not tell them to make sure that they get a good pilot. But if someone gets cancer, that is exactly what friends say about their doctor. We need to standardise best practice so that every NHS patient can be confident that they are getting the highest standards of care.

When it comes to maternity safety, we are going to try a completely different approach. From next year, every case of a stillbirth, neonatal death, suspected brain injury or maternal death that is notified to the Royal College of Obstetricians and Gynaecologists’ “Each Baby Counts” programme—that is about 1,000 incidents annually—will be investigated not by the trust

at which the incident happened, but independently, with a thorough, learning-focused investigation conducted by the healthcare safety investigation branch. That new body started up this year, drawing on the approach taken to investigations in the airline industry, and it has successfully reduced fatalities with thorough, independent investigations, the lessons of which are rapidly disseminated around the whole system.

The new independent maternity safety investigations will involve families from the outset, and they will have an explicit remit not just to get to the bottom of what happened in an individual instance, but to spread knowledge around the system so that mistakes are not repeated. The first investigations will happen in April next year and they will be rolled out nationally throughout the year, meaning that we will have complied with recommendation 23 of the Kirkup report into Morecambe Bay.

Secondly, following concerns that some neonatal deaths are being wrongly classified as stillbirths, which means that a coroner's inquest cannot take place, I will work with the Ministry of Justice to look closely into enabling, for the first time, full-term stillbirths to be covered by coronial law, giving due consideration to the impact on the devolved Administration in Wales. I would like to thank my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) for his campaigning on this issue.

Next, we will do more to improve the training of maternity staff in best practice. Today, we are launching the Atain e-learning programme for healthcare professionals involved in the care of newborns to improve care for babies, mothers and families. The Atain programme works to reduce avoidable causes of harm that can lead to infants born at term being admitted to a neonatal unit. We will also increase training for consultants on the care of pregnant women with significant health conditions such as cardiovascular disease.

We know that smoking during pregnancy is closely correlated with neonatal harm. Our tobacco control plan commits the Government to reducing the prevalence of smoking in pregnancy from 10.7% to 6% or less by 2022. Today, we will provide new funding to train health practitioners, such as maternity support workers, to deliver evidence-based smoking cessation according to appropriate national standards.

The 1,000 new investigations into "Each Baby Counts" cases will help us to transform what can be a blame culture into the learning culture that is required, but one of the current barriers to learning is litigation. Earlier this year, I consulted on the rapid resolution and redress scheme, which offers families with brain-damaged children better access to support and compensation as an alternative to the court system. My intention is that in incidents of possibly avoidable serious brain injury at birth, successfully establishing the new independent HSIB investigations will be an important step on the road to introducing a full rapid resolution and redress scheme, to reduce delays in delivering support and compensation for families. Today, I am publishing a summary of responses to the consultation, which reflect strong support for the key aims of the scheme: to improve safety, to improve patients' experience and to improve cost-effectiveness. I will look to launch the scheme, ideally, from 2019.

Finally, a word about the costs involved. NHS Resolution spent almost £500 million settling obstetric claims in 2016-17. For every £1 the NHS spends on delivering a baby, another 60p is spent by another part of the NHS on settling claims related to previous births. Trusts that improve their maternity safety are also saving the NHS money, allowing more funding to be made available for frontline care. To create a strong financial incentive to improve maternity safety, we will increase by 10% the maternity premium paid by every trust under the clinical negligence scheme for trusts, but we will refund the increase, possibly with an even greater discount, if a trust can demonstrate compliance with 10 criteria identified as best practice on maternity safety.

Taken together, these measures give me confidence that we can bring forward the date by which we achieve a halving of neonatal deaths, maternal deaths, injuries and stillbirths from 2030—the original planned date—to 2025. I am today setting that as the new target date for the "halve it" ambition. Our commitment to reduce the rate by 20% by 2020 remains and, following powerful representations made by voluntary sector organisations, I will also include in that ambition a reduction in the national rate of pre-term births from 8% to 6%. In particular, we need to build on the good evidence that women who have "continuity of carer" throughout their pregnancy are less likely to experience a pre-term delivery, with safer outcomes for themselves and their babies.

I would not be standing here today making this statement were it not for the campaigning of numerous parents who have been through the agony of losing a treasured child. Instead of moving on and trying to draw a line under their tragedy, they have chosen to relive it over and over again. I have often mentioned members of the public such as James Titcombe and Carl Hendrickson, to whom I again pay tribute. But I also want to mention members of this House who have bravely spoken out about their own experiences, including my hon. Friends the Members for Colchester (Will Quince), for Eddisbury (Antoinette Sandbach) and for Banbury (Victoria Prentis), as well as the hon. Members for Lewisham, Deptford (Vicky Foxcroft), for Washington and Sunderland West (Mrs Hodgson) and for North Ayrshire and Arran (Patricia Gibson). Their passionate hope—and ours, as we stand shoulder to shoulder with them—is that drawing attention to what may have gone wrong in their own case will help to ensure that mistakes are not repeated and others are spared the terrible heartache that they and their families endured. We owe it to each and every one of them to make this new strategy work. I commend this statement to the House.

1.38 pm

Jonathan Ashworth (Leicester South) (Lab/Co-op): I am grateful to the Secretary of State for the advance copy of his statement. At the outset, may I pay tribute, as he has done, to the hon. Members who have spoken out so movingly in recent months about baby loss? They include, as he has said, the hon. Members for Colchester (Will Quince), for Eddisbury (Antoinette Sandbach), for Banbury (Victoria Prentis) and for North Ayrshire and Arran (Patricia Gibson), and my hon. Friends the Members for Lewisham, Deptford (Vicky Foxcroft) and for Washington and Sunderland West (Mrs Hodgson). They are all a credit to the House.

[Jonathan Ashworth]

Our national health service offers some of the best neonatal care in the world, and the progress set out by the Secretary of State today is a tribute to the extraordinary work of midwives and maternity staff across the country. We welcome his announcement that all notifiable cases of stillbirth and neonatal death in England will now receive an independent investigation by the healthcare safety investigation branch. That is an important step, which will help to bring certainty and closure to hundreds of families every year.

We also welcome the move by the Secretary of State to allow coroners to investigate stillbirths. May I assure him that the Opposition stand ready to work constructively with him to ensure the smooth and timely passage of the relevant legislation, should he and the Government choose to bring any before the House? I also pay tribute to the work carried out by the team at the University of Leicester that leads on the perinatal aspects of the maternal, newborn and infant clinical outcome review programme, which provided the evidence for today's announcement.

The number of deaths during childbirth has halved since 1993, saving about 220 lives a year, but we welcome the Secretary of State's ambition to bring forward to 2025 the target date for halving the rate of stillbirths, neonatal deaths, maternal deaths and brain injuries that occur during or soon after birth. If that target is to be delivered, however, it is essential that NHS units providing these services are properly resourced and properly staffed. We welcome the launch of the Atain e-learning programme, as well as the increased training for consultants on the care of pregnant women with significant health conditions. We also welcome the emphasis on smoking cessation programmes, but we should remind the Secretary of State that public health budget cuts mean that many anti-smoking programmes have been cut back across the country.

The Secretary of State will know that the heavy workload in maternity units was among the main issues identified by today's study, which found that "service capacity" issues in maternity units affected over a fifth of the deaths reviewed. Earlier this year, our research revealed that half of maternity units had closed their doors to mothers at some point in 2016, with staffing and capacity issues being the most common reasons for doing so. The Royal College of Midwives tells us that we are about 3,500 midwives short of the number needed. A survey published by the National Childbirth Trust this year showed that 50% of women having a baby experienced what the National Institute for Health and Care Excellence describes as a red flag event, which is an indicator of dangerously low staffing levels, such as a woman not receiving one-to-one care during established labour.

We therefore believe that the NHS remains underfunded and understaffed. I would be grateful to the Secretary of State if he told us what further action he intends to take to ensure that maternity services are properly funded and to address the staffing shortages as part of a full strategy to improve safety across the board. The NHS has excellent psychological and bereavement support services for women affected by baby loss, but we all know that the quality of those services remains variable across the country. Indeed, we are still a long way from

full parity of esteem for mental health in neonatal care. What action does the Secretary of State intend to take to plug these gaps?

Overall, this welcome set of announcements from the Secretary of State may help the NHS to provide the best quality of care for all mothers and their babies. The Opposition look forward to working constructively with the Secretary of State and the Government, but I hope he can reassure us that they will provide the resources that NHS midwives and their colleagues need to deliver on these ambitions.

Mr Hunt: I thank the shadow Health Secretary for the constructive tone of his response to the statement. I think he is right to point out both the achievements that have been made over many years, but also the challenges ahead. We have about 1,700 neonatal deaths every year—that has actually fallen by 10% since 2010—but behind that figure, there is variation across the country. For example, our best trust has about three deaths in 1,000, but in other trusts the figure can be 10 in 1,000, which is more than three times as many neonatal deaths. That shows we are not as good as we need to be at spreading best practice. Today's announcement is really about ensuring that we can confidently look every expecting mum in the eye and say, "You are getting the very highest standards of care that we are able to deliver in the NHS."

I thank the hon. Gentleman for his offer to co-operate on any legislation needed to expand the scope of inquests to full-term stillbirths, and we will get back to him on that. I also thank him for raising the issue of bereavement services. I spoke to a bereavement midwife this morning, and I think bereavement midwives are among the most extraordinary people working in the whole NHS. We do have a programme to improve the consistency of bereavement services and to roll out the use of bereavement suites across the NHS; our best trusts have such suites, but by no means all of them do.

The hon. Gentleman was absolutely correct to raise the issues of both funding and staffing. We have seen an increase of 1,600 in the number of midwives since 2010, which is a rise of 8%, and an increase of 600 in the number of obstetricians and doctors working in maternity departments, which is a rise of about 13%, but we need more. There are lots of pressures across the NHS, and we also have to fund the extra midwives and doctors that we need. There was a welcome boost for the NHS in the Budget, with an extra £1.6 billion available for the NHS next year. However, looking forward to the next 10 years and all the pressures coming down the track for the NHS—with a growing birth rate, but also with an ageing population—I do not pretend that we will not have to revisit the issue of NHS funding and find a long-term approach. Probably the most appropriate time to do that will be when we come to the end of the five year forward view and start to think about what happens following that. If we are to put more money into the NHS, we need to have the doctors, midwives and nurses to spend that money on, which is why, in the past year, the Government have committed to a 25% increase in the number of nurse training places and a 25% increase in the number of medical school training places.

My final point for the hon. Gentleman is that, although we have lots of debates in this House in which we take different positions in relation to the NHS, one thing we

can be united on is our aspiration, which is shared across the House, that the NHS should be the safest healthcare system in the world, and I very much thank him for his support on that.

Several hon. Members *rose*—

Mr Speaker: Order. This is an extremely important and sensitive matter, and we appreciate the statement on it. However, the business to follow—the final day of debate on the Budget—is also extremely important, and no fewer than 67 right hon. and hon. Members have indicated a wish to speak. Exceptionally, therefore, I may not feel able to call everybody on this statement. In any event, there is a premium on brevity from Back Benchers and Front Benchers alike.

Dr Sarah Wollaston (Totnes) (Con): I warmly welcome the Secretary of State's announcements today, including the move to allow coroners to investigate full-term stillbirths. Will he set out the current waiting time for post-mortems for infants because, as he will be aware, there is a shortage of the very highly specialised pathologists who carry out this vital work?

Mr Hunt: I do not have that information to hand, but I will find out for my hon. Friend and let her know.

Dr Philippa Whitford (Central Ayrshire) (SNP): Last month's debate on baby loss has been mentioned, and I too took part in it, although I have thankfully been spared the pain suffered by some Members of the House. Such a debate really helps to bring out for everyone on both sides of the House how important this issue is, and I do not think there will be anyone who does not welcome this statement and the ambition it shows.

In Scotland, we had a higher stillbirth, neonatal and perinatal death rate in 2012, but our new chief medical officer was actually an obstetrician, and that may have led to the change of focus in 2013, when she established the maternity and children quality improvement collaborative and the national stillbirth group—all as part of the Scottish patient safety initiative—as well as the neonatal managed clinical networks across Scotland. That has enabled us to drop our stillbirth rate by more than a quarter, and to drop our neonatal death rate by 50%.

This has been achieved despite the challenges we face of really difficult geography, including getting people off islands. It is easy to spot the woman who has a history of difficult births or to spot a woman with comorbidities, such as obesity or diabetes, but anyone who has been involved in birth knows that even the healthiest pregnancy can go wrong at the last minute. For us, as in rural parts of the north and west of England, there are transport issues in relation to how women with problems during labour are identified and transported if a higher specialism is required, and those issues must be looked at.

This is very much about the provision of neonatal services, including the movement of patients, and the availability of expertise and of neonatal intensive care units. However, as came out several times during the debate on baby loss, another issue is that of pre-term birth and stillbirth, so this is also about trying to change

some of those things. After Scotland's recent review in February, the focus will be on the consistent monitoring of growth, as a failure to thrive can identify a third of impending stillbirths; the continuity of care, which the Secretary of State has referenced; and especially smoking. Although the Secretary of State mentioned getting smoking rates down—and in Scotland, sadly, they are higher—the rate in the most deprived communities is more than four times that in the least deprived communities. That has an impact on every level of child loss.

Finally, on research, it is important that we learn, for example from the new information about women sleeping on their side in the last trimester. We need to fund the research to learn those things and then share the information—

Mr Speaker: Order. I have the highest regard for the hon. Lady, who is a considerable medical authority. I gave her a little leeway, but I say very gently that not only did she exceed her time by a minute, but she pursued her usual, rather discursive approach. In these situations, what is required is a question or a series of questions with a question mark or a series of question marks, rather than general analysis. We will leave it there for now. I say that in the most good-natured spirit to the hon. Lady.

I call Antoinette Sandbach.

Mr Hunt *rose*—

Mr Speaker: I forgot that we had heard from the hon. Member for Central Ayrshire (Dr Whitford), but we had not yet heard from the Secretary of State. Apologies.

Mr Hunt: I actually agreed with everything the hon. Member for Central Ayrshire said. I will give a rather more brief response.

Mr Speaker: Order. As I have just been advised by the distinguished Clerk at the Table, who swivelled round so to advise me, there is really no need for a response, because there was no question. However, I will indulge the right hon. Gentleman to the point of a paragraph.

Mr Hunt: Let me simply say that there is an excellent Scottish patient safety programme. Given that one of the main objectives behind the statement is to share best practice, I would be very happy to talk to the chief medical officer in Scotland and to Jason Leitch about how we can exchange information and learn from each other's systems.

Antoinette Sandbach (Eddisbury) (Con): As every parent who has lost a child knows, what they want most is answers. I therefore congratulate the Secretary of State on bringing forward the healthcare safety investigation branch, because such independence will be crucial in gaining the buy-in of parents and in their knowing what has happened in their particular case. How will the learning from those investigations be shared?

Mr Hunt: I thank my hon. Friend for her extraordinary campaigning on this issue. Yes, we want parents to get the answer more quickly, but we also want to be able to answer the question that every parent asks: "Can you guarantee that this won't happen again?" The investigators

[Mr Hunt]

will have an explicit dual remit: to get to the bottom of what happened, but also to spread that message around the system so that the same mistake is not repeated. That is the objective of setting up a new team of people to do this.

Lilian Greenwood (Nottingham South) (Lab): My constituents Jack and Sarah Hawkins have spoken bravely about the tragic death of their daughter Harriet due to failures of care. Members may have heard them this morning. I spoke to Jack earlier and am pleased to tell the Secretary of State that they feel listened to and heard. They and I very much welcome his statement and his support for extending the power of coroners. However, Jack and Sarah need to be able to stop fighting and to begin healing, so I ask the Secretary of State to urge his colleagues at the Ministry of Justice to support the Bill introduced by the hon. Member for East Worthing and Shoreham (Tim Loughton) to bring about that change as soon as possible.

Mr Hunt: Through the hon. Lady, I express my thanks to Jack and Sarah for bravely telling their story this morning in the media, which was incredibly moving and touched a lot of hearts. With respect to allowing inquests into full-term stillbirths, our objective is to move as quickly as any legislative vehicle allows. If I am able to work closely with my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) to do that, that is exactly what I want to do.

Will Quince (Colchester) (Con): I very much welcome the Secretary of State's statement and congratulate him on it. Does he agree that the vast majority of grieving parents, if not all, not only want to know why, but want to know that their child's life, however short, will have had meaning by ensuring that we learn lessons from them not as a statistic, but as a baby? That is why the independent investigation unit is so important. We must learn the lessons not just in one trust, but across the whole NHS and spread that learning to ensure that as few people as possible go through this emotional personal tragedy.

Mr Hunt: My hon. Friend is absolutely right. As he knows, because he has spoken so movingly on this subject many times, there is absolutely nothing we can do to make up for the searing loss of losing a loved one—a baby. It is the worst thing any parent can go through. We can at least give them the commitment that we will learn. If we are honest, we do not do so at the moment, because we sometimes wait 10 years for a court case to be settled, and even then it is not always clear to me that the lessons of what happened are properly learned around the system. This statement is an attempt to change that.

Diana Johnson (Kingston upon Hull North) (Lab): I very much welcome the Secretary of State's approach to more openness and transparency in the NHS around baby deaths. However, he will remember signing a letter in May 2016, along with the then Secretary of State for Communities and Local Government and the then Secretary of State for Justice, on an independent inquiry into the baby ashes scandal in Hull. That inquiry has never happened and parents still do not have the answers

about what happened in the NHS and Hull City Council in respect of their babies' ashes. Will the Secretary of State recommit to that independent inquiry going ahead with his permission?

Mr Hunt: I am happy to recommit to that. I apologise to the hon. Lady and her constituents for the delay. I will look into what happened right away.

Tim Loughton (East Worthing and Shoreham) (Con): The hon. Member for Nottingham South (Lilian Greenwood) pre-empted my question about my Bill and coroners. I make the offer to sit down with the Secretary of State and his draftsman to decide on the wording of my private Member's Bill, which will be debated on 2 February, as the fastest way to achieve his goals and get the solution that all Members of the House want.

Mr Hunt: I am happy to do that and am most grateful for that very generous offer.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I am sure that the Secretary of State will realise that, even after all these years, when my wife and I hear news like what we heard this morning, it takes us back to our first baby daughter, who died at birth. After that, we had four healthy children and 10 grandchildren, but we still go back to that awful time. Our baby was sickly; it was not about poor care. We care very much about people who lose their children. As a constituency Member of Parliament, I am getting increasingly worried about rationalisations in which maternity units get further and further away from where the main population live. I also get very worried when we do not give our midwives and doctors our full support to give them the morale to do that difficult job.

Mr Hunt: We must give doctors, nurses and midwives our full support, because they do an extraordinary job. Sometimes there are difficult issues and the centralisation of certain maternity services can improve patient safety if it means that there is round-the-clock consultant cover and so on. In my experience, the most important thing is to spot the most risky births early in the process. I am not a doctor, but there is sometimes an assumption that it is all about what happens at the moment of labour when women go into hospital. Actually, a lot of this is about thinking earlier in the process about higher risk mums—mums who smoke and mums from lower socioeconomic backgrounds—and intervening earlier. That will be important for the hon. Gentleman's constituents and for mine.

Dr Caroline Johnson (Sleaford and North Hykeham) (Con): Pregnancy and childbirth are a time of joy for most families, but during my professional career, I sadly had to look after a number of babies who died. I therefore welcome the Secretary of State's commitment to halving the number of neonatal deaths by 2025. In my professional experience, many babies who are stillborn were already dead or in serious trouble inside the mother before they arrived at hospital. Will the Secretary of State therefore confirm that the investigations will look at pre-hospital care, as well as hospital care, including things such as the measurement of babies' growth? Will he also encourage expectant mothers to monitor foetal movements, as we know that a reduction in those can be a sign of distress?

Mr Hunt: I can absolutely confirm that. This follows a very interesting discussion on that topic we both had at lunch. My hon. Friend is right that the key is early intervention. Also, we know that continuity of carer makes a very big difference. If, well ahead of labour, people can meet the midwives who will be delivering their child, that can help reassure people and lead to safer births.

Graham Stringer (Blackley and Broughton) (Lab): This is a very welcome statement. The Secretary of State will know of the very disturbing cases over the past few years in the Pennine health trust. Will he make space within the legislation for retrospective investigations where there have been a number of cases, as in the Pennine trust?

Mr Hunt: I will look into that very carefully. I am satisfied that there is strong new leadership at the Pennine trust and that it is being turned around, but it has told me about some of the cases to which the hon. Gentleman refers. They are of very great concern, and we absolutely must do everything we can to give answers to bereaved families.

Victoria Prentis (Banbury) (Con): As a bereaved parent, but also as a lawyer who has conducted many inquests, I ask the Secretary of State to consider two points. The first is the fact that not many families will need an inquest to determine what went wrong during the birth of their child. Secondly, will he commit to the training of special coroners, just as we have in military inquests, to ensure that those who deal with these very sad cases are the best equipped people to do so? Finally, on behalf of the all-party group on baby loss, may I thank him for today's announcement and encourage him in his work to make maternity care kinder, safer and closer to home—and may I encourage him to save Horton General Hospital?

Mr Hunt: First, may I apologise to my hon. Friend, because I should have mentioned her in my statement as someone who has spoken very passionately and movingly on this topic in the House? I will take away her point about specialist coroners, because we are now going to have specialist investigators, which we have never had before. I would make one other point. I hope she does not think I am doing down her former profession, but really when people go to the law, we have failed. If we get this right—if we can be more open, honest and transparent with families earlier on—it will, I hope, mean many fewer legal cases, although I am sure that the lawyers will always find work elsewhere.

Stephen Lloyd (Eastbourne) (LD): I welcome the Secretary of State's statement, like many others in the Chamber. He talked several times about learning lessons. As he knows, a recent report has highlighted that in my own trust, the East Sussex Healthcare NHS Trust, there were 19 stillbirths last year, which is a far higher percentage than in the rest of the UK. In the spirit of learning lessons, will he agree to someone in the Department of Health examining why that is the case?

Mr Hunt: I absolutely undertake to look into that case and ensure a proper investigation into what is happening. The hon. Gentleman is right; in the end, we need to be much more open about this data, so I commend

the trust for sharing the data publicly. Until we access such data, we will not know where the issues are that we need to solve.

Mims Davies (Eastleigh) (Con): With this vital new focus on safer births, will there be an opportunity to look at group B strep and other issues that if undetected in the later stages of pregnancy can result in baby loss?

Mr Hunt: I am very happy to undertake to do that.

Tony Lloyd (Rochdale) (Lab): I welcome the Secretary of State's announcement, but will he reconfirm the advice from NICE that midwife-led birthing centres are safe under the appropriate circumstances? In areas such as Rochdale, where the birth rate has shot up dramatically following the closure of its maternity unit, the provision of something like a midwife-led centre would be the right approach.

Mr Hunt: I can absolutely confirm that for low-risk births that is the case, but it is also key to spot the births that are not low-risk, so that alternative provision can be made.

Andrew Selous (South West Bedfordshire) (Con): Will the Secretary of State do everything possible to spread across the country the excellent "dads to be" courses that are part of the antenatal provision at Chelsea and Westminster and Kingston Hospitals? We know that they help solidify relationships between parents at a moment of strain and reduce family breakdown.

Mr Hunt: I am intrigued to hear that, because my three children were born at the Chelsea and Westminster, and my wife would have been delighted if I had done a "dads to be" course. I will certainly look into that course and, I am sure, actively promote it.

Dr David Drew (Stroud) (Lab/Co-op): May I concur with my hon. Friend the Member for Rochdale (Tony Lloyd) and say that, although safety must be paramount, it would be wrong to see this as a reason to shut midwife-led units and, in particular, discourage home births for women likely to have a safe birth who chose to have the baby at home? Will the Secretary of State say something to make sure that those units are safe?

Mr Hunt: I am very happy to do that. Midwife-led units and home birthing are both part of the NHS maternity offer, but it is wrong to suggest that there is a conflict between patient safety and the choice made by mothers. No mother would ever actively make a choice to do something that was not the safest option for her and her child.

John Howell (Henley) (Con): I welcome the statement, and I am glad that the Secretary of State mentioned the role of tobacco. Has he also considered the role of alcohol?

Mr Hunt: My hon. Friend is absolutely right to say that. The evidence is very clear about the damage done to fetuses and babies if there is too much—or, indeed, any—drinking by a mother. I did not mention it in the statement because we are focusing on smoking cessation training, but he is right to mention the issue.

John Woodcock (Barrow and Furness) (Lab/Co-op): The brand new maternity unit at Furness General Hospital will open shortly, thanks to the campaigning of the whole community, but it will be safer thanks to the Secretary of State's personal commitment, thanks to the staff and thanks to the parents of Eleanor Bennett, Alex Brady, Chester Hendrickson, Joshua Titcombe and others who have campaigned tirelessly for local and national change. Will he join my calls for their struggle to be permanently commemorated within the new unit?

Mr Hunt: I am happy to do that. I think I have met most of those parents. The hon. Gentleman has been incredibly supportive to them locally—they have told me that. When Carl Hendrickson came to see me, he brought his 11-year-old son, and I offered for the son to wait outside, but he said no—he wanted his son to be with him. I think it was because he wanted his son to know that he had been to the top to try to understand why his child and his wife died because of mistakes in that maternity unit. The hospital has done an incredible turnaround job—we are all really proud of what it has done—and we are confident that it would not happen again, but that is not to say that there is not a huge amount more we all need to do.

Kevin Foster (Torbay) (Con): I welcome the Secretary of State's remarks and the overall tenor of the comments made so far. Does he agree that the most important thing for families who experience tragedy in childbirth is to receive the straight answers they deserve and to know that lessons will be learned where necessary?

Mr Hunt: I do agree. I have visited my hon. Friend's trust in Torbay and have been very impressed with the learning I saw from the Sam Morrish case, which was a very sad story of where that did not happen initially. However, as I say, I think the trust has learned all those lessons extremely impressively.

Jim Shannon (Strangford) (DUP): I thank the Secretary of State for his statement and personal commitment. It is much appreciated. Will he confirm that part of the safety strategy includes ensuring that midwives on labour wards can take their breaks and rest periods and that midwife staffing levels on labour wards and post-section wards are checked, monitored and increased?

Mr Hunt: I agree that that is extremely important. I also extend through the hon. Gentleman a similar offer to the one I made to the hon. Member for Central Ayrshire (Dr Whitford), who speaks for the SNP: I am happy to pursue any collaboration possible between the Northern Irish and English healthcare systems to share best practice.

Rebecca Pow (Taunton Deane) (Con): I welcome the measures that the Secretary of State has announced today and commend him and other colleagues for their sympathetic work. Without them, we would not be here today. I also want to mention Musgrove Park Hospital in my constituency, which is already demonstrating how much good work can be done. It has cut the number of stillbirths by a third in 18 months and has won awards for it. It has introduced a special app that people can use when they are on maternity leave, and it has introduced much-improved special sepsis management. It also has a ground-breaking maternity apprenticeship scheme.

Does the Secretary of State agree that sharing such best practice is the best way to ensure that everyone else can do some great work and that we do not have to hear about these terrible examples again?

Mr Hunt: I really enjoyed visiting Musgrove Park hospital on Friday. I thought that what it was doing about stillbirths was incredibly impressive: I had not seen anything like it before. That is, indeed, an example of fantastic practice that I would like to spread everywhere.

Point of Order

2.10 pm

Luke Graham (Ochil and South Perthshire) (Con): On a point of order, Mr Speaker. Earlier today, during Treasury questions, the Scottish National party's transport spokesperson, the hon. Member for Kilmarnock and Loudoun (Alan Brown), said that "the rail funding formula has been ignored and Scotland's rail budget has been cut by £600 million over the next investment period". That is not true. Investment in Scotland's railway has risen from £3 billion to £3.6 billion, as confirmed by the Treasury and Her Majesty's Government. What steps can be taken to rectify the record and ensure that the SNP spokesman gives the correct facts?

Mr Speaker: I hope that the hon. Gentleman notified the hon. Member for Kilmarnock and Loudoun of his intention to raise the point of order.

Luke Graham: I am sorry, Mr Speaker. I did not.

Mr Speaker: It is very much the expected practice, and it is normal, for a Member who is going to raise a point of order containing a criticism of another Member to notify that Member of the intention in advance. However, I will treat of what the hon. Gentleman has put to me. The matter concerned is a matter of debate, and the hon. Gentleman has put forward his understanding of the position very clearly. It is on the record, and it may well be the subject of further debate and even, conceivably, of publicity, not least in the Scottish media. We await that prospect with interest and anticipation.

Child Maintenance (Assessment of Parents' Income)

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

2.12 pm

Heidi Allen (South Cambridgeshire) (Con): I beg to move,

That leave be given to bring in a Bill to equalise the assessment and enforcement of child maintenance arrangements of children of self-employed parents with those of children of other employed parents; and for connected purposes.

In introducing the Bill, I am following in the steps of David Burrowes, who, until the recent general election, was the Member of Parliament for Enfield Southgate. Let me explain the Bill's purpose in plain language.

One of the greatest privileges in my role as a Member of Parliament has been meeting and getting to know four brave mums in my constituency. I call Melissa, Sue, Kate and Jo-Anne my super-mums. As well as being fabulous women and wonderful mothers, they all have one thing in common: having split up from the fathers of their children, they have all had to fight, and are still fighting, for fair maintenance payments. The aim of the Bill is to ensure that the parents and children who find it hardest to be awarded a fair child maintenance arrangement are better supported by a system with proper teeth. Whether paying parents have complex finances, are hiding their true incomes to avoid tax or are simply determined not to pay maintenance, this Bill is for them.

When parents split up, the Child Maintenance Service can help them to work out a fair payment schedule for their children. When the split is amicable and sensible, the system works well, but if paying parents want to avoid paying, they can do so all too easily—and all too often—by hiding behind self-employed status. By hiding their income, they are not only denying their children the financial support that they deserve, but defrauding Her Majesty's Revenue and Customs, and, in many cases, forcing the parents with care on to benefits. That is a double hit to the taxpayer. The country loses out on tax, and instead pays out to support the receiving parents. The purpose of the Bill is to ensure that the statutory child maintenance system works for as many families as possible by closing that loophole.

The Child Maintenance Service, which was introduced recently by the Department for Work and Pensions, replaced the old Child Support Agency. In straightforward cases involving a traditionally employed paying parent, it works well. A standard child maintenance calculation under the CMS is based on HMRC's "gross taxable income" data. That usually means gross earnings from employment or self-employment, with pension contributions deducted. However, the system does not work when the paying parent takes income in other ways—unearned income from, for instance, trusts, dividends, rental income, individual savings accounts, assets, or capital gains from property sales: essentially, any income that does not show up on HMRC records.

I suspect that you are starting to get my drift, Mr Speaker. If it is not shown on HMRC's records, it is not seen by the CMS. The current system does not work if paying parents are evading tax and not declaring their income to HMRC. In such cases, the amount of child maintenance that the CMS deems a paying parent to owe may be

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negligible. Receiving parents may be struggling to make ends meet while seeing their exes buy new cars, take holidays and lead luxurious lives with new families. The mum who brought the issue to David Burrowes's attention was Elizabeth Green. In her case, her ex had organised his finances in such a way as to pay the minimum statutory sum—just £7 a week—but was found to be a multimillionaire and the owner of multiple properties. My super-mums have had similar experiences.

The old CSA system had a component entitled “lifestyle incompatible with earnings”, which allowed the CSA to challenge income if there was evidence of a more comfortable lifestyle than the declared income suggested. I do not understand why, but that feature has been removed in the new CMS system. The right hon. Member for Birkenhead (Frank Field), who is one of the Members who have kindly added their names to my Bill, told me recently about a constituent whose application for tax credits had been called into question by HMRC because it believed that her standard of living was too high for her to qualify. That ably demonstrates that HMRC has the capability to question income and allege fraud. It must therefore be able to extend that power to ensure that appropriate child support payments are made.

This simply cannot be right. I do not seek to demonise the self-employed or the wealthy—most parents living apart from their children do pay what they owe—but as the Government rightly turn their attention to the growth in self-employment and the new challenges that that brings in terms of systems, law and taxation, and as they also crack down on tax evasion, now is surely the time for the Child Maintenance Service's rules of engagement and enforcement powers to change.

The Work and Pensions Committee, of which I am a member, has already looked into this issue. Much of what we found highlighted the challenges associated with the growth of self-employment and the potential that it creates to hide true earnings. As child maintenance evasion often goes hand in hand with tax evasion, it seems inefficient and ineffective not to combine forces with HMRC in a proactive way. The Government must surely consider that—especially given that the CMS's financial investigations unit has so far conducted only four investigations, just two of which have resulted in action.

This is not a difficult concept to grasp. Parents can see with their own eyes when their exes are living beyond their declared income or assets. For example, a constituent of mine paid just a few pounds to access a public search facility at Companies House that showed

as clear as day that the father had drastically under-declared his income through creative company and dividend manoeuvring.

We must act on this exploitable flaw in the system, or instead allow parents to take their cases to the family courts. My super-mums have all trodden that path, only to find that the CMS is not obliged to uphold the courts' judgments. I know that the Government are serious about tax evasion, so the current loophole in the CMS process makes absolutely no sense. The CMS must either join up with HMRC, or let the courts do their job: it must be one or the other.

In response to our Committee, the Government have said that they will consider how they can include all sources of income in the CMS calculation. That sounds encouraging, but, in the absence of the promised new arrears and compliance strategy, the Bill can be the vehicle to effect the changes that are so desperately needed by introducing measures to help struggling parents and children to secure the maintenance that they deserve. Child maintenance lifts a fifth of single parents on the lowest incomes out of poverty. It provides a lifeline for parents and children, whether that means putting a roof over their heads, covering childcare costs, or enabling children to take part in school trips. It also saves taxpayers' money.

A child maintenance system with teeth will also offer protection to parents and children when there has been a history of abuse and control. Some cases are high-conflict, involving parents who are determined to avoid their liabilities. That can be a means of continuing to exert control, just as they used to when the parents were still together. Coercion, domestic abuse and ongoing manipulation are the backdrop for the most vulnerable parents who turn to the CMS, and in those cases the state must step in. The fixes are obvious, and dovetail comfortably with the Government's determination to crack down on tax evasion, while also getting a handle on our rapidly growing self-employed economy.

I urge Members to allow the Bill to be read a second time.

Question put and agreed to.

Ordered,

That Heidi Allen, Antoinette Sandbach, Mr Ranil Jayawardena, Stephen McPartland, Suella Fernandes, Frank Field, Layla Moran, Neil Gray, Kit Malthouse, Mrs Cheryl Gillan, Kevin Hollinrake and Mr Steve Reed present the Bill.

Heidi Allen accordingly presented the Bill.

Bill read the first time; to be read a second time on Friday 23 February 2018, and to be printed (Bill 133).

Ways and Means

Budget Resolutions

INCOME TAX (CHARGE)

Debate resumed (Order, 27 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.

Mr Speaker: I inform the House that I have not selected amendment (a).

2.20 pm

The Secretary of State for Business, Energy and Industrial Strategy (Greg Clark): It is a great pleasure to open this final day of the Budget debate. In his Budget statement last week, the Chancellor described the choice before our country, standing as we do on the brink of a technological revolution—a choice between embracing the future, building on our strengths and taking our place as one of the nations at the forefront of the new world of innovation, or rejecting that, assuming a defensive posture and letting other countries seize the initiative. We choose emphatically the former. The Budget and the industrial strategy set out a long-term approach in which we can make our economy one that can prosper during the years ahead.

Not just in Britain but across the world, this is a time of change and opportunity. Artificial intelligence and the analysis of big data will transform the way in which we live and work, from the way in which we diagnose and treat cancer to the security of online transactions. The whole world is moving from being powered principally by fossil fuels towards energy sources that are clean, with enormous impacts not just in the energy sector but in the products and services that make use of it.

One such area is transport, where extraordinary innovation is changing how we move people and goods around our towns, cities and countryside. As a result of medical advances and rising prosperity, people across the world are living longer than ever before. One stunning statistic illustrates that transformation. In the United Kingdom today, 15,000 centenarians are alive, but of the people who are alive in Britain today, 10 million can expect to live to their 100th birthday—a transformation in our generation. An ageing population creates new demands in care to maintain their health so that they can make the most of their longer lives.

In all these areas, Britain is extraordinarily well placed to lead. We are an open, enterprising economy built on invention, innovation and competition. Our universities and research institutions are hotbeds of discovery, among the very best in the world. In a world where many of tomorrow's businesses have not yet been founded, our powerful reputation for being a dependable and confident place to do business, with high standards, respected institutions and the reliable rule of law, is an enormous asset.

John Woodcock (Barrow and Furness) (Lab/Co-op): Given that, will the Secretary of State back our local campaign to find a new buyer for the business

manufacturing cephalosporins in Ulverston and Barnard Castle, given the highly unwelcome and damaging decision by GSK to review that landmark investment, which was announced by the Chancellor and Prime Minister after the 2011 Budget?

Greg Clark: I am happy to talk to the hon. Gentleman. He will know that we work closely with the life sciences sector. The industrial strategy published yesterday included an important life sciences sector deal in which all the companies are working closely with each other, local institutions, local leaders and the Government. I am happy in that context to meet him and have those discussions.

Sir Edward Davey (Kingston and Surbiton) (LD): The Secretary of State talks about giving certainty to businesses and investors. Does he agree that the contracts for difference regime can be used to bring in zero-subsidy CfDs to give real certainty to people wanting to invest in our renewable energy? Will he commit to considering the case for zero-subsidy CfDs?

Greg Clark: Contracts for difference have brought down the price of renewable energy substantially. We have commissioned a review from Professor Dieter Helm—I know that the right hon. Gentleman knows him well—which has reported, and we will make our response to it. It would be wrong to pre-empt our consideration of that, but I hope that the right hon. Gentleman and others will give their thoughts on the Helm review. We have launched a consultation on that, as he knows.

Alan Brown (Kilmarnock and Loudoun) (SNP): I note the Secretary of State's comments about the Dieter Helm review, but will the Government commit to moving away from their nuclear obsession, given—as he acknowledged—CfD has brought down the cost of renewable energy?

Greg Clark: It is my view that we need to have a broad base of power supplies for our security in the future. We are now the world leader in offshore wind, which demonstrates that one comes not at the expense of the other, and that is the right and prudent way to proceed.

We have many world-leading industries, from financial services to advanced manufacturing, from the life sciences to the creative industries. In many cases, they are at the forefront of the technological revolution that is sweeping the world.

Damian Collins (Folkestone and Hythe) (Con): What further assistance are the Government planning to give to research and development for small modular reactors as part of the nuclear sector, potentially a very important and useful source of energy? What consideration has the Secretary of State given to the suitability of existing nuclear sites, such as Dungeness in my constituency, as locations for SMRs?

Greg Clark: I know that my hon. Friend takes a great interest in this. We have an energy innovation programme, about which we will make some announcements before long. That will address the question of what types of technologies should be moved along

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from research to development and implementation. He will have an interest in that and I will make sure that he is given the details.

To capitalise on our strengths, we need to reinforce them and project them into the future. We also need to address our weaknesses. We are proud of the fact that more people are employed in this country than ever before—an extraordinary achievement, with 3 million extra jobs created in a time when the Labour party predicted that millions of jobs would be lost. But compared to some of our competitors, on average, we work harder and longer to produce at the same level as they do. We need to raise our productivity, as the Chancellor made clear in his Budget statement.

As the House knows, to a large extent, it is a problem of disparities, rather than a uniform picture. We have industries, companies, people and places that are among the most highly productive on the planet, but we have what the Bank of England has called an unusually long tail of companies and places whose level of productivity is below that of the top performers. The challenge is clear: to reinforce the performance of the top and build on those strengths, while spreading that excellence throughout the economy and the country. That is exactly what the Budget and our industrial strategy White Paper will do, by reinforcing strengths and addressing weaknesses in areas across the board. We talk about innovation, skills, infrastructure, the business environment and local economies.

Heidi Allen (South Cambridgeshire) (Con): I wish to put on record my thanks to the Government for finding funding for the initial cost analysis for a station at Addenbrookes. Connecting that science and those brains with the wider country is exactly what we need to do. It is a vital piece of infrastructure and I am very grateful for it.

Greg Clark: I am grateful to my hon. Friend. That is a good illustration of how a strategy can bring forces together. That £5 million investment means that the infrastructure in and around Cambridge can be improved, and that will make the area even more attractive for companies and researchers to locate there, and it builds on the area's strengths. The part of the world that she and the Economic Secretary to the Treasury, my hon. Friend the Member for North East Cambridgeshire (Stephen Barclay)—one of her close neighbours—represent has enjoyed great success, but I think they would both recognise the opportunity to extend that success to a larger area. That is exactly what we have in mind.

Vernon Coaker (Gedling) (Lab): I agree with the Secretary of State about regional disparities and the way in which the industrial strategy tries to tackle them. The east midlands needs investment in capital to raise productivity, so I ask him to look into that. Will he also speak to the Transport Secretary and others about the Government's failure to electrify the midland main line? As he knows, many of us have campaigned for that over a number of years, but the Government have now rowed back on it.

Greg Clark: I absolutely recognise that one of the big strengths of the east midlands is that it is connected to the rest of the country, and it is essential that those

connections continue to improve. The hon. Gentleman will know that a fund was established in the Budget for cities and city regions to improve the connections in and around those cities. That is important, but it is in addition to the importance of connections to the rest of the country, so I will raise his point with the Transport Secretary.

Let me say something about ideas and the importance of innovation to our economy. We can be the world's most innovative economy, given the strength of our science base and our researchers. Throughout our industries, we have some of the most creative people in the world.

Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): I just want to probe the Secretary of State about what thinking has been going on in government following Bill Gates's speech in the spring about taxing robots. We only have to go into a high street shop to see that many jobs have been displaced by machines, which are not taxed. If a person was still working there, they would be paying tax to the Exchequer, and that money could help future innovation. Have the Government given any thought to all these labour-saving devices and to getting some revenue from the way in which robots are doing many of the jobs that people used to do?

Greg Clark: We need to embrace the technologies of the future. If we are in the lead, we can benefit from being the place that develops, applies and manufactures many of these products. Whenever we have taken the lead in this country, we have reaped the benefits. It is in those areas where we have lost our advantage that we have ended up importing goods and services from around the world. We need to lean into the future and ensure that we are the place in the world where the firms of the future locate to develop and manufacture their products.

Tony Lloyd (Rochdale) (Lab): The Secretary of State will probably not agree with this, but I believe that we still have a financial gap in this country, particularly when it comes to science and technology, because venture capitalists simply do not know how to make assessments on such things. Those people are also disproportionately located in this city region rather than other parts of the country. Will the right hon. Gentleman look seriously at the capacity of those industries to see whether we could make some structural changes that would benefit the whole nation?

Greg Clark: I will indeed. I am coming on to precisely that point. The hon. Gentleman has a distinguished record of leading Greater Manchester—with some success—in promoting the vitality and attractiveness of that important part of the economy.

John Howell (Henley) (Con): Surely one of the ways in which we can improve innovation and productivity is by having better broadband and telephony. I heard what the Secretary of State said yesterday, but in my area we have zero G, not 5G. Would he like to encourage my area by saying that the strategy is meant for the whole country, not just towns and cities?

Greg Clark: It certainly is. There are significant opportunities in many of our rural areas, and it is essential that the progress we make in our towns and

cities is shared with our rural areas, of which my hon. Friend's constituency is a particularly attractive and productive example.

Several hon. Members *rose*—

Greg Clark: Let me make some progress now, because I am about to come on to the points that hon. Members are raising.

Last week's Budget outlined the biggest increase in public research and development investment for 40 years. It is growing as a share of GDP and contributing to our commitment to invest 2.4% of GDP in research and development by 2027, rising to 3% in the long term. One aspect of this increased funding is a strength in places fund, which will grow our research and innovation strengths in every part of the United Kingdom, recognising that there are strengths in all parts of the country, not just in London and the south-east.

Kevin Hollinrake (Thirsk and Malton) (Con): Rebalancing the economy is a key part of the industrial strategy, and one of the reasons why London gets a much better deal on investment is its ability to attract private sector investment, which the north has very little capability to do. Has my right hon. Friend any plans to try to resolve that issue, so that we can attract more private sector funding for infrastructure investment in the north?

Greg Clark: I have indeed, and I will come on to that in a moment, if my hon. Friend will bear with me.

Let me say something about skills. We are creating new job opportunities, but I say to the hon. Member for Na h-Eileanan an Iar (Angus Brendan MacNeil), who raised a point about robots, that if jobs change, we need to ensure that people have the ability to train and develop the skills they will need for the jobs that are being created. The consultation on the industrial strategy established what every Member knows: job opportunities, especially in companies in the technical sectors, require education and training, particularly in maths, digital skills and other aspects of our technical education. There are skills shortages around the country, and great careers would be available to young people and to those who are changing career if only they had that educational base. The significant investment in maths, digital and technical education that was announced in the Budget is therefore important, as is the national retraining scheme, which will work with employers and trade unions, beginning with digital and construction training.

On infrastructure, I can tell the hon. Member for Gedling (Vernon Coaker) that the Chancellor has announced an £8 billion increase in the national productivity investment fund, taking it to £31 billion, and extended it to 2022-23. That will enable us to invest in our physical infrastructure and also, as my hon. Friend the Member for Henley (John Howell) said, in our digital infrastructure as we develop the next generation of full-fibre networks, trial the use of 5G and boost mobile communication on our railways. That, too, is important right across the country. We will also support electric vehicles through the charging infrastructure fund. If we are going to manufacture those new vehicles, we have to be the place in the world in which they can be deployed most effectively.

Antoinette Sandbach (Eddisbury) (Con): Green growth is clearly part of our future as we move forward in the economy. Does my right hon. Friend agree that hydrogen batteries are as important as electric vehicles?

Greg Clark: My hon. Friend is absolutely right to say that hydrogen offers big advantages. It is a clean fuel, and this country has great expertise in developing and applying it.

Let me say something about business finance, which has already come up in the debate. In a strategy that connects our areas of strength, it is essential that we allow the businesses that are growing across our country to benefit much more than previously from our financial services sector, which is one of the most significant in the world. The deep pool of capital that we have should be available to growing companies up and down the country. The Budget therefore includes a new £2.5 billion investment fund, incubated in the British Business Bank, to drive forward more investment into growing companies across the country. The British Business Bank will establish a network of regional managers by autumn next year, ensuring that it is not just in London and the south-east that these sources of finance and advice are available, as it is essential that they are in place right across the UK.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): The reality is that the Office for Budget Responsibility downgraded forecasts for business investment, productivity and growth in the economy for the entire forecasting period, so what the Chancellor announced in last week's Budget clearly does not go far enough.

Greg Clark: I think the hon. Gentleman misunderstands what was said. The OBR recognised that its forecast that the productivity rate would recover after the financial crisis, which it has been making for many years, has not been realised. There has been no new event; it has just recognised what has happened, which has had consequences for the financial forecasts. Faced with that, the right thing to do is to look seriously for the long term—I do not think that this matter divides Members—at how we can act on the foundations of productivity. Talking about investment in research and development, the infrastructure that we depend on and sources of finance for growing businesses in every part of the country is a serious response to the OBR's revised productivity forecast.

Mims Davies (Eastleigh) (Con): As 100 new jobs come to Hedge End and 500 to Chandler's Ford, productivity and accessibility are really important to the Solent area. Will the Secretary of State work with local enterprise partnerships to ensure that infrastructure and the need for local investment feed into the industrial strategy?

Greg Clark: I will indeed. Throughout my time in this House and in this Government, I have promoted the importance of places and local leadership and of ensuring that investment decisions benefit from local knowledge and local decisions. The Budget and the industrial strategy reinforce that. To have a prosperous United Kingdom, every part of it needs to be maximising its potential, so the strategy very much works with cities, towns and regions across the UK. We are inviting areas to promote local industrial strategies that state what

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needs to be done locally to make a particular town, city or county fit for the future and able to attract new business investment.

Andrew Bridgen (North West Leicestershire) (Con): Following the Secretary of State's announcement of the industrial strategy, we had a meeting in Leicester just yesterday to discuss the infrastructure needs of the east midlands. The east midlands has traditionally been at the bottom of the Government funding league for infrastructure, but it is delivering the highest economic growth and the fastest wage growth in the UK outside London and the south-east. Think what we could do if we had our fair share of infrastructure spending.

Greg Clark: I will take that representation. My hon. Friend is right that the performance of the east midlands has been extremely positive. Some of its institutions—I think of universities in Leicester and Loughborough—are having a huge impact on the local economy. I look forward to visiting Leicestershire again soon to have discussions as part of the plan for local industrial strategies. I mentioned the fund for improving transport connections between city centres and the towns around them, and that is essential investment in the future competitiveness of our economy.

Angus Brendan MacNeil: The Secretary of State is being generous in giving way. How might the industrial strategy develop if we find ourselves with open borders and no border checks, which was talked about as recently as yesterday? If we are to have an open border with the Republic of Ireland, the UK will need an open border with everywhere else, meaning that the UK will not be running any tariffs at all. How will that affect the industrial strategy? Under most favoured nation status, if we have an open border with Ireland, we will have an open border with everywhere else.

Greg Clark: I am conscious that many Members want to speak and the hon. Gentleman is tempting me into a discussion that would take more time than I have. However, our future as a successful economy is about trading more with Europe and the rest of the world. That should be free of tariffs and free of friction, and that is what we want to achieve through our negotiations.

None of the investment in and improvement to the productive capacity of the economy would be possible without a fundamentally strong economy. The essential foundation of future prosperity is to be a place in which global investors can have confidence. It is sometimes easy to take for granted the progress that was made by my right hon. Friend the Chancellor and his predecessor in rescuing the economy from the catastrophic situation in which we found it when the Labour party left office. Britain had its largest deficit as a share of GDP since the second world war. So reckless had the Labour Government been with the public finances that in their last year in office—almost unbelievably—for every £5 of Government spending, £1 had to be borrowed. Unemployment rose by nearly half a million, the welfare bill ballooned and the number of households who had never worked had doubled. If we had continued on that course, Britain's reputation as a dependable place for global investors to entrust their assets would have been lost, and it would have taken many generations to recover.

As a result of the steady and painstaking work of the British people, however, backed by the leadership of Conservative Members, we have cut the deficit by three quarters at the same time as cutting income tax for 30 million people. Britain has been one of the job creation hotspots of the world, with employment up by 3 million in just seven years and unemployment lower than at any point since 1975. However, just when the deficit is being tamed and we can look forward to falling national debt, which has to be repaid by future generations, the Labour party—I hope it will contradict me—has adopted a platform that is even more extreme than the policies that produced the previous situation. Labour's proposal is to borrow an extra quarter of a trillion pounds. As if that were not enough, it also wants to increase taxation to what the Institute for Fiscal Studies has called the highest peacetime level in the history of this country. That would, as the IFS also said, make the UK a "less attractive place to invest".

It is no wonder that the reaction of employers the length and breadth of Britain has been one of alarm. The chief executive of the EEF said that those policies are from a bygone era. Do they have credibility? The answer is clearly no.

Ruth George (High Peak) (Lab): Will the Secretary of State give way?

Greg Clark: I am about to conclude.

If we want a strong, competitive economy that is fit for the future, we need to live within our means, create good jobs and pay people well. We need to be a beacon of free trade and internationalism. That is what our industrial strategy and this Budget are about. Prosperity for all is the best alternative to the high-tax, anti-enterprise, job-destroying ideology that has taken over the Opposition Front Bench. Our Budget takes us into the future; the Labour party takes us into the past. I commend the Budget to the House.

2.48 pm

Rebecca Long Bailey (Salford and Eccles) (Lab): I am surprised by the Secretary of State's comments, which are usually quite measured, and he seems to be struggling with reality today. However, let us talk about the Budget. A substantial section of the Chancellor's speech on Wednesday focused on the productivity crisis, and rightly so. Labour analysis has shown that we have to go back to 1820, when George IV ascended the throne just after the Napoleonic wars, before we can find a time when productivity increased by less than this over a 10-year period. The result has been catastrophic. People are earning less now than they were 10 years ago and, as the Institute for Fiscal Studies states, average earnings look set to be nearly £1,400 lower by 2021 than was forecast last year. The Chancellor and the Secretary of State have tried to paint that as a phenomenon that is quite separate from the Government—like a sort of freak accident that is nothing to do with them—but that could not be further from the truth. To help the Secretary of State with his recollection of history and reality itself, I will take him on a little trip down memory lane.

By late 2008, it was clear that monetary policy alone was not working in the traditional way—people were not spending and the economy was not recovering. To quote economist Paul Krugman, "the truth is that mainstream, textbook economics not only justified the initial round of post-crisis stimulus, but said that this stimulus should continue until economies had recovered."

But what did the Conservatives do? The polar opposite: slashing Government spending and investment, and essentially pulling the rug out from under the UK economy.

Not only that, but the financial crash had shown clearly that our economy was becoming dangerously over-reliant, both regionally and sectorally, on financial services in the south-east of Britain.

Antoinette Sandbach: Does the hon. Lady accept that, in effect, 12 previous years of Labour Government had left the economy in that state?

Rebecca Long Bailey: Frankly, I expect better from the hon. Lady; she usually makes very measured contributions. If she lets me continue, I will explain a little about what happened. Perhaps she will make different comments if she asks another question later.

It made perfect sense to use that economic turning point as an opportunity to invest in the development of our industrial base and to address the deep structural problems that had been emerging in our economy since the early 1980s. However, what happened was the scaling back of investment and funding in the tools that business needs to grow and succeed, such as skills, infrastructure, research and development, and access to long-term patient capital.

Oliver Dowden (Hertsmere) (Con): As the hon. Lady is taking a trip down memory lane, does she recall the Labour party's repeated predictions when we embarked on this necessary course of public spending restraint that it would lead to 1 million jobs being lost? In fact, 3 million jobs have been created.

Rebecca Long Bailey: Again, we have a Conservative Member who struggles with reality. I urge him to speak to workers in his constituency and ask them about the quality of said employment. I speak to workers in my constituency, and they are struggling in an era of casualised, low-paid, insecure work.

Our productivity was certainly impeded, but the picture worsens still when we focus on the recent productivity and investment figures of many British regions and nations. Stark research recently published by the Centre for Cities shows that London and the south-east are up to 44% more productive than many other British regions, and the Institute for Public Policy Research's commission on economic justice has found that Britain is the most regionally imbalanced country in the whole of Europe.

What have we seen after seven years of this Government's single-minded obsession with cutting the national debt? Higher debt and unprecedented downward revisions of GDP growth. As every economist knows, the only way substantially to manage the national debt is by growing the economy, but this Government have simply tried to deflect attention away from their miserable performance on GDP.

Alex Chalk (Cheltenham) (Con): Will the hon. Lady assist the House by saying how much extra it would cost in annual interest payments if she led a Government that borrowed an additional £500 billion?

Rebecca Long Bailey: The hon. Gentleman should refer to comments made by the shadow Chancellor. It is not as straightforward as putting a figure on interest

repayments. Each investment is dealt with on the basis of the level of return to the Government, so each infrastructure project, for example, needs to be assessed on its own merits. The hon. Gentleman should know that. He is a clever young man, and I would have expected him to know a little more about this subject.

Alison McGovern (Wirral South) (Lab): I have been in this House slightly longer than my hon. Friend, so I saw the former Chancellor, George Osborne, having to U-turn on his deficit reduction plan. He failed to meet every one of his debt targets. Labour kept debt at 40% of GDP, and now it is 80% of GDP. Does my hon. Friend agree that the carping from Conservative Members is in total ignorance of the facts?

Rebecca Long Bailey: I could not agree more. That is very articulately put.

It is not as if the Government were not warned of the problems of austerity by my right hon. Friend the shadow Chancellor. Indeed, the International Monetary Fund warned the Government that

"episodes of fiscal consolidation have been followed, on average, by drops rather than by expansions in output... The increase in inequality engendered by financial openness and austerity might itself undercut growth, the very thing that the neoliberal agenda is intent on boosting.

Refusing to heed that advice was a deeply reckless act.

The current Chancellor may well turn around and lament post-crisis productivity, but let us remember that he was in the Cabinet while this economic mess was being created. He is not absolved of responsibility, but he has the opportunity to admit that that approach was wrong and to change course.

Unfortunately, although the Chancellor admitted in his Budget speech last week that there is a big productivity problem—a big gold star for Phil there—there was very little to give our economy the upgrade it desperately needs, nor was there any attempt meaningfully to level up regional investment spend.

Indeed, despite the Chancellor's jovial attempts at talking up our ability to harness the fourth industrial revolution, the Office for Budget Responsibility looked at his future investment plans and cut its forecast for growth in productivity, but he still had one last chance—the industrial strategy. I waited with bated breath yesterday, desperately hoping that the action would match the rhetoric. It started well enough with the strategy's stated goal to create an economy that boosts productivity and earning power throughout the UK. "That's spot on," I thought. But sadly, having looked into the strategy in a little more detail, it seems little more than a repackaging of existing policies.

Unfortunately, the Conservatives have form on this. There has been a long line of PR gimmicks that simply do not deliver. Members may recall that, back in 2011, the previous Chancellor announced a march of the makers, but UK manufacturing has since grown at less than half the European average. Similarly, much was made of the northern powerhouse, which sounds great, but only two of the top 20 infrastructure and construction projects in the Government's pipeline are in the north-east, north-west or Yorkshire and the Humber, leading my hon. Friend the Member for Bolsover (Mr Skinner) to call it the "northern poorhouse."

[Rebecca Long Bailey]

No one can argue with the core principles outlined in the 255-page document we saw yesterday but, as the *Financial Times* summarised today,

“the judgment being passed... is that it amounts to a good start—but much still remains to be done to ensure success.”

Although the strategy certainly acknowledges many of the fundamental problems our economy faces, I fear that the level of detail and proposed investment simply do not match the surrounding rhetoric, falling far short of what is needed.

The White Paper gives us a handy one-page summary of the strategy’s key policies to strengthen the “foundations of productivity.” It is perhaps poignant to point out that even the previous Chancellor was trying to fix our foundations and outlined a productivity plan called “Fixing the foundations” two years ago. What happened to that? I digress slightly.

Let us look at the first foundation: ideas. The key policies are raising total R and D investment to 2.4% of GDP by 2027, increasing the R and D tax credit and allocating some of the increased spend to a second wave of the industrial strategy challenge fund. Although increasing R and D spend is, of course, a step in the right direction, it is an unambitious target.

Vicky Ford (Chelmsford) (Con): Given that this is the largest increase in research and development and innovation funding in more than 40 years, what part of it is unambitious?

Rebecca Long Bailey: The hon. Lady misses the point. The UK has been below the OECD average of 2.4% of GDP for years, and we are way behind global leaders such as South Korea, Japan, Finland and Sweden, which all spend at least 3% of GDP on R and D. If we are to be in any way capable of competing on a world stage, we have to up our game. If the Government really want us to be at the forefront of the fourth industrial revolution, they should be aiming above the average, rather than just trying to catch up.

Furthermore, not reforming where and how it is spent risks widening regional divides, as almost half of all research funding currently goes to the south-east. To quote a Conservative Member:

“If we just put more money into the same funding streams we will have the same outcomes and continue to spend half the science budget in just three cities.”

Angus Brendan MacNeil: The hon. Lady is talking about competing with our international competitors. Where will her industrial strategy be on trade defence? We know the Conservative Government do not seem to have trade defence, but she supports them on the UK being out of the customs union, and I presume she has the same view of not wanting to partition Ireland with a customs union. Therefore she would be running no tariffs on the Irish border and there would be no trade defence. Where would that leave her industrial strategy, given that, we must remember, there was not a hair’s breadth between the Tories and Labour on austerity? Labour was going to do £7 billion-worth of cuts and, with students, it is responsible for £6,000 of the £9,000. Where is Labour different from the Conservatives on trade defence and industrial strategy, particularly with reference to the Irish border?

Rebecca Long Bailey: I thank the hon. Gentleman for his extremely long comment. He made some valid and interesting points, and we can all agree that the Government’s shambolic handling of Brexit undermines our industrial strategy going forward. Labour’s industrial strategy, however, is committed to achieving 3% of GDP spent on research and development by 2030 and reviewing Government channels for disbursing public R and D funding, with a view to encouraging greater regional equality.

Lucy Powell (Manchester Central) (Lab/Co-op): My hon. Friend and neighbour is making an excellent speech. On research funding, is she aware that more than two thirds of health innovation research money goes to the “golden triangle”, despite the fact that Greater Manchester has a cutting edge in life sciences? Would that not be a good place to start?

Rebecca Long Bailey: I thank my hon. Friend and neighbour for her contribution, and she is correct in what she says. I do not think we saw anything in the industrial strategy that goes any way towards rebalancing the regional divides in investment spending in R and D. Critically, a Labour Government would also ensure that the UK maintains our leading research role by seeking to stay part of Horizon 2020 and its successor programmes after we leave the EU. As with so many areas outlined in the White Paper, the UK’s research role is compromised by the Government’s reckless and cliff-edge approach to Brexit.

Let me turn to the second foundation: people. Key policies include establishing a technical education system, investing £406 million in maths, digital and technical education, and creating a national retraining scheme with an investment of £64 million. Again, the intent is good, but let us remember that the Government cut £1.15 billion from the adult skills budget from 2010 to 2015. Similarly, on first analysis the £406 million appears to be the sum of the amounts the Government have already spent on maths, computing and digital skills. The reality is that the Chancellor has overseen the steepest cuts to school funding in a generation, at £2.7 billion since 2015, according to the National Audit Office, and a cap on public sector pay that has seen the average teacher lose £5,000 since 2010. [Interruption.] Unfortunately, the long term results of that are clear, and I do not know why Government Members are protesting. The Government have missed their recruitment targets five years running, and for two years in a row more teachers have left the profession than joined. The policies contained in the White Paper are a start, but they are not even enough to undo the damage since 2010, let alone form part of a decent industrial strategy.

Lucy Frazer (South East Cambridgeshire) (Con) *rose*—

Rebecca Long Bailey: I am going to make some progress.

The strategy identifies infrastructure as the third foundation of productivity and outlines £31 billion of investment through the national productivity investment fund, with some ring-fenced for the necessary infrastructure for electric vehicles and boosting digital infrastructure. As I outlined yesterday, TUC analysis shows that that £31 billion increases investment to just 2.9% of GDP, whereas the average spent on investment by leading

industrial nations in the OECD is at least 3.5%. In addition, it is unclear whether the extra £7 billion announced in last week's Budget is new money at all, rather than a re-allocation from other areas of capital spend which was previously budgeted—it would help if those on the Government Front Bench listened to this question, as it is important. Perhaps the Secretary of State can confirm the meaning of footnote 3 in table 2.1 of the Budget Red Book, because it does not appear to be very clear.

Key policies to improve the business environment are sector deals; a £2.5 billion investment fund incubated in the British Business Bank, as announced in the Budget; and yet another review of encouraging growth in small and medium-sized enterprises. That is, sadly, another case of lacking ambition—

Andrew Bridgen: Can the hon. Lady explain how the Labour party's declared policy of huge increases in corporation tax is going to encourage companies to invest in R and D, and become more competitive and productive? Is she not part of a party that still believes it can tax the country to prosperity?

Rebecca Long Bailey: I applaud the hon. Gentleman's attempts at crowbarring that in there. I was talking about access to SME finance, so I will carry on.

Ruth George: As there is tax relief for R and D, the higher the rate of corporation tax, the greater the incentive for companies to invest in R and D, as the hon. Member for North West Leicestershire (Andrew Bridgen) would do well to learn.

Rebecca Long Bailey: I thank my hon. Friend for her comments. The Government's proposals on unlocking access to finance for business lack ambition and fail to recognise the impediments many businesses face when attempting to access finance. Indeed, Craig Berry, a member of the Industrial Strategy Commission, has said: "the plan for unlocking private investment is under-cooked and, frankly, pitiful."

Furthermore, the proposed sector deals appear very narrow and the strategy as a whole will do nothing to help the millions who work in retail, hospitality, care and other large low-wage, low-productivity sectors. A large proportion of those people are women, but, as we know, the Government do not have the best record when it comes to supporting women in the economy. *[Interruption.]* If I were a Conservative Member, I would listen to this, because these are the stark statistics: men are expected to receive 46% more of the funding from this Budget than women; and the Budget made no impact on the shocking fact that 86% of tax and benefit changes since 2010 have come at the expense of women, according to Labour and House of Commons Library research. That is scandalous.

Nigel Huddleston (Mid Worcestershire) (Con) *rose*—

Rebecca Long Bailey: I will make some progress. Key to improving productivity and living standards is not just supporting those sectors we know we have strengths in and the ability to generate high returns, but using our endeavours to transform what have been traditionally viewed as low productivity sectors and make sure that they become the leading sectors of the future.

Briefly, while we are on employment, let me say that I am shocked to see the Government lauding the fact that some workers do not have adequate employment or trade union rights as some kind of competitive advantage. Celebrating the flexibility of our labour force when their recent Taylor review clearly highlighted the imbalance of flexibility between employer and employee in many workplaces seemed a little bizarre when I came across it in the White Paper. True two-way flexibility, where employees can indeed choose it to improve their lifestyle, rather than have flexibility imposed upon them because there is no choice, should be celebrated, but we cannot celebrate these rare examples at the expense of providing workplace security and enabling workers to make a valuable contribution to the running of a firm, which in turn helps improve productivity. This is why strengthening trade union rights and the ability of people to join trade unions is an important way to boost productivity, and it should be central to any industrial strategy. The White Paper does not even mention trade unions—why is that?

I turn now to the final foundation: places. The Government will agree local strategies, create a transforming cities fund and pilot a teacher development premium "for teachers working in areas that have fallen behind".

I am afraid we have heard all this before. The northern powerhouse, one of the Chancellor's flagship policies to transform northern cities, is not delivering, as I outlined earlier. Without a substantial increase to level up regional investment, as Labour called on the Chancellor to do in the Budget, the local industrial strategies will simply fail. I am afraid the policies that the Government have identified as key to the industrial strategy are simply not going to deliver the scale of change needed to turn the economy around.

I am coming to the end of my remarks, but I wish briefly to say something about the Government's grand challenges. I am pleased that they have chosen to talk about grand challenges, as that mirrors the Labour party policy of advocating missions to deal with the big issues of our time. One of the Government's four grand challenges is to

"maximise the advantages for UK industry of the global shift to clean growth".

That is simply laughable in the context of their track record on supporting green energy, and especially so given that last week's Budget essentially closed down support for much low-carbon development in the UK. There will be no new low-carbon electricity levies until 2025, with no alternative funding outlined. Nor was there any support for, or indeed any mention of, specific renewable projects such as the Swansea tidal lagoon. There is a huge contradiction between the Government's rhetoric on clean growth and the reality of their policies.

There are some moments in history that can have a lasting impact for years and decades to come. What we do at such moments will determine not only our future but the future of our children. The 2008 recession and its aftermath was one of those moments, but the Government's austerity policies and the reduction of investment have done lasting damage to the UK economy. Today, we are again at one of those critical moments. We are about to leave the European Union—a critical point in this country's history that will shape our economy long into the future. Although this week's industrial strategy might have contained the right rhetoric, without the investment and detail to match, prospects for productivity growth are considerably bleak.

[Rebecca Long Bailey]

A few weeks ago, I opened a food bank in my constituency. I usually love going to ribbon-cutting opportunities, as they are a chance to celebrate the great things that happen in my city, but on that day I felt nothing but shame—shame that in one of the world's richest economies in the world, one of the world's leading industrial nations, with the greatest minds and businesses of our time, we have built an economy that has simply squandered that greatness and that forces even those in work to rely on charity just to get by. This is not the Britain of the future and it is not the Britain that I want to create, so it is time the Government woke up and halted the greatest act of recklessness in a generation.

3.12 pm

Mr Kenneth Clarke (Rushcliffe) (Con): I am afraid that time will prevent me from following the hon. Member for Salford and Eccles (Rebecca Long Bailey) too far in some of her analyses. I shall certainly resist the temptation to go into her rewriting of history, in which she glossed over a Government who carried on borrowing money during an entirely artificial boost in tax revenues, at a time of an artificial credit boom, and then found themselves hopelessly in debt at the time of the crash, leaving the 2010 Government with a colossal deficit and a huge burden of rapidly mounting debt, which they have managed strongly so far. I wish to look at where we are now and to look ahead. I should certainly resist the temptation to start re-fighting the battles on how the Labour party ruined the economy of the 2000s.

Ruth George *rose—*

Mr Clarke: Having been partisan, I shall give way.

Ruth George: In spite of what the right hon. and learned Gentleman just said, I wonder whether he agrees with the organisation Full Fact, which says that for most of Labour's last term in office public sector national debt was down and that it was 36% in 2008-09. Yes, it then went up to 65% in 2009-10, but that was as a result of the global economic crash and the subsequent recession, which happened globally.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. This is not a speech.

Mr Clarke: In its period of office, the Labour party was so out of control and so wrong in its reaction to events that early on it almost started to repay the national debt at the time of the dotcom boom, which boosted tax revenues to an extraordinary extent. The Labour Government found that their tax revenues had been boosted for reasons that they did not properly analyse, and they just carried on borrowing on top of that. The figures looked quite respectable until suddenly the floor fell away. There was the credit crunch. Down went the tax revenues. They were left exposed, with an accumulation of errors that led to the soaring deficit and the soaring debt that are a burden on us now and will be a burden for our children.

Mike Amesbury (Weaver Vale) (Lab) *rose—*

Mr Clarke: No. I said that I am not going to re-fight the politics of the 2000s and I am not.

This was a strong and sober Budget that I am glad to welcome, just as I welcome the industrial strategy of my right hon. Friend the Secretary of State for Business, Energy and Industrial Strategy. It was not dramatic. Some Budgets have plenty of glittering prizes and dramatic changes. This was not exactly a non-event, but it contained quiet, small and valuable measures. That was what we needed. Indeed, it was a sign that the Chancellor of the Exchequer resisted some of the ridiculous lobbying he faced from all sides of the public sector and some of the ridiculous advice he was getting from those who wanted him to buy political popularity or to believe that reckless spending can solve all economic problems. This was the Budget of a competent Chancellor of the kind that this country very much needs at this difficult time.

Luckily for the Chancellor, the background to the Budget was made a little more gloomy by the OBR's choosing this Budget to change the forecasts that it had, unfortunately, got wrong, and most people did not realise it. There were not many people who pointed out at the time that the OBR was going to be wrong, but the OBR took on a more sensible productivity projection, which gives us considerable problems for the years ahead. The Chancellor has also delivered a Budget at a time when growth has slowed because of the initial impact of the Brexit vote: devaluation and the effect of that on consumer demand.

The background is also one in which monetary policy is not of much assistance. Because of the actions the independent Bank of England had to take after the crisis, we are still being sustained by the aftermath of quantitative easing and quite artificially low interest rates, with the Governor having little opportunity to move rapidly to get back to something like normality. Those interest rates are actually having a distorting effect on some aspects of the markets inside this country. Consumer borrowing is rising to worrying levels and we are now beginning to see demand ease because of the effect of inflation on prices and on the ordinary customer, so it was hardly the kind of Budget that one would envy the Chancellor's being faced with giving. He faces a lot of problems, and he had also to deal with the uncertainty over the next two or three years.

Uncertainty extends beyond our domestic obsessions: there is great uncertainty globally. We could be threatened if oil prices continue to rise—that has had a dramatic effect on our economy in the past. We are currently being helped by rapid growth in some of our most important markets. The US and eurozone economies are growing at strong rates, and they are important markets to us, particularly the second. Both look fragile, though, and I do not think anybody would guarantee that that growth is going to be sustained for the next two or three years.

The Chancellor and the Government must be careful because, quite plainly and indisputably, the reality is that we do not yet know what form our exit from the European Union will take—this is not the day for debating that—and we do not know what kind of trading deal we will have in a couple of years. As the Governor of the Bank of England confirmed yesterday, if, by mistake, we have a hard Brexit, or a deal-free Brexit—I am talking about mistakes on both sides of the channel because no sensible person would want that—it will be quite a serious shock to the economy of the western world and to this country in particular. Therefore, a prudent Budget was what was required.

Nevertheless, the Chancellor was able to relax fiscal discipline a little—it was rather more than one expected, but he did not lose control. He resisted all the lobbies that were piling in from every public service, with some really quite distinguished public servants giving dramatic descriptions, as they quite often do before a Budget, of the effect on their services. Tens, if not hundreds, of billions will be put in. He was able to ease some of the financial pressures on the national health service within a reasonable level. He rightly found some resources for housing, because we have a dysfunctional housing market. However, he would have been extremely reckless and irresponsible had he gone any further than the slight fiscal easing that he carried out.

How the Chancellor must have wished to give the traditional first Budget of a new Parliament. A Chancellor facing a new Parliament with a decent parliamentary majority does not set out to do a popular Budget—they do the tough and difficult things. One judges a Budget not by whether it makes good headlines the next week and whether everybody is getting very excited about it, but by its impact on the performance of the British economy and on the daily lives of its citizens in two or three years. Had we had a reasonable majority, the temptation would have been to take some tough and necessary decisions, which would have made it easier to shift into other areas. One day, we will stop a fuel tax freeze. One day, we will address the anomaly whereby self-employed people—if they can get themselves so categorised—pay far less in taxation than people in employment doing similar jobs. However, the idea that we can have a majority for either of those measures in this particular Parliament is, regrettably, an illusion.

Dare I say it, but one day, someone will address some of the happy gifts that I receive from the Government as a man past the ordinary retirement age still in full-time work, earning rather more than the national average income? I have just received my tax-free, cash present before Christmas, with which Mr Gordon Brown tried to buy my vote, and the winter fuel benefit. I get my free bus pass of course. I am receiving a retirement pension, which is protected by the triple lock, so that part of my income is rising much faster than that of most of the people I know. When it comes to paying taxation on my salary, which we all receive in this House, I pay less taxation than most people sitting in this Chamber because I pay absolutely no national insurance. Now that is very nice. If I could remember which party gave my generation all those bribes, I would probably vote for the one that gave me most of them, but I cannot for the life of me remember who put them in various Budgets over the years. I could go on.

There is a serious point. Before we all start making reckless promises for—dare I say it?—the next election that absolutely nothing of that kind will be touched by a future Government, we should remember that there are younger people who are in a less fortunate position than I am who are paying taxation to pay for all that and that there are constraints on the Government who would like to spend some more money—as we all would—on very important public services when the opportunity arises. The generational injustice—to use a rather corny phrase that is now very fashionable, but it sums up the problem—which exists in these affairs in this country will one day have to be addressed.

We are still able to do some adventurous things. The industrial strategy of the Secretary of State for Business, Energy and Industrial Strategy shows that, looking ahead, the right things are being addressed and the right priorities are being chosen. We are seeking to advance those changes that have to take place in our economy that will give the next generations the best prospect of making this country, once again, one of the most rapidly growing and prosperous nations in the world.

I applaud the priorities that have been chosen. Plainly, we must invest more in infrastructure. However, I add, as we all agree that we should spend more on infrastructure, that we should avoid believing that all infrastructure spending is automatically a good thing for the environment. Successive Governments of the past have gone in for prestige projects or politically useful ones in marginal seats and so on. All of them need to be appraised sensibly with the help of the private sector and a good business case, so that we prioritise in our infrastructure spending those things that actually boost the real economy and manufacturing and services in this country.

I welcome all that has been said about continuing to address the kind of education required for a modern economy and about dealing with the productivity problem, which has baffled most people. We are not the only country that has found that productivity—for some unforeseen and, actually, not totally understood reason—has failed to rise in the aftermath of the crash. I think that the two things to concentrate on are education and skills training. We have to be sure, and I am not sure myself, that we are going to have the right human capital for the kind of economy that we wish to develop. I represent an east midlands seat, and it has to be conceded that it is particularly in the midlands and in the north of the country that we need to get our schools' education standards up to the norm in the more prosperous areas. We also need to get skills training of the quality required to provide attractive employees in the kind of sectors of the economy that the Business Secretary described.

Skills training is probably the biggest problem facing the country, except perhaps housing. I have been here for a long time—as I am occasionally reminded by Mr Speaker when he is in the Chair—and we have known for decades that this country has a skills problem. Successive attempts have been made to tackle it, and we are still talking about the same things. It is the quality of the skills training and the relevance of the skills training to the local employment market that we still have to get right.

Finally, a big gap that we still have to address is retraining. Most people will not have one career for their whole life. Even people in work will want to improve their skills or their education to prepare themselves for the next step.

Mr Stephen Hepburn (Jarrow) (Lab): Will the right hon. and learned Gentleman give way?

Mr Clarke: I am running out of time; I do apologise.

We are still extremely weak in this country in providing the opportunities for reskilling and midlife training that future workforces will require.

[Mr Kenneth Clarke]

I conclude as I started. This was the right kind of Budget. It shows that we have a competent Government. The Chancellor is the nearest one gets to the strong and stable Government that we promised before we started. He keeps his head, and that is what we require. He has a view to the national interest and a very considerable resilience to the short-term, silly pressures to which he is subjected, particularly by an Opposition who, as never before, go through every problem that is mentioned by saying that the only thing we need to debate is the quantity of money being spent on it. They promise untold billions of unfunded spending in an apparent belief that there is no question in the whole field of government that is not soluble by a little more borrowing and a little more printing of money. That just makes it more important that this side of the House gets it right. The Chancellor and the Business Secretary are getting it right, and I hope that they stay steady on the course they have set for the country.

3.28 pm

Stewart Hosie (Dundee East) (SNP): It is always a pleasure to follow the right hon. and learned Member for Rushcliffe (Mr Clarke). I was struck by his discussion of his bus pass, state pension and winter heating allowance. It might be that the right hon. and learned Gentleman does not need these things, but if we begin to erode them and means test them, the problem is that those who do need them will not claim, and—I suppose this is an ideological position from the Scottish National party—we would then begin to erode social cohesion on other important matters.

I welcome much of what the Business Secretary says about the future economy, including on tackling long-term underinvestment in research and development, addressing the long tail of underproductive companies, recognising the importance of innovation, big data, the life sciences and the other sectoral areas he mentioned, and the absolute imperative for UK businesses to export more. However, the future economy cannot simply be about supporting new businesses with new products selling into new markets; it must also be about supporting businesses that are already here delivering for their customers, their shareholders and the economy, and particularly, as the right hon. and learned Member for Rushcliffe said, into the EU, which is a substantial market for the UK. So while I certainly welcome many of the specifics in the White Paper and what was said today, I make no apologies at all for talking about the impact of Brexit, which has the very real potential to undermine the good intentions of the plan.

I say that because the uncertainty created by the hard Tory Brexit plans is already harming the economy. The UK Government's failure so far to secure a transitional deal is pushing many banks, in particular, and other companies to start looking to relocate to other parts of the EU for fear of being unable to trade freely there in April 2019. Indeed, the Bank of England has warned that 75,000 jobs might be at risk in the banking sector alone, and many of those may well move to the EU. It is vital that we remedy that, and do so quickly, as FinTech, which is mentioned in the White Paper, is undoubtedly one of the areas that ought to be able to make a positive contribution to the future economy of the UK. However, if we do not resolve this issue, meaning that banks' head

offices and decision-making functions go, I fear that FinTech and the ability to fund it will be subsequently reduced.

I also make no apology for saying that Brexit has the capacity to undermine the Chancellor's plans for raising productivity, which we all agree will be vital if our future economy is to deliver success and prosperity for everyone across these islands. The UK is now at the bottom of the G7 for economic growth. The eurozone and other advanced economies are enjoying higher growth, as well as higher levels of consumer and business confidence. These plans and the money to be spent on them—some of the cash is substantial—might barely mitigate the damage of Brexit, rather than kick-starting the economy to power ahead, which we all hope they will do.

Let me put some flesh on the bones of that, because it is important. The OBR has slashed its forecasts for productivity, economic growth and pay growth. The new forecasts show that the economy is expected to grow at below its long-term trend of around 2% until well into the next decade. The downgraded OBR expectations lower significantly the predicted level of growth. Although the OBR previously said that growth would proceed at much the same pace as before the crisis, it has turned out to be much lower.

This goes back to something the Minister said as a throwaway. Borrowing will still be at £26 billion a year in 2022-23, but he said we want to live within our means. We all want to live within our means, but when we see a national debt of 87% on the treaty calculation, and when we see borrowing of £26 billion by 2022-23—the current account was supposed to be in balance or in surplus in 2015—I think we can say with some certainty that the Government have failed to deliver every single one of the targets they have set since they came to power, with a Tory Chancellor, in 2010.

Sir Edward Davey: Does the hon. Gentleman agree that the real story behind this Budget was the growth forecast, which will impact not only the borrowing he is talking about, but public spending and, frankly, the whole shape of the British economy and British society in the years ahead? Do we not need an urgent debate on how we really raise that growth rate? The industrial strategy was simply not up to that job, which is so tricky.

Stewart Hosie: I agree with the first part of that intervention entirely. The big story from the Budget was that the growth figures were marked down over the entire forecast period that productivity per head was almost halved for that period and that pay growth was marked down, which has an impact on real people. As for a debate, we have been having debates about the productivity conundrum and growth since before I was an MP, and given that I am now about 110, that was some time ago. I suspect that we need to look at the work that has gone into the White Paper. Let us get behind the things we can support and make suggestions when we can improve things—my goodness, there are some we can most certainly improve—but we do not need to go back to the drawing board again.

I think that each and every one of us, if given a blank piece of paper, would come up with broadly the same plan with regard to fairness about investment, infrastructure,

education, and supporting R and D and exports. I do not think that there is anything particularly new there. The question for me is: can we deliver that this time, or will this be to no avail if Brexit undermines the potential of any of these plans?

Angus Brendan MacNeil: Both Labour and the Conservatives recently voted in this House to come out of the customs union. That will increase trade barriers with 27 countries, as well as another 67 countries that rely on 38 to 40 other deals with the European Union, so we stand a very real risk of increasing trade barriers with up to 94 countries. Surely to goodness that is putting an already perilously placed UK in an even more perilous position? That was supported by the Labour and Conservative parties, hand in hand, damaging together.

Stewart Hosie: My hon. Friend is right. Every single assessment that we have seen, starting with the leaked Treasury document of a couple of years ago, says that the worst-case scenario—if there are tariffs, other regulatory barriers and an immediate reversion to World Trade Organisation rules—is a 10% hit on GDP, full stop, before we start. I do not understand why anyone—even Tories, and certainly the bulk of the Labour party—voted to come out of the customs union. That was an idiotic thing to do. If we must leave at all, we should look to have the closest possible formal links, so that we maintain as much trade as possible on current terms.

Sir Edward Davey: Will the hon. Gentleman give way?

Stewart Hosie: I will in a little while.

The Resolution Foundation has reported that productivity growth in the 10 years to 2020 will be the lowest for 200 years. As a result, we have the worst economic growth forecasts that the OBR has ever delivered. Equally importantly, the forecast for the UK's balance of payments current account as a share of GDP has also been downgraded significantly due to a slowdown in business investment and the deterioration of the UK's net trade balance. That is expected to be a whole 1% deeper in deficit this year and next, and for the following year a 2% fall is predicted compared with the spring forecast.

We know that this is not a new problem. The Tory plans for post-Brexit policy—trade is vital if the future economy plan is to work—are delusional. The Tories aim to leave the single market, but apparently want to keep all the benefits of the club, while creating this preposterous “Empire 2.0” nonsense and signing trade deals across the globe. However, as my hon. Friend the Member for Na h-Eileanan an Iar (Angus Brendan MacNeil) pointed out, the UK already has trade deals with almost 90 non-EU countries, besides the 31 other members of the European economic area, thanks to our membership of the single market and the customs union.

Sir Edward Davey: Will the hon. Gentleman give way now?

Stewart Hosie: In one second. These existing trade agreements will be vital if our economy is to thrive. I give way one more time.

Sir Edward Davey: I am very grateful to the hon. Gentleman. I was trying to tee him up before. Given the growth forecast and the shocking impact that the situation will have on people's incomes and the public finances, is not now the worst possible time to be leaving the European Union, the customs union and the single market? Is this not the most disastrous economic decision, given the economic forecasts?

Stewart Hosie: Of course, leaving the world's most successful trade body and access to half a billion customers, tariff-free, would be an idiotic thing to do at any point. The fact that we are doing it now—and, more importantly, unprepared—is key. I will say a little more about that.

The existing trade agreements that are being discussed are vital if our economy is to thrive. The Government have suggested more support for exporters to new markets, but that seems to be at the expense of the trade routes that companies already have. To put some flesh on the bones of the last intervention, the EU accounts for 43% of the UK's goods and services exports, and 54% of imports. The UK Government have failed in their intention of starting to negotiate the future economic relationship with the EU at the same time as negotiating the divorce settlement. The delays in the first phase of the negotiations are deeply worrying and undermine the plan. We risk approaching a Brexit deadline without having concluded negotiations, and without a transitional arrangement.

In case anyone is in any doubt about how our friends in the EU view this, Federica Mogherini has said:

“It is absolutely clear on the EU side that as long as a country is a member state of the EU, which is something that the UK is at the moment...there are no negotiations bilaterally on any trade agreement with third parties. This is in the treaties and this is valid for all member states as long as they remain member states until the very last day.”

We have heard all the rhetoric from the Trade Secretary, who has conceded that his staff do not have the ability to cut the deals. At the same time, the EU is continuing talks with multiple countries across the globe, including Australia and New Zealand, which many Members point to as post-Brexit allies. That means that we will be playing catch-up with the EU's trade policy, and it will take years—possibly decades—simply to replicate the arrangements we already have, if we can even do that. Doing so is vital to the trading future of Scotland and the UK and to our future economy.

Another point to make about the EU concerns the free movement of people. Part of the plan is to attract the best and brightest. In my view, we must not just continue to attract them, but keep the ones we have. The 128,500 EU citizens employed in Scotland contribute some £4.2 billion to the Scottish economy. We must not send a signal to people—to those who are here, to those from the EU or around the world who want to come here, or to those who seek the collaborative partnerships in research and development contained in the plan—that the door is now closed. That would be catastrophic, whether it is said officially or that impression is given. It would add to the potential loss of 7% of gross value added to Aberdeen, of 6% to Edinburgh and of 5.5% to Glasgow—a £30 billion loss of GVA to the cities of the UK alone. We will therefore continue to defend Scotland's economic interests now and in the future, and we will prioritise maintaining membership of the single market and the customs union for Scotland—and, so far as I am concerned, the free movement of people, on which this plan, to a large measure, is predicated.

[Stewart Hosie]

I do, however, welcome much of what the Secretary of State has said alongside the publication of the industrial strategy, which aims to tackle the productivity slowdown and address the challenges and opportunities brought about by technological advance. We agree with many of the five foundations of productivity that he has laid out and many of the key policy areas that he has suggested, including raising R and D investment to 2.4% of GDP by 2027 and the increase in R and D tax credits rate to 12%, as well as the £725 million industrial strategy challenge fund.

We also welcome some of the smaller things, because although many of them are England-only or England and Wales-only, they are still good for the Secretary of State to do. They include the introduction of the T-levels, the additional money for maths, technical and digital education, and the £64 million for retraining. We welcome many investment announcements, including for infrastructure, broadband, energy and transport.

We would not disagree with the four main challenges—artificial intelligence and the data revolution; clean growth; mobility; and an ageing society—although I am rather at a loss to see how the Government can trumpet clean growth when they have refused for a decade or more to address the challenge of the imbalance in connectivity to the grid, which damages the potential of offshore wind in the north-west of Scotland. If the Government could finally resolve the imbalance, which means that a charge is paid by the Western Isles whereas central London receives a subsidy, there might be unequivocal support for the policy of clean growth.

Angus Brendan MacNeil: My hon. Friend brings up a fantastic point, on which his view is shared by the SNP and the Scottish Government. The UK Government choose to penalise the place where the wind resource is, but unfortunately the wind just will not blow at the whim of the bureaucratic pen of the UK Government. I would have thought that they would have realised that after all these years.

Stewart Hosie: One would have thought so, given the number of times the Government have been told that this is an ongoing problem. I could almost repeat it verbatim: there is £23 per kWh charge in the north-west of Scotland and a £7 per kWh subsidy down in the south of England. At some point soon, now that the Government have a clean energy strategy as part of the future economy, I hope that even they might think to address that fundamental inequity.

I want some real joined-up thinking. I know that the industrial strategy recognises, as the Secretary of State said in his statement yesterday, the contribution of the Scottish Government and the other devolved institutions. It is worth putting on record that the Scottish Government already have an economic strategy, with strategic plans for trade, investment, manufacturing, innovation and employment. Following the recent enterprise and skills review, they are aligning their agencies and resources behind those plans. The UK Government should have such a joined-up approach.

The Scottish Government are taking action to support the economy and to counter some of the uncertainty brought about by Brexit, despite the real-terms Budget cuts. This includes the £500 million Scottish growth

scheme to target high-growth, innovative and export-focused small and medium-sized enterprises. The first tranche of that money was delivered in June, and a further tranche will be made with an expansion of the SME holding fund, along with the leveraging in of private capital. The Scottish Government are also taking forward infrastructure investment plans, with projects valued at more than £6.5 billion either in construction or starting this year.

In addition to the innovation and investment hubs in London and Dublin, the Scottish Government have established hubs in Berlin and Paris. They are maximising the opportunities there while also developing our existing presence in Brussels into a hub. That is important because there is no point in just supporting big businesses that already export. If we are ever to mitigate the potential loss of export trade with the EU, we need to have the people and resources in place to hold the hands of businesses and ensure that more of them start to export. The Scottish Government are establishing a new south of Scotland enterprise agency.

The Scottish Government are implementing a number of other measures, the most important of which is the roll-out of digital connectivity. Had the roll-out of 4G been left to the market and the UK Government, I understand that we would be about 60% of the way there. However, because of the additional hundreds of millions put in by the Scottish Government, we are at 95%, and we are driving forward the “Reaching 100%” project to deliver superfast broadband access to all residential and business premises by 2021.

Angus Brendan MacNeil: My hon. Friend is giving a long list of impressive boasts by the SNP Government, but he may not know that people on the west side of one of the smallest islands in the Outer Hebrides can get 48 megabits per second. I believe that central London and many other places cannot match what the SNP Government have achieved in the west of the highlands and islands of Scotland.

Stewart Hosie: That sounds to me like a pitch for inward investment for Barra, given what my hon. Friend says about 48 megabits per second. The whole point is that it is possible to deliver to some of the most remote communities the kind of access to technology that every business and individual needs.

We welcome the fact that the UK Government have published their industrial strategy, and we are committed to working with them to ensure that the strategy delivers the maximum benefits for Scotland. However, as my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) said yesterday, we are disappointed that the Scottish Government were not formally consulted ahead of the publication of the strategy, even though the White Paper recognises the critical role that the Scottish Government have to play. That is a worry in areas such as life sciences, in which Scotland is a world leader, because a sectoral deal seems to have been agreed without any consultation with the Government in Scotland.

We have set out our programme for government in Scotland, which includes a commitment to create a Scottish national investment bank to deliver infrastructure development, finance for high-growth businesses and strategic investments in innovation. That mirrors much of what the UK Government have said—[*Interruption.*]

I am conscious of the time. I have had 20 minutes, but I will finish soon; I am sure there will be plenty of time for Labour Back Benchers. We are also committed to a transition to a low-carbon economy, as this is an important economic opportunity for Scotland.

Finally, let me make a point that my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey also made yesterday. We welcome the plan and the substantial sums that are being invested, but we note that the £7 billion for the extension of the innovation fund will not be spent until 2022-23. If it is important to spend that money, and it is, and if it is important to mitigate the damage that Brexit might do, and it is, I simply say to the Secretary of State that he should perhaps bring forward that spending.

Several hon. Members *rose*—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. The House is obviously aware that a great many people wish to speak and there is limited time, so we will begin with a time limit of seven minutes.

3.49 pm

Damian Collins (Folkestone and Hythe) (Con): I rise to speak in support of the Budget and, in particular, the key strategic priority it places on the housing market and increasing housing supply. The Chancellor was right to say that we should have a national target for new home completions of 300,000 a year, but that number should not be a mere aspiration; it is an absolute necessity.

For many people in this country, getting on the housing ladder is becoming increasingly difficult. The prices of new homes to buy are rising much faster than people's earnings. That has been the case for a long time. It is therefore no surprise that the percentage of people who are able to own their own home has declined. We are not looking at investment in the housing market just for homes to purchase. We need to build a lot more units that are affordable to buy and to rent, and we need a much more active strategy to do that. I was pleased that the Government announced that as part of the Budget.

I have supported the proposed development of the Otterpool Park garden town in my constituency, which would create up to 12,000 new homes. Any planning decision involves a degree of difficulty and it is important that we get the local consultation right, but we do need to prioritise building a lot more homes.

Building creates not only new places for people to live, but a considerable number of jobs in the construction sector. Many people who work in construction say that even now, it is difficult to find the people to do the work that is available. Therefore, it was right that a strong priority was placed on training people to work in the construction sector.

I welcome the Chancellor's announcement of the £3 billion resilience fund to be spent over the next two years on preparations for Britain leaving the European Union. My constituency of Folkestone and Hythe contains the channel tunnel. Investing in preparedness to manage cross-border trade is a necessity. Anything that, for whatever reason, slows the progress of road freight in and out of the country will cause congestion and delay. That is bad for the economy and has a detrimental impact on people's quality of life and the businesses in my constituency and elsewhere in Kent.

For me, a key priority in building the physical resilience we will need is not only to manage the electronic processing of freight as it passes in and out of the country, but to ensure that we have the physical infrastructure to hold lorries if they have to queue before leaving the country or if there is any requirement for customs checks as they arrive. The delivery of the lorry park on the M20 at Stanford West that was envisaged and proposed two years ago as a relief for Operation Stack is a vital piece of national infrastructure. I was disappointed that the Government had to withdraw their planning application to build it because of a judicial review, but I know that it is being looked at again. I see that the Financial Secretary is in his place. I raised this matter with him last week and welcome the letter he sent me to confirm that the ring-fenced budget of £250 million that the Government allocated for the delivery of that lorry park is still there. It is a vital piece of infrastructure and we need to ensure that it is delivered.

On the other spending commitments in the Budget, I welcome the additional £2 billion this year and into next year for the national health service. It is important that that reaches the places that need it most. The Health Secretary is not here, but I believe that greater consideration needs to be given to GP services and primary care in coastal communities, where the often complex, unique and challenging requirements have led to the average number of patients per GP being much higher than the national average. We are struggling to recruit GPs in such areas. I have spoken to the Health Secretary about that issue on numerous occasions and know that it is a priority for him. However, we need to ensure that the extra money for the health service goes to the parts of the country where it will make the biggest difference.

There has been a lot of talk about increasing investment in research and development and about increasing the research and development credit. That is incredibly important for the future of the economy, and I want to touch on artificial intelligence, which will be an important driver of growth in the future, as the Secretary of State set out in his remarks. Effectively, artificial intelligence is the robotic harvesting of the data footprint that we leave as we increasingly conduct our lives online and the designing of new products and technologies around that to meet people's needs. That throws up a number of ethical issues.

Algorithms that run programmes are private property—they are copyrighted; they are not shared, and many platforms, such as Google and Facebook, fiercely guard the information—but we need to make sure that, when new services are designed based on our data footprint, companies behave ethically and responsibly and that we are able to check they are safeguarding the interests of the people they seek to serve through that technology. That is why the announcement of the creation of the centre for data ethics and innovation is incredibly important. The Digital, Culture, Media and Sport Select Committee, which I chair, will be looking at the distribution of disinformation and how companies' algorithms either support or could act against it. There is, however, an important ethical question about the right of third-party organisations to check the work being done. Innovation through AI can, then, transform the economy, but it throws up some ethical issues that we have to get right.

The Government have taken an interest in driverless cars, but driverless cars, though an exciting technology, do not work without a signal to allow them to receive

[Damian Collins]

the information they need, which is why the creation of the national 5G network is so important. Without a signal, a driverless car would suddenly stop in the middle of the road. The investment in the 5G network requires investment not just in poles and masts but in fibre infrastructure. A key part of the industrial strategy has to be the move to a full fibre economy as quickly as possible. We simply cannot deliver on massively important new technologies such as 5G for the whole nation without that infrastructure to support it.

As an adjunct to that, I know that my right hon. Friend the Minister for Digital has talked about whether there should be a universal service obligation for 3G mobile signal. In many parts of the country, including Elham valley in my constituency, the 3G signal is weak. Ofcom will shortly be publishing a study on the real level of service delivery by mobile phone operators and whether it falls below the requirement stated in their licences. If it does, there will have to be some further inducement to act to make sure that basic coverage is better than it is. In the longer term, however, we need investment in a 5G network.

Finally, the joint working between the Government, the CBI and the TUC on retraining is crucial. Technology means that people's jobs will change faster and faster throughout their lives, and people need the ability to retrain throughout their working careers to take advantage of this.

3.56 pm

Edward Miliband (Doncaster North) (Lab): It is a pleasure to follow the hon. Member for Folkestone and Hythe (Damian Collins), who made some important remarks about Brexit and the risks we face.

I want to start my remarks about the Budget with the words of the Prime Minister at the Conservative party conference in 2016. She said this about the EU referendum:

“It was about a sense – deep, profound and let's face it often justified – that many people have today that the world works well for a privileged few, but not for them. It was a vote not just to change Britain's relationship with the European Union, but to call for a change in the way our country works – and the people for whom it works – forever.”

I agree. The referendum told us that the status quo was not good enough—in fact, was not nearly good enough. Surely, then, the test of the Budget is whether someone listening to it and seeing its contents would conclude that this was a Government determined to live up to her words.

One or two policies in the Budget look somewhat familiar. The energy price cap used to be part of a Marxist universe; now it is Government policy. The “use it or lose it” policy on land banking was described by the Foreign Secretary—an eminent person—as “Mugabe-style” land expropriation; now it is on the way to becoming Government policy under the wise counsel of the right hon. Member for West Dorset (Sir Oliver Letwin)—an unlikely authoritarian Marxist.

On the fundamentals, however, on the underlying economic strategy, I am afraid it is not change, but more of the same. I want to highlight two issues: the refusal to address deep inequality in our country and the continuation of austerity. We all know about the cost-of-living crisis—it is not contested any more, although

the Secretary of State did not really talk about it. I will give people just one fact: on the path suggested by the OBR, the average worker will not get back to 2008 earnings until 2025. That is the scale of the challenge we face. Are the Government making things better or worse when it comes to this and the gulf in living standards between the top and bottom? I am afraid they are making it worse. According to the Resolution Foundation, tax and benefit changes since 2015, including those in the pipeline, mean:

“The poorest third of households will lose an average of £715 a year compared to average gains among the richest third of households of £185 a year.”

The Prime Minister apparently believes that the message from the Brexit result was that people felt that the country worked for a privileged few but not for most. The Budget, however, makes the position worse rather than better.

I should love to hear from whoever winds up the debate what Ministers' defence of these distributional figures is, because this is discretionary Government policy. It is a political choice, not an economic necessity. We need only look at what is happening to corporation tax to understand that. Corporation tax has been cut by more than £10 billion since 2010—and, by the way, businesses have not even been asking for those cuts. The Chancellor could have pointed out that the current rate of 19% was the lowest in the G7 by some distance, and that there were other priorities, but no: he is going to spend billions more pounds on cutting corporation tax to 17%. It seems that he can afford to spend those billions, but he cannot afford to keep benefits at the same level and has to cut them. That is the political choice of this Budget.

Let me turn from the issue of distribution to the issue of debt and the deficit, which the Secretary of State talked about. I am old enough to remember when the Government said that they would balance the budget by 2015. In fact, that was not so long ago: it was in 2010. I am also old enough to remember the 2015 election campaign, when I was told that if we did not balance the budget by 2018, catastrophe would follow. What does Robert Chote, the director of the Office for Budget Responsibility, say? He says:

“If the deficit is to continue falling at the average rate expected beyond the end of this spending review, then it won't reach balance until 2030-31.”

What an extraordinary failure! A deficit promise is to be kept not five years late, not 10 years late, but 16 years late, and the Government have the cheek to go on about the deficit. They have failed to deliver on the promises that they made, but they are pulling off a remarkable feat: they are both failing on those deficit promises and cutting spending. The Secretary of State did not mention that. According to the Institute for Fiscal Studies, there will be day-to-day departmental cuts of £10 billion per capita by 2022, with welfare cuts on top. If ever we needed proof that austerity had failed, that would be it. The Government are not meeting their deficit promises, and they are carrying on with the cuts.

There is a deeper point, however. The Prime Minister's words were right. People were not just voting on immigration in Europe, although of course they were doing that; they were also voting for a big change of direction. Continued austerity, continued spending cuts and worsening inequality constitute not a change in

direction, but more of the same. We know what the Government should have done. They should have realised that cutting taxes for the richest, and the largest corporations, is not the way to ensure that a country succeeds. They should have put an end to austerity and cuts in public spending, and they should have recognised, more than they did, the cruelty and pain caused by welfare cuts that we all see, as constituency Members—including what is happening with universal credit.

I do not know what the precise Brexit settlement will be, but it is already clear from last year's autumn statement that the impact on the economy and public finances will make it harder—let us be frank about this—to deliver the fairer society that was one important part of the mandate of the referendum, which makes it all the more important for us to have a Government who are committed to action to bring that about. On that score, and by the standards that the Prime Minister set herself, the Budget fails. It proves to me, yet again, that this Government cannot bring the change for which the people voted in the referendum.

Several hon. Members *rose*—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I must now reduce the speaking limit to four minutes.

4.3 pm

Andrew Bridgen (North West Leicestershire) (Con): It is a pleasure to follow the right hon. Member for Doncaster North (Edward Miliband). I may not agree with his message, but I admire the passion with which he delivers it.

Let me, in the time available to me, welcome the Budget and, in particular, the proposals for infrastructure, business and the housing market. In my constituency, we are certainly doing our bit for the housing market. We have completed more than 600 new homes in each of the last three years, and this year we expect to complete more than 700. It is worth bearing in mind that if every constituency were building new homes at the same rate as mine, well over 400,000 new homes would be available this year.

I welcome what the Chancellor said about supporting the building industry, SME builders and releasing public land for building, but I hope that Ministers will bear in mind the need to ensure that the bidding process for the purchase of public sector land as it comes available—regulated by the Homes and Communities Agency—is not so onerous that it deters SMEs from taking part. Otherwise we will miss out on a valuable aspect of that policy.

My constituency is home to some of the UK's major house builders, and the major brick and aggregate producers. In recent years, one of the biggest deterrents to investing in building materials and energy-intensive industries is uncertainty about climate change-related policy costs, with potential threats including EU emissions trading reforms that would put many firms out of business, even state of the art brick factories. The last two brick factories built in the UK are in my constituency. One was built in 2008, at the end of the economic crash, and one will come on stream in the next few months. They involve considerable investment—about £55 million—and each plant can produce 100 million bricks a year, but even with a target of 200,000 new houses a year,

we import 300 million bricks. If we want to build 300,000 houses, we need to build new brick factories or we will have to import bricks from all over the world, and that is not efficient. The uncertainty for energy-intensive users needs to be removed as soon as possible, so that investment can go in and we can be self-sufficient in bricks and tiles.

I welcome the national productivity investment fund of £30 billion. Some of that money is already supporting the 6 million square feet SEGRO warehousing development in the north of my constituency. That will create 11,000 jobs. Unemployment in my constituency has fallen since 2010 by 70%, youth unemployment is down by 80% and only 470 people are on the unemployment register. Those jobs need to go out to the cities of Derby, Nottingham and Leicester, and we need better public transport to give people access to the jobs that we are creating. The continued cuts in corporation tax will ensure that businesses in my constituency and across the country continue to create the jobs and the wealth we need in the future.

4.7 pm

Hilary Benn (Leeds Central) (Lab): When the British people voted to leave the European Union, they did not vote to damage the Good Friday agreement, they did not vote to undermine the public finances, they did not vote to run the risk of falling off the edge of a cliff without a deal, and they certainly did not vote to end the benefits to Britain of the customs union and the single market. None of those things are inevitable consequences of the vote in June 2016: they are the result of political choices, made by the Government, that will have profound consequences for the future of our economy, our public services and the people we represent. Those choices and consequences dwarf this Budget and will determine the shape of just about every Budget in the years ahead.

The truth is that the Government have been far from transparent and open about those consequences. The simple question for the House is “Why not?” Why have the Government been so unwilling to acknowledge that the decisions that they have made will produce that result, and why have they been so reluctant to share that analysis? We know what the benefits of the customs union are: it gives us frictionless trade. The Government say they want frictionless trade, but we have it now through the customs union. We know it gives us access to a load of agreements with other countries in the world negotiated by the EU. We know—referring to the point made by the hon. Member for Folkestone and Hythe (Damian Collins)—that it enables the lorries that come off the ferries at Dover to move out seamlessly to help to turn the wheels of industry and stock our supermarket shelves.

Some 60% of our exports go to Europe and those markets we access through the trade deals. Is it possible to imagine any business saying to its biggest customers, “Well, we'll try and keep on doing what we are doing with you at the moment, but actually we're more interested in trying to sell stuff to other people around the rest of the world.”?

The place where this falls into the starkest relief is in Northern Ireland. The Government say that they do not want a border, yet they also say that they want to leave the customs union and the single market. When it

[Hilary Benn]

is pointed out to Ministers that that could be a bit of a problem, they say that technology will come to their rescue, even though their ideas are untested. One organisation has even suggested that airships and drones could hover above a non-existent border. I hate to say this, but I do not think that tethered Zeppelins or other airships are going to deal with the problem in Northern Ireland. The truth is that, whatever the weather and no matter how radical the technology is or how much the Government spend, it is hard, if not impossible, to see how this problem can be reconciled if we are to avoid a return to a hard border. That is why there is a crisis in the negotiations with the EU, and why the Irish Government are pushing so hard.

This is what lies behind the argument we are having about the impact assessments that apparently never existed. That is what this debate is about. It is not about process, or about what has been released to the Select Committee. We know that what we have been given has been edited, filleted and sanitised. What this is really about is the process by which the Government took the decision to leave the single market and the customs union. Did they consider the fiscal, economic and employment consequences of the two most important decisions that have been taken since the vote in June 2016? If they did not consider them, why not? And if they did, when are we going to see them? None of us knows how this is going to turn out, but frankly, the Government owe it to the House and to the people of Britain to come clean about how they reached that decision.

4.11 pm

Oliver Dowden (Hertsmere) (Con): It is a pleasure to follow the eloquent remarks of the right hon. Member for Leeds Central (Hilary Benn). I am conscious that we are on a tight time limit, so I shall confine my remarks to the question of productivity and its implications for public spending. By the OBR's own recognition, many of the numbers that it has produced are speculative, but it is clear that we have a long-term productivity challenge, as the Chancellor has rightly recognised in his Budget. This challenge has been disguised in recent years by our membership of the European Union, in that we have had large-scale migration of highly skilled migrants from eastern Europe, and we have principally had to compete only with European markets. Both of those factors are rightly going to change as a result of the vote, and we consequently need to raise our sights and think about the public spending choices made by this country relative to those of other countries, such as South Korea, which are likely to be our competitors in the years to come. When we look at that, we see that we have some difficult questions to answer.

The amount that this country spends on welfare includes almost £100 billion on in-work welfare and more than £100 billion on retirement welfare. In comparison, South Korea spends but 2% of its national income on welfare, so we have some choices to make, and we must be clear about those choices. Every £1 that we choose to spend on welfare is £1 that we cannot spend on our education system, on our research and development or on our infrastructure. All that money could be used to increase the long-term productive capacity of our economy, and a failure to spend in those

areas reduces that capacity and reduces our potential output. We therefore have to look at each of those areas and ask what more we can do.

Bim Afolami (Hitchin and Harpenden) (Con): I commend my hon. Friend on his speech. In relation to the more productive ways in which he thinks Government funds could be spent, will he elucidate further on what aspects of the Budget he feels could be upgraded or extended?

Oliver Dowden: We should consider whether we are able to release further resources for infrastructure spending. For example, the materials used for digging Crossrail 1 could be released straight into Crossrail 2, and we could look at HS2 and see whether we can release resources into HS3. It is those sort of long-term decisions that countries such as South Korea, China and India are making and that we are constrained from making due to excessive spending on current priorities.

I therefore urge the Government to continue with their agenda for in-work benefits, whereby we are increasing the personal allowance, so that people on the lowest incomes pay less tax, and increasing their income through the national living wage, so that they are less reliant on the state. We are also reforming welfare through universal credit to ensure that people keep more of what they earn and that they are constantly incentivised to move further away from reliance upon the state and towards self-reliance, and the case for doing so is both economic and moral. I urge the Government to ignore the Opposition Members who constantly harp on about universal credit. If they actually go to their local jobcentre, as I had the privilege of doing just last week, they will hear countless stories of how universal credit actually incentivises people to take on more hours of work and creates a smooth path out of welfare and into work.

My right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) eloquently made the case for looking at retirement benefits. It cannot be right that people who are perfectly capable of looking after themselves have access to universal benefits that they simply do not need. Equally, we need to look at the balance between the younger generation and the older generation. The previous Government rightly committed to a deal whereby we increased retirement benefits, so that people had dignity and security in retirement, but we need to consider the rate of increase and ask ourselves whether it is fair that the older generation's benefits are increasing at a faster rate than those of people who are in work. Surely equality demands that such benefits should be increased only with increases in working-age benefits. If we do not embrace and make such choices, we will surely have them forced upon us as we fall poorer and experience lower living standards than those of our competitor nations.

4.17 pm

Stella Creasy (Walthamstow) (Lab/Co-op): It is always interesting to follow the hon. Member for Hertsmere (Oliver Dowden), who makes a wonderful case for why this country needs not just an Opposition, but an alternative. Let us give him that alternative today. It was a privilege to attend this morning's commendation service for my local police. I heard extraordinary stories of police constables and their bravery, but those PCs are facing an uncertain future. That is the test for this Budget.

How did we get to a place where people who have tackled rapists, run into burning buildings and taken countless criminals off our streets face potential redundancy, while the Government are throwing billions of pounds into the mess that Brexit is creating?

This Budget speaks volumes not only about this Government's priorities, but their performance. After seven years, the Chancellor boasted of "peaking" the debt, when they said that they would balance the books. Another year or more has been added to the austerity timetable. Our constituents yet again face wage stagnation. Our public services have been cut to the bone. Universal credit has been made more complicated to administer and more difficult for people to understand. The stamp duty exemption will push up prices and do nothing for the millions of people with no deposit who are renting. Personal debt is at record levels. Home ownership is at a 30-year low, yet one in 10 people now have a second home—it is all right for some, but not enough. Growth has slowed. Inflation is rising. Our teachers are buying basic supplies for their schools. Our nurses cannot afford to feed themselves.

The most terrible travesty of this Budget is that there is money to be raised. Buried away is the Government's agreement to close the tax loophole on commercial property sales for foreign companies. I welcome that U-turn. Britain desperately needs that magic money tree. However, it is indicative of this Government's capability that they cannot even get that right. They think that they will raise only half a billion pounds a year, when they should be raising £6 billion a year.

This debate is about productivity. I am worried about the productivity of our Ministers. I was deeply disappointed by the Government's response to my parliamentary questions and their belief that double taxation treaties mean that the tax would be paid. They do not seem to understand that the Luxembourg treaties will override that and that many real estate companies are based in Luxembourg, so will be exempt from this very tax and from our magic money tree, as will anybody who acquires new real estate and puts it in a Luxembourg holding company before the rule comes into force.

Those are not new problems, but I put them on the record because, clearly, the Ministers with responsibility for HMRC have not even bothered to read the Paradise papers, which set out such deals in great detail. It is little wonder that this Government do not really care about evidence or data and do not want to know the real impact of their policies on the people they represent.

There is clear and explicit evidence of the link between gender equality and global competitiveness. Productivity is a massive challenge in our economy, yet this Government have absolutely no interest in understanding the impact of their policies on addressing inequality.

In the time left to me, I put the Government on notice. As a country, we cannot afford for them to ignore these matters any more, just as they have failed to get to grips with Brexit, failed to deal properly with tax loopholes and failed to pay our public sector workers properly. The Opposition refuse to let the Government's poor performance, poor priorities and, indeed, poor people skills condemn the future of this country. They say this Budget is about being fit for the future, but they are not fit for office and it is time they left.

4.20 pm

Mrs Kemi Badenoch (Saffron Walden) (Con): It is a pleasure to follow the hon. Member for Walthamstow (Stella Creasy), even though I disagree with almost everything she said.

There is much to welcome in the Budget, and I am grateful to the Chancellor for listening to concerns about tax increases and for accepting a request from me, my right hon. Friend the Member for Harlow (Robert Halfon) and others to freeze fuel duty. I represent a large rural community where almost everyone has to drive, and the freeze will help us to keep down the cost of living.

Fuel duty is not the only duty that was frozen. The freeze on air passenger duty was warmly received by many of my constituents and local businesses, especially Stansted airport. Aviation is a key growth industry for us, and the freeze will help to ensure that Britain's skies remain open post Brexit and will promote the global Britain programme.

Every day I receive letters from residents who want to know what the Government are doing to ensure a smooth transition as we leave the EU. Businesses in my constituency are pioneering new types of British exports worldwide—the English Cream Tea Company in Dunmow has managed the phenomenal feat of selling tea to China, and the exceptional craftsmanship of luxury products by Geoffrey Parker games in Wimbish village is recognised as some of the very best British manufacturing. They will be reassured to hear of the further £3 billion of investment, on top of the £700 million already committed, to prepare effectively for EU exit.

As the Government continue to push to increase the supply of much-needed housing, I stress the need for accompanying transport infrastructure in our industrial strategy. A new station at Cambridge South will help my constituents with their daily commute, will make it easier to get to Addenbrooke's Hospital and will improve tech corridor research and development links with Chesterfield research park and with companies around Stansted. However, we also want to see further improvements to the West Anglia main line soon, ideally four-tracking to keep up with increased demand.

We have heard a lot over the past few days about the need for improved productivity. The announcement of an additional £8 billion through the national productivity investment fund, taking the total to £30 billion, is by far the most exciting measure, not just because of the investment in rail, broadband, science and innovation but because of the investment in emerging technologies such as artificial intelligence and driverless cars.

I know that many in this House consider driving a recreational activity and see driverless cars as a threat to their hobby, but spare a thought for people like me who hate driving, a chore that eats into time better spent on other things. The productivity improvements from driverless cars will be immense. The average car is used just 10% of the time, and autonomous vehicles could increase that to 90%. Imagine a world that needs fewer cars. We could say goodbye to road rage, drink driving, texting at the wheel and unfit drivers ruining lives, and say hello to more free time, less congestion and cleaner air. It is a game changer for tackling rural isolation and geographical exclusion and, pardon the pun, will ensure that Britain remains in the driving seat in a competitive global market. The future is coming and I cannot wait, which is why I commend this Budget to the House.

4.24 pm

Mr Jim Cunningham (Coventry South) (Lab): This is a Budget from a Government who have run out of ideas and are lacking in imagination. They heralded it as a Budget that will help everyone, but nothing in this Budget will help ordinary working people. In seven years under this Government, we have seen wages fall, and they are now lower than they were in 2010. Personal debt levels are rising, and with interest rates starting to rise we are heading for a massive problem. There has not been nearly enough progress in closing the gender, race and disability pay gaps—that is simply unacceptable. Britain is meant to be the sixth largest economy, yet public and business investment is among some of the lowest in advanced countries. We are also seeing low productivity.

On Brexit, there is uncertainty in all sections of society because of the shambolic negotiations that we have seen so far. The OBR's downgrading of economic growth and productivity make for bleak reading, and we seem to have a Government who have refused to learn from their mistakes. They cannot even hit targets they set for themselves; they promised to eradicate the deficit by 2015, 2016 and 2017, and now they have pushed it back to 2020 and probably beyond.

Coventry and the west midlands stand to lose out hundreds of millions of pounds in EU structural funding after Brexit. This Government's policies and, in particular, this Budget do not do enough to stimulate investment and growth and to help replace the funding that will be lost. The Government are not building a strong economy and they certainly are not leading the way for Britain to remain a major world player.

The Budget does nothing to help ordinary people who are struggling up and down the country. The national living wage has been revised down, so it will not reach £9 by 2020, as previously promised, and the Government are persisting with the horrendous roll-out of universal credit, instead of pausing the roll-out to allow the system to be improved. The Chancellor's offer of help will not help people enough, as it is only a fraction of the £3 billion a year cuts they have made to this scheme. Only £1 of every £10 cut has been put back, and that just is not enough to help vulnerable people. More than 100,000 people in Coventry have used a food bank in the past few years—that is unacceptable in 2017. These changes are made worse because they are being implemented alongside jobcentre closures, and the services on offer are also being privatised. The Government are removing jobs and services from parts of the country that need them the most, including Coventry. That will have long-lasting repercussions.

The housing crisis has not been addressed either. Last year, fewer than 6,000 social houses were built, and that is simply unsustainably low. The Government pledged to build 300,000 homes by the mid-2020s, but houses are needed now—not just any houses, but affordable houses that help first-time buyers. The OBR said that the stamp duty cut would actually end up raising house prices, so this is yet another policy that has not been thought out.

Despite being a key issue during the recent general election, and despite it being a sector in desperate need of investment, there was, shockingly, absolutely no mention of social care in the Budget. Local government services

in Coventry continue to have funding slashed, and there is no additional money for the police or fire services, making provision of vital services more and more impossible.

The NHS has again—*[Interruption.]*

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I was going to let the hon. Gentleman finish his sentence.

Mr Cunningham: I will finish there, Madam Deputy Speaker.

4.28 pm

George Freeman (Mid Norfolk) (Con): It is a privilege to rise on behalf of my constituents to welcome this Budget and the industrial strategy announced by the Business Secretary yesterday. In the past week, the Chancellor and the Business Secretary have sent a strong signal that this economy and this country are in the hands of safe grown-ups in the Treasury—*[Laughter.]* I would not laugh yet. This country knows that what we need is a sensible, one nation Conservative Administration, not a Marxist shadow Chancellor committed to the overthrow of capitalism. *[Interruption.]* The hon. Member for Stalybridge and Hyde (Jonathan Reynolds) thinks that is funny; I do not. We do not need Labour's £500 billion spending spree, which would put more debt on to the backs of our young, and we do not need dangerous talk of requisitioning private property and exploiting the crisis we face to fulfil Labour's Marxist fantasies.

I wish to highlight three particularly encouraging aspects of the Budget. First, on public sector pay, I welcome the fact that the Government have shown they are listening carefully to the concerns of those in the public sector who feel that, after seven years of the pay cap, we need a different model to inspire our best. I welcome the easing of the pay cap, so that those on the frontline of our public services—the heroes who run into burning buildings and take bullets for us—can get the pay rise that they deserve that is appropriate and affordable. I also welcome the signal that those in the public services who are responsible for management and delivering productivity are rewarded for, and on the basis of, that productivity.

I particularly welcome the announcement of a public sector leadership academy, which my right hon. Friend the Chief Secretary to the Treasury and others have been instrumental in pushing forward. In the next few years, we need to go further and signal an ambition for our public services to work in partnership with the private sector to drive a recovery. We want an innovation economy in which the public sector embraces innovation, and is a partner for innovation, to modernise our public services. I call that public sector enterprise. Let us be bold and unleash the power of the NHS to work with our life sciences sector to pull innovation through for modern healthcare. Let us be bold in procurement, so that the public sector drives innovation in our economy, and let us incentivise our best public sector leaders to be part of that.

Secondly, I warmly welcome the industrial strategy. I am proud to have done my bit over the past few years, working with the former Chancellor and Member for Tatton; Lord Willetts, who was in the Gallery earlier; Lord Heseltine; and my right hon. Friend the Secretary

of State for Business, Energy and Industrial Strategy. Do not take it from me that a Conservative generation has led the way on industrial strategy; take it from Lord Mandelson, who said at Davos a few years ago that it was a new generation of Conservatives who were setting the pace on 21st-century industrial policy. Do not take it from me; take it from the life science sector, which yesterday announced £1 billion of inward investment to create new jobs in the economy. That is the vote that I care about—the vote of business and of the wealth and job creators, not the vote of the wealth and job destroyers on the Opposition Benches.

Thirdly, on skills and infrastructure, I strongly welcome the east-west rail announcement. For too long we have seen investment in our commuter lines, but not enough in the east-west lines. I relish the prospect of an innovation express from Norwich to Cambridge to Oxford to Reading to Southampton—an arc that links our east and west clusters. I also relish the announcement of a new Victorian-model rail company that undertakes development to fund rail infrastructure, allowing garden towns and villages to be built by a modern railway company—the first to be created in such a way for more than 150 years.

On skills, we need a response to the industrial strategy from each locality. That is why I have been working with Cambridge, Norwich and Ipswich to put together the “accelerate east” skills gateway. I would like us to offer every school and college leaver a skills passport into the 21st-century economy.

This was a Budget for business and for Britain, but the big B is Brexit. We need to make sure that in the next 18 months we negotiate and deliver a Brexit deal that supports our modern economy.

4.32 pm

Lucy Powell (Manchester Central) (Lab/Co-op): It is a pleasure to follow the hon. Member for Mid Norfolk (George Freeman). Perhaps he could take the Prime Minister to the public sector leadership academy now that he has a bit of time on his hands.

The key issue of the Budget is productivity, but that is nothing new at all. The productivity gap is now widening. An average worker in Germany produces the same output in four days as we produce in five. The issue is not how we can stretch those who are operating at the high end, although that is a good thing, but that we have an extremely long tail of low skills, with too many people working below their potential and, often, their skill set. That is set to get even worse with automation, with many more millions of low-skilled workers chasing fewer and fewer jobs. There is very little in the Budget to address this issue, which really does need to be the key driver of Government policy.

Lucy Frazer: The hon. Lady says that there is nothing in the Budget about that, but what about T-levels, maths and computer science training, and adult learning? There is a whole raft of measures to upskill our workers.

Lucy Powell: I will come back to those issues later in my speech. There are some advances, but they are not backed by resources. We have seen huge cuts in post-16 education over the past seven years, which has meant that the gap has widened further and further.

As the Social Mobility Commission again stated today, we do know how to pull up this long tail because we are doing so in London. It requires a pool of talented teachers, resources, and a clear local and national strategy. There was nothing in the Budget on the key issue of teacher retention and recruitment, which is now reaching a crisis point, and nothing on teacher pay or teacher workload. I could not believe it, but nothing was said on school budgets.

Lucy Frazer: Will the hon. Lady give way.

Lucy Powell: Very quickly—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Everybody wishes to speak and that is not a problem, but the hon. and learned Member for South East Cambridgeshire (Lucy Frazer) must understand that this would be her second intervention. I will keep moving her down the list, because that is the way that we will move forward.

Lucy Powell: I will not take any more interventions, Mr Deputy Speaker.

There was nothing at all about school budgets, which was one of the key issues in the general election, and they are still falling in real terms. The Institute for Fiscal Studies said that, after the Secretary of State’s announcement in the summer, there was still a 5% cut in real terms, because the number of pupils is going up. We need a much bigger conversation about what education and skills are for in this country. They need to be about delivering for the economy and the society of the future.

Nearly 60% of graduates are working in non-graduate jobs. That is the third highest level among OECD countries, exceeded only by Greece and Estonia. I know that we have many debates in this place about tuition fees, but it is no wonder that they are not being repaid when so many people are not working at the level at which they are qualified to work.

We are in the bottom four of the OECD countries for literacy and numeracy to 18. T-levels are welcome, but with the huge cuts to further education, they will be difficult to deliver. Given that the maths GCSE contains more A-level content, we must ask about the desirability of prioritising compulsory and ongoing GCSE resits over looking at the curriculum and functional skills.

The Government are right to identify maths as the future. The future is about algorithms, matrices, digitisation and automation. Even for the most able, however, our curriculum is going in the wrong direction, which is why the OECD has said that it is

“a mile wide and an inch deep”.

By going down a route of rote learning rather than conceptual understanding, we are moving in the opposite direction to all our competitor countries.

There was absolutely nothing about social mobility in the Budget—in fact, the Chancellor did not even mention that in his statement. Social mobility is especially crucial in the early years if we are looking to close the productivity gap. Development at the age of five is still the biggest indicator of how a person will do in their GCSEs and beyond, yet we are also going in the wrong direction there. As others have said, these are political

[Lucy Powell]

choices. Of the £9 billion the Government are spending over this Parliament on the early years, 75% will be for the top half of earners, with less than 3% going to the lowest. That is just wrong. This ticking time bomb entrenches social advantage.

Childcare is, yes, about increasing productivity, but the design of the current system under this Government means that we will fail to deliver some of the productivity gains that can come with childcare. We really need a social mobility strategy right across Government to tackle these issues.

Finally, let me talk about regional inequalities and disparities within regions, which are all connected to the points that I have raised. It is even more urgent that we get our fairer share of spending on infrastructure outside London and the south-east, and that we develop even stronger place-based solutions to deal with local job markets and skills. For example, if the Government wanted to be ambitious—this is not a difficult thing to do—they could devolve post-16 further education to places such as Greater Manchester. They could do a lot more to devolve early years solutions for transforming school readiness, as we are attempting to do in Greater Manchester. It is high time that places outside London got their fair share of transport infrastructure expenditure. We absolutely need to see the northern powerhouse rail connecting Liverpool to Hull via Leeds and Manchester. Critical to that is ensuring that we have a future-proofed Manchester Piccadilly station.

4.39 pm

Victoria Prentis (Banbury) (Con): It is always a pleasure to follow the hon. Member for Manchester Central (Lucy Powell) when she speaks so passionately about education. I must confess that her remarks about the Prime Minister have encouraged me to focus my speech on house building, which the Prime Minister and her Chancellor quite rightly view as the most important issue facing us.

For my constituency, the biggest excitement from the Budget is, of course, the funding to support Oxfordshire's statutory spatial plan, which commits to 100,000 new homes by 2031. Cherwell District Council is the national leader in house building—an achievement only made possible by strong local leadership and the sheer hard work of the many volunteers who got our local plan adopted. I see a new finished house almost every day when I return home from Bicester North station, and three houses a day are currently finished locally. I built my own house; it is what we do in our area.

I hope that £30 million a year for five years will help to alleviate the pressure on our infrastructure by enabling us to move forward with larger projects such as the London Road crossing. When we talk about infrastructure, we so often mean roads and railways, but locally we are learning on the job that infrastructure means so much more than that. Those on the Treasury Bench will be pleased to learn that vast products and expenditure are not the only way forward when we look to build new communities. It is noticeable that the residents of well-built houses are happy, and more effort needs to be put into ensuring high standards in building across the board. This is a no-cost measure that the Government are working on.

Where we do need to invest for growth, it does not need to be in enormous, prestige products, as my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) outlined. House builders need to deliver on time. Even when they do, councils must be prepared to spend relatively small sums to alleviate the difficulties caused by enormous growth—for example, for around five years of stretched budgets while new schools are created. Children do not arrive in neatly packaged classes of 30 four or 11-year-olds, and existing schools also suffer while numbers are in flux.

I share the concern of my hon. Friend the Member for Folkestone and Hythe (Damian Collins) that GP services in high-growth areas need small amounts of additional funding to tide them over in times of enormous growth. My hon. Friend the Member for Bracknell (Dr Lee), who is on the Front Bench, will appreciate that people seem to need their GP more when they move to a new area, to sort out their existing medication and to deal with difficulties in changing specialists. We need to ensure that the infrastructure spending on such issues is readily available.

Mapping needs to be done before the build. Post boxes and street lamps should be provided without the intervention of an MP. Development can only be a positive experience if we bring hearts and minds along with us. I am afraid that closing maternity services at our local Horton General hospital at the same time as building 23,000 new houses does not sit well with us locally. Many new houses in our area have three or more bedrooms, and it would not come as a surprise to learn that some couples want to have babies to fill those new rooms.

Finally, and quite separately, a high point of the Budget for me was the announcement of a consultation into the horror of single use plastics. I encourage everybody in the Chamber to get out their phone, look at the App Store and add the Refill app; it tells users what to do and helps to get rid of single use plastics.

4.43 pm

Mr Stephen Hepburn (Jarrow) (Lab): We were told that this Budget was going to be a game-changer. We were informed that it would lead to a bright future. I would just like to know, for who? This Budget should have been about tackling the emergency crisis in our public services such as the NHS, where dissatisfaction is up, waiting lists are up and waiting times are up. In fact, the only thing that is down is staff morale, which is at rock bottom.

When we look at what is going in areas like mine, we find that, since 2010, we have had closures of successful NHS walk-in centres used by 26,000-plus people a year and closures of wards, with more to come, under an NHS plan called the "The Path to Excellence". Local people, having come through cuts and closures throughout the years, call this NHS plan, which was brought up by local NHS management, "the road to ruin" because they have experienced the bogus consultation exercises, only for the result at the end to be that their valued local service was closed.

On pay, there might be a pay increase in the future if NHS staff increase productivity. What a disgrace! It is NHS staff who have kept the NHS going—whether the porters, the nurses or the ambulance drivers—during all the years since 2010 and during these Tory party cuts.

Let me go on to employment issues and social issues. The Chancellor said at the weekend that unemployment did not exist. Well, he wants to come to Jarrow, where unemployment is nearly 2,000—real people and individuals. Everybody on the Government Benches is talking about the jobs boost, but two out of three of those jobs in the north-east are on temporary contracts and that sort of thing. They are insecure jobs—they are not proper jobs.

Somebody should have tackled the right hon. and learned Member for Rushcliffe (Mr Clarke) when he criticised Labour for creating the crash. In the 1970s, the crash was caused by the tripling of the oil price by OPEC in the middle east. The right hon. and learned Gentleman said that Labour caused the crash in the 2000s, but it was an American crash, which George Osborne now acknowledges, caused by the banks.

The right hon. and learned Gentleman talked about the decades of skills we have lost, but that predominantly started in the '80s, when he was a member of the Government and Thatcher was closing the shipyards, the pits and the steelworks. They were privatising all the utilities and taking out of Britain the skills that we need now. People would not have to be employing Polish plumbers now—they would have a plumber trained in England—if we had the services we had in the past.

As for what we have heard about housing, I laugh—I mean no disrespect—because the 2,000 people on the waiting list in my area cannot afford that sort of thing. They need council housing; they want housing that they can afford—that is what they need. They cannot afford stamp duty and these gimmicks such as Help to Buy, which are absolute rubbish. If that is an example for the northern powerhouse, heaven help us with where we are going.

To sum up, there is lots I would like to say on universal credit, the Women Against State Pension Inequality campaign, social care and education, all of which are so important to the productivity of this country. All I will say is that the Budget was a whitewash, and we cannot wait for a Labour Government to bring in our programme.

4.47 pm

Gillian Keegan (Chichester) (Con): It is a pleasure to follow the hon. Member for Jarrow (Mr Hepburn).

There is no doubt that we are living through a period of profound change created by the digital revolution. We should all, therefore, welcome the Chancellor's announcements in the Budget about investing in the skills and technologies to equip our country and to give us the confidence to rise to this challenge. And we should feel confident: throughout our history, the UK has pioneered change that has rippled out across the world. From the advent of the steam engine to the invention of the internet, we are good at embracing change.

In the mid-1990s, at the start of the dotcom boom, I spent a few years working in Tokyo to develop chips with enough memory to enable digital cash on a bank card or in a phone. The new technology we were developing was a million times smaller than the chip in an iPhone today. The rate of progress in the digital age is phenomenal and will continue to be.

The UK is a global leader in tech, supported and driven by the finest academic institutions in the world and by bold businesses that challenge the norm.

In Chichester, we are home to Rolls-Royce, which uses state-of-the-art technology to manufacture its engineering masterpieces, which even include an electric Rolls-Royce. My constituency is also home to a £1 billion fresh food industry, where I have seen at first-hand how robots ensure the perfect growing conditions for herbs and salads, as they move from potting, to germination, all the way through to packaging. Technology is already having a big impact on the way we do business in Chichester.

To achieve our full potential, we need an integrated plan that embraces education from primary, where eight-year-olds now learn basic coding, through to secondary and tertiary, and that includes maths and digital skills at all stages. To anybody sat in a local comprehensive school in Liverpool, as I was, I say: these are the keys to your social mobility. It is not just tech; Chichester University has a new STEAM—science, technology, engineering, arts, and mathematics—centre, adding art, design and creativity to technology, which is a winning combination.

The Government's ambition is clear, with a further £2.3 billion being invested in science and innovation—the highest level in 30 years. The Chancellor is also investing in infrastructure to develop fast fibre broadband and 5G networks. That is important, as all this talk of advanced technology must be baffling to some of my constituents as they struggle to stream music or even download a film.

As we leave the EU, we must be more flexible and innovative. On our side are centuries of competitive advantage, thanks to our geography, language, time zone, common law and institutions, including the one that I am standing in. Having worked in tech for more than 20 years, I know that this makes us an attractive hub for business, trade and technology, and we have a head start. The UK is host to 18% of the world's data flows, so we already have a well developed platform from which to grow—in all parts of the country, as we expand tech cities into a tech nation.

I welcome the Budget and the industrial strategy, and I am optimistic about the future of this country and the economy. The Government are investing for the long-term success of our nation, in industry, technology, houses, including council houses, construction, our NHS and, most importantly, people and the skills that they need to secure their future prosperity.

4.51 pm

Mr Pat McFadden (Wolverhampton South East) (Lab): It is a pleasure to follow the hon. Member for Chichester (Gillian Keegan). We began the debate talking about industrial strategy. I approve of the Government's industrial strategy. The reason I like it so much is that I launched it eight years ago, and it is nice to see the Government picking up on some of our ideas. However, the big story in this Budget is the downgrade in our growth prospects—the biggest downgrade since the financial crisis and in the history of the OBR. It was described by the Resolution Foundation as

“the mother of all downgrades”.

The prediction is that the economy will, in a few years' time, be 2%—or in financial terms, £42 billion—smaller than was thought only last year. That means borrowing £13 billion more in a few years, and £17 billion a year after that. It means austerity going on into the mid-2020s. For our constituents, it means lower than

[Mr Pat McFadden]

expected pay. Average income is expected to fall by £1,400 to £1,500 a year. Those are the real effects of the mother of all downgrades.

There is one area where the Government are setting aside huge sums of money, and that of course is Brexit—there is £3 billion for it in the Budget, on top of the £700 million already announced—and we are told that the Cabinet has agreed to pay a £40 billion divorce bill. In a few short weeks, we have gone from “go whistle”, to £20 billion in the Florence speech, to £40 billion now. There is a lot that we could do with £40 billion. We could build more than 70 new hospitals, or over 1,100 new schools. It is more than the total housing and environment budget. It is more than the total public order and safety budget.

In my constituency, the West Midlands police have lost 2,000 officers and £145 million from their budget in the last seven years. They could do with some of the £40 billion that will be spent on Brexit. We have almost 10,000 people on the local housing waiting list. I see these people in my constituency surgery, desperate for a home. They could do with some of the £40 billion set aside to pay for Brexit. The social mobility study out today describes the midlands as a coldspot where social mobility suffers. Nursery schools in my constituency facing cuts could do with some of the £40 billion set aside for Brexit.

There might be an argument for some of that expenditure if it was going to buy us a better deal, but the Government have said that they want to secure exactly the same benefits for goods and services as the ones we have now, not by staying in the single market and the customs union but by leaving them. Countries normally pay for access to the single market, but we have chosen to pay to leave it. The Government are not investing £40 billion in getting us a better deal than the one we currently enjoy; they are prepared to spend £40 billion, which could go towards public services in our constituencies, on a worse deal. That was not an inevitable result of the referendum. The Government could have chosen to stay in the single market and the customs union, but they did not, and that is a bad deal for Britain.

4.55 pm

Alan Mak (Havant) (Con): It is a pleasure to follow the right hon. Member for Wolverhampton South East (Mr McFadden).

The Red Book tells us:

“The Budget sets out a long term vision for an economy that is fit for the future—one that gives the next generation more opportunities.”

I speak in this Budget debate in support of the Chancellor and the industrial strategy, because I particularly welcome their emphases on upskilling our workforce and helping Britain to lead the fourth industrial revolution, as technology transforms the way we work and live.

Looking at the Budget more generally, I am pleased to see the Government devoting more funds to science and innovation and helping this country to meet the OECD average spend of 2.4% of GDP on R and D. I welcome our funding for upgraded broadband and 5G, putting digital connectivity at the heart of our productivity plan. Economic success is not built just on steel, concrete and fibre optic cables, however, and I welcome the investment in human capital most of all. The British people will help us to make a success of Brexit, and our

engineers, scientists, inventors and entrepreneurs will help us to lead the fourth industrial revolution. It is right that the Budget invests in their skills, education and future.

Getting our workforce prepared for the challenges and opportunities of the new technological revolution is vital to boosting productivity, increasing economic growth and making sure that the whole country is prepared for the challenges ahead. As the Budget rightly notes, employers sometimes report that they struggle to recruit enough people with science, technology, engineering and maths skills to grow their business, and we know that STEM skills correlate to higher average earnings and greater productivity in our economy. That is why I am particularly pleased to see the measures in the Budget that focus on skills and education. From the significant package of support for maths in schools to further support for T-levels and computer science, the Government are equipping our young people—in Havant and across the whole United Kingdom—to succeed in the new economy.

I also welcome the measures on lifelong learning, including the commitment to establishing a national retraining partnership with the TUC and the CBI, the £30 million to help people to retrain in digital skills and the £8.5 million to support unionlearn. Those are all valuable initiatives. As the fourth industrial revolution gathers pace and technologies such as artificial intelligence and robotics become more widespread across all sectors of the economy, we will undoubtedly see an unprecedented level of restructuring in our labour market, including in many white-collar professions that have traditionally been resistant to such challenges. That is why I particularly welcome the Government’s laying of the groundwork for a modern skills system that will help us to tackle those challenges head-on.

In conclusion, I strongly support the Budget and the related industrial strategy, which came out yesterday. They help our country not only to get fit for the future, but to get ahead. They will allow us to reach the future first, ahead of our competitors, and secure our prosperity in the years ahead.

4.58 pm

James Frith (Bury North) (Lab): An assessment of this Budget is as easy as a, b, c—austerity, Brexit and calamity. We have had seven years of bad luck for Britain from austerity, the Tories’ self-inflicted Brexit wounds and a calamitous Government with no distinction or record of leadership. There has been reboot after reboot for the Prime Minister, who has no control of her Cabinet. This is a Budget for the driverless car from a driverless Government. Our economy is staring, and yet stalling, at a crossroads. Forecasts have been revised down for five more years. Productivity is down, and real wages are down. Employment is strong, but in-work poverty is the child of this Government’s failed economic approach. The Budget sees the deficit revised up, with no easing of austerity, and inflation picks the pockets of hard-working families. Seven years in, all the pain is for nothing, and into a second scorned decade we go.

There is nothing in the Budget for business concerned by the Government’s no-deal Brexit rhetoric; nothing for students plunged into debt; nothing for schools in the next two years, while they await the jam-tomorrow

national funding formula; nothing for local authorities, such as mine in Bury, which has faced 70% cuts since 2010; nothing for social care or carers; nothing for the rise in crime or to cover for police pay rises; and nothing for mental health. Nothing has changed—nothing!

The bits the Chancellor did get right were the result of learned behaviour, although they were all nicked from the Labour party in a desperate attempt to pick the pieces out of their arrogant early election. To give some perspective, London's Elizabeth line will cost £15 billion, but this Budget allocates just £1.7 billion to the English regions, including Greater Manchester.

We needed a Budget for Brexit, but this does not come close. The Chancellor shows no appreciation of the fact that the prism through which Brexit and this Budget play out for the rest of the country is increasing daily uncertainty, a thirst for vision and a practical guide to the future. We have a country mixed with impatience from leavers and anxiety from remainers, and the country is in need of unity. The Chancellor is not even out of first gear in demonstrating the threat that Brexit poses, and this Budget is insufficient in dealing with that task. On the referendum, this Government took a public result and shrouded their work to deliver it in secrecy, wasting all the time they have had since the result. We needed a Brexit Budget; instead, the Government published a UK industrial strategy yesterday, but they still refuse to publish in full their assessment of the UK sectors facing Brexit.

There is a promise to build infrastructure and to build 5G networks, but in some areas of Bury it is more Bee Gee than 3G. [*Laughter.*] I promised I would get that in.

The future of our economy relies not on Tory rhetoric from those on the Government Benches, but on brilliant businesses such as mine in Bury—for example, Milliken, which makes 80% of the airbags fitted to all cars in production; or Dream Agility, which is making possible Silicon Rammy in Ramsbottom. We have a Government who say little about what they want to achieve and who have a tin ear about life away from Westminster. At its heart, Brexit for many of those who voted for it was, from the start, about kicking the status quo and giving a voice to the people left behind. For too many, this Budget still says nothing of their experiences of life, work and business in Bury or across Britain.

5.2 pm

Ben Bradley (Mansfield) (Con): Frankly, before last Wednesday, I expected to be a bit grumpy about the Budget. I was concerned that there would be no offer for younger people and that my constituents would lose out again, as they have so many times in previous Budgets. Imagine my surprise, therefore, when I was greeted by the Chancellor's fair, inclusive and progressive Budget last week.

As I have repeatedly said in this Chamber, the people of Mansfield have in the past felt ignored and neglected by Westminster, and successive Governments have not addressed the needs of that area in their Budgets, but I am optimistic that this Budget covers many of the challenges my constituents face, and there are a number of small steps in the right direction. Although the increase in the national living wage is welcome everywhere, nowhere is that more true than in Mansfield, where 38% of workers are in low-paid employment. That,

coupled with the increase in the personal allowance announced by the Chancellor, means that more of my constituents can keep more of their hard-earned cash.

These changes are overwhelmingly welcome in my constituency, but the predominance of low-paid and low-skilled work is a cause for concern. That is why I am delighted to hear that the Government will be offering support for skills in maths and computing, as well as introducing T-levels. My belief is that it is only by diversifying education and offering more technical and vocational options to young people, as is being done with great success in Vision West Nottinghamshire College in my constituency, that we can generate the skilled workforce this country needs to thrive.

There is of course more to be done in creating quality qualifications that lead to long-term employment. I would like to see direct business involvement in education. For example, the University of Lincoln currently offers an engineering programme delivered directly by Siemens. Such involvement allows companies to shape their own highly skilled workforces and provides young people with an open door to quality, long-term employment.

Apprenticeships are also a challenge, particularly for smaller businesses, to manage and I look forward to continuing conversations with the Secretary of State for Education on that front. As MPs with small teams of staff, we know how challenging it can be to organise work experience for even one person, never mind an apprenticeship. We need to offer more support to SMEs.

In recent months, I have been working to highlight the challenge of engaging and inspiring young people—it is no secret that my party has struggled on that front—and I have been talking to younger colleagues in this place about the steps we can take to tip the balance back in favour of those who feel they are worse off than their parents. Housing was one of our primary asks when we visited the Chancellor before the Budget, and I am delighted to hear his announcement on stamp duty and the unprecedented spending on house building. The commitment to a council tax levy on empty homes, which are a huge problem in Mansfield, is welcome news. I hope that it will free up more homes for the private rented sector and for social housing.

That is a big step in the right direction, but I would like the Government to take a lead on the issue and invest in their own house building programme. If we want homes built, let us build the kind of houses we need and make sure that we meet the 300,000 a year target. I am sure that that discussion will continue to be at the top of the agenda.

Yesterday, we heard the announcements on our industrial strategy. I welcome the commitment to spread growth and wealth across the whole UK. In a modern, digital world, it is no longer the case that every business has to be based in a city centre or in London. There are huge opportunities for Mansfield and the east midlands more broadly. The investment in our digital infrastructure is welcome, as is the support for retraining in STEM subjects and the technical education commitments I have mentioned. I hope that those measures are rolled out not just in cities, but across the whole UK. Mansfield has a high proportion of SMEs. Supporting them to grow and employ more people in rewarding jobs is vital for the future and for raising aspiration in an area that is among the lowest in the UK for social mobility.

[Ben Bradley]

Although many of the announcements are not earth-shattering in isolation, they show that the Government have a vision. These small steps in the right direction, while limited by the clear economic and political realities, show a commitment to advances in housing, health reform and education that are incredibly positive. It is a vision that I am very happy to support.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): After the next speech, the time limit will go down to three minutes.

5.6 pm

Alison McGovern (Wirral South) (Lab): Apart from failing to address the inequality for the WASPI women, last week's Budget failed the central test; it should have taken this on. Our economy faces the incredible challenge of Brexit and last week, the Chancellor should have come to the Dispatch Box, been honest with the country and said, "This isn't working. Let's stay in the single market. Let's stay in the customs union. Let's build up our economy from there, and then we will be able to afford truly to invest in our economy." I will come back to that point, but first I want to turn to housing, which is what the Chancellor said his Budget was all about. He will say that his stamp duty cut is a headline winning move that shows his commitment to a homeownership democracy. Actually, the policy is a failure. It took my two excellent members of staff here, Tom Railton and Ella Crine, precisely 14 minutes from receiving the Budget Book at the Vote Office to send a message alerting me to the OBR's judgment on the central policy in the Budget. The OBR states that

"the main gainers from the policy are people who already own property, not the FTBs"—

first-time buyers—

"themselves."

I cannot imagine that it took the Treasury's fine team of talented economists any longer to tell the Chancellor, than it took Tom and Ella to tell me, what the OBR would make of his policy. The question, therefore, must be: was he told? Did he ignore advice? What estimate was made of the impact of the policy before the Budget was completed?

This is no small measure. It will cost £125 million this year, £560 million next year and £600 million in every other year of the Budget period. That is money forgone that could have been used to secure the future of our health service or to get us one step closer to ending child poverty in our generation.

While I am on the subject of child poverty, this Budget does precisely nothing to address the growing number of kids in poverty in our country. The Tories on the Front Bench should realise that if they do nothing, they will see 400,000 extra children in poverty by the end of the Budget forecast period. If they think that this subject will go away, they can think again. It is not just people on this side of the House who will not forgive them; every single one of their constituents will be asking them about child poverty at the time of the next election. Either they do something about it or we will.

Finally, I come to Brexit. This may be my final point, but it is the most important of all. As a country, we now know that we have lost one decade of growth and that we face another. We are at a fork in the road and face the biggest choice in our generation. The referendum may have been won for Brexit, but we in this House have to decide what that means. We have to make a deal. We have to find a deal that suits us and our partners in Europe. The answer is not to kowtow to those who would dog whistle on immigration. Our borders must be secure, yes, but that does not mean that freedom of movement has no place. We have to accept the world as it is, not as we would wish it to be. We need to make a deal, stay in the single market and protect our country's future.

5.10 pm

Mike Wood (Dudley South) (Con): Dudley South has one of the biggest shopping centres in the country, a new enterprise zone and one of the largest secure industrial parks in Europe, but it has no railway station and on a good day it is probably half an hour from the nearest motorway junction. Infrastructure is absolutely vital, therefore, if the potential of local people and businesses is to be realised, which is why, before I was elected, one of my first campaigns was for a new tram extension to join my constituency with the midland metro network and the main line rail network.

The extension has been on and off the agenda since the days of the old West Midlands County Council in the early 1980s. Understandably, when I knocked on doors, the most common response I got was, "Yes, we've been told this for 30 years. It's never going to happen." Along with West Midlands Mayor Andy Street, we have continued to make the argument, however, which is why we were absolutely delighted when the Chancellor and the Prime Minister announced at the start of last week £250 million for transport infrastructure in the west midlands, of which £200 million will be used to fund the tram extension out to my constituency, with a tramline to Brierley Hill.

Amanda Milling (Cannock Chase) (Con): Does my hon. Friend agree that the Budget has been great for the west midlands? As he says, it is about transport infrastructure, which is so important for investment and business growth in our area.

Mike Wood: My hon. Friend hits the nail on the head. This has been a great Budget for the west midlands, but not only for the west midlands; it also builds on the Government's commitment to rebalance the economy and deliver for every part of the country and every sector of the economy.

The £200 million being invested in the tramline to my constituency will have the transformative effect we need in the Black country in supporting our local economy. Independent analysis by Lichfields found that it would have a multiplier effect, increasing the benefits from other economic initiatives in the region. For example, it will increase the annual delivery of new homes by nearly 1,500—an increase of 250% against the baseline if the tramline were not going ahead; increase the number of direct and indirect permanent jobs by nearly 8,500; and almost double economic output from the 2 km corridor around the tramline from £14.4 billion to £28.6 billion, vastly increasing both council tax and business rates receipts by nearly £400 million.

This is only a snapshot of the economic activity that the metro will bring to my constituency and neighbouring constituencies. It will enable the Black country to capture more effectively the numerous growth opportunities presented by both HS2 and the DY5 enterprise zone in my constituency. It will increase the ability of businesses to attract investment, while the enhanced transport between the towns and cities of the west Midlands will bring greater access to work and reduced journey times and offer better access to a wider labour market, to the benefit of both businesses and employees. With better transport comes better access to local shops and services, including a wide range of social and community networks. That is why the Budget delivers for my constituency and why I wholeheartedly support it this evening.

5.15 pm

Marsha De Cordova (Battersea) (Lab): Although expectations had been managed, many of us thought that the Chancellor's Budget would mark a change in direction, given the overwhelming evidence that seven years of austerity have damaged our economy, lost a decade of growth and caused unnecessary harm and hardship to so many people. Instead, the Government have decided to tinker here and there, producing a Budget that lacks the vision and investment that are necessary to breathe new life into our economy. Productivity and growth have been downgraded, which means that people whose wages have stagnated for a decade are now set to lose out and to be £900 a year worse off. We have some of the lowest wages in Europe, along with higher levels of debt. We have a Government who use the deficit, rather than productivity, growth and living standards, as a marker for economic success.

It is remarkable that on so many of the key issues that my constituents raise with me, the Chancellor misses the mark, or simply does not even give them a mention. For instance, he had a real opportunity to tackle the seriousness of the housing crisis, yet the Government's flagship policy is designed to increase demand. As the OBR says, the main gainers from the ending of stamp duty will be people who already own properties, not first-time buyers. The policy will also increase house prices. All that shows is just how ideologically driven the Government are.

Another glaring omission is social care, which is one of the biggest economic and social challenges that we face in the UK. The OBR has made it clear that local authorities are on their last legs, and that those with social care responsibilities have dwindling reserves. This "head in the sand" position has implications for the Government's broader fiscal objectives. It is time for them to address the social care crisis and to build a social care system that is fit for disabled and older people—a system that is fit for purpose.

The Government also need to address the public sector pay cap. On Tuesday 10 October, I asked the Secretary of State for Health when he would scrap the pay cap. His response was

"the pay cap has been scrapped."—[*Official Report*, 10 October 2017; Vol. 629, c. 154.]

I ask again: when will the Government take action and lift the public sector pay cap?

I could not complete my speech without touching on universal credit. While the package that was announced last week is welcome, it by no means goes far enough.

The removal of the seven-day wait can be deemed nothing more than a gesture. On its current form, universal credit will push thousands of disabled people further into poverty and hardship owing to the Government's decision to abolish the severe and enhanced disability premiums. There was no mention of disabled people in the Budget. There were no proposals to reduce the disability employment gap, or to increase the employability of disabled people. The country deserves better.

5.17 pm

Robert Neill (Bromley and Chislehurst) (Con): Nearly 36% of my constituents work in the financial and professional services sector, and most of them commute to London. This was a good and sensible Budget for them, because it was a good and sensible Budget for economic confidence in the City and financial services, in which Britain is a world leader. It is critical that we maintain that position, and that we do so during the process of leaving the European Union. Investing in and supporting financial services, like investing in and supporting London, is actually an investment for the whole country.

It is worth bearing in mind data released in a report published by the City of London corporation, according to which the total tax contribution from the financial services sector reached £72.1 billion in the year to 31 March 2017, which amounts to 11% of all Government tax revenues. The bulk comes from employment taxes and corporation tax, and also a bank levy—the banks are now paying a significant sum to support our public services. Maintaining London's position in that regard will be critical as we leave the European Union. For banks, some 35% of the total tax take comes from employment taxes, but the proportion depends on where they are based. If we shed jobs as we leave the EU, the tax base will be diminished.

I do not believe that that is necessary. I believe that the Chancellor and the Prime Minister want a good deal that will protect our financial services sector, and I support them very much in that. What would damage the financial services sector would be a poor deal—I do not believe that that outcome is necessary or desirable, and I am sure that we can avoid it—and an anti-business, left-wing Labour Government who would scare away those jobs and that tax revenue and undermine that great driver of income for our public services. It is self-defeating for those who believe in public services to damage our tax revenue. It is worth bearing in mind that the amount of tax paid by that sector in one year comes to half the value of the NHS. I suggest to Labour Members that they should not put that at risk.

It is also worth bearing in mind that, because of our access to the European markets, the sector processes transactions worth £880 billion every day. That is 100 times our net annual contributions to the EU—

Bob Stewart (Beckenham) (Con): The financial sector is crucial to our constituencies, and I very much applaud what my hon. Friend says.

Robert Neill: I am grateful to my hon. Friend.

That sum is also 15 times the highest amount that has been spoken of as a potential financial settlement. It therefore makes sense in terms of Brexit to support the financial sector and get a good deal, and it also makes

[Robert Neill]

sense in terms of the Budget to make sure that we have a favourable tax and regulatory regime in the UK that is attractive to financial services.

5.21 pm

Preet Kaur Gill (Birmingham, Edgbaston) (Lab/Co-op): The King's Fund, the Nuffield Trust and the Health Foundation estimate that the annual funding gap for social care will now reach £2.5 billion by 2019-20. That will have a crippling effect on the provision of social care, a sector that is already under severe strain and in desperate need of relief, but the Budget offered it nothing whatever.

The condemnation from social care professionals has been as universal as it has been damning. Margaret Wilcox, the president of the Association of Directors of Adult Social Services, said she was "extremely disappointed" by the lack of extra funding and:

"Adult social care needs to be tackled as urgently and at least as equally as the needs of the NHS, in a way which recognises the inter-dependency of these services and encourages a collaborative approach."

After the Government's calamitous manifesto U-turn on the dementia tax, the country needed strong leadership and an appreciation of the seriousness of the situation facing social care. That same manifesto described the social care system as not working and promised to fix it, but there was no mention of social care in the Budget, let alone any new funds to address the chronic shortfall—another Tory manifesto commitment broken.

Nearly 1.2 million older people are estimated to have unmet care needs. The figure is up 48% since 2010 and up 18% from last year alone. The Budget offers no solutions to address the forecasted 150,000 additional deaths associated with constraints on health and social care. This is an issue of not just numbers but the Government's failure to get a grip on the social care crisis.

Having worked in the sector, I have seen at first hand the amazing and vital work dedicated staff carry out on a daily basis. Now those staff who are employed by local authorities will have to carry on with their jobs knowing that their hard work, the squeeze on their living standards and years of wage stagnation still do not qualify them for a pay rise. When will the Government accept that these people are already going above and beyond, and deserve to have their service recognised?

Labour committed in our manifesto that, as we moved towards a new national care service, we would invest £8 billion over the course of the Parliament to stabilise the care sector. It is Labour that recognises that the sector is in crisis; it is Labour that appreciates the hard work of those who work in social care and would treat them with the respect they deserve; and it is Labour that would commit to taking active measures to solve this crisis, not merely offering false platitudes. The Budget, like the Government, is failing those in the social care sector.

5.23 pm

Bim Afolami (Hitchin and Harpenden) (Con): I have been listening to the debate for some time, and it is worth reminding the House of the Treasury document published as a result of a report done by a senior civil servant, Sir Michael Barber, on the public value framework.

It indicated that the way in which we get value in our public services is not simply the input of money, but what is delivered. As we talk about all these millions and billions of pounds that we will spend on this, that and the other, I urge the House to consider that output and delivery are more important than what we put in.

Owing to time constraints, I will not say all the wonderful things that I could say about the Budget. The hon. Member for Birmingham, Edgbaston (Preet Kaur Gill) talked about certain areas of the public sector, and Conservative Members always need to remember the public sector as well as the private sector. In particular, however, I want to talk about my constituents in Hitchin and Harpenden, who are very dear to me. In their professional lives, they are overwhelmingly focused on financial services and small businesses, and there was one particular measure in the Budget that will really help them: the expansion of the enterprise investment scheme. I have done my homework on this, so I know that the EIS is critical and that the Government have doubled the annual allowance for investment in early-stage businesses and innovative growth capital.

Mrs Badenoch: I wanted to mention the enterprise investment scheme earlier, but I did not have time. Saffron Walden is right next to the Oxford-Cambridge corridor and houses many knowledge-intensive industries. Does my hon. Friend agree that increasing the allowance for the EIS will provide a boost to the small and medium-sized companies that are the backbone of this country—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. The hon. Lady had a good go when she spoke earlier, and a lot of Members have been waiting a long time to speak. Interventions must be very short. I also ask Members to be restrained in giving way; otherwise, it is not fair to all those who are waiting.

Bim Afolami: Thank you, Mr Deputy Speaker. I thank my hon. Friend for her intervention. I would add to her point by saying that the EIS funnels private capital that might otherwise be sitting in housing assets or on a bank balance sheet into our most early-stage, innovative and risky creative businesses. That is the magic of the EIS. Such tax reliefs and allowances are beneficial to the country because they effectively mitigate the risk for private investors in risky, early-stage businesses. We need to recognise that fact and welcome the doubling of this investment allowance, alongside the addition of a new test to ensure that the money is going not into lazy, low-risk ventures, but into high-risk, creative businesses.

A point I often make about tax schemes such as the EIS and entrepreneurs relief, which this Government introduced to ensure that we remain one of the best places in the world to develop early-stage businesses, is that they ensure that we do not have to ask our banks to make risky investments. One of the reasons why we found ourselves in the financial crisis was that the banks were making very risky investments, as we discovered from their balance sheets. The EIS allows private capital to be used in productive ways. Many of my hon. Friends have already described the Budget as balanced and reasonable, and I hope that it is also the beginning of a long-term process of a radical entrepreneurial vision for the British economy.

5.28 pm

Fiona Onasanya (Peterborough) (Lab): I want to pay tribute to my hon. Friend the Member for Bury North (James Frith), who talked about this being an ABC Budget. I also want to mention my hon. Friend the Member for Birmingham, Edgbaston (Preet Kaur Gill), because my constituency has also seen a huge increase in demand for services. In particular, there has been a rise in the number of people who find themselves homeless and in the number of adults and elderly people who require care.

Apart from a small announcement on mathematics, there was no extra money in the Budget for the education system. This is not as simple as saying, “2 plus 2 is 4, minus 3 that’s 1—quick maths.” These announcements mean real-terms cuts and the potential continuation of the recruitment and retention crisis in our education system.

The right hon. and learned Member for Rushcliffe (Mr Clarke), who is unfortunately not in his place, said that he could not understand why the Opposition were saying that the Budget does not do all that it needs to do, but it fails to recognise the scale of the emergency in our public services. There is no point in burying our heads in the sand saying, “Things are absolutely fine,” because we know that they are absolutely not. While both sides of the House have acknowledged that universal credit needs amending, there was a real opportunity to pause and fix it, but it was not taken.

Austerity is hurting and not working, but instead of pausing and reflecting on that, we are continuing with business as usual. We are acting as though everything that is happening is par for the course and absolutely fine. People say, “Why do Opposition Members seem to think there is a problem?” There is a problem because our constituents come to us with their problems. There is a problem because we seem to be avoiding paying attention to their real needs. Instead of taking the opportunity provided by the Budget to assist them, we have decided just to carry on with things as they are. It is fantastic that we will have driverless cars, but we will have all the gear and no idea when people in our constituencies are suffering.

5.31 pm

Lucy Frazer (South East Cambridgeshire) (Con): I have been disappointed by Opposition Members, who have failed to recognise a number of facts. They have criticised the gender pay gap when it has actually narrowed. They have criticised school funding without recognising that the fairer funding deal puts an extra £1.3 billion into our schools. They have suggested more spending without being able to respond to an intervention asking what the interest payment bill would be on increased borrowing of a trillion pounds. The Opposition look only at spending; they do not see the optimistic opportunities presented by our future.

Our great country has been a leader on the world stage for decades. We have been the choice of location for foreign investment. We are a global economic power at the same time as being in the top 20 happiest places to live in the world. We are now at a crossroads, forging new relationships with the EU and the rest of the world while, as the Secretary of State for Business, Energy and Industrial Strategy pointed out, an industrial revolution sweeps across our globe, and we start from a good place.

Out of 137 countries, we are ranked second for the quality of scientific research institutions, third for the capacity to attract talent, fourth for technological readiness and 12th for overall innovation. The measures set out in the Budget will ensure that we continue to be at the cutting edge of technology, innovation and business growth, with £31 billion for the national productivity investment fund, £2.3 billion for investing in R and D and £500 million for a range of initiatives from artificial intelligence to 5G and full-fibre broadband.

However, as we progress through the technological revolution, we must remember that it is equally as important to recognise and value the skills of those who serve us in our communities: those who teach us, nurse us and protect us. The Secretary of State rightly pointed out that we have an ageing population that we need to care for, and the answer is not just technological; we need more people in the caring professions. I therefore welcome the Chancellor’s announcement that he will put more money into the NHS and his offer to fund increased pay awards. We also need to ensure that we improve our skills base, and the Budget includes £40 million to train maths teachers across the country, tripling the number of trained computer science teachers. I welcome the Budget and the industrial strategy, but we must also remember to embrace the new world.

5.34 pm

Yvonne Fovargue (Makerfield) (Lab): This Budget leaves many with little to celebrate. There is nothing for the WASPI women, who kept their contract with the Government, and nothing for my sixth-form colleges, which work so hard to improve the life chances of children in my constituency. The right hon. and learned Member for Rushcliffe (Mr Clarke) said that a Budget’s purpose is to improve people’s future lives, but the Chancellor chose to freeze working-age benefits until 2020, most affecting those struggling with basic living costs now and doing nothing to provide a family with a Christmas dinner, the cost of which has risen 20% this year. The freeze, and the rise in food inflation, means that huge chunks of the population are unable to afford the weekly food shop or to pay the rent. People are making hard choices, like the mum I saw who regularly goes without her lunch three times a week to feed her family. Those are the people going to payday lenders; those are the people going to BrightHouse; those are the people who cannot afford to save every month—it is about time there were saving schemes designed around people’s lives, rather than expecting people’s lives to be designed around Government saving schemes—and those are the people who are likely to fall into debt.

Some 2.9 million individuals and households are currently struggling with severe problem debt. How many more will there be after this Budget? Demand for debt advice is at record levels. People helped by the debt charities are increasingly struggling to meet the bills. Addressing personal debt has to become a priority for this Government.

The basic cause of debt is lack of money. There has been a freeze on working-age benefits and a 1% cap on public sector pay rises while inflation, particularly food inflation, has risen. Low-income households spend more money on food and basic necessities than those on higher incomes. Household debt is already rising, and it is set to rise further. With more debt, more mental

[Yvonne Fovargue]

health issues, more strain on GPs, more strain on local services, less disposable income and less spending power—less spending power is bad for businesses as well as for individuals—this is a Budget that does not deliver for individuals or for businesses.

5.36 pm

Antoinette Sandbach (Eddisbury) (Con): It is a pleasure to follow the hon. Member for Makerfield (Yvonne Fovargue), who amply illustrates why we need a responsible and balanced Budget. When she describes her constituents' debt, she needs to consider the situation in the country. We are spending £42 billion a year on interest payments. If Labour borrowed its £250 billion, those interest payments would be dramatically higher and would ultimately lead to a reduction in public services.

I welcome this balanced and responsible Budget that invests for the future. My constituency of Eddisbury has the Winsford industrial estate, which is the UK's first green business park and first industrial business improvement district. Some 4,000 people work there in industries from food manufacturing to chemical supplies, packaging and engineering. I welcome the measures in the Budget, particularly those on R and D investment and on investment in artificial intelligence.

Technology is fundamentally changing the way that businesses operate, and it is changing the future landscape of the business world. By investing in this way, we can equip our companies to steal a march on international competitors and to ensure that British and Cheshire-based businesses are at the forefront of new global markets. PwC estimates that global GDP could be up to 14% higher in 2030 as a result of artificial intelligence, and it is therefore welcome to see artificial intelligence being backed in the Budget.

I welcome the Budget's skills provision, particularly in STEM. Winsford—population, 30,000—currently has no sixth-form provision in the town. That will change in September 2018, with Mid Cheshire College planning to open a new STEM centre there. The measures on maths teaching will benefit my constituents. The fuel duty measures will help those in rural areas who have to drive long distances because they cannot access fuel locally.

This is a responsible and appropriate Budget for straitened circumstances. When Labour talks about austerity, let us remember it is really talking about spending within our means. This Budget is a good Budget, both for investing for our future and for spending within our means.

5.39 pm

Jack Dromey (Birmingham, Erdington) (Lab): The latest lame defence from this Government, as we stand up for the people of Britain, is that somehow we are talking Britain down—that is nonsense. This failing Government are letting the people of Britain down, driving it down the international league table. We have the worst record in the G7 on wages, productivity, skills and growth, and we are bottom bar one—Lithuania—in the EU on worker participation, and all this from a Prime Minister who promised workers on the board. Today's Social Mobility Commission report has shown that the heart of England, the midlands, is the worst

region for social mobility for those from poor backgrounds. The historical comparisons are staggering. This is the worst decade for productivity growth since Napoleon was retreating from Moscow, then to be defeated at the battle of Waterloo in 1815. The last time wages were stagnant for so long a royal prince was about to get married—Prince Arthur, Victoria's son—Disraeli and Gladstone were in Downing Street, and trade unions were illegal. That was 150 years ago.

Over the past seven days, I have seen the consequences of this Budget. I have seen the consequences for schools and headteachers, with one in tears at the fact that there was not one penny more and at now being faced with having to lay off teachers and teaching assistants. I have seen the police despairing at 2,000 police officers having gone and at rapidly rising crime, with violent crime up 6%, gun crime up 15% and knife crime up 17%. At a packed meeting last Friday, local people were pouring out their hearts, with a woman who had been 60 years in Slade Road saying that she no longer goes out at night because she is afraid so to do. I have heard the concern expressed by carers on Carers Rights Day, when 200 of them gathered together. There are none so noble as those who care, but they are finding it increasingly difficult because of the lack of support for them directly and because of the crisis in social care. All that is allied to the disastrous mishandling of Brexit, the impact of which is increasingly being felt where I was on Friday, at the Jaguar factory in my constituency. This jewel in the crown of manufacturing excellence has transformed the lives of thousands, but it now faces an uncertain future.

The Chancellor cracked all sorts of jokes in his Budget—he has a new found sense of humour. As our Amy used to say, "Dad, you should be on the stage. There's one leaving in half an hour." There was a new found sense of humour, but the reality is that this was a bad joke Budget, because in terms of facing up to the challenges facing the people of Britain, it let the people of Britain down. It was the same old Tories; in the words of the Prime Minister herself, "Nothing has changed."

5.42 pm

Richard Drax (South Dorset) (Con): It is a pleasure to take part in this debate and to listen to the hon. Member for Birmingham, Erdington (Jack Dromey). I do not agree with 99.9% of what he said but there was an element there with which I may have agreed. Steady as she goes is what the Government and the Budget have portrayed to the country, and in the circumstances that is eminently sensible. Sadly, we simply do not have the money, for the reasons many Conservative Members have explained, to splash out, as the Leader of the Opposition claims that he does.

Nobody has said that leaving the EU is going to be easy, but the people of this country voted to do so and that is what we must do. I have been longing to hear some cohesion in the House, with the majority of MPs, who voted to initiate article 50, getting behind the Prime Minister and our country to do all we can to get the best deal we can. Divided, we are not going to get the best deal because they see a divided country. The future for us when we leave the EU, particularly in business and other opportunities, is enormous.

I shall tell the House a little story. Lord Digby Jones came down to my constituency to attend the apprenticeship fair, which is now in its fifth year. I set it up with the

help of the local college, for which I give many thanks. He gave a speech. For those who do not know, let me say that he was a trade ambassador—I think he still is, actually—and he had been to India to meet up-and-coming businesses over there, as that country is going to be a huge powerhouse in the years ahead. He sat in the back of a taxi and he noticed the taxi driver's eyes staring at him in the mirror. The taxi driver asked who he was and he said, "I'm Lord Jones. I'm a trade ambassador. Who are you?" The taxi driver gave his name and said that he had two sons, and Lord Jones said, "And what are your two sons doing?" He said, "They are at university. And I'm spending every waking minute in my car earning every penny I can to support them in their futures." Lord Jones, with the eyes still fixed on him—of course, the car was still going straight down the road, we hope—said, "Where do you see your children in the years to come?" Without pausing, the taxi driver said, "Where you're sitting." The point of my story is that there are tens of thousands of young people in the rising Asian economies who are so hungry, lean and mean—in the business sense—and they want a share of what we have had and of what we need to engender in this country. We have to get hungry, mean and lean again. Government Ministers can help enormously with that by following Conservative philosophy.

5.45 pm

Anna McMorrin (Cardiff North) (Lab): This was not a serious Budget—and I am not referring to the bad jokes that littered the Chancellor's speech and which were as weak as the Tory Government of the man who delivered them. Last Wednesday, my Opposition colleagues and I waited desperately for an hour to hear something that would help the people we represent to live a decent life. Instead, we got a Budget that includes more spending on an ultra-hard Brexit to appease the Conservative party, which will harm the country, than there was spending on the NHS. The improvements to universal credit were welcome, but they are too little, too late. The relief from the reduction in the six-week wait is only minimal when compared with the thousands of pounds that many of the families dependent on benefits are set to lose.

The Government's worst legacy by far must be the public sector pay cap. Cardiff North has 19,000 public sector workers—the highest proportion in Wales—and they really hoped that the Budget would end the disgraceful pay freeze that has seen nurses using food banks and care workers struggling to make ends meet. One thing we have learned to appreciate since the spring Budget is how desperately dependent we are on public services. The Chancellor's Budget leaves public sector workers worse off than they were seven years ago. Austerity is not a policy choice: it is political.

Yesterday, the Secretary of State for Business, Energy and Industrial Strategy launched his industrial strategy to address weaknesses in the economy. The UK's economy has been systematically underperforming on almost every key measure. Our productivity is down and we have the most geographically unbalanced economy in Europe. Part of the boost to productivity should be investment in renewables, which are set to be the backbone of our modern energy system. The plummeting cost of wind power means that onshore and offshore wind can help to improve the UK's competitiveness and productivity.

It is therefore hugely disappointing that the strategy does not set out how we can continue to support onshore wind, which is the cheapest of the new generation of energy production. We have yet to see an announcement on the Swansea tidal lagoon. That was a missed opportunity to invest in infrastructure for the future. With a cap on funding for renewables until 2025, the Government have shown they have a long way to go before they can deliver on clean growth.

Finally, I am frustrated about and fearful of the prospect of the financial impact of a shambolic Tory Brexit on the British and Welsh economy. The Budget includes £1 billion of additional capital funding for Wales, but more than half that must be repaid. The Budget is a missed opportunity. We needed to see one that truly transformed the economy, not more of the same.

5.48 pm

Mims Davies (Eastleigh) (Con): It is a pleasure to follow the hon. Member for Cardiff North (Anna McMorrin) and to speak briefly about the Budget and its focus on the future successful economy that we need. The Budget is one of fair taxes, improving productivity, tackling our housing issues, supporting public services and making sure that we build the homes the country needs.

It is this Government who are tackling the gender pay gap. They are bringing forward T-levels and maths training, and Barton Peveril College and Eastleigh College in my constituency will be helping with that. They are increasing the personal tax allowance to nearly £12,000. They are freezing fuel duty and duty on beer, wine and spirits. They are embracing technology and establishing a new national creative industries policy, while also focusing on improving our environment. What is not to like about that?

Let us move on to house prices. One of the concerns most regularly voiced by my constituents is not only that they cannot afford a house, but that their children and even their grandchildren cannot afford a house or imagine a future that their parents had. Work done by this Government has saved nearly £2,000 on stamp duty for first-time buyers in my constituency. That will help to get people on to the housing ladder, which, a couple of years ago, would have been deemed simply unachievable, so my message to the Chancellor is: thank you.

My other message to the Chancellor is: please can we have the Botley bypass and the Chickenhall link road? As long as we work with the Department for Business, Energy and Industrial Strategy and the new industrial strategy, those projects, dear Ministers, will not only help our productivity, but tackle local air pollution and the low productivity issue in the Solent. Those are real benefits for real people of all ages.

I must also thank the Chancellor for not raising air passenger duty, as that really matters to our regional airports. It is a testament to this Government that hard-working people are being supported to get on in life. My local paper highlights the fact that nearly 600 new jobs have been created in Hedge End and Chandlers Ford. This is a good Budget, which should be applauded and supported in this House. I look forward to walking through the Lobby in support of it and making sure that we deliver the technology, the productivity and the opportunities for Britain.

5.51 pm

Kerry McCarthy (Bristol East) (Lab): On a positive note, I welcome the proposed tax on single use plastic packaging. We know the huge environmental damage that is being done and, at the moment, there is little pressure on producers to reduce resource use and to make their packaging recyclable. It is left to local councils to clear up the mess and to local taxpayers to foot the bill.

I am afraid that that is about the only thing in the Budget that I feel inclined to welcome. Figures show that the public sector pay cap has reduced the disposable income of workers in my constituency by more than £45 million since 2010. Last week, I met representatives from the Royal College of Nursing to hear how low pay is causing a recruitment crisis: applications to study nursing have fallen by almost a quarter this year, at a time of acute staff shortages in the NHS. For nurses, who have seen a real-terms drop in their earnings of 14% since 2010, this Budget offered nothing.

What I am hearing from those charged with delivering essential public services in Bristol is that we simply cannot go on like this any longer. Bristol City Council is having to find more so-called savings worth £100 million over the next five years. Non-statutory services are being cut to the bone. What was particularly shameful was the complete failure by the Chancellor to mention social care, which accounts for close to a quarter of the council's budget.

Avon and Somerset's police and crime commissioner and chief constable were in Parliament last week. They did all they could when faced with Government demands for savings worth £66 million: modernising the way they conduct policing and streamlining their operations. They have been widely commended for the way in which they went about making those savings. Despite the loss of more than 600 officers since 2010, because of the cuts, neighbourhood policing was protected. The police and crime commissioner and chief constable said that the reward for all their work was to be told by the Government that they needed to come up with another £17 million of savings. They were here to tell Ministers that it simply cannot be done. They will not be able to provide the police service that the public expect and deserve if these cuts go ahead, but the Government are not listening to them, and there was not one mention of policing in England and Wales in the Chancellor's speech.

Another example is St Brendan's, a sixth-form college in my constituency, which was commended for its financial management by Ofsted in February. The principal is now telling me that he cannot go on like this. Sixth-form funding has been frozen at £4,000 per pupil since 2015—a real-term cut of more than £200. He is determined not to cut the curriculum, as many school sixth forms have been forced to do. This Government pay lip service to social mobility, but in truth they are squeezing young people's life chances and denying them educational opportunities and the extra-curricular support they need.

The economic picture revealed by the Chancellor in his Budget shows us that austerity is not working. A braver Chancellor would have acknowledged that, put up his hand and admitted that he had got it wrong and chosen to invest in our councils, in our schools, in our colleges and in our nurses and police. The Budget was a failure.

5.54 pm

Kevin Hollinrake (Thirsk and Malton) (Con): I will focus my remarks on chapter 4 of the Budget, which is on productivity, because as it says in the Red Book, that is how we boost wages, improve living standards and improve overall prosperity across the nation. Incredibly, if we could close the productivity gap with Germany, we would increase our GDP by 33%. Competition is the key to improving productivity, and the Red Book states that boosting productivity makes businesses “more efficient”. I began my own experience in business at a time when most of my competitors were closing down. It was a few years later, when new competition came into the market, that we really raised our game and became more competitive, efficient and effective. The key to more competition is ensuring that we have a level playing field.

The first thing we need to deal with is access to finance, and the Budget deals with a number of different issues for people who cannot borrow from the high street lenders. Increasing productivity is about unlocking £20 billion of patient capital; doubling the enterprise investment scheme allowance, which certainly provides more capital for those early-stage and higher-risk businesses; and providing more support for challenger banks. Those measures tackle the issues of people who cannot borrow, but the reality is that many people in business will not borrow because they do not trust the high street banks.

We have seen some issues over the past few years, with scandals at the Royal Bank of Scotland Global Restructuring Group and other banks meaning that assets were often taken away from small businesses totally inappropriately, and those businesses have no recourse. We need an independent financial services tribunal, along the lines of employment tribunals. It is not just about the money; it is about the human cost of a life's work being taken away. A tribunal would provide an independent means of redress for such businesses.

The Chancellor also mentioned the VAT threshold in his speech. He has not tackled that yet, but we do need to tackle it. Anecdotal evidence suggests that this is a barrier to productivity and expansion, and that has been supported by a report from the Office for Tax Simplification, which says that there is a bunching effect around the VAT threshold.

Finally, rebalancing the economy means more investment across the nation. There is too much focus on London. It is not just the Treasury doing this—in fact, it is not the Treasury. It is about access to private sector capital, and we need to find ways for the north also to access that private sector investment.

5.57 pm

Sir Edward Davey (Kingston and Surbiton) (LD): This Budget had one redeeming feature: it was honest. It was honest about the weak growth prospects and how weak our economy is. I hope that the whole House will reflect on these dismal forecasts, because they have dramatic implications for our economy, people's livelihoods, public finances and services, and the way in which we debate the issue of the day—namely, Brexit.

Look at what the Office for Budget Responsibility's growth figures really mean for ordinary people and their incomes. Compared to the Budget just a year ago, it means that people will be earning £687 less by 2021. Wages in 2021 will still be lower—still buying less—than they did in 2008. The IFS talks about the danger of

losing two decades of earnings growth in the longest squeeze on living standards in more than 60 years. This is dramatic stuff. Guess who is going to have the worst of it? The poorest households—the Resolution Foundation says that the poorest 20% will be hit the hardest. That is just unacceptable.

Let us look at the implications for our public services. The details of the Budget show that public service spending will be 3.6% lower in 2022-23 than today. If we exclude the NHS, it will be more than 6% lower. What does that mean? It means that our schools, police services, councils and care services will face cuts not just this year, but next year and into the future. This is not about jam tomorrow. It is about maybe jam in six or seven years' time.

That is something I am incredibly worried about in my constituency. Already our schools are under huge pressure. We are dealing with an £11 million deficit in our special needs budget alone, and when we see that this Budget had nothing for our schools, tackling that will be really difficult. In my constituency, and across London, we are also seeing crime up and police officer numbers down. The Budget will do nothing to tackle the criminals and to fight back against the big increase in crime.

What does the Budget mean for Brexit politics? It means that the Conservative Brexit is failing our economy and failing our country. People who voted leave thought they were voting for better wages because there would be less competition from immigrants. Their wages are going to be lower. They thought they were voting for more money for our public services, such as the NHS. They are going to get less. They thought they were voting for an economy that will be better than before. They were not—it will be worse.

I say to the right hon. and hon. Gentlemen on the Treasury Bench that it is time they thought again about Brexit. The OBR has told people the truth.

6 pm

Vicky Ford (Chelmsford) (Con): This is my first time taking part in a Budget debate, and I would like to say some thank yous.

Thank you to my Conservative colleagues for the work they have already done on controlling the deficit, restoring the public finances and rebuilding a strong economy, so that we can afford the many measures we take today.

Thank you on behalf of young people. I remember that, under Labour, nearly 1 million young people were not in employment, not in education and not in training. Today, youth unemployment is at all-time lows.

Thank you for investing in skills and especially in maths. When I went to university, I was a very rare breed: a girl who did maths. Today, that breed is still too small. So, girls, listen: if you do maths and a science at A-level, you will earn 30% more than your peers. The £600 per pupil taking A-level maths that will go to each school can be transformational for this country.

Thank you for removing stamp duty for first-time buyers. It is hard to get on the property ladder in my constituency, and that will make a difference.

Thank you for listening on universal credit. We must help those most in need. Thank you especially for making it easier for the housing element of the benefit to go straight to the landlord. That is an idea I pitched to the Chancellor, and he had no tin ear.

Thank you for funding the NHS, and especially for underwriting the pay increases for our nurses and for investing in the capital budgets. I am glad that south and mid-Essex will be among the first to benefit.

But most of all, thank you for the support for innovation. I am proud to live in a country where there are 40 start-up businesses every hour—that is three a day in my constituency. I am proud that there are 28 great British start-ups that are now billion-dollar businesses. I am proud that this Government are investing more money in science and research than any other Government for the past 40 years, because scientists are the people who find real solutions to real problems, and they will build us a better future.

Ms Nusrat Ghani (Wealden) (Con): Will my hon. Friend give way? [HON. MEMBERS: “Oh.”] I will be very quick. Is my hon. Friend also thankful for the £21 million—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Two people cannot be stood at the same time.

Come on, Nusrat!

Ms Ghani: Is my hon. Friend also thankful for the extra £21 million that will be invested in science and tech, helping us to create the jobs of the future?

Vicky Ford: Absolutely, because we need to make sure that we invest in not only the ideas and the innovators but the skills, the people and the places.

Brexit is coming, and it does bring huge risks. Now, more than ever, is the time to back ideas, back the innovators, invest in our infrastructure and inspire our industry. I am very proud to be supporting this Budget.

6.3 pm

Daniel Zeichner (Cambridge) (Lab): It is a pleasure to follow my near neighbour, the hon. Member for Chelmsford (Vicky Ford), although I have to say that I do not find many people on the streets who echo her thanks to her colleagues quite so effusively.

Reading the comments of the OBR, it is hard to come to the conclusion that they are anything other than somewhat gloomy. I would suggest to Conservative Members that just one of the factors may have been the lack of an industrial strategy over the last seven years, so there is some welcome for the fact that we do now have an industrial strategy.

The city I represent has been mentioned many times, and I just want to make a couple of comments, particularly on life sciences. Cambridge has been tremendously successful. I am grateful to Savills for pointing out that, in terms of one measure—global bioscience venture capital funding per capita—Cambridge is streets ahead of all our international competitors and anywhere else in this country. But alongside the success stories that the Government trumpeted when they launched the strategy yesterday, I urge colleagues to look—I do not normally do this—at *The Daily Telegraph*; a couple of days ago it had a report that Johnson & Johnson, the major American healthcare giant, had pulled out of plans to build a new research and development facility in the UK, just outside Cambridge. It said those plans “have been put on hold over concerns that the UK is both politically and economically weak while negotiations to leave the European Union are ongoing”, so there is a mixed picture.

[Daniel Zeichner]

The missing element in all this is the people. The reason why these industries are successful in Cambridge is that people can come and go freely. In the context of Brexit, that will be a real challenge. In every lab I go to, I find people from other parts of the world, but they are leaving, and the next generation is not coming. The industrial strategy has to be seen in that context. What makes people come here? Good schools, but there is nothing in the Budget, as hon. Friends have pointed out, to improve schools, and most of all, there is nothing on housing.

Housing is complicated in Cambridge. The city council is doing a fantastic job; it is trying to build council housing, but it is dogged by Government policy changes. The council bravely bought itself out of the housing revenue account, only for the Government to change the strategy entirely a year later, completely undermining its policies. Yes, lifting the HRA cap would be good, but can we have any faith that that will continue over the next few months and years?

On the Oxford-Milton Keynes-Cambridge arc, it would be good to have more housing there, but look at the details in the Budget Book. There is talk about shifts from section 106 and the community infrastructure levy to a strategic infrastructure tariff. That is very complicated, detailed stuff, mirroring what happens in London. However, the governance arrangements on that arc are not one mayoralty; there is not one, unified structure there. This is complicated stuff, and it will not happen soon. The industrial strategy may be a very glossy, colourful document, but for most people, life is being lived in gritty black and white.

6.6 pm

Tonia Antoniazzi (Gower) (Lab): It is a great pleasure to follow my hon. Friend the Member for Cambridge (Daniel Zeichner).

The Budget is a prime example of the contempt that this Government continue to show towards the devolved nations. By holding the purse strings on infrastructure investment, the Government are sucking the hopes and dreams out of future Welsh generations. The announcement that electrification to Swansea was cancelled followed months of weasel words from the Tories. They professed that that was a crucial project and that it would happen, and it did not.

I now have the privilege of sitting on the Welsh Affairs Committee, which, only last week, listened to evidence from two experts. It was a revelation to hear evidence of fake news on electrification from those on the Government Benches. The Secretaries of State for Wales and for Transport have frequently told us that we would be welcoming bi-modal trains to Swansea. I do not share their enthusiasm for bi-modal trains in Swansea; I would prefer electric trains. If the Government's target is to lower carbon emissions, here is an interesting fact for them: these wonderful bi-modal trains use the same dirty old diesel engines that are found in diesel high-speed trains. People welcome bi-modal trains because they are, allegedly, lighter and therefore more efficient than the current diesel high-speed trains. That claim too can be blown out of the water: whereas a nine-carriage diesel high-speed train weighs 408 tonnes, a bi-modal train weighs 432 tonnes, as it has 9 tonnes of diesel fuel under every coach—an interesting fact.

If only the Government would further devolve transport and give that power to Wales, so that we were in the same position as Scotland, we could successfully move ahead with electrification and increase the productivity of the Welsh economy. The whole of Wales has been let down by the refusal to electrify from Cardiff, let down by the refusal to sign off on the Swansea bay tidal lagoon and let down by the refusal further to devolve rail transport to Wales. Those constant refusals highlight that the Government are not interested in Wales, its future or, more importantly, the economy that is to provide the opportunities for young people in Wales to prosper.

6.9 pm

Gerard Killen (Rutherglen and Hamilton West) (Lab/Co-op): This is a “nothing has changed” Budget from an out-of-touch Government enabled by Conservative Members who have no idea of the reality of people's lives. In the midst of it all has been a battle between the SNP and the Scottish Conservatives to claim credit for the Chancellor's climbdown on the VAT charges imposed on Scotland's emergency services. As ever, the reality has been lost in the performance that has played out between them. I thought for a moment earlier that the hon. Member for Dundee East (Stewart Hosie) might break into song in his praise of the Scottish Government, but of course he failed to mention that growth in Scotland is even lower than it is in the UK.

The whole VAT situation could have been avoided if the SNP had listened to Unison's advice at the time, although that is not to let the UK Government off the hook on the matter. It was wrong to impose charges on Scotland's emergency services, and the Chancellor has admitted that with the Budget. It says very little for the persuasive powers of the Secretary of State for Scotland that the election of 12 new Scottish Tory MPs was seemingly required to convince the Chancellor to introduce the exemption.

Perhaps the new intake will bend the Chancellor's ear once more and use their new-found influence to get back the £140 million that Scotland's police and fire services have already paid in VAT. Surely, if it is wrong to pay it in 2018, it has been wrong to pay it all along. If that money is refunded to the Scottish Government, I hope that it will be ring-fenced. I know that my constituents do not want to have to repeat the successful local campaigns that they had to launch to save police stations in Rutherglen, Cambuslang and Blantyre from the threat of closure. That additional funding for the emergency services is much needed.

The Budget also failed to address the misery that is being caused by the Government's social security programme. The move from an initial six-week wait to a five-week wait for universal credit payment will be cold comfort to the people who contact my office in desperate need of help. Some of them tell my staff that they feel suicidal, because the Government are driving them into debt and they have nowhere else to turn. What must it be like for them to spend Christmas worrying about whether they will have a roof over their head or food to put on the table? Here is an opportunity for the Government to get two things right amid this woeful Budget: backdate the VAT refund for the Scottish emergency services and pause the roll-out, to fix universal credit.

6.11 pm

Liz Twist (Blaydon) (Lab): I declare an interest as an elected member of Gateshead Council.

I want to speak about what is not in this Budget, because those things are important to my constituents in Blaydon, many of whom are struggling to cope with daily life and supporting their families. First, I want to mention the absence of any reference to social care. We all know that the demand for social care is growing, and we know from experience that it is essential that people have access to high-quality social care when they need it, but the Government continue to cut the local authority budgets that go towards providing that support.

In my council of Gateshead, we spend more than half our budget on the most vulnerable adults and children. Our funding has been cut by 52% since 2010, and the number of people who use and need our services is rising. I checked the Tory manifesto earlier and found this on long-term care:

“Where others have failed to lead, we will act.”

But there is no action on social care in this Budget.

There is nothing in this Budget for education, other than for maths teaching. Maths teaching is, of course, hugely important, but many of our schools are struggling to balance their budget so that they can provide the best education possible for our young people, and despite changes to the schools funding formula over the summer, 91% of schools still face a real-terms reduction in their budgets as per pupil funding has reduced. We may have a commitment to maths funding, but increasing pupil numbers and increasing demands versus decreasing funding means that the sums do not add up for schools.

On housing, we had a raft of measures that the Chancellor says will increase house building, but the announcements fall far short of a proper plan to help to fix the housing crisis. We need all councils to build again to create the houses we need.

I heard the Chancellor repeat this morning that the public sector pay cap has gone. But NHS workers, who were specially mentioned by the Chancellor, will receive an increase only on condition that they increase productivity by renegotiating their terms and conditions under “Agenda for Change”. This does not just affect the NHS; for staff right across the public sector, work has increased and pay has fallen in real terms. The Government need not only to lift the cap that they imposed, but to fund the NHS, local government, fire and rescue services, the police, education, the delivery of universal credit and many other areas, to give those staff the rise that they need, without further reducing services.

6.14 pm

Margaret Greenwood (Wirral West) (Lab): This Budget has failed to deliver for our vital public services and our families, and it has failed to step up to the very serious challenge posed by climate change.

Pupils and teachers in our schools are feeling the squeeze of Tory austerity, with increased class sizes, a crisis in teacher retention and a reduced curriculum offer. Education is the key to our future, yet the Budget had nothing for school budgets. The Government announced extra funding for maths teaching, which is fine, but we will not be able to draw on all the talents of our young people unless we address the neglect of arts education under this Government. Arts subjects are

important for the development of the individual, as well as for our cultural offer of film, television, theatre, music, art and dance, which are all significant for the economy. Labour would abolish university tuition fees, but there was no money in this Budget to do that. Individuals are leaving university with an average of £57,000 of debt, but there is no sense in leaving people to carry such a burden.

Our communities are feeling the impact of seven years of Tory austerity, with huge cuts to our police services. Merseyside police has lost 1,000 officers since 2010. My constituents are concerned about antisocial behaviour in areas where there have never previously been any problems. The first duty of any Government is to keep their people safe, yet under the Conservatives, we have lost 20,000 police officers from our streets. When we consider the fire service it is the same story. Funding for fire services up to 2019-20 was set in a four-year settlement announced in February 2016. It meant cuts each year for Merseyside Fire and Rescue Service, putting firefighters and the communities they serve at risk. It is very disappointing that the Government have failed to revisit the funding for those services. Both fire stations in my constituency are closing as a direct result of central Government cuts, which will mean longer waits at fires and road traffic accidents, and the loss of precious minutes in life and death situations.

There is also the Government's failure to deliver on the NHS. The extra £1.6 billion of funding does not meet the £4 billion that the chief executive of NHS England has called for. The Health Foundation and the Nuffield Trust agree that that amount is needed to prevent patient care from deteriorating. It also does not match the £6 billion that Labour would commit. Providing more money for the NHS is only part of the answer to the problems in services. It was notable that the Chancellor failed to give any money to tackle the crisis in social care funding, despite the fact that Members on both sides of the House recognise that there is such a crisis, with 1 million people not having their needs met.

There was also precious little to address the very serious threat of climate change, so this Government are delivering a Budget that is a huge disappointment. They are in denial about the seriousness of the problems caused by austerity. The Government do not have the vision to understand the value of a broad educational offer, and they are failing to be ambitious in taking the action we need to address climate change.

6.16 pm

Tony Lloyd (Rochdale) (Lab): The huge gulf across the Chamber between Government Members' world of disbelief and Opposition Members' world of reality mirrors how modern Britain is divided. Ministers are looking astonished, but Britain is a very divided society. The rich are doing extraordinarily well, but many other people are struggling. Public sector workers will once again have another year of pay cuts, and there is no money to fund any realistic investment in our public services. The police in Greater Manchester have been cut by 2,000 officers. There is less money for our local authorities, and in Rochdale, where social care and children's services have been decimated by this Government, there has been no relief whatsoever.

I want to concentrate on productivity, which this Government claim they intend to make the keynote of this Budget. Let us look at the reality of what is taking

[Tony Lloyd]

place for those with intermediate skills. Rochdale, like many other towns across the north of England, needs investment in education and training, but what have we seen? Let me take Meanwood Primary School. It is a great school with great teachers, but this Government are putting the “Mean” into Meanwood because the school, despite the rhetoric of Conservative Members, has faced cuts this year. It has lost a teacher and teaching assistant hours. In effect, the school has been made worse for children from some of the most deprived parts of my constituency, which cannot be right. The further education college has been damaged by cuts. The figure of £4,000 per pupil has been consistent over the years but, de facto, that means cut after cut, and the real number of hours per student is far less than in almost any other OECD country. Intermediate skills are simply not being invested in as they should be.

I challenge this Government. Rochdale needs a Rochdale education challenge, just as there was a London challenge under the previous Labour Government. It is now up to this Government to get real and to have the ambition to change this nation. Quite frankly, given the complacency of Conservative Members, it is hard to believe that this Government can have the ambition that the people of this country deserve, so it is about time that they went and we had a Labour Government to show such ambition.

6.19 pm

John Woodcock (Barrow and Furness) (Lab/Co-op): No party has a monopoly on damaging people’s faith in politics and in government, but I genuinely believe that the Budget could do significant further damage to people’s faith in the ability of the political process to deliver for them. That is not so much because of what is in the Budget, as because of the huge mismatch between the scale of the economic challenge facing the country and the behemoth of Brexit coming down the track, and the sense of a lack of grip and lack of ambition in the Budget to deal with any of those things. That is combined with some truly extraordinary contributions from Government Members, who talk about the Budget as if it is a genuinely transformative experience for the country. That is simply not the lived experience of many of our constituents. It does the Conservative party no favours to pretend that we are in that situation.

Briefly, given the time I have left, I will look at how my constituents will feel let down by the Budget. Once again, WASPI women get nothing and Cumbria’s infrastructure needs are ignored. For people in Furness and across the country, wage growth has not kept up with increases in living costs for years, and that will potentially be true for another decade. The public are sick to the back teeth of austerity measures being imposed with no end in sight.

The rest of my remarks will focus on the most ominous omission from the Budget speech and almost entirely from the Budget documents: defence. On the face of it, there are continuing increases in the defence budget, but it is no accident that the Chancellor—a former Secretary of State for Defence—chose to ignore defence completely. He knows and the Government know about the terrible crunch in the defence equipment programme and the amount of damage that may be done in the coming

months, let alone years, by the way in which our nation’s resources are being starved. There may be no way back from that and the Government must pay heed.

6.21 pm

Tulip Siddiq (Hampstead and Kilburn) (Lab): This Budget was guided by the political considerations of the Tory party, rather than the day-to-day reality faced by my constituents in Hampstead and Kilburn. It was well briefed before the Budget that the Chancellor’s hands would be tied, but I refuse to accept that Brexit allows for a total cop-out and a Budget that is so utterly feeble in confronting London’s problems.

In the short time I have, I will focus on education and policing. The Red Book reveals worrying cuts for school buildings and says next to nothing about concerning signs over the Government’s childcare promises. I want answers on why the Budget statement did not include a single mention of counter-terrorism in a year when we have seen five terrorist attacks, four of them in the capital. I want answers on the total failure to acknowledge the immense financial strain that our police are under. The omission of police funding is simply scandalous. Today, I want to provide a voice for those in my corner of north-west London who are concerned by rising crime on our streets, the continued terror threat and the Government’s utter failure to compromise with the Met commissioner and the Mayor of London.

Capital investment in schools is crucial, yet the small print of the Budget reveals that over the next four years, there will be £1 billion less in the Department for Education’s capital budget than was outlined in the Chancellor’s spring Budget. The Chancellor failed to announce that at the Dispatch Box, but local parents and pupils will lose out as a result. The verdict of headteachers in my constituency could not be clearer. My local paper, the *Camden New Journal*, published an open letter to the Chancellor signed by 41 school heads saying:

“We cannot see how we will be able to continue to provide our current level of provision in the future with such drastic cuts to our funding.”

The absence of early years funding from the Budget is similarly concerning. As the chair of the all-party parliamentary group on childcare and early education, it has been a privilege to hear from colleagues from across the House about their experiences of the roll-out of the 30 hours of childcare policy. In principle, getting parents back to work and ensuring that every child has the best start in life is something that unites us. However, as I wrote in my letter to the Minister for Children and Families last week, the policy is underfunded. As was revealed in the latest Ofsted figures, more than 1,000 nurseries and childminders have gone out of business since 2010.

On police funding, I will echo the Mayor of London’s response to the Budget last week in the short time I have left. Given the cuts of £600 million since 2010 and the fact that we are set to lose another £400 million before 2020, I wonder at what point the Government will stop compromising the safety of Londoners.

6.24 pm

Alex Norris (Nottingham North) (Lab/Co-op): This is my first Budget, so I was geared up for tweeting furiously, poring over Budget papers and analysing it in

the local media, but it is striking how little of any of those things I have had to do, because the Budget represents an incredible lack of anything at all for my city of Nottingham and my constituency.

The right hon. and learned Member for Rushcliffe (Mr Clarke), who is no longer in the Chamber, termed the Budget as “not exactly a non-event”, and he meant that as a compliment: there was just above nothing in the Budget, and that for him was a good thing. For my constituency, only a grade above a non-event is not good enough. On the issues that really matter to us, such as decent wages, a fair benefits system, healthcare, schools, transport, community safety and so on; on the things that are making people’s everyday lives more difficult than they ought to be; and on the issues leaving children in working families in poverty with no way out—on all these things—we feel let down by the Government, and the Budget is emblematic of that failure.

Another incredible omission was the fact that the east midlands was not referenced at all. Treasury stats show that, whether it is transport investment or infrastructure investment in general, the east midlands will always come last, and once again the Budget and the industrial strategy do nothing to fix that. After the cancellation of the midland main line electrification, we are in desperate need of more money for our transport links, but that has not come. It is not just for getting to and from the capital that we need midland main line electrification; this is also about east-west connectivity. Both those things have excellent business cases and are crying out for a bit of vision to support them.

It is not a coincidence that today’s Social Mobility Commission report has the east midlands as the region with the worst outcomes for those from disadvantaged backgrounds, but we know that that is not inevitable. The poverty profile of my constituency is similar to a number in London, but while 17 out of 20 mobility hotspots are in London, none is in the east midlands. My area is one of the coldspots, and that is because of the level of investment into the community. I say that not because I want London’s investment for Nottingham; I want investment levelled up, because it works. It is good for society and for the Exchequer. That shows what we should expect from the Budget, but instead we have something that is not quite a non-event which, frankly, is not quite good enough. In fact, it is not good enough at all.

6.27 pm

Mr Paul Sweeney (Glasgow North East) (Lab/Co-op): I am grateful for the opportunity to contribute to this important debate on the Chancellor’s autumn Budget, which has truly exposed the appalling reality of the Tory party’s failed austerity experiment. The UK economy is now forecast to be £72 billion smaller than under the spring 2016 forecast, and average earnings are not expected to recover to pre-crisis levels until 2025.

In a major shift in their assessment of the UK’s growth outlook, the OBR has forecast that growth will remain below trend until 2022. This is the first time in recorded economic history that growth projections have been so low. That in turn significantly weakens the UK’s fiscal position, because it reduces revenue forecasts, household incomes and therefore the ability to reduce the deficit, which let us not forget was the Tory party’s primary test of economic success on coming into government in 2010. That now will not happen until 2031.

The reality could not be more stark now: austerity is a vicious cycle of self-defeating decline. Real wages are lower than they were in 2010, and the Budget confirmed a further hit to living standards, with disposable income set to fall in 2017. Working age benefits have been frozen since 2015. Meanwhile, prices measured by CPI have risen by 6.9%. Under this Government, it is clear that the poor are getting ever poorer, while an increasing share of national wealth flows to the richest in our society. That is a betrayal of my generation, which is the first in recorded history in which people are seeing their living standards falling below those of their parents.

The key reason for this downward revision in growth was the major shift in the OBR’s outlook for productivity. In the past, its prediction was that productivity growth would return to pre-crisis rates, but it now believes that the slowdown is evidence of structural weakness. That structural weakness is a result of the Government’s self-defeating policies, which have created a cycle of weak earnings and cheap labour, with firms using low-cost labour rather than investing in more efficient processes and plant that would drive productivity growth.

The industrial strategy White Paper that was published yesterday demonstrates that the Conservatives have once again missed the opportunity to take the radical action that is needed to meet the UK’s productivity challenge. Raising research and development investment to 2.4% of GDP by 2027 will only bring the UK in line with the OECD average, after years of lagging behind, but we need to be above the average, not below it. World leaders such as South Korea and Japan spend over 3% of their GDP. That is why Labour is committed to that target.

There is the key question of ensuring that UK firms are leading this effort and that it is balanced across all UK regions. In Scotland, for example, 70% of R and D activity is undertaken by overseas-owned companies, but there is nothing in the industrial strategy to address that. The country stands on the cusp of a great disruptive opportunity as the fourth industrial revolution emerges, but this lacklustre Budget and industrial strategy prove beyond doubt that the Government are simply not up to the huge economic challenges facing the country. Only the Labour party has the true ambition and vision to harness our nation’s industrial potential.

6.29 pm

Alex Sobel (Leeds North West) (Lab/Co-op): As we have just heard from my hon. Friend the Member for Glasgow North East (Mr Sweeney), we are on the cusp of the fourth industrial revolution, but if we are to be ready for it, we must do more than this industrial strategy does. The Britain of five to 20 years from now will look very different from the country in which we live and work today. If we are to ensure that new technology does not lead to higher levels of underemployment and a workforce whose skills have become obsolete, we must first ensure that automation leads to innovation. If Britain is to be a world leader in new technology, as the Government contend, we must think bigger and be bolder.

Our economy has drifted from manufacturing to the financial and service sectors. Between 1978 and 2017, the number of service sector jobs rose by more than 20%. That shift was highlighted by representatives of a civil engineering firm in my constituency who told me that, although demand for their services was increasing,

[Alex Sobel]

recruiting staff with relevant skills was becoming increasingly difficult. I welcome the £64 million investment in retraining that is mentioned in the White Paper, but, in the context of £1.5 billion worth of cuts in the adult skills budget, it hardly scratches the surface of the investment that is needed to end a skills shortage that will hamper any serious industrial strategy.

We should aim to create an energy revolution by taking steps such as reforming ownership of the grid, including common, state and mutual forms of ownership. That will open the energy market to smaller companies, and will create a more competitive market. We need look no further than Leeds, where we created White Rose Energy. We also need an insulation revolution that gives not just homeowners but landlords and housing associations incentives to insulate their houses, so that we can save energy, create jobs and provide warmer, safer houses.

I am pleased that there is to be some investment in infrastructure for electric vehicles, but the Government need to listen to the Industrial Strategy Commission's recommendation that infrastructure investment should be universal. My constituency does not have a single public charge point. How shameful is that? We also need to take more urgent action to tackle climate change. I urge the Government to listen to Labour Members and to commit to themselves to ensuring that 60% of the UK's energy comes from low-carbon or renewable sources by 2030.

We need a Government who will think bigger. We need a Government who show a commitment to our planet and the health of future generations. We need a Government who are not afraid to be bold and invest in this country and its people. As Britain looks to a future outside the European Union, it has never been more crucial to embrace change and lead the world, not only in producing and welcoming new technology, but in shaping our society to ensure that change works for the many, not the few.

6.32 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): This is the Budget that was trailed as the "Ruth" Budget for Scotland, and it is the Budget that the Scottish Tories have apparently stepped up to the plate and delivered for Scotland, so let us look at what they have delivered. They claim credit for the VAT exemption for the police and fire services. The SNP raised that in the Chamber 63 times and forced a vote on it, so we have clearly led the way. The Scottish Tories do not even seem to care about the need for a refund of the £140 million that has already been stolen.

What else have the Scottish Tories delivered? Nothing. Not one original idea in the Budget can be credited to them. We are still left with a rail budget that has been cut by £600 million in real terms, and with no Ayrshire growth deal. There was nothing about the £200 million CAP convergence uplift that was meant for Scotland and nothing about renewable energy, and we are faced with a real-terms revenue budget cut of half a billion pounds over the next two years. The 10 Democratic Unionist Members who still sit on the Opposition Benches managed to get a £1.5 billion package for a couple of key votes, and we are meant to believe that they are a solid voting lobby.

There was one welcome measure for the oil and gas industry in relation to the transferable tax history, but, as is pointed out in paragraph 3.54 of the Red Book, the idea was first mooted in a Government paper in 2014, so it is certainly nothing to do with Scottish Tories. The fact that it is predicted to bring in £70 million makes it an easy decision for the Treasury anyway.

Today's theme may be the future economy, but that future economy has already been curtailed by the £30 billion of tax giveaways in the last Budget—£30 billion that could have been spent more wisely. The incoherent policies continue with the flagship announcement of a £3.2 billion stamp duty giveaway that is now predicted to do no more than increase house prices and bring in nothing for the Treasury bung. While increasing the pay gap for the young, the Government think that they can woo young voters back with the promise of a railcard, but paragraph 4.46 suggests that it will be funded by other rail users rather than the Treasury. Tuition is free in Scotland, but the Tories think that freezing fees at £9,250 per annum will bring young voters flocking back to them. I say to them that they are aff their heids.

6.34 pm

Justin Madders (Ellesmere Port and Neston) (Lab): Three minutes to speak is not long, but it is about the same time as it normally takes a Tory Budget to unravel. I wish to focus first on the automotive sector. Ellesmere Port is home to Vauxhall Motors, and we had several requests for the Budget to improve the competitiveness of the plant, but I am sorry to say that none of them appears to have made it into the Budget. We have heard a lot of talk about how we are lagging behind in terms of productivity, and one of the asks I had was about changing the way that business rates operate and currently act as a disincentive to invest in certain types of plant and machinery.

On the housing announcements, expanding the ability of local authorities to borrow against housing revenue accounts is welcome, but it is far from clear who will be able to bid for that extra borrowing capacity, with it being apparently only available to areas with what are termed as "high affordability pressures". I do not know of any local authority that does not have a significant waiting list, so rather than make councils jump through hoops, should not this facility be available to any council that thinks it can take on the extra borrowing?

The stamp duty offer for first-time buyers attracted a lot of attention on the day of the Budget, but its coverage was inversely proportionate to the impact it will actually have. As we know from the OBR, the concern is that it will do nothing more than increase upward pressure on house prices. Indeed, five years ago a stamp duty holiday for first-time buyers was abandoned by the coalition Government because it had been "ineffective". We are already seeing developers take advantage—"You and Yours" reported yesterday that developers have pocketed the stamp duty savings where they had an agreement with purchasers to stand the cost of stamp duty.

Surely the best use of taxpayers' money in housing is to increase supply. One way to increase supply would be to help all those people who have ended up with an unsellable house because they were duped into buying a leasehold property. Coming up with a scheme to release people from that trap might do much to increase housing supply, and it would also be the right thing to do.

6.36 pm

Laura Pidcock (North West Durham) (Lab): As a nation, we have been socialised to think of the economy in abstract terms. It is analysed as a distant entity that needs to be served, slavishly, to keep the big, scary beast from collapse. When we hear the Chancellor tell us that inequality has narrowed, that there are more people in work and that our public services are protected, we could almost believe him. That is, if we did not actually speak to any real people outside the Westminster bubble. We could suspend disbelief if we never spoke to any workers or reflected on what is happening in our communities.

Every time Government Members cheer about the new jobs on the Government's watch without any critical analysis of the nature of those jobs—short-term, insecure and low-wage—they lose credibility. On behalf of my community in North West Durham, I must convey extreme disappointment and anger at the Budget. Aside from the pantomime proceedings, it offered nothing to my community.

I shall give one example in illustration—the stamp duty giveaway. In the north-east, average house prices for first-time buyers are £125,591. That would mean a tiny giveaway of £11.82. Please forgive those people who have endured seven years of pay freezes—a typical prison officer, for example, who is now only £30 better off now than seven years ago—if they do not jump with joy at those announcements.

We need something completely different. We must be brave enough to say that borrowing is necessary for investment and that people must have a wage that they can live on—it is not fine to pay them a minimum wage that keeps them in starvation. I have met people who have been broken by this system and it is not their fault. The global banking crisis was not their fault. The recession was not their fault. The rules and traps of the system were not of their making.

To see the tears of grown working women and men flow directly as a result of Government policy tells me that we need a complete overhaul of our economic system. If the Government are not brave enough to do that, they must move over. If the economy does not work for everyone, it is not worthy.

6.39 pm

Helen Hayes (Dulwich and West Norwood) (Lab): The measure of the Budget must surely be the promises that the Conservatives made to the British people over and over again during the election campaign in June. They promised the British people a strong economy that would deliver investment in our public services. The Budget reveals just how badly the Government are letting down the British people and just how high the costs of the Government's botched and divided process are proving to be. Instead of the strong economy that was promised, we see a forecast of poor productivity leading to exceptionally weak economic growth, wage stagnation and rising inflation. We were promised a strong economy, but instead, families up and down the country are facing an unprecedented further five years of falling living standards. They are running to stand still, but the best that the Chancellor can offer is that by 2025 average wages will have reached the same levels as in 2008. And instead of committing to the £350 million a week for the NHS promised by his colleagues in the

Vote Leave campaign, the Chancellor is committing more taxpayers' money to fund the cost of Brexit than he is to our NHS.

It is on the NHS that I wish to focus the remainder of my remarks today, as the scale of the financial challenges facing it makes the Budget look like a sticking plaster on a gaping wound. We are approaching the most pressured time of year for the NHS, and its hard-working staff are approaching the winter in fear and trepidation because the pressures under which they are already working absorb all the resilience and reserves they can muster. The local hospital in my constituency is King's College Hospital. Prior to 2010, King's was performing well and was financially stable, but when I contacted it recently on behalf of a constituent who had spent five days waiting on a trolley to be allocated a bed on a ward, I was told that the hospital was more than 100% full. King's is an exceptional place full of exceptional people, but it is being asked by this Government to deliver the impossible.

The performance of our NHS is inextricably linked to the performance of social care services, yet the Budget made no mention at all of social care. Funding sufficient high-quality social care would be the single most transformative measure that the Government could introduce for our NHS. The failure of this Budget on social care is just one of the many ways in which the Government continue to disadvantage women, who make up the overwhelming majority of hard-pressed carers, both paid and unpaid. It is one of the many ways in which the Budget is failing people up and down the country.

6.41 pm

Ruth George (High Peak) (Lab): After seven years of Conservative-led Government and seven years of austerity, my constituents in rural Derbyshire will tell this House that austerity is not working. Both our hospitals are facing closure. Three nurseries have already closed, and more are saying that they cannot continue. Schools are being squeezed by 5% cuts and saying that they cannot continue and are having to lose teachers. We have lost more than 400 police officers in Derbyshire. There are not enough to respond to serious incidents; there are not even enough to police Buxton carnival. And our firefighters have been reduced to a retained service.

Austerity is hitting us hard—it is hitting every community hard—but it is not working. After seven years of telling us that we must not borrow to invest in public services, the Conservatives are borrowing up to the hilt. The national debt clock, which they were so keen to talk about at the time of the 2010 election, now stands at £1.95 trillion. They have almost doubled the national debt, and what have we got to show for it? We have public services that are on their knees. We have public servants who cannot afford a house. We have millions of people on benefits visiting food banks. That is an absolute disgrace.

We in the Labour party believe that we should borrow, but that we should borrow to invest. We should borrow to invest in our economy, in our public services, in our workers, in our jobs and in our communities. Then we would see an economy that could grow. People would be able to spend in their local businesses, and businesses would be able to thrive. Communities would be able to prosper once again. Instead, all that this Budget has offered us is more of the same—more of the same cuts

[Ruth George]

and more of the same poverty—and we ain't seen nothing yet. The little Red Book has shown that we are just at the start of those cuts. We have another four years of freezes to benefits and school budgets, and cuts to our police, to our hospitals and to the NHS communities. That is what is happening. This Budget was a chance for the Government to come up with big new ideas, but they did not. This Government need to make way for one that can.

6.44 pm

Peter Dowd (Bootle) (Lab): As the Chancellor gave his Budget speech last week, there was a collective groan across the country not just at the bad jokes, but at the content of the most uneventful Budget speech of recent times. There was no game-changing investment announcement and no lasting solutions for the growing difficulties facing our country. The Chancellor's speech personified this Government: out of touch, inconsistent and directionless.

The Cabinet is morbidly and irrevocably split on Brexit and, rather than focusing on their individual briefs, Ministers now spend their days attempting to steal each others'. The International Trade Secretary wants to run Britain's foreign policy. The Environment Secretary is learning all about hypothecation, apparently fancying himself as Chancellor, and *The Times* reported that he is busy researching the difference between a J curve and a J-cloth. Meanwhile, the Foreign Secretary continues to scheme for the top job. He is the first to praise the Prime Minister, while constantly plotting to undermine her—Iago on steroids. Ironically, the only person who does not want to be in No. 10 is its current occupant. She remains, as in the Monty Python parrot sketch, nailed to the perch and “off the twig”. The Prime Minister's metabolic processes are, politically speaking, history.

The most important announcements made last week were not the Chancellor's recycled policies, but those from the Office for Budget Responsibility. The OBR lowered UK growth forecasts, business investment, productivity rates and wage growth for the next five years, blowing a hole in the Government's economic credibility. As for balancing the books, under the Government's current projection, the UK budget will not be in surplus until 2030 at the earliest—a full 15 years after the former Chancellor said that the deficit would be eradicated. Workers who have already endured a decade of stagnant wages and lost earnings will not see their pay return to pre-crisis levels until 2025. And there is more. UK households face the biggest squeeze in disposable income since records began. The message from the OBR is clear: Britain under the Tories is now facing a record 17-year downturn in pay.

The Budget did nothing to eradicate the impact of austerity on women, who have disproportionately borne the brunt of it. The abolition of stamp duty for first-time buyers is of course welcome, but the OBR rightly points out that the move will increase house prices. Many Government Back-Benchers called for action to help the next generation, but the best the Chancellor could muster was a millennial railcard that young people cannot even use to commute to work and that will not even cover the cost of the 3.6% rail fare increase next year.

On universal credit, the Government finally listened to Labour and scrapped the seven-day waiting time, but they have done nothing about the roll-out.

The Government once again ensured that the NHS and its staff will remain underfunded and underpaid, and the extra money announced in the Budget does not even meet NHS England's call for extra funding. Far from being dead and buried, the public sector pay cap remains alive and well. Public sector pay is now set to fall to its lowest level by comparison with the private sector, and the Chancellor is trying to divide public sector workers.

As I have said so many times at this Dispatch Box, the UK's economic growth wholly depends on our ability to raise productivity rates, and there was nothing of any substance whatsoever in the Budget to help that. The Government continue to fail in delivering the infrastructure and investment that the regions so desperately need. Like so many of this Government's policies, their industrial strategy White Paper released yesterday is thin on details and thinner on ideas—another damp squib. It is about time that this Government went. They should pack their bags, get the Prime Minister out of No. 10 and hand things over to the Labour party to do the job properly and get growth back for this country.

6.48 pm

The Chief Secretary to the Treasury (Elizabeth Truss): We have had an excellent debate this afternoon. We heard my right hon. Friend the Secretary of State for Business, Energy and Industrial Strategy lay out an optimistic vision for our industrial strategy. We heard my hon. Friends the Members for Banbury (Victoria Prentis), for Mansfield (Ben Bradley), for Dudley South (Mike Wood) and for Hitchin and Harpenden (Bim Afolami) and my hon. and learned Friend the Member for South East Cambridgeshire (Lucy Frazer) talking about the positive measures in the Budget on skills, housing and tax. We also heard the usual fiction and portents of doom from the Opposition.

I repudiate the Opposition's predictions. Our destiny is not preordained. We have the power to shape the future and to boost our growth and productivity. If we want to know what high productivity looks like, we need look no further than our high-growth companies. When it comes to start-ups, we are world leading, with more than 650,000 companies founded in 2016 alone. We have more than twice the number of \$1 billion tech companies than anywhere else in Europe. By enabling companies to grow and, even more, to start, we can make sure all people in this country benefit from our world leadership in areas such as driverless cars and artificial intelligence.

The real revolutionaries in this country are not sitting on the Opposition Front Bench clutching their iPads and looking up debt numbers, while denouncing enterprise; the real revolutionaries are the businesses across Britain that take risks, create jobs and improve our lives. They are the people who are delivering day out, day in for our country. This Budget is about liberating those businesses to achieve their ambitions and to deliver for our future, and it is about making sure that they have the people, the capital and the space to succeed.

Of course we want to attract the brightest and best to our country, which is why we are doubling the number of high-skilled visas that can be granted each year, but we also need to unleash the talents of our own people,

both to help power the economy and to make sure they can share in the opportunities that enterprise brings. The fact is that the previous Labour Government let down our children and young people. They left Britain short of skills; they dumbed down the curriculum; they created rampant grade inflation; they failed on technical education; and they left office with rising youth unemployment.

When Labour left office, youth unemployment was at 20%, which is why we brought in higher standards for English and maths, new academies and free schools, and new T-levels. Under this Government, we have seen more apprenticeships and the lowest level of youth unemployment for 13 years. I suggest the Opposition engage with the facts.

We are announcing even more in this Budget. We are tripling the number of computer science teachers and, as my hon. Friend the Member for Chelmsford (Vicky Ford) pointed out, we are giving schools £600 for every additional student studying maths A-level or core maths, the most valuable qualifications in the jobs market. We are learning from the best in the world, and I am delighted that my right hon. Friend the Minister for School Standards is here today because he championed the Shanghai and Singapore maths mastery programme that we are rolling out to a further 3,000 schools. We are also making sure that adults already in jobs have the opportunity to improve their skills through the national retraining scheme.

The Government know that private investment in high-growth businesses benefits us all through new technology, higher living standards and more jobs. This year, a record £2 billion was invested in FinTech alone. This Budget builds on that success by unlocking more than £20 billion of investment to finance growth in innovative firms. As my hon. Friend the Member for Mid Norfolk (George Freeman) said, £1 billion is also being invested in the life sciences sector.

We also want to make it easier for brilliant women founders to access capital. Research shows that, when making identical pitches, women are half as likely to secure early-stage investment, despite investors who invest in female-led businesses being, on average, more successful. We have asked the British Business Bank to look at that so we can see more brilliant women founders and start-ups getting that investment.

Finally, these high-potential businesses need space to grow and high-quality infrastructure. We are making it easier for businesses to expand their operations through new planning freedom and manufacturing zones. We are also investing a huge amount in infrastructure. As my hon. Friend the Member for Saffron Walden (Mrs Badenoch) pointed out, this Budget includes the highest amount any Government have spent as a proportion of GDP on economic infrastructure for 40 years. How can the Opposition talk about a lack of investment in infrastructure, given that this is the highest for 40 years? It is much higher than anything that happened under the previous Labour Government. This spending includes plans for the Oxford-Milton Keynes-Cambridge corridor and for the northern powerhouse. *[Interruption.]* Let me say to the Opposition that we are investing £337 million in a new fleet of trains for the Tyne and Wear Metro, and £300 million to ensure HS2 can accommodate future northern and midlands rail services. We are also creating a £1.7 billion transforming cities fund, which will

give our great cities the investment they need, and they will be able to invest in local trams or light rail systems as they see fit.

Sir Edward Davey: Does the right hon. Lady agree that British companies—our new entrepreneurial companies—would like a nice big market to sell their goods to, on our doorstep?

Elizabeth Truss: Absolutely, which is why our focus is on getting the best possible deal in the Brexit negotiations. Maintaining a tight grip on Government finances is, as my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) pointed out, vital for any Government, and Opposition Front Benchers would do well to look at that when they are considering—*[Interruption.]* I see that the shadow Chancellor is on his iPad looking up what the—*[Interruption.]* I can help him out without an iPad. His plans would mean an additional half a trillion pounds-worth of debt. If hon. Members want to know how much extra interest the British public would have to pay every year, I can tell them that it is £7 billion. I do not need an iPad to know that.

This Government are prioritising our country's long-term growth prospects. We are investing in the infrastructure and in the skills that our country needs to succeed. Whatever the Opposition say, it is not politicians or Whitehall that will turbo-charge our economy and bring the growth and improved living standards we all want; it is the enterprises up and down the country that are going to deliver that. The Opposition want to tax new industry to the hilt or, even worse, to run it themselves. I cannot think of a more scary prospect for businesses across Britain. We take the opposite view; we want to unleash enterprise and to make sure that businesses have the people, space and the conditions to succeed. This is a Budget that recognises where the true value of our economy is created. It is not through issuing blank cheques that we cannot afford, but by making sure that our enterprises have the skills, talent and space that they need to grow and to ensure that all our citizens benefit from our powerhouse future. That is why the House should support the Budget in the Lobby tonight.

Question put and agreed to.

Resolved,

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.

Mr Speaker: I am now required under Standing Order No. 51(3) to put successively, without further debate, the Question on each of the Ways and Means motions numbered 2 to 44, on which the Bill is to be brought in. These motions are set out in a separate paper distributed with today's Order Paper.

I must inform the House that, for the purposes of Standing Order No. 83U, with which I feel sure all colleagues are personally and closely familiar, and on the basis of material put before me, I have certified that in my opinion the following founding motions published on 22 November 2017 and to be moved by the Chancellor of the Exchequer relate exclusively to England, Wales and Northern Ireland and are within devolved legislative competence: motion 3, on income tax (main rates);

[Mr Speaker]

motion 35, on stamp duty land tax (higher rates for additional dwellings); and motion 36, on stamp duty land tax (relief for first-time buyers). Should the House divide on any of these motions it will be subject to double-majority voting.

The Speaker put forthwith the Questions necessary to dispose of the motions made in the name of the Chancellor of the Exchequer (Standing Order No. 51(3)).

2. CORPORATION TAX (CHARGE FOR FINANCIAL YEAR 2019)

Resolved,

That (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision may be made taking effect in a future year charging corporation tax for the financial year 2019.

3. INCOME TAX (MAIN RATES)

Resolved,

That for the tax year 2018-19 the main rates of income tax are as follows—

- (a) the basic rate is 20%;
- (b) the higher rate is 40%;
- (c) the additional rate is 45%.

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.

4. INCOME TAX (DEFAULT AND SAVINGS RATES)

Resolved,

(1) That for the tax year 2018-19 the default rates of income tax are as follows—

- (a) the basic rate is 20%;
- (b) the higher rate is 40%;
- (c) the additional rate is 45%.

(2) That for the tax year 2018-19 the savings rates of income tax are as follows—

- (a) the basic rate is 20%;
- (b) the higher rate is 40%;
- (c) the additional rate is 45%.

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.

5. INCOME TAX (STARTING RATE LIMIT FOR SAVINGS)

Resolved,

That section 21 of the Income Tax Act 2007 (indexation) does not apply in relation to the starting rate limit for savings for the tax year 2018-19 (so that, under section 12(3) of the Income Tax Act 2007 as amended by section 4 of the Finance Act 2017, that limit remains at £5000 for that tax year).

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.

6. TRANSFERABLE TAX ALLOWANCE

Resolved,

That—

(1) Chapter 3A of Part 3 of the Income Tax Act 2007 (transferable tax allowance) is amended as follows.

(2) Section 55B (tax reduction: entitlement) is amended in accordance with paragraphs (3) to (5).

(3) In subsection (2) (conditions for entitlement to tax reduction)—

(a) for paragraph (a) (individual is spouse or civil partner of maker of election in force under section 55C) substitute—

“(a) the individual is the gaining party (see section 55C(l)(a)) in the case of an election under section 55C which is in force for the tax year,” and

(b) in paragraph (d), for “individual’s” substitute “relinquishing”.

(4) After subsection (5) insert—

“(5A) In this section “the relinquishing spouse or civil partner”, in relation to an election under section 55C, means the individual mentioned in section 55C(l)(a) by whom, or by whose personal representatives, the election is made.”

(5) In subsection (6) (reduced personal allowance for transferor)—

(a) after “under subsection (1)” insert “by reference to an election under section 55C”, and

(b) for “individual’s” substitute “relinquishing”.

(6) Section 55C (elections to reduce personal allowance) is amended in accordance with paragraphs (7) and (8).

(7) In subsection (l)(a) (individual may make election if married or in civil partnership)—

(a) after “the same person” insert “(“the gaining party””, and

(b) in sub-paragraph (ii), after “when the election is made” insert “or, where the election is made after the death of one or each of them, when they were last both living”.

(8) After subsection (4) insert—

“(5) The personal representatives of an individual may make any election for the purposes of section 55B that the individual (if living) might make in relation to—

- (a) the tax year in which the individual dies, or
- (b) an earlier tax year.”

(9) Section 55D (procedure for elections under section 55C) is amended in accordance with paragraphs (10) and (11).

(10) In subsection (3) (elections which are not automatically continued in force for subsequent years), after “is made after the end of the tax year to which it relates” insert “or is made after the death of either of the spouses or civil partners”.

(11) In subsection (4) (election may be withdrawn only by individual who made it), after “by whom the election was made” insert an election made by an individual’s personal representatives may not be withdrawn”.

(12) The amendments made by this Resolution—

- (a) come into force on 29 November 2017,
- (b) have effect in relation to elections made on or after that day, and
- (c) so have effect even where a relevant death occurred before that day.

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.

7. DEDUCTION FOR SEAFARERS’ EARNINGS FOR DUTIES PERFORMED OUTSIDE UK

Resolved,

That provision may be made in connection with the application of Chapter 6 of Part 5 of the Income Tax (Earnings and Pensions) Act 2003 in relation to employment in the Royal Fleet Auxiliary Service.

8. EXEMPTION FOR ARMED FORCES' ACCOMMODATION ALLOWANCES

Resolved,

That provision may be made exempting, from income tax, amounts paid as accommodation allowances to, or in respect of, members of the armed forces of the Crown.

9. BENEFITS IN KIND: CARS

Resolved,

That provision (including provision having retrospective effect) may be made amending Chapter 6 of Part 3 of the Income Tax (Earnings and Pensions) Act 2003.

10. FOREIGN-SERVICE RELIEF FOR BENEFITS ON TERMINATION OF EMPLOYMENT

Resolved,

That provision may be made amending Chapter 3 of Part 6 of the Income Tax (Earnings and Pensions) Act 2003 in connection with restricting, in relation to payments and other benefits received in connection with the termination of a person's employment, relief given by that Chapter by reference to service within the definition of "foreign service" given by section 413(2) of that Act.

11. EMPLOYMENT INCOME PROVIDED THROUGH THIRD PARTIES

Resolved,

That provision may be made in connection with—

- (a) the application and operation of Chapter 2 of Part 7 A of the Income Tax (Earnings and Pensions) Act 2003, and
- (b) the operation of Part 11 of that Act in connection with Schedule 11 to the Finance (No. 2) Act 2017

12. DISGUISED REMUNERATION SCHEMES (EARNINGS CHARGED TO TAX)

Resolved,

That—

(1) In section 554A of the Income Tax (Earnings and Pensions) Act 2003 (employment income provided through third parties: application of Chapter 2 of Part 7A), after subsection (5) insert—

“(5A) Subsections (5B) and (5C) apply where—

- (a) a payment to a person other than A, or to A as a trustee, is of earnings from A's employment with B, and
- (b) the earnings are, in whole or part, charged to tax under the employment income Parts otherwise than by virtue of this Part,

and for this purpose it does not matter whether all or some only or none of the tax is paid (but see sections 554Z5 and 554Z11B).

(5B) For the purposes of subsection (5C), an arrangement is a “redirected- earnings arrangement” if it (wholly or partly) covers or relates to redirected earnings; and for the purposes of this subsection and subsection (5C) “redirected earnings” means—

- (a) the payment mentioned in subsection (5A)(a), or
- (b) any sum or other property which (directly or indirectly)—
 - (i) represents, or
 - (ii) is derived from,

that payment.

(5C) The circumstances mentioned in subsection (5A)—

- (a) do not prevent a redirected-earnings arrangement being within subsection (1)(b), and

- (b) do not prevent rewards or recognition or loans being in connection with A's employment with B for the purposes of subsection (1)(c) where there is use of redirected earnings for the provision of the whole, or part, of the rewards or recognition or loans.”

(2) The amendment made by paragraph (1)—

- (a) come into force on 29 November 2017,
- (b) has effect for the purposes of the operation of Part 7 A of the Income Tax (Earnings and Pensions) Act 2003 in relation to relevant steps taken on or after 22 November 2017, and
- (c) so has effect in the case of payments within the new subsection (5A)(a) whenever made (including ones made before 6 April 2011).

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.

13. TRADING INCOME PROVIDED THROUGH THIRD PARTIES

Resolved,

That provision may be made about information for the purposes of the operation of Schedule 12 to the Finance (No. 2) Act 2017.

14. PENSIONS

Resolved,

That provision (including provision having retrospective effect) may be made about the application of Part 4 of the Finance Act 2004 in relation to—

- (a) pension schemes that are Master Trust schemes,
- (b) pension schemes established under section 67 of the Pensions Act 2008,
- (c) pension schemes that have a dormant sponsoring employer, and
- (d) pension schemes treated as registered by virtue of paragraph 1(1) of Schedule 36 to the Finance Act 2004.

15. EIS, SEIS, SI AND VCT RELIEFS

Resolved,

That provision may be made about reliefs under Parts 5, 5A, 5B and 6 of the Income Tax Act 2007, including—

- (a) provision having retrospective effect, and
- (b) (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision taking effect in a future year.

16. PARTNERSHIPS

Resolved,

That the following provision relating to partnerships may be made—

- (a) provision as to how tax legislation applies where a partner is a bare trustee;
- (b) provision for determining the income tax liability of indirect partners;
- (c) provision about income tax returns for partnerships.

17. RESEARCH AND DEVELOPMENT EXPENDITURE CREDITS

Resolved,

That provision may be made amending section 104M(3) of the Corporation Tax Act 2009.

18. INTANGIBLE FIXED ASSETS

Resolved,

That provision may be made amending Part 8 of the Corporation Tax Act 2009.

19. CORPORATION TAX TREATMENT OF OIL ACTIVITIES: TARIFF RECEIPTS ETC

Resolved,

That provision may be made about the meaning of “tariff receipt” for the purposes of Part 8 of the Corporation Tax Act 2010.

20. HYBRID AND OTHER MISMATCHES

Resolved,

That provision (including provision having retrospective effect) may be made amending Part 6A of the Taxation (International and Other Provisions) Act 2010.

21. CORPORATE INTEREST RESTRICTION

Resolved,

That provision (including provision having retrospective effect) may be made relating to Part 10 of the Taxation (International and Other Provisions) Act 2010.

22. CORPORATION TAX: EDUCATION AUTHORITY OF NORTHERN IRELAND

Resolved,

That provision (including provision having retrospective effect) may be made relieving the Education Authority of Northern Ireland of liability to corporation tax.

23. CHARGEABLE GAINS (INDEXATION ALLOWANCE)

Resolved,

That provision may be made restricting indexation allowance for gains chargeable to corporation tax.

24. CHARGEABLE GAINS (TRANSFER OF ASSETS TO NON-RESIDENT COMPANY)

Resolved,

That provision may be made amending section 140 of the Taxation of Chargeable Gains Act 1992.

25. CHARGEABLE GAINS (DEPRECIATORY TRANSACTIONS)

Resolved,

That provision may be made amending section 176 of the Taxation of Chargeable Gains Act 1992.

26. FIRST-YEAR TAX CREDITS

Resolved,

That (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision may be made about first-year tax credits paid in connection with relevant first-year expenditure under the Capital Allowances Act 2001.

27. DOUBLE TAXATION RELIEF

Resolved,

That the following provision relating to double taxation relief may be made—

- (a) provision in relation to counteraction notices given under Part 2 of the Taxation (International and Other Provisions) Act 2010;
- (b) provision restricting credit relief under that Part, or deductions for foreign tax paid, by reference to amounts attributable to an overseas permanent establishment of a company that are used to reduce a foreign tax;
- (c) provision (including provision having retrospective effect) to secure that the double taxation arrangements to which effect may be given by Order in Council include arrangements modifying the effect of earlier such arrangements and arrangements conferring functions on public authorities within or outside the United Kingdom.

28. BANK LEVY

Question put,

That provision may be made amending Schedule 19 to the Finance Act 2011, including (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision taking effect in a future year.

The House divided: Ayes 316, Noes 293.

Division No. 49]

[7.1 pm

AYES

Adams, Nigel	Chalk, Alex
Afolami, Bim	Chishti, Rehman
Afriyie, Adam	Chope, Mr Christopher
Aldous, Peter	Churchill, Jo
Allan, Lucy	Clark, Colin
Allen, Heidi	Clarke, rh Mr Kenneth
Amess, Sir David	Clarke, Mr Simon
Argar, Edward	Cleverly, James
Atkins, Victoria	Clifton-Brown, Geoffrey
Bacon, Mr Richard	Coffey, Dr Thérèse
Badenoch, Mrs Kemi	Collins, Damian
Baker, Mr Steve	Costa, Alberto
Baldwin, Harriett	Courts, Robert
Barclay, Stephen	Cox, Mr Geoffrey
Baron, Mr John	Crabb, rh Stephen
Bebb, Guto	Crouch, Tracey
Bellingham, Sir Henry	Davies, Chris
Benyon, rh Richard	Davies, David T. C.
Beresford, Sir Paul	Davies, Glyn
Berry, Jake	Davies, Mims
Blackman, Bob	Davies, Philip
Blunt, Crispin	Davis, rh Mr David
Boles, Nick	Dinenage, Caroline
Bone, Mr Peter	Djanogly, Mr Jonathan
Bottomley, Sir Peter	Docherty, Leo
Bowie, Andrew	Dodds, rh Nigel
Bradley, Ben	Donaldson, rh Sir Jeffrey M.
Bradley, rh Karen	Donelan, Michelle
Brady, Mr Graham	Dorries, Ms Nadine
Brereton, Jack	Double, Steve
Bridgen, Andrew	Dowden, Oliver
Brine, Steve	Doyle-Price, Jackie
Brokenshire, rh James	Drax, Richard
Bruce, Fiona	Duddridge, James
Buckland, Robert	Duguid, David
Burghart, Alex	Duncan, rh Sir Alan
Burns, Conor	Duncan Smith, rh Mr Iain
Burt, rh Alistair	Dunne, Mr Philip
Cairns, rh Alun	Ellis, Michael
Campbell, Mr Gregory	Ellwood, rh Mr Tobias
Cartledge, James	Elphicke, Charlie
Cash, Sir William	Eustice, George
Caulfield, Maria	Evans, Mr Nigel

Evennett, rh David
 Fabricant, Michael
 Fallon, rh Sir Michael
 Fernandes, Suella
 Field, rh Mark
 Ford, Vicky
 Foster, Kevin
 Francois, rh Mr Mark
 Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fysh, Mr Marcus
 Garnier, Mark
 Gauke, rh Mr David
 Ghani, Ms Nusrat
 Gibb, rh Nick
 Gillan, rh Mrs Cheryl
 Girvan, Paul
 Glen, John
 Goldsmith, Zac
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Luke
 Graham, Richard
 Grant, Bill
 Grant, Mrs Helen
 Gray, James
 Green, Chris
 Green, rh Damian
 Greening, rh Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gyimah, Mr Sam
 Hair, Kirstene
 Halfon, rh Robert
 Hall, Luke
 Hammond, rh Mr Philip
 Hammond, Stephen
 Hancock, rh Matt
 Hands, rh Greg
 Harper, rh Mr Mark
 Harrington, Richard
 Harris, Rebecca
 Harrison, Trudy
 Hart, Simon
 Hayes, rh Mr John
 Heald, rh Sir Oliver
 Heapey, James
 Heaton-Harris, Chris
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hermon, Lady
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Adam
 Howell, John
 Huddleston, Nigel
 Hughes, Eddie
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 Jack, Mr Alister
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenrick, Robert
 Johnson, rh Boris
 Johnson, Dr Caroline

Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Keegan, Gillian
 Kennedy, Seema
 Kerr, Stephen
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lamont, John
 Lancaster, Mark
 Latham, Mrs Pauline
 Leadsom, rh Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Letwin, rh Sir Oliver
 Lewer, Andrew
 Lewis, rh Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Little Pengelly, Emma
 Lopez, Julia
 Lopresti, Jack
 Lord, Mr Jonathan
 Loughton, Tim
 Mackinlay, Craig
 Maclean, Rachel
 Main, Mrs Anne
 Mak, Alan
 Malthouse, Kit
 Mann, Scott
 Masterton, Paul
 Maynard, Paul
 McLoughlin, rh Sir Patrick
 McPartland, Stephen
 McVey, rh Ms Esther
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Moore, Damien
 Mordaunt, Penny
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Newton, Sarah
 Nokes, Caroline
 Norman, Jesse
 O'Brien, Neil
 Offord, Dr Matthew
 Opperman, Guy
 Paisley, Ian
 Parish, Neil
 Patel, rh Priti
 Paterson, rh Mr Owen
 Pawsey, Mark

Penning, rh Sir Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Philp, Chris
 Pincher, Christopher
 Pow, Rebecca
 Prentis, Victoria
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Dominic
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 Robinson, Gavin
 Robinson, Mary
 Rosindell, Andrew
 Ross, Douglas
 Rowley, Lee
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 Seely, Mr Bob
 Selous, Andrew
 Shannon, Jim
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, David
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, rh Julian
 Smith, Royston
 Soubry, rh Anna
 Spelman, rh Dame Caroline
 Spencer, Mark
 Stevenson, John
 Stewart, Bob
 Stewart, Iain

Streeter, Mr Gary
 Stride, rh Mel
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swayne, rh Sir Desmond
 Swire, rh Sir Hugo
 Syms, Sir Robert
 Thomas, Derek
 Thomson, Ross
 Throup, Maggie
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Vaizey, rh Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, rh Mr Ben
 Warburton, David
 Warman, Matt
 Watling, Giles
 Whately, Helen
 Wheeler, Mrs Heather
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williamson, rh Gavin
 Wilson, Sammy
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, Mr William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Ayes:
 Andrew Stephenson and
 Stuart Andrew

NOES

Abbott, rh Ms Diane
 Abrahams, Debbie
 Alexander, Heidi
 Ali, Rushanara
 Allin-Khan, Dr Rosena
 Amesbury, Mike
 Antoniazzi, Tonia
 Ashworth, Jonathan
 Austin, Ian
 Bailey, Mr Adrian
 Bardell, Hannah
 Barron, rh Sir Kevin
 Beckett, rh Margaret
 Benn, rh Hilary
 Betts, Mr Clive
 Black, Mhairi
 Blackford, rh Ian
 Blackman, Kirsty
 Blackman-Woods, Dr Roberta
 Blomfield, Paul
 Brabin, Tracy
 Bradshaw, rh Mr Ben
 Brake, rh Tom
 Brennan, Kevin
 Brock, Deidre
 Brown, Alan
 Brown, Lyn
 Brown, rh Mr Nicholas
 Bryant, Chris
 Buck, Ms Karen
 Burgon, Richard
 Butler, Dawn
 Byrne, rh Liam
 Cable, rh Sir Vince
 Cadbury, Ruth
 Cameron, Dr Lisa
 Campbell, rh Mr Alan
 Campbell, Mr Ronnie
 Carden, Dan
 Chapman, Douglas
 Chapman, Jenny
 Charalambous, Bambos
 Cherry, Joanna
 Coaker, Vernon
 Cooper, Julie
 Cooper, Rosie
 Cooper, rh Yvette
 Corbyn, rh Jeremy

Cowan, Ronnie
 Coyle, Neil
 Crausby, Sir David
 Crawley, Angela
 Creagh, Mary
 Creasy, Stella
 Cruddas, Jon
 Cryer, John
 Cummins, Judith
 Cunningham, Alex
 Cunningham, Mr Jim
 Dakin, Nic
 Davey, rh Sir Edward
 David, Wayne
 Davies, Geraint
 Day, Martyn
 De Cordova, Marsha
 De Piero, Gloria
 Debonnaire, Thangam
 Dent Coad, Emma
 Dhesi, Mr Tanmanjeet Singh
 Docherty-Hughes, Martin
 Dodds, Anneliese
 Doughty, Stephen
 Dowd, Peter
 Drew, Dr David
 Dromey, Jack
 Duffield, Rosie
 Eagle, Ms Angela
 Eagle, Maria
 Edwards, Jonathan
 Efford, Clive
 Elliott, Julie
 Ellman, Mrs Louise
 Elmore, Chris
 Esterson, Bill
 Evans, Chris
 Farrelly, Paul
 Field, rh Frank
 Fitzpatrick, Jim
 Fletcher, Colleen
 Flint, rh Caroline
 Flynn, Paul
 Fovargue, Yvonne
 Frith, James
 Gaffney, Hugh
 Gapes, Mike
 Gardiner, Barry
 George, Ruth
 Gethins, Stephen
 Gibson, Patricia
 Gill, Preet Kaur
 Gilindon, Mary
 Godsiff, Mr Roger
 Goodman, Helen
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Green, Kate
 Greenwood, Lilian
 Greenwood, Margaret
 Griffith, Nia
 Grogan, John
 Gwynne, Andrew
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh David
 Hardy, Emma
 Harman, rh Ms Harriet
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue

Healey, rh John
 Hendrick, Mr Mark
 Hendry, Drew
 Hepburn, Mr Stephen
 Hill, Mike
 Hillier, Meg
 Hobhouse, Wera
 Hodgson, Mrs Sharon
 Hoey, Kate
 Hollern, Kate
 Hopkins, Kelvin
 Hosie, Stewart
 Howarth, rh Mr George
 Huq, Dr Rupa
 Hussain, Imran
 Jardine, Christine
 Jarvis, Dan
 Johnson, Diana
 Jones, Darren
 Jones, Gerald
 Jones, Graham P.
 Jones, Helen
 Jones, Mr Kevan
 Jones, Sarah
 Jones, Susan Elan
 Kane, Mike
 Kendall, Liz
 Khan, Afzal
 Killen, Gerard
 Kinnock, Stephen
 Kyle, Peter
 Laird, Lesley
 Lake, Ben
 Lamb, rh Norman
 Lammy, rh Mr David
 Lavery, Ian
 Law, Chris
 Lee, Ms Karen
 Leslie, Mr Chris
 Lewell-Buck, Mrs Emma
 Lewis, Clive
 Linden, David
 Lloyd, Stephen
 Lloyd, Tony
 Long Bailey, Rebecca
 Lucas, Caroline
 Lucas, Ian C.
 Lynch, Holly
 MacNeil, Angus Brendan
 Madders, Justin
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marsden, Gordon
 Martin, Sandy
 Maskell, Rachael
 Matheson, Christian
 Mc Nally, John
 McCabe, Steve
 McCarthy, Kerry
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart Malcolm
 McDonald, Stuart C.
 McDonnell, rh John
 McFadden, rh Mr Pat
 McGinn, Conor
 McGovern, Alison
 McInnes, Liz
 McKinnell, Catherine
 McMahan, Jim

McMorris, Anna
 Mearns, Ian
 Miliband, rh Edward
 Monaghan, Carol
 Moon, Mrs Madeleine
 Moran, Layla
 Morgan, Stephen
 Morris, Grahame
 Murray, Ian
 Nandy, Lisa
 Newlands, Gavin
 Norris, Alex
 O'Hara, Brendan
 Onasanya, Fiona
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Peacock, Stephanie
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Phillipson, Bridget
 Pidcock, Laura
 Platt, Jo
 Pollard, Luke
 Pound, Stephen
 Powell, Lucy
 Qureshi, Yasmin
 Rashid, Faisal
 Rayner, Angela
 Reed, Mr Steve
 Rees, Christina
 Reeves, Ellie
 Reeves, Rachel
 Reynolds, Jonathan
 Rimmer, Ms Marie
 Robinson, Mr Geoffrey
 Rodda, Matt
 Rowley, Danielle
 Ruane, Chris
 Russell-Moyle, Lloyd
 Ryan, rh Joan
 Saville Roberts, Liz
 Shah, Naz
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Shuker, Mr Gavin
 Siddiq, Tulip
 Skinner, Mr Dennis
 Slaughter, Andy

Smeeth, Ruth
 Smith, Angela
 Smith, Cat
 Smith, Eleanor
 Smith, Jeff
 Smith, Laura
 Smith, Nick
 Smith, Owen
 Smyth, Karin
 Snell, Gareth
 Sobel, Alex
 Spellar, rh John
 Starmer, rh Keir
 Stephens, Chris
 Stevens, Jo
 Stone, Jamie
 Streeting, Wes
 Stringer, Graham
 Sweeney, Mr Paul
 Swinson, Jo
 Tami, Mark
 Thewliss, Alison
 Thomas, Gareth
 Thomas-Symonds, Nick
 Thornberry, rh Emily
 Timms, rh Stephen
 Trickett, Jon
 Turner, Karl
 Twigg, Derek
 Twigg, Stephen
 Twist, Liz
 Umunna, Chuka
 Vaz, Valerie
 Walker, Thelma
 Watson, Tom
 West, Catherine
 Western, Matt
 Whitehead, Dr Alan
 Whitfield, Martin
 Whitford, Dr Philippa
 Williams, Hywel
 Williams, Dr Paul
 Williamson, Chris
 Wilson, Phil
 Wishart, Pete
 Woodcock, John
 Yasin, Mohammad
 Zeichner, Daniel

Tellers for the Noes:
 Jessica Morden and
 Vicky Foxcroft

Question accordingly agreed to.

29. DEBT TRADED ON A MULTILATERAL TRADING FACILITY

Resolved,

That provision may be made about the treatment of securities traded on a multilateral trading facility operated by an EEA-regulated recognised stock exchange.

30. SETTLEMENTS: ANTI-AVOIDANCE ETC

Resolved,

That provision may be made—

(a) amending Chapter 2 of Part 3 of the Taxation of Chargeable Gains Act 1992 in connection with capital payments received from a settlement,

(b) amending Chapter 5 of Part 5 of the Income Tax (Trading and Other Income) Act 2005 in connection with—

- (i) benefits received from a settlement that are referable to protected foreign-source income (see sections 628A and 628B of that Act), and
- (ii) capital sums received from a settlement by the settlor, and

(c) amending Chapter 2 of Part 13 of the Income Tax Act 2007 in connection with—

- (i) amounts referable to income that is protected income for the purposes of section 733A(l)(b)(i) of that Act, and
- (ii) benefits referable to such amounts.

31. DEDUCTIONS IN RESPECT OF EXPENDITURE ON VEHICLES

Resolved,

That provision (including provision having retrospective effect) may be made about deductions in respect of expenditure on vehicles when calculating profits for the purposes of income tax.

32. CARRIED INTEREST

Resolved,

That provision (including provision having retrospective effect) may be made about the sums in relation to which sections 43 and 45 of the Finance (No. 2) Act 2015 apply.

33. VALUE ADDED TAX (OPERATORS OF ONLINE MARKETPLACES)

Resolved,

That provision may be made—

- (a) about joint and several liability for value added tax of operators of online marketplaces;
- (b) imposing requirements on operators of online marketplaces in relation to value added tax registration numbers.

34. VAT REFUNDS

Resolved,

That provision may be made about refunds of value added tax to—

(a) combined authorities established under section 103(1) of the Local Democracy, Economic Development and Construction Act 2009,

- (b) fire and rescue authorities, and
- (c) police authorities,

in relation to supplies made, and acquisitions and importations taking place, on or after the day on which the Bill containing provision authorised by this Resolution is enacted.

35. STAMP DUTY LAND TAX (HIGHER RATES FOR ADDITIONAL DWELLINGS)

Resolved,

That—

(1) Schedule 4ZA to the Finance Act 2003 (stamp duty land tax: higher rates for additional dwellings and dwellings purchased by companies) is amended as follows.

Previous residence required to be disposed of entirely

(2) Paragraph 3 (single dwelling transactions: purchaser is an individual) is amended as follows.

- (3) In sub-paragraph (6)—
 - (a) after paragraph (b) insert—

“(ba) immediately after the effective date of the previous transaction, neither the purchaser nor the purchaser’s spouse or civil partner had a major interest in the sold dwelling,” and

(b) in paragraph (c) for “that period of three years” substitute “the period of three years referred to in paragraph (b)”.

(4) After sub-paragraph (6) insert—

“(6A) Sub-paragraph (6)(ba) does not apply in relation to a spouse or civil partner of the purchaser if the two of them were not living together (see paragraph 9(3)) on the effective date of the transaction concerned.”

(5) In sub-paragraph (7) after paragraph (b) (but before “and”) insert—

“(ba) immediately after the effective date of that other land transaction, neither the purchaser nor the purchaser’s spouse or civil partner has a major interest in the sold dwelling.”.

(6) After sub-paragraph (7) insert—

“(8) Sub-paragraph (7)(ba) does not apply in relation to a spouse or civil partner of the purchaser if the two of them are not living together (see paragraph 9(3)) on the effective date of that other land transaction.”

Exception where purchaser has prior interest in purchased dwelling

(7) After paragraph 7 insert—

“*Exception where purchaser has prior interest in purchased dwelling*

(7A) (1) A chargeable transaction which would (but for this paragraph) fall within paragraph 3 or paragraph 6 does not fall within that paragraph if—

- (a) the purchaser had a major interest (“the prior interest”) in the relevant purchased dwelling immediately before the effective date of the transaction, and
- (b) the relevant purchased dwelling had been the purchaser’s only or main residence throughout the period of three years ending with the effective date of the transaction.

(2) Sub-paragraph (1) does not apply if—

- (a) the prior interest is a term of years absolute or a leasehold estate, and
- (b) immediately before the effective date of the transaction, the remaining term of the prior interest is less than 21 years.

(3) Sub-paragraph (1) does not apply if immediately before the effective date of the transaction—

- (a) the purchaser is beneficially entitled as a joint tenant to the prior interest, and
- (b) there are more than three other joint tenants.

(4) Sub-paragraph (1) does not apply if immediately before the effective date of the transaction the purchaser is beneficially entitled as a tenant in common or coparcener to less than a quarter of the prior interest.

(5) In this paragraph “relevant purchased dwelling” means—

- (a) the purchased dwelling mentioned in paragraph 3(l)(b), or (as the case may be)
- (b) the purchased dwelling which meets the conditions mentioned in paragraph 6(l)(c).”

Exception where spouses and civil partners purchasing from one another

(8) After paragraph 9 insert—

“*Spouses and civil partners purchasing from one another*

9A (1) A chargeable transaction is not a higher rates transaction for the purposes of paragraph 1 if—

- (a) there is only one purchaser,
- (b) there is only one vendor, and
- (c) on the effective date of the transaction the two of them are—
 - (i) married to, or civil partners of, each other, and
 - (ii) living together (see paragraph 9(3)).

- (2) Where—
- there are two purchasers in relation to a chargeable transaction, and
 - one of them (“P”) is also the vendor in relation to the transaction,

P is to be treated for the purposes of sub-paragraph (1) as not being a purchaser.

- (3) Where—
- there are two vendors in relation to a chargeable transaction, and
 - one of them (“V”) is also the purchaser in relation to the transaction,

V is to be treated for the purposes of sub-paragraph (1) as not being a vendor.”

Property adjustment on divorce, dissolution of civil partnership etc

(9) After paragraph 9A (as inserted by paragraph (8) of this Resolution) insert—

“*Property adjustment on divorce, dissolution of civil partnership etc*

9B (1) This paragraph applies where—

- a person (“A”) has a major interest in a dwelling,
 - a property adjustment order has been made in respect of the interest for the benefit of another person (“B”), and
 - the dwelling—
 - is B’s only or main residence, and
 - is not A’s only or main residence.
- (2) A is to be treated for the purposes of this Schedule as not having the interest in the dwelling.

(3) “Property adjustment order” means—

- an order under section 24(1)(b) of the Matrimonial Causes Act 1973 (property adjustment orders in connection with matrimonial proceedings),
- an order under section 17(1)(a)(ii) of the Matrimonial and Family Proceedings Act 1984 (property adjustment orders after overseas divorce) corresponding to such an order as is mentioned in paragraph (a),
- an order under Article 26(1) (b) of the Matrimonial Causes (Northern Ireland) Order 1978 (property adjustment orders in connection with divorce proceedings etc),
- an order under Article 21(a)(ii) of the Matrimonial and Family Proceedings (Northern Ireland) Order 1989 (property adjustment orders after overseas divorce) corresponding to such an order as is mentioned in paragraph (c),
- an order under paragraph 7(1)(b) of Schedule 5 or paragraph 7(1)(b) of Schedule 15 to the Civil Partnership Act 2004 (property adjustment orders in connection with dissolution etc of civil partnership), or
- an order under paragraph 9 of Schedule 7 or paragraph 9 of Schedule 17 to the Civil Partnership Act 2004 (property adjustment orders in connection with overseas dissolution etc of civil partnership) corresponding to such an order as is mentioned in paragraph (e).”

Purchase etc by person appointed under Mental Capacity Act 2005 to make decisions for a child

(10) In paragraph 12 (settlements and bare trusts with beneficiaries who are children) after sub-paragraph (1) insert—

- “(1A) But this paragraph does not apply if the trustee (or any of the trustees) of the settlement or bare trust concerned—
- was the purchaser in relation to the land transaction,
 - holds the interest in the dwelling, or
 - disposed of the interest in the dwelling,

in the exercise of powers conferred on the trustee by reason of a relevant court appointment made in respect of the child concerned.

(1B) In sub-paragraph (1A) “relevant court appointment” means—

- an appointment under section 16 of the Mental Capacity Act 2005,
- an appointment under section 113 of the Mental Capacity Act (Northern Ireland) 2016, or
- an equivalent appointment under the law of a country or territory outside England, Wales and Northern Ireland.”

(11) In paragraph 17 (dwellings outside England, Wales and Northern Ireland) after sub-paragraph (5) insert—

“(5A) Sub-paragraph (4) does not apply if the interest in the dwelling was acquired in the child’s name or on the child’s behalf by a person acting in exercise of powers conferred on that person by reason of a relevant court appointment made in respect of the child.

(5B) In sub-paragraph (5A) “relevant court appointment” has the meaning given by paragraph 12(1B)”

Minor and consequential amendments

(12) In paragraph 2, after sub-paragraph (3) insert—

“(3A) Sub-paragraphs (2) and (3) are subject to paragraph 9A (spouses and civil partners purchasing from one another).”

(13) In paragraph 3—

(a) after sub-paragraph (1) insert—

(1A) But sub-paragraph (1) is subject to paragraph 7A.”, and

(b) in sub-paragraph (7), in the opening words, for “may become” substitute “is also”.

(14) In paragraph 6—

(a) after sub-paragraph (1) insert—

“(1A) But sub-paragraph (1) is subject to paragraph 7A.”, and

(b) in sub-paragraph (3) for “and (7)” substitute “to (8)”.

(15) In paragraph 8—

(a) in sub-paragraph (1) for “ceases to be” substitute “is not”,

(b) in sub-paragraph (2) for “was” substitute “is”,

(c) in sub-paragraph (3) for “its ceasing to be a higher rates transaction” substitute “the application of paragraph 3(7)”, and

(d) in sub-paragraph (4) for “its ceasing to be a higher rates transaction” substitute “the application of paragraph 3(7)”.

(16) In paragraph 9(3) for “paragraph” substitute “Schedule”.

(17) In paragraph 12—

(a) in sub-paragraph (2)(a) after “any” insert “relevant”,

(b) for sub-paragraph (3) substitute—

“(3) For the purposes of sub-paragraph (2) a spouse or civil partner of P is “relevant” if the spouse or civil partner—

(a) is not a parent of the child, and

(b) is living together with P (see paragraph 9(3)).”, and

(c) omit sub-paragraph (4).

(18) In the italic heading before paragraph 17 omit “, Wales”.

(19) In paragraph 17, in sub-paragraph (1) omit “, Wales”.

(20) In paragraph 17, after sub-paragraph (1) insert—

“(1A) In the application of those provisions in relation to a dwelling situated in Wales—

- references to a “major interest” in the dwelling are to an interest in the dwelling of a kind mentioned in section 117(2),

- (b) references to a “land transaction” in relation to the dwelling are to the acquisition of an interest in the dwelling, and
- (c) references to the “effective date” of a land transaction in relation to the dwelling are to the date on which the interest in the dwelling is acquired.”
- (21) In paragraph 17, in sub-paragraph (3)—
- (a) in the words before paragraph (a) after “(1)” insert”, (1A)”,
- (b) in paragraph (a)—
- (i) after “(6)(b)” insert”, (ba)”, and
- (ii) after “(7)(b)” insert”, (ba)”, and
- (c) after paragraph (b) insert—
- “(ba) paragraph 9B.”
- (22) In paragraph 17, in sub-paragraph (4)—
- (a) omit”, Wales”, and
- (b) after “any” insert “relevant”.
- (23) In paragraph 17, for sub-paragraph (5) substitute—
- “(5) For the purposes of sub-paragraph (4) a spouse or civil partner of P is “relevant” if the spouse or civil partner—
- (a) is not a parent of the child, and
- (b) is living together with P (see paragraph 9(3)).”
- (24) In paragraph 17, omit sub-paragraph (6).
- (25) In section 128(9)(b) of the Finance Act 2016 for ““during that period of three years”” substitute “the words from “during” to “paragraph (b)””.

Commencement

(26) The amendments made by this Resolution (other than those made by paragraphs (18), (19), (20), (21)(a) and (22)(a)) have effect in relation to any land transaction of which the effective date is, or is after, 22 November 2017.

(27) But the amendments made by paragraphs (2) to (6) do not have effect in relation to a transaction—

- (a) effected in pursuance of a contract entered into and substantially performed before 22 November 2017, or
- (b) effected in pursuance of a contract entered into before that date and not excluded by paragraph (28).

(28) A transaction effected in pursuance of a contract entered into before 22 November 2017 is excluded by this paragraph if—

- (a) there is any variation of the contract, or assignment of rights under the contract, on or after 22 November 2017,
- (b) the transaction is effected in consequence of the exercise on or after that date of any option, right of pre-emption or similar right, or
- (c) on or after that date there is an assignment, subsale or other transaction relating to the whole or part of the subject-matter of the contract as a result of which a person other than the purchaser under the contract becomes entitled to call for a conveyance.

(29) The amendments made by paragraphs (18), (19), (20), (21)(a) and (22)(a) have effect in relation to any land transaction in relation to which the amendment made by section 16(2) of the Wales Act 2014 (disapplication of UK stamp duty land tax) has effect.

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.

36. STAMP DUTY LAND TAX (RELIEF FOR FIRST-TIME BUYERS)

Resolved,

That—

(1) Part 4 of the Finance Act 2003 (stamp duty land tax) is amended as follows.

(2) After section 57A insert—

“57B First-time buyers

- (1) Schedule 6ZA provides relief for first-time buyers.
- (2) Any relief under that Schedule must be claimed in a land transaction return or an amendment of such a return.”
- (3) After Schedule 6 insert—

“SCHEDULE 6ZA

RELIEF FOR FIRST-TIME BUYERS

Part 1

ELIGIBILITY FOR RELIEF

Eligibility for relief

1 (1) Relief may be claimed for a chargeable transaction if the following conditions are met (but this is subject to sub-paragraph (7)).

(2) The first condition is that the main subject-matter of the transaction consists of a major interest in a single dwelling (“the purchased dwelling”).

(3) The second condition is that the relevant consideration for the transaction (other than any consisting of rent) is not more than £500,000.

(4) The third condition is that the purchaser, or (if more than one) each of the purchasers, is a first-time buyer who intends to occupy the purchased dwelling as the purchaser’s only or main residence.

(5) The fourth condition is that—

- (a) the transaction is not linked to another land transaction, or
- (b) the transaction is linked only to land transactions that are within sub-paragraph (6).

(6) A land transaction is within this sub-paragraph if the main subject-matter of the transaction consists of—

- (a) an interest in land that is or forms part of the garden or grounds of the purchased dwelling, or
- (b) an interest in or right over land that subsists for the benefit of—

- (i) the purchased dwelling, or
- (ii) land that is or forms part of the garden or grounds of the purchased dwelling.

(7) Relief may not be claimed under this paragraph for a chargeable transaction if it is a higher rates transaction for the purposes of paragraph 1 of Schedule 4ZA.

Eligibility for relief: linked transactions within paragraph 1(6)

2 (1) Where a land transaction (“the main transaction”) is eligible for relief under paragraph 1 (or would be if it were a chargeable transaction), relief may also be claimed for any chargeable transaction that is linked to the main transaction.

(2) But relief may not be claimed under this paragraph for a chargeable transaction if the purchaser, or (if more than one) any of the purchasers in relation to the transaction is not a purchaser in relation to the main transaction.

Eligibility for relief: alternative finance arrangements

3 (1) This paragraph applies in relation to a land transaction which is the first transaction under an alternative finance arrangement entered into between a person and a financial institution.

(2) The person (rather than the institution) is to be treated as the purchaser in relation to the transaction for the purposes of paragraphs 1(4) and 2(2).

(3) In this paragraph—

“alternative finance arrangement” means an arrangement of a kind mentioned in section 71A(1) or 73(1),

“financial institution” has the meaning it has in those sections (see section 73BA), and

“first transaction”, in relation to an alternative finance arrangement, has the meaning given by section 71A(1)(a) or (as the case may be) section 73(1)(a)(i).

Part 2

THE RELIEF

The relief

4 If relief is claimed under paragraph 1 or 2 for a chargeable transaction, the amount of tax chargeable in respect of the transaction is to be determined as if in section 55(1B) (amount of tax chargeable: general) for Table A there were substituted—

“Table A: Residential

<i>Relevant consideration</i>	<i>Percentage</i>
So much as does not exceed £300,000	0%
Any remainder (so far as not exceeding £500,000)	5%

Withdrawal of relief

5 (1) This paragraph applies if—

(a) relief is claimed under paragraph 1 or 2 for a chargeable transaction (“the first transaction”), and

(b) the effect of another land transaction (“the later transaction”) that is linked to the first transaction is that the first transaction ceases to be a transaction for which relief may be claimed under that paragraph.

(2) Tax or (as the case may be) additional tax is chargeable on the first transaction as if the claim had not been made.

Part 3

INTERPRETATION

“First-time buyer”

6 (1) In this Schedule “first-time buyer” means an individual who—

(a) has not previously been a purchaser in relation to a land transaction the main subject-matter of which was a major interest in a dwelling,

(b) has not previously acquired an equivalent interest in a dwelling situated in a country or territory outside England, Wales and Northern Ireland,

(c) has not previously been, or been one of the persons who was, “the person” for the purposes of section 71A or 73 in a case where the main subject-matter of the first transaction within the meaning of the section concerned was a major interest in a dwelling, and

(d) would not have been such a person for those purposes in such a case if the provisions mentioned in paragraph (c) had been in force, and had had effect in the country or territory concerned at all material times (subject, where required, to appropriate modifications).

(2) For the purposes of sub-paragraph (1)(b) and (d), ignore a lease which has less than 21 years to run at the beginning of the day after the date on which it is acquired.

“Relevant consideration”

7 In this Schedule “relevant consideration” means—

(a) in the case of a transaction that is not one of a number of linked transactions, the chargeable consideration for the transaction, and

(b) in the case of a transaction that is one of a number of linked transactions, the total of the chargeable consideration for all those transactions.

“Major interest”

8 The main subject-matter of a transaction is not a major interest for the purposes of this Schedule if it is a term of years absolute which has less than 21 years to run at the beginning of the day after the effective date of the transaction.

What counts as a dwelling

9 (1) This paragraph sets out rules for determining what counts as a dwelling for the purposes of this Schedule.

(2) A building or part of a building counts as a dwelling if—

(a) it is used or suitable for use as a single dwelling, or

(b) it is in the process of being constructed or adapted for such use.

(3) Land that is, or is to be, occupied or enjoyed with a dwelling as a garden or grounds (including any building or structure on that land) is taken to be part of that dwelling.

(4) Land that subsists, or is to subsist, for the benefit of a dwelling is taken to be part of that dwelling.

(5) The main subject-matter of a transaction is also taken to consist of a major interest in a dwelling if—

(a) substantial performance of a contract constitutes the effective date of that transaction by virtue of a relevant deeming provision,

(b) the main subject-matter of the transaction consists of a major interest in a building, or a part of a building, that is to be constructed or adapted under the contract for use as a single dwelling, and

(c) construction or adaptation of the building, or part of a building, has not begun by the time the contract is substantially performed.

(6) In sub-paragraph (5)—

“contract” includes any agreement,

“relevant deeming provision” means any of sections 44 to 45A or paragraph 5(1) or (2) of Schedule 2A or paragraph 12 of Schedule 17A, and

“substantially performed” has the same meaning as in section 44.

(7) A building or part of a building used for a purpose specified in section 116(2) or (3) is not used as a dwelling for the purposes of subparagraphs (2) or (5).

(8) Where a building or part of a building is used for a purpose mentioned in sub-paragraph (7), no account is to be taken for the purposes of sub-paragraph (2) of its suitability for any other use.”

(4) In section 110 (approval of regulations under general power) at the end insert—

“(7) This section does not apply to regulations containing only provision varying Schedule 6ZA or paragraph 16 of Schedule 9 which does not increase any person’s liability to tax.”

(5) In Schedule 9 (right to buy, shared ownership leases etc), at the end insert—

“First-time buyers

16 (1) This paragraph applies where—

(a) a lease is granted as mentioned in sub-paragraph (1)(a) of paragraph 2 and the conditions in sub-paragraph (2) of that paragraph are met but no election is made for tax to be charged in accordance with that paragraph,

(b) a lease is granted as mentioned in sub-paragraph (1)(a) of paragraph 4 and the conditions in sub-paragraph (2) of that paragraph are met but no election is made for tax to be charged in accordance with that paragraph,

(c) paragraph 4A applies in relation to the acquisition of an interest (but the acquisition is not exempt from charge by virtue of sub-paragraph (2) of that paragraph),

(d) a shared ownership trust is declared but no election is made for tax to be charged in accordance with paragraph 9, or

(e) an equity-acquisition payment is made under a shared ownership trust (but the equity-acquisition payment, and the consequential increase in the purchaser’s beneficial interest, are not exempt from charge by virtue of paragraph 10).

(2) Schedule 6ZA (relief for first-time buyers) does not apply in relation to—

(a) the acquisition of the lease,

(b) the acquisition of the interest,

(c) the declaration of the shared ownership trust, or

(d) the equity-acquisition payment and the consequential increase in the purchaser's beneficial interest."

(6) The following provisions (which are spent provisions relating to first-time buyers) are repealed—

- (a) section 57AA of the Finance Act 2003,
- (b) section 73CA of that Act,
- (c) section 110(6) of that Act,
- (d) paragraph 15 of Schedule 9 to that Act, and
- (e) section 6 of the Finance Act 2010.

(7) In Schedule 2 to the Wales Act 2014 (amendments relating to the disapplication of UK stamp duty land tax in relation to Wales), after paragraph 9 insert—

"9A (1) Paragraph 6 of Schedule 6ZA (relief for first-time buyers: definition of "first-time buyer") is amended as follows.

- (2) In sub-paragraph (1)(b)—
 - (a) after "acquired" insert—
 - (i) " , and
 - (ii) an interest of a kind mentioned in section 117(2) in a dwelling situated in Wales,".
- (3) In sub-paragraph (2) after "lease" insert "or, in the case of a dwelling situated in Wales, a term of years absolute"."

(8) The amendments made by paragraphs (1) to (5) have effect in relation to any land transaction of which the effective date is or is after 22 November 2017.

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.

37. LANDFILL TAX

Resolved,

That provision may be made about landfill tax on disposals made in England and Northern Ireland.

38. AIR PASSANGER DUTY (RATES)

Resolved,

That (notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills) provision taking effect in a future year may be made—

- (a) increasing the rate of duty specified in section 30(4A)(b) of the Finance Act 1994, and
- (b) increasing the multipliers specified in sections 30(4E)(d) and 30A(5A)(c)(ii) of that Act.

39. VEHICLE EXCISE DUTY

Resolved,

That provision may be made about the rates of vehicle excise duty.

40. TOBACCO PRODUCTS DUTY: RATES

Resolved,

That—

- (1) The tobacco Products Duty Act 1979 is amended as follows.
- (2) For the table in Schedule 1 substitute—

"TABLE

1. Cigarettes	An amount equal to the higher of— (a) 16.5% of the retail price plus £217.23 per thousand cigarettes, or (b) £280.15 per thousand cigarettes.
2. Cigars	£270.96 per kilogram
3. Hand-rolling tobacco	£221.18 per kilogram
4. Other smoking tobacco and chewing tobacco	£119.13 per kilogram".

(3) The amendment made by this Resolution comes into force at 6pm on 22 November 2017.

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.

41. CUSTOMS ENFORCEMENT: POWER TO ENTER PREMISES AND INSPECT GOODS

Resolved,

That provision may be made amending section 24 of the Finance Act 1994.

42. CUSTOMS ENFORCEMENT: POWER TO SEARCH VEHICLES OR VESSELS

Resolved,

That provision may be made amending section 163 of the Customs and Excise Management Act 1979.

43. CO₂ EMISSIONS FIGURES ETC

Resolved,

That—

(1) Schedule 1 to the Vehicle, Excise and Registration Act 1994 (annual rates of duty) is amended as follows—

(a) in paragraph 1A(2) (meaning of "light passenger vehicle"), at the end insert "or, as the case may be, within Category M1 of Annex II to Directive 2007/46/EC (vehicle designed and constructed primarily for the carriage of passengers and comprising no more than 8 seats in addition to the driver's seat)";

(b) in paragraph 1G(1) (meaning of "EU certificate of conformity"), for "issued by a manufacturer under any provision of the law of a Member State implementing Article 6 of Council Directive 70/156/EEC, as amended" substitute "within the meaning of Council Directive 70/156/EEC or Directive 2007/46/EC of the European Parliament and of the Council of 5 September 2007";

(c) in paragraph 1GA (vehicles to which Part 1AA applies etc)—

(i) in sub-paragraph (2), for "has the meaning given by paragraph 1A(2)" substitute "means a vehicle within Category M1 of Annex II to Directive 2007/46/EC (vehicle designed and constructed primarily for the carriage of passengers and comprising no more than 8 seats in addition to the driver's seat)",

(ii) omit sub-paragraph (3)(a),

(iii) for sub-paragraph (3)(d) substitute—

"(d) paragraph 1G(2) (meaning of "UK approval certificate").", and

(iv) after sub-paragraph (3) insert—

"(4) References in this Part of this Schedule to an "EU certificate of conformity" are to a certificate of conformity within the meaning of Directive 2007/46/EC.

(5) Sub-paragraphs (3) and (4) of paragraph 1A of this Schedule (meaning of "the applicable CO₂ emissions figure") apply for the purposes of this Part of this

Schedule as they apply for the purposes of Part 1A of this Schedule, but—

- (a) any reference to an EU certificate of conformity in paragraph 1A(3) or (4) is to be construed in accordance with sub-paragraph (4) of this paragraph, and
- (b) for the purpose of determining the applicable CO₂ emissions figure, ignore any WLTP (worldwide harmonised light-duty vehicles test procedures) values specified in an EU certificate of conformity.”;

(d) in paragraph 1H(2) (meaning of “light goods vehicle”), at the end insert “or, as the case may be, within Category N1 of Annex II to Directive 2007/46/EC (vehicle designed and constructed primarily for the carriage of goods and having a maximum mass not exceeding 3.5 tonnes)”.

(2) In Schedule 2 to the Vehicle Excise and Registration Act 1994 (exempt vehicles), in paragraph 25(4) (b), for “Schedule” substitute “Schedule as read with paragraph 1GA(5) of that Schedule”.

(3) The amendments made by this Resolution have effect in relation to licences taken out on or after 29 November 2017.

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.

44. INCIDENTAL PROVISION ETC

Resolved,

That it is expedient to authorise—

(a) any incidental or consequential charges to any duty or tax (including charges having retrospective effect) that may arise from provisions designed in general to afford relief from taxation, and

(b) any incidental or consequential provision (including provision having retrospective effect) relating to provision authorised by any other resolution.

Ordered,

That a Bill be brought in upon the foregoing Resolutions;

That the Chairman of Ways and Means, the Prime Minister, the Chancellor of the Exchequer, Secretary Boris Johnson, Secretary Greg Clark, Secretary Sajid Javid, Elizabeth Truss, Mel Stride, Andrew Jones and Stephen Barclay bring in the Bill.

FINANCE (No. 2) BILL

Presentation and First Reading

Mel Stride accordingly presented a Bill to grant certain duties, to alter other duties, and to amend the law relating to the national debt and the public revenue, and to make further provision in connection with finance.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 134).

Business without Debate

DELEGATED LEGISLATION

Mr Speaker: With the leave of the House, I propose taking motions 3 to 9 together.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

DEFENCE

That the draft International Headquarters and Defence Organisations (Designation and Privileges) Order 2017, which was laid before this House on 21 June, be approved.

ELECTRICITY

That the draft Renewables Obligation (Amendment) (Energy Intensive Industries) Order 2017, which was laid before this House on 19 July, be approved.

BANKS AND BANKING

That the draft Banking Act 2009 (Service Providers to Payment Systems) Order 2017, which was laid before this House on 19 July, be approved.

LOCAL GOVERNMENT

That the draft Greater Manchester Combined Authority (Public Health Functions) Order 2017, which was laid before this House on 20 July, be approved.

CHARITIES

That the draft Charitable Incorporated Organisations (Consequential Amendments) Order 2017, which was laid before this House on 7 September, be approved.

TELECOMMUNICATIONS

That the draft Drug Dealing Telecommunications Restriction Orders Regulations 2017, which were laid before this House on 12 October, be approved.

ENTERPRISE

That the draft Small Business Commissioner (Scope and Scheme) Regulations 2017, which were laid before this House on 19 July, be approved.—(*Mike Freer.*)

Question agreed to.

PETITIONS

Stop HS2 Phase Two in Trowell

7.20 pm

Mr Speaker: I find it surprising, not to say shocking, that there should be a sudden exodus of right hon. and hon. Members from the Chamber at the point at which the right hon. Member for Broxtowe (Anna Soubry) is due to present her petition, in which I had hoped there would be a keen interest in all parts of the House. If Members unaccountably insist on departing the Chamber, I trust that they will do so quickly, quietly and without fuss, so that the rest of us, keenly interested in said petition, can listen to its eloquent presentation by the right hon. Lady.

Anna Soubry (Broxtowe) (Con): Thank you, Mr Speaker; that is very kind of you. I rise to present two petitions relating to High Speed 2. The first has more than 1,200 signatures from residents of the village of Trowell, and it declares that they

“are opposed to the HS2 project in its entirety.”

They believe that HS2

“will provide no benefits to Trowell”,

and that the money would be better spent on

“existing railway routes and other transport networks.”

The second petition has been signed by 125 Trowell residents. They are opposed to a 60-foot viaduct through the village that would cause disruption during its construction and adversely impact the village.

Following is the full text of the petitions:

[The petition of residents of Trowell,

Declares that they are opposed to the HS2 project in its entirety. They believe that HS2 Phase Two will provide no benefits to Trowell and the financial cost of the project would be better spent elsewhere, including improving existing railway routes and other transport networks.

The petitioners therefore request that the House of Commons ask HS2 Ltd. to stop plans to build HS2 Phase Two and look at more reasonable alternatives.

And the petitioners remain, etc.]

[P002085]

[The petition of residents of Trowell,

Declares that they are opposed to the proposed viaduct through Trowell which is part of the HS2 Phase 2 project and will be 60 feet high in some places to cross over the M1 motorway, the A609 and an existing railway viaduct. The proposals will cause significant disruption to Trowell's residents during construction and the resulting viaduct would dominate over homes in the village, as well as being taller than the church spire.

The petitioners therefore request that the House of Commons urges HS2 Ltd. to dispense with proposals to build a viaduct in Trowell and come up with alternative solutions that will have less impact on residents.

And the petitioners remain, etc.]

[P002084]

Lower Thames Crossing

Motion made, and Question proposed, That this House do now adjourn.—(Mike Freer.)

7.22 pm

Adam Holloway (Gravesham) (Con): Thank you, Mr Speaker, for selecting this matter for debate. I am very sorry that the Chamber has just cleared, because if Members had stayed, they would have heard how a historic opportunity to fix the M25 at Dartford—as we know, it is broken there—has been missed, therefore condemning our constituents to another two or three decades of gridlock at Dartford.

I guess that the Minister knows my views on this subject, so I will try to keep this short and sweet. Later, I will discuss our concerns about the new crossing, but before that, I think that I need again to go through the uncomfortable truths about what is behind this.

It is a fact that any crossing to the east of the existing crossing will do nothing to ease the long-standing congestion and pollution at Dartford. For many years, all of us have spent hours sitting in traffic there. The people of Dartford have experienced years of gridlock, pollution, lung disease and everything else. The crossing has been stretched beyond capacity for years, leading to an absolute nightmare for the people of Dartford. In my view, they have been let down by their elected representatives, who should have been begging for the crossing to be fixed.

What is the cause of the situation at Dartford? All of us have been on this road, most of us sat in traffic. Only at Dartford do a little local road, regional roads and the busiest motorway in Europe—the M25, which goes around London—collide. We have three types of traffic—local, regional and long-range national—and the gridlock is caused not by the crossing itself, but by the fact that one of the tunnels is unsuitable for vehicles such as fuel tankers. If a fuel tanker tries to go into the tunnel without an escort, all the traffic has to be stopped, so it builds up. Going from north to south, the M25 is just as good or bad as the rest of it, but that is the cause.

For the last 12 years or so, I have thought that because the M25 will always run through Dartford, the only answer to fixing the broken traffic at Dartford is to fix the M25 at Dartford, not seven miles down the road. I thought that the only solution would be a new bridge or, better, a very long seven-mile tunnel from north of the A13 to south of the A2. The fact that that is not going to happen is inexplicable, and all the more so because Highways England estimates that the new crossing will remove only 14% of the traffic from Dartford.

What needs to happen now? The new crossing to the east of Gravesend is being built, but, as I am sure my hon. Friend the Member for Dartford (Gareth Johnson) will agree, mitigation is urgently needed around the tunnel approaches. About 50 million journeys are made through the tunnel annually, and it is closed briefly more than 300 times a year. When that happens, it results in the gridlock that we have all experienced.

This decision has condemned millions to spending decades more in traffic jams. A project that was initially designed to fix the problem at Dartford has bizarrely morphed into an economic development project that will undoubtedly benefit the people of Kent and Essex, but will condemn the people of Dartford to decades of

[Adam Holloway]

further ill health, pollution and gridlock. The constituents of everyone in this House, including hon. Members from north of the border, will, from time to time, spend huge amounts of time in that traffic. I once spent an hour and a half in it, but I have been visited by people who have been in it for two hours. A couple of years ago, there was a complete blockage and people waited there for 12 hours. Closer to home, thousands of my constituents' homes will effectively be blighted over the years that it takes to build the crossing.

The decision comes at a time when we are thinking about the future. Autonomous vehicles are no longer the realm of science fiction, and some car manufacturers say that they will have autonomous cars on the road within the next decade. There will be an awful lot of growth in the movement of goods by autonomous vehicles. What does that mean? The big thing about autonomous vehicles is that they can travel much closer together and optimise the road system. If there is gridlock, all the other cars can be switched off and a road train can clear a whole area of traffic very quickly before another road train is released across it. That technology will, if anything, make our roads considerably easier to use.

It is possible to argue the other way. Autonomous vehicles will allow us to get in our car and trundle up to Scotland or travel to work without the stress of driving, allowing us to go to sleep, read a book or whatever. I accept that there is an argument that such vehicles may make more journeys likely, but I do not think that that is the case, given the internet and moves towards home working. I believe that autonomous vehicles will greatly optimise our existing road infrastructure.

If we look at the skyline of Dartford from the traffic jam, we see houses that have chimneys and plenty that do not. The reason why those houses do not have chimneys is that we no longer all heat our homes by burning coal or wood. As with many other areas of public spending, we must therefore look at the effects that a new disruptive technology will have on massive infrastructure projects such as this one, which will cost at least £6 billion. In mitigation of the terrible traffic, it really would not be rocket science to look at channel tunnel freight trains. Why do all the trucks have to unload at Folkestone? If they went on up north, it would make the south of England a rather better place to be.

Even if we accept that Highways England will ignore the irrational aspects of building a crossing east of Gravesend, which will not help Dartford, there are many problems with its latest plans for the lower Thames crossing that I and my constituents want addressed. The main purpose of this debate—I will end quite soon—is to outline my concerns and those of the Lower Thames Crossing Association. I and Mr Bob Lane from the association had an excellent meeting today with Tim Jones, the project director from Highways England, and we are very grateful to him for the intelligent and constructive way in which he is approaching this project. I hope that the Minister has a map of the crossing in front of him, but if not, I can provide one—[*Interruption.*] He does; excellent.

I will return to the crossing, but before I do so, let me quickly outline the concerns of my hon. Friend the Member for South Basildon and East Thurrock (Stephen

Metcalf). He apologises for not being in the Chamber—it is my fault, because I did not inform him about this debate until yesterday—but he has four points, which I will read verbatim for the benefit of the Minister. The first is:

“Will not fix problem at existing crossing. Remain convinced that the current plans will do little or nothing to alleviate actual problem at existing crossing.”

Secondly, he wants more “Cut and cover” and says that “wherever possible the route should be ‘cut in’ and below existing road, not above ground on stilts.”

Thirdly, he wants:

“Minimize footprint of”—

ugly—

“junctions wherever possible and put in place full mitigation.”

Finally, on “Air Quality”, he says:

“Demonstrate BEFORE construction how new LTC WILL improve already poor air quality experienced in Thurrock.”

I have three main requests. First, I want Highways England to remove the proposed junction on to the A226. On a positive note, I see that it has now removed that junction, which is extremely important for us if we are to avoid people using the rat runs through Gravesend and local villages when the Dartford crossing is gridlocked, as it will continue to be because building this crossing will not solve the problem at Dartford.

Secondly, given that there will not now be an exit at the A226—I apologise to people who do not have a map—I want Highways England to move the southern portal to the south of the A226. This would make a great difference to people living in the village of Chalk. It would also get my friend the rector of Chalk, Rev. Nigel Bourne, off my back, as the current proposals separates the village from his beautiful medieval church, so doing this would be a personal help to me.

Thirdly, I want to maximise the use of what Highways England calls green corridors. As much as possible should be done to reduce noise, pollution and environmental impact where the road will cross Thong Lane for the community at Thong and the community up at Riverview Park. This development will be 100 metres from those residents, and doing that, which we should consider in relation to the massive overall cost of the scheme, would generate enormous good will, which, frankly, is in short supply. I also hope that as much as possible of the spoil from the great big boring machine can be dumped so that people do not have to look at this eyesore.

What started as a roads project has, in my view, bizarrely morphed into an economic one. Of course it will bring wider economic benefits to Kent and Essex, but we are again at risk of having another big disconnect between the people who make decisions and those who suffer from them. I am not just concerned about several thousands of my local residents who will be very badly affected over the next 10 years or so while the crossing is being built, and some of them once it has been built, although they are obviously my main concern. This is a disaster for the people of Dartford, for every one of us in this Chamber and for every one of our constituents, because the traffic jams will go on and on, and we will be paying over £6 billion for that.

Even staff at Highways England admits that however many new crossings are put to the east of the existing

crossing, at some stage they will have to come back to Dartford to fix the problem there. There is no getting away from the simple fact that the M25 runs through Dartford. We will fix the problem at Dartford only by separating the long-range national traffic from the local and regional traffic. To be frank, I fear that in 20 years' time, when people wake up to this missed historic opportunity to fix Dartford, some of us will be seen as the guilty men and women.

7.35 pm

The Parliamentary Under-Secretary of State for Transport (Paul Maynard): I congratulate my hon. Friend on securing this debate on the lower Thames crossing. He raised his constituents' concerns diligently, and I would expect no less from such an assiduous constituency MP. Before I respond to the detailed points he raised, I reassure all those who are impacted by congestion at Dartford that tackling congestion on the strategic road network has to be a priority for the Government and Highways England.

I beg my hon. Friend's forgiveness for reflecting briefly on how we got to where we are. The idea of a tunnel crossing at Dartford was first proposed in the 1920s. Initially, a crossing between Tilbury and Gravesend was suggested to replace the ferry service, but that was rejected in favour of a route further upstream, nearer Dartford. Of course, the Tilbury to Gravesend ferry is still in operation today, providing a half-hourly service.

Meanwhile, the Dartford crossing has provided the only road crossing of the Thames east of London for over 50 years. It is now one of the busiest roads in the country, used 50 million times a year by commuters, business travellers, haulage companies, emergency services and holidaymakers alike, connecting communities and businesses; providing a vital link between the channel ports, London and the rest of the UK; enabling local businesses to operate effectively; and providing access for local residents to housing, jobs, leisure and retail facilities on both sides of the river. In summary, it is a critical part of our strategic road network.

The crossing opened in stages as traffic demand grew. The west tunnel opened in 1963, the east tunnel in 1980 and the bridge in 1991. The existing crossing, as my hon. Friend pointed out, is at capacity for much of the time and is one of the least reliable sections of our strategic road network of motorways and major trunk roads. As he well knows, congestion on and the closure of the existing crossing occur frequently. That creates significant disruption and pollution, which impacts on communities and visitors locally, regionally and, indeed, up and down the UK.

The Government recognise that a lower Thames crossing is needed to reduce congestion at the existing Dartford crossing and to support economic growth across the region. The objectives of the scheme include affordability for both the Government and users, value for money, improved resilience of the Thames crossings and the major road network, and minimising adverse impacts on health and the environment by improving safety.

In 2009, the Department examined five locations where an additional crossing could be built. The most easterly of those were found to be too far from the existing crossing to ease the problems at Dartford and were eliminated from further consideration. In 2012, the Department began to appraise the remaining three

locations, leading to a public consultation the following year. Location A was at the existing crossing, location B would have connected the A2 and the Swanscombe peninsula with the A1089, and location C was to the east of Gravesend. Later that year, the Government announced a decision not to proceed with location B because of the impact on local development plans and the limited transport benefits.

The Government published their response to the consultation in July 2014, confirming the need for an additional crossing between Essex and Kent. It commissioned Highways England to carry out a more detailed assessment of the remaining two locations, A and C.

More than 47,000 people took part in the consultation, making it the largest-ever public consultation for a UK road project. Highways England analysed the consultation findings and reported back to the Department for Transport, and in April 2017 we announced that our preferred route for the crossing was at location C. The route comprises a bored tunnel under the Thames, a new road north of the river, joining the M25 between junctions 29 and 30, and a new road south of the river, joining the A2 east of Gravesend. The preferred route announcement allows for detailed design and assessment to be carried out on the route. Highways England has written to everyone within the development boundary and has contacted the 22,000 people who have registered for updates.

Having responded to the feedback received during the preferred route consultation, Highways England is now undertaking further work to understand the extent to which it might be appropriate to increase the tunnelled section of the route to reduce noise and other environmental impacts. Furthermore, in relation to some of the concerns my hon. Friend has just raised, Highways England is now putting forward some important changes to the project design in response to the feedback it received in the consultation.

The changes include a new design for the junction with the M25 to help it blend better with the local landscape; a new junction and link road at Tilbury to reduce the impact of HGVs on local roads; the removal of the proposed A226 junction at Gravesend Road to reduce the impact on local villages, as my hon. Friend mentioned; a new design for the junction with the A2 and a widening of the A2 through to junction 1 of the M2 to help improve traffic flow; and a proposal for three lanes in each direction between the A2 and A13, rather than just two, as this could provide greater benefits. In addition, Highways England will be assessing carefully the air quality and other environmental impacts of three lanes as it continues its design work. All the updates to the route design will be consulted on in 2018. This will allow all interested parties, including my hon. Friend, a further opportunity to give feedback on the latest version of the route.

An option to create a new crossing at Dartford was thoroughly assessed but rejected as it would not provide sufficient additional free-flowing capacity to the network. A new route at the existing crossing would not improve traffic resilience and would still cause severe congestion. The route would take at least six years to build and cause severe disruption affecting hundreds of millions of journeys while under construction. It would also worsen air quality and noise pollution in the immediate Dartford area.

[Paul Maynard]

The lower Thames crossing should not be seen as an isolated proposal. We have listened to concerns about the existing Dartford crossing.

Adam Holloway: I appreciate the constructive way in which my hon. Friend and the other Ministers have approached this since the decision was made, and, as I said, Highways England is being very decent, but I must return to my earlier point. How is a road that will reduce congestion at Dartford by only 14% still about traffic mitigation? It is not about sorting out Dartford; it has morphed into an issue of economic development, and we are kidding the public if we suggest otherwise.

Paul Maynard: I recognise the point my hon. Friend is trying to make. I have tried to make it clear that I am focusing on the traffic management aspects of the project, rather than the issue of wider economic benefits to which he refers.

I want to explain some of what we are seeking to do to improve matters at the Dartford crossing. Like many people, I recognise the concerns about the crossing. Anyone who has to drive through it will always bear in mind the possibility of severe delays. Highways England keeps the safety and performance of the crossing constantly under review to identify areas that can improve the crossing for all road users. The traffic safety system, introduced as part of the Dart charge, continues to be improved, together with the management of dangerous goods and abnormal loads.

Actions are being taken to improve the management of traffic during incidents and ensure the reopening of lanes as soon as possible afterwards. The road signing on the northbound Dartford crossing approaches is being reviewed, as is the movement of different types of vehicle as they approach the crossing, to see what improvements can be made.

Work continues with local authorities on both sides of the crossing to improve traffic flows between the local and strategic road networks, and I know that my hon. Friend the Member for Dartford (Gareth Johnson) is closely involved in those very discussions. That includes joint working by Highways England and Kent County Council on a number of improvement measures for the junctions used by traffic approaching the crossing directly from Dartford. Highways England will continue to monitor the conditions at the crossing to understand how various factors are contributing to its underlying performance. It will also evaluate the impact of the measures implemented, and the public will be kept informed of the findings.

Last but not least, as was announced alongside the preferred route for the lower Thames crossing, we are committed to delivering a £10 million package of measures over the next four years to improve traffic flow at and around the existing Dartford crossing. The roads Minister, my hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman), meets the chief executive of Highways England monthly, and I can assure my hon. Friend that the performance of the existing crossing is kept under regular review.

I heard very clearly my hon. Friend's suggestions about connected and autonomous vehicles, and I assure him that they are a frequent topic of debate in the

Department. We want to ensure that all road projects take account of the future use of technology, and of how that might change road use in particular.

We recognise that there is more to be done at the existing Dartford crossing, and I am sure that Highways England will keep my hon. Friend and neighbouring Members updated on its plans and future actions. I was pleased to hear that representatives of Highways England were able to meet my hon. Friend today, so that they could go through the plans in more detail, and I hope that that engagement will continue and deepen.

I trust that I have reassured my hon. Friend about some key facts. The Government understand the critical role played by the Dartford crossing and the M25 in our strategic road network, but we also understand its local significance for residents on both sides of the estuary, including those in my hon. Friend's constituency. We take congestion at the Dartford crossing, and in the wider Dartford area, very seriously, which is why we are taking action to improve matters in both the wider strategic network and the Dartford area.

Adam Holloway: Will the Minister give way again?

Paul Maynard: I will, since I have the time.

Adam Holloway: I greatly appreciate it.

Honestly, I love my constituents, but if I thought it was right to put the crossing there, I would man up, look them in the eye and say, "I am really sorry, but this is the correct decision." Under any Government, including a Labour Government, I would say, "This is the right thing to do." However, it is not about that. It is blindingly obvious to anyone that if we do not fix the M25 at Dartford, we will not fix the problem. What is the Department's response to the fact that its own figures say that this new crossing will reduce congestion by only 14% at today's rates, let alone by the time the thing is built? There is a desperate need for a new crossing at Dartford, and the Government will have to come back to it at some point.

Paul Maynard: I recognise the principal point that my hon. Friend is trying to make. The message that I am trying to communicate in return is that there are more ways than one of tackling the problem. I believe that substantial improvements can be made at the Dartford crossing in terms of ensuring its reliability and its stability, to ensure that when incidents do occur the road can be cleared as quickly as possible. I also think, however, that there is a wider strategic justification for the lower Thames crossing, which is why the Government made their announcement back in April.

We have to plan not just for the short term, but for the medium and the long term as well. We must develop the proposals for the lower Thames crossing as part of one of the biggest programmes of investment in the strategic road network in a generation. It supports motorists by investing in our motorways and our major A roads, which will boost economic growth, locally, regionally and nationally. That is why I think that we have made the right decision for the people of Kent, and for the people of Britain as a whole.

Question put and agreed to.

7.49 pm

House adjourned.

Westminster Hall

Tuesday 28 November 2017

[PHILIP DAVIES *in the Chair*]

BACKBENCH BUSINESS

Dr Elsie Inglis and Women's Contribution to World War One

9.30 am

Ian Murray (Edinburgh South) (Lab): I beg to move,

That this House has considered Dr Elsie Inglis and the contribution of women to World War One.

As always, it is a great pleasure to be in a debate with you in the Chair, Mr Davies. I am grateful to the Backbench Business Committee for allocated time for this important debate in this important week for remembering Dr Elsie Inglis. She was a truly historic and remarkable woman—an Edinburgh woman, no less, and very proud of her roots. This week is the centenary of her death and of the state funeral that she was afforded, which will be re-enacted tomorrow.

Who was Dr Elsie Inglis? Born in India in 1864, she was the daughter of John Inglis, a chief commissioner in the Indian civil service. She studied medicine at Dr Sophia Jex-Blake's then newly opened Edinburgh School of Medicine for Women and was one of the first women in Scotland to finish higher education, although she was not allowed to graduate. She went on to complete her training under Sir William Macewen at the Glasgow Royal Infirmary.

The now famous exhortation,

“My good lady, go home and sit still”,

was the response that Dr Elsie Inglis received when she asked the War Office whether female doctors and surgeons could serve in frontline hospitals in world war one. At that time and for many years to come, that was the attitude that women faced in making vital contributions to society.

Despite attempts to repress her efforts—and those of many other women—to contribute, Elsie did not, in the words of the exhortation, “sit still”. Instead, she persevered, setting up the Scottish women's hospitals, which were all-female units that played a vital role with Britain's allies, including the French, the Belgians and, particularly, the Serbs.

Elsie was 50 when war broke out and she defied British Government advice by setting up female-staffed field hospitals close to the frontlines. She travelled to France within three months of the outbreak of war, and the Abbaye de Royaumont hospital, containing some 200 beds, was in place by the end of 1914. That was followed by a second hospital, at Villers Cotterets, in 1917. Tens of thousands were helped by the hospitals she set up in France, Serbia, Ukraine and Romania, acting with the support of the French and Serbian Governments.

Prior to that, Elsie was a strong advocate of women's rights and a leading member of the suffragette movement in Scotland, playing a notable role in the establishment

of the Scottish women's suffragette federation in 1906. She fought energetically against prejudice and for the social and political emancipation of women, and had already made a huge impact in Edinburgh by working in some of the poorest parts of the city with women and babies who were in desperate need of help. Selflessly, she often waived the fees of patients who could not afford to pay.

Politically, Elsie was a staunch campaigner for votes for women, and her involvement in the suffragette movement prompted her to raise money to send out to female doctors, nurses, orderlies and drivers on the frontline. She recorded many great achievements, including setting up 14 hospitals during the war—staffed by 1,500 Scottish women, all volunteers. Most notably, Elsie raised the equivalent of £53 million in today's money to fund greatly needed medical care for those on the frontline. Her efforts reached across the waters on another level, attracting volunteers from New Zealand, Australia and Canada. As I am sure everyone would agree, that showed fierce independence and capability from women who were well ahead of their time.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Gentleman on securing this timely debate and on ensuring that it coincides with the anniversary. This type of discussion, debate and acknowledgement is significant, given the issues that he mentioned. For example, we must not only pay tribute to the many voluntary detachments of women in the first world war from all across the UK, including Scotland and Northern Ireland, but ensure that future generations never forget the contributions that they made.

Ian Murray: I am grateful for the hon. Gentleman's intervention. Commemorating the centenary is easy, but we need to ensure not only that the education and commemorations run right through society, in schools and workplaces, but that all four corners of the United Kingdom commemorate the contribution of women—and indeed, of everyone, including those who made the ultimate sacrifice in giving their lives.

Dr Andrew Murrison (South West Wiltshire) (Con): I congratulate the hon. Gentleman on securing this important debate. Does he agree that we need to learn lessons not necessarily only from the extraordinary contribution that women made during the great war and the social strides that they made in that time, but from what happened during the peace? It is certainly the case that many of the advances retreated in the immediate post-war era and into the 1920s, and in many ways women were set back to where they were in 1914. As we approach the centenary of the end of the great war, perhaps we need to give thought to what happened shortly thereafter.

Ian Murray: Absolutely. As the hon. Gentleman said, we should commemorate not just the contribution that women made during the wars, but the contribution that they made subsequently. Indeed, in this very building, Emily Davison is commemorated downstairs for her contribution to the suffragette movement. I am very much of the view that if more women had been running the world, perhaps the great wars would never have happened.

Dr Murrison: I think the hon. Gentleman might have misunderstood my point. In the years following the great war, many advances that women had made and the position that they had established for themselves in society sadly took a step back. People such as Dr Inglis, who had become very prominent, were in fact told to take a back seat, particularly when the men came back from the war.

Ian Murray: Absolutely. Women are still fighting the same battles today. The advancement that they made during the great war was almost forgotten, until the second world war, of course, when women again played a significant role. We need to remember their contribution not just during the war efforts, but in between. That is part of the story of the commemorations and the story we should tell of our recent history.

The women's dedication to help thousands of badly injured men in dire conditions is commendable. In Serbia in particular, the typhus epidemic had gripped the country, and without those women many tens of thousands—if not hundreds of thousands—of lives would not have been saved. Serbia was home to the first Scottish women's hospitals field unit in 1914. Despite the life-threatening conditions of the typhus epidemic, to which four staff from the Scottish women's hospitals had lost their lives, Elsie went to serve in the hospital on the frontline. Sent out to look after 300 beds, Elsie and her team were in fact faced with 550 beds filled with injured and ill soldiers. With a dreadful lack of sanitation in the overcrowded hospitals, Elsie faced the Serbian officials and firmly refused to let the overcrowding endanger the lives of patients and nurses. A true heroine, she went from negotiating with Serbian officials to finding innovative ways to deal with the overflow patients at the hospital, without a second thought for her own safety. Her colleagues took the same approach.

Even after the beginning of the great retreat, in which Serbia was invaded by the Austrian army, Elsie and many of her volunteers refused to give up. Again, she defied demands from the British Government to return home. Despite finding out that she had cancer—I stress that she had cancer as well—she set up two more field hospitals. In 1915, she was captured and repatriated, but still did not rest until Serbian soldiers were guaranteed safe passage out of Serbia. Once this safe passage had been granted and the soldiers arrived in Newcastle, Elsie battled through the pain of her own illness to greet them. Sadly, she passed away on 26 November 1917.

It has been said that Dr Elsie Inglis

“made Florence Nightingale look like a part-time care assistant”. Her fierce dedication to helping others leading up to the great war shows that Elsie really was a role model in her own right. I am pleased that my constituents in Edinburgh and people in the rest of Scotland have such an outstanding figure to look up to and aspire to. Elsie broke down barriers and proved time and again that women will always be an integral part of society. She continually praised the work carried out by her many volunteers, refusing to think of her effort as any greater than theirs. Elsie never asked them to do something that she would not be willing to do herself. She took part in the most menial tasks and always worked as part of the unit.

Elsie's humbleness about the great things that she achieved is why I feel so strongly about remembering her legacy and giving her and other women who contributed

to world war one the recognition and commendation they deserve. We should commemorate and celebrate her life and work.

On 29 November, 1917, Elsie Inglis was buried in Edinburgh following a state funeral at St Giles' Cathedral, with the flags of Great Britain and Serbia placed on her coffin, the lilies of France around her, and the torn banners of Scotland's history hanging over her head. She was later awarded high honours by France, Russia and Serbia. Indeed, in Serbia, Dr Inglis and her colleagues are regarded as heroes and saints, with 17 statues to her in Serbia alone.

The UK should properly recognise Dr Inglis and the other unacknowledged British heroines who set up the Scottish women's hospitals during the first world war. To mark the centenary of her death, I am pleased that this year the City of Edinburgh Council has decided to name a street after her and that the *Edinburgh Evening News* is running a fundraising campaign to have a statue of Elsie erected in her beloved Edinburgh.

The Scottish Women's Hospitals Trust, led by my constituent Ian McFarlane and his trustees, aims to work with the Serbian Government and the *Edinburgh Evening News* to get the funds to build this well-deserved and much-overdue monument. A private ceremony was held at her grave on Sunday to mark the centenary of her death. As a mark of her growing reputation, a commemoration will also take place at St Giles' cathedral tomorrow, on the same day as her state funeral 100 years ago.

But what about the countless other women who poured compassion and dedication into saving lives during the great war? November 2017 also marks the centenary of the foundation of the Women's Royal Naval Service. The Royal Navy became the first of the three services officially to recruit women. Expansion of the wartime Navy led the Wrens to take on tasks that the Royal Navy had previously considered beyond women's capabilities. Women's contributions to the war effort went from strength to strength, and many Wrens were involved in planning naval operations, including the D-day landings in June 1944.

In December 1941, the Government passed the National Service Act 1941, which allowed the conscription of women into war work or the armed forces. In 1944, some 74,000 women were doing more than 200 different jobs. Of the courageous Wrens, 303 were killed on wartime service; we should pay tribute to them and all their efforts. On 7 July 1917, the Women's Army Auxiliary Corps became the British Army's first all-female unit. More than 57,000 women served from July 1917 to 1921, including 10,000 in France.

I would like to recognise in particular the contribution of two great Scottish women to the WAAC: Alexandra “Mona” Chalmers Watson and Dame Helen Gwynne-Vaughan. Mona was from a high-achieving Edinburgh family and was the first woman to graduate from Edinburgh University as a doctor. Helen, who studied botany at King's College London, had deep family roots in Ayrshire and Aberdeen. As well as playing leading roles in the WAAC, they fought hard against the patriarchy to show that women must have a more equal place in society and in the world.

It is also 100 years since Passchendaele, one of the most notorious battles of the first world war, which the House commemorated last month. In just three and

a half months of fighting, an estimated 550,000 Allied and German troops were killed, wounded or lost. Around 90,000 British and Commonwealth soldiers went missing: 50,000 were buried without being identified, and 42,000 were never recovered from the fields of Flanders, which turned into an ocean of mud.

As well as paying tribute to those who lost their lives, I would like to recognise the contribution of Sister Kate Luard, who served as a nurse in the second Boer war as well as being head nurse at a casualty station on the western front. Sister Luard often described her work in letters from Passchendaele as “UBC”—“utter bloody chaos”. Despite the chaos, she persisted, saving countless lives. I am glad that her efforts were recognised; she was awarded the Royal Red Cross and bar. I cannot imagine what it must have been like to serve so close to the frontline under such enormous pressures, but her letters are a small insight into the passion and dedication that it must have taken to do so:

“The uproar is almost stupefying. They burst on two sides—streams of shrapnel which were quite hot when you picked them up. They came everywhere, through our canvas huts. Bursting shells are an ugly sight—black or yellow smoke and streams of jagged shells flying violently in all directions. It doesn't look as if we should ever sleep again.”

More than 100,000 women joined Britain's armed forces during the war. From ambulance driving to translating, women served Britain in a variety of ways; I will highlight a few more. Elizabeth Knocker and Mairi Chisholm set up their own first aid post close to the Belgian frontline at Pervyse in November 1914. Mary O'Connell Bianconi went to France in August 1917 as a member of the First Aid Nursing Yeomanry, where she worked as a driver in the St Omer ambulance convoy. After an air raid in July 1918, Molly and six of her driver colleagues drove their ambulances to pick up the wounded. Dame Katharine Furse joined the Voluntary Aid Detachment in 1909. On the outbreak of the first world war, she was chosen to be head of the first VAD unit to be sent to France. In 1917 she became the director of the newly formed Women's Royal Naval Service.

We all know the immeasurable contribution women made back home—everything from working in munitions factories to building guns. I wish that I could identify by name each and every woman who made an enormous contribution to the great war. Unfortunately, time does not allow, but those unmentioned are by no means unnoticed. It is hard to imagine that women with such passion and hunger to help, and who spoke up when they were told to be quiet, could ever be forgotten. They most definitely helped to pave the way for future women to crack the glass ceiling.

Some important centenaries approach next year. To name a few, April 2018 will mark the formation of the Women's Royal Air Force, an invaluable asset to the RAF in which around 32,000 women enrolled in its first two years. May 2018 marks the day that nine members of the Queen Mary's Army Auxiliary Corps became the first British women to die on active military service when their trench was hit by a German bomb in Abbeville, France.

Many of the women whom I have mentioned saved lives through innovative thinking, putting the wellbeing of others above their own safety. They often worked under fire, in unthinkable conditions with little sleep

and few resources. They offered a helping hand not because they wanted praise, but because they had valuable experience and skills to offer to those who were also putting their lives on the line for their country. I am extremely pleased to have had this opportunity to ensure that we continue to give them the recognition that they deserve, and I hope that their legacy will live on.

I will finish where I started by reading out what is on the gravestone of Dr Elsie Inglis, who is buried in Dean cemetery in Edinburgh:

“To the beloved and honoured memory of Elsie Maud Inglis. Born 1864, died on active service 1917. Surgeon, philanthropist, patriot, a leader of the movement for the political emancipation of women and founder of the Scottish Women's Hospitals for foreign service. *Mors janua vitae*”—

meaning “Death is the gateway to life”.

Several hon. Members rose—

Philip Davies (in the Chair): Order. There are six people seeking to catch my eye in this debate. I will call the Front Benchers from 10.30, so we have 45 minutes to divide between six people. Members can do their own arithmetic, but that is about seven to eight minutes each. I will not impose a time limit at this stage, but I hope that people will bear other contributors in mind.

9.46 am

John Lamont (Berwickshire, Roxburgh and Selkirk) (Con): It is a pleasure to serve under your chairmanship, Mr Davies. I congratulate and thank the hon. Member for Edinburgh South (Ian Murray) for securing this debate on an important part of our world war one history that at times is unfortunately overlooked. The contribution made by women in the great war, in particular Dr Elsie Inglis, should not be understated, and it is a pleasure to pay tribute to them today.

As the Member for Berwickshire, Roxburgh and Selkirk, I am proud to draw Members' attention to the role played by women of the borders at that challenging time, especially those who served alongside Elsie. While reading about the Scottish Women's Hospitals, I could only imagine the harrowing scenes that they saw. One of those women was Sarah Dempster Allan, born in 1889 in the small village of Sprouston near Kelso in my constituency. On the outbreak of war, Sarah joined the Scottish Women's Hospitals and was posted to a chateau near Troyes, where she performed her duties in a canvas tent. I am sure that it felt a long way from the Glasgow Royal Infirmary, which she had left to join the cause.

Because their unit was housed in a portable tent, she was then moved to Salonika in Greece before moving on to Macedonia. Unfortunately, her time helping the Serbs was short-lived; she was forced to evacuate back to Greece, and return to the United Kingdom shortly after. Despite being born in 1889, Sarah lived well into the 20th century, dying at the age of 102. It is an honour to tell colleagues her story here today.

Of course, the Scottish Women's Hospitals were only one way that women helped to win the war. Munitions factories, the civil service and agriculture would have been crippled by the flight of young men to fight on the frontlines had women not stepped forward to help the cause. Propaganda posters from the time give us a visual reminder of the huge need for women to do their

[John Lamont]

bit for the war effort. There can be no question but that that call was answered; Elsie is proof of that. Even when the Government refused to help her, Dr Inglis and her team went above and beyond the call of duty by travelling the 2,000 miles to Serbia to help those in dire need.

That does not even come close to giving a full picture of the time. Many women, while taking on extra practical duties for the war effort at home or abroad, had to endure tremendous heartache and sorrow. Living in constant fear of bad news from the front about their fathers, brothers, husbands, sons, uncles and cousins would have been an experience tantamount to torture, never mind living with the constant threat of invasion. We must not forget the many women who set up or joined branches of the women's institute, women's guild and "the rural", many of which continue today, including in my constituency, as part of that important war effort. Turning surplus produce into vital rations for the frontline was as important a task as any other.

Without the contribution of women such as Elsie Inglis of Edinburgh or Sarah Allan of Kelso, our brave men on the frontline would have gone without bullets in their guns, uniforms on their backs and food in their rations; they would have been left for dead on the battlefield with their injuries unattended. Almost certainly, we would have lost the war, and we may not have been standing in this place today. As the then Prime Minister, David Lloyd George, put it:

"For this service to our common cause humanity owes them unbounded gratitude."

9.50 am

Luke Pollard (Plymouth, Sutton and Devonport) (Lab/Co-op): I congratulate my hon. Friend the Member for Edinburgh South (Ian Murray) on securing this debate. It is timely given the important anniversaries of women's role in our history that we are celebrating and commemorating.

The contributions made by women during the first world war have long been overlooked. As we commemorate the centenary of those events, it is important that the topic receives the respect and recognition it deserves. It is important to recognise that for too long, the role of women in history in general, and particularly in conflict, has been airbrushed out—largely by men. As the European continent and much of the world descended into war, many brave soldiers and sailors, including Plymouth lads, responded to the call; they were sent overseas to the trenches or to serve their country in the Royal Navy. They were not alone in their bravery: many of Plymouth's women back home valiantly stepped in to fill the roles that had been left vacant and, as my hon. Friend the Member for Edinburgh South has described, took part in providing medical support.

As more men were sent to the front, women were able to move into roles that previously had not been open to them. In Plymouth, many women became the factory workers, railway guards, postwomen, tram drivers and police officers who kept Britain and Plymouth going during those dark years. That happened right across the country, not least in my area. Thanks to the support of superb local historian Chris Robinson, who writes about

the role of women in Plymouth in the world wars, some of the stories of the sacrifices that women made can come to the fore.

One key role that women took up in world war one, which proved vital to our war effort, was the often dirty and dangerous work in our munitions factories. Women put their lives at risk, being exposed to poisonous chemicals and accidental explosions. In Plymouth, a technical school was established for women in that work, and within a year nearly 400 women had been trained there in how to create munitions and were busy working on production lines in Union Street, Prince Rock and Bull Point. Women carried out that important work, helping the allies in their endeavours to outgun the central powers. The great travesty is that women were thanked for that service by receiving less than half the wages of men doing similar work.

Carol Monaghan (Glasgow North West) (SNP): I pay tribute to the women of Glasgow who worked in the munitions factory. At the start of world war one, about 15,000 women were reckoned to work there; by the end, over 65,000 women were working there and playing a vital role in supporting the Army as they went forward. I place on record my tribute to those women of Glasgow.

Luke Pollard: There are many untold stories of women's contributions to the war effort that need to be told across the country, including in Scotland.

A further way in which women contributed to the war effort came with the establishment of the women's police service, which was set up by Margaret Damer Dawson in 1914. Damer Dawson had worked towards establishing a female presence in the police force for a number of years, but the war provided a new opportunity. The WPS was Britain's first uniformed women's police service, and within the first three months there were 50 recruits in Plymouth. That voluntary service of spirited women paved the way for the first official female police officers a few years later. One of the first to join up and serve in the WPS was Plymouth's Nancy Astor, who is celebrating her own anniversary in two years' time as the first female Member of Parliament to take her seat and who represented the seat that I now represent. She opened the door for more women to stand for election, and her service to our country started in the women's police service in Plymouth.

I pay tribute to the people who have worked so hard over the last year to recognise the role of women in world war one, in particular the volunteers and staff from Plymouth City Council and Plymouth Museum who have expertly welcomed visitors and told stories of men and women's services to our armed forces at the Commonwealth War Graves' "Poppies: Wave" on Plymouth Hoe. That memorable and moving installation created a wave over our war memorial and is a fantastic example of how to use the ceramic poppies. It provided an opportunity for events and discussions about the people named on the war memorial, who were predominantly men, and the untold stories of women who contributed.

Earlier this year, shortly after being elected, I tabled a number of parliamentary questions about the role of women in public life and in particular about the number of statues that we have of women. As 50% of the population, it is right that 50% of the stories that are told are about women. I understand that the Department

does not keep central statistics on the number of statues or pieces of public art dedicated to women from history, but given the anniversary of women getting the right to vote next year and the 100th anniversary of Nancy Astor's election in 1919, now might be a good time to start, so we can begin to correct that and to tell the story of women's role in public life.

When we commemorate the anniversary of the first world war, it is important to remember the brave men and women up and down the country who gave their service to our country, not only those who fought on the front or at sea, but those who fought on the home front as well. I hope that this debate concludes with the erection of the statue and the memorials that my hon. Friend the Member for Edinburgh South spoke about, and that it enables us to talk more profoundly and clearly about the role of women in world war one, which has been far too overlooked to date.

9.56 am

Martin Whitfield (East Lothian) (Lab): It is, as always, a great honour to serve under your chairmanship, Mr Davies, and to follow my hon. Friend the Member for Plymouth, Sutton and Devonport (Luke Pollard). I congratulate my hon. Friend the Member for Edinburgh South (Ian Murray) on securing this timely and important debate.

Dr Elsie Inglis made an enormous contribution to humanity. She set up hospitals that helped thousands of injured men, woman and children, combatants and civilians, who were caught up in the horror of world war one in Serbia. She battled to improve hygiene and cleanliness against typhus and other diseases. It is also beholden on us, however, to give credit to her political thinking and the women's suffrage movement, in which she became involved in the 1890s to protest about the grossly inadequate medical facilities available to women at the time. That led directly to her founding the medical school for women.

We have heard Members speak eloquently about Dr Inglis, a woman who led in making a better world, but I will take this opportunity to discuss a colleague of hers, Bessie Dora Bowhill, another woman who organised and improved others' lives. She was the daughter of a prosperous farmer in Berwickshire, then part of the constituency of the hon. Member for Berwickshire, Roxburgh and Selkirk (John Lamont). She was born on 12 April 1869 at Marygold in the parish of Bunkle and Preston.

John Lamont: May I correct the hon. Gentleman's pronunciation of "Marygold"? I wish to ensure that the official record is accurate.

Martin Whitfield: I am grateful for that intervention. Bessie's parents retired to Dunbar, which was then part of the constituency of Berwickshire but is now part of East Lothian. Bessie embarked on a nursing career that took her not only all over Scotland, but on two major overseas adventures. She trained in Edinburgh in the 1890s and she was night superintendent at the Aberdeen Royal Infirmary until May 1900, when the Boer war started. She enlisted in Princess Christian's Army Nursing Service Reserve and was sent to the No. 13 Stationary hospital outside Durban in South Africa, where she served for the duration of the Boer war. On her return,

she worked in hospitals in Falkirk, Dundee and again in Aberdeen before being appointed matron of Perth Royal Infirmary in 1909.

After the outbreak of world war one, she volunteered with Dr Elsie Inglis in the Scottish women's hospital in Serbia, where she retained her senior position as matron of the unit and served until 1916. When she returned home, our local paper carried Bessie's report of her ordeal, "Dunbar Nurse's Experience in Serbia A Tale of Privation and Adventure", in her own words, including the following account:

"At night the Prussian Guards simply walked into the town without any fuss whatever, and took it. Dr Inglis and her staff were told to prepare beds for 50 Germans, and next morning we received orders to leave the hospital to them. Only half-an-hour was given to us to get out, and all we were allowed to take was our beds and bedding."

Bessie was awarded the British War Medal and the British Victory Medal for her work in Serbia. She was also awarded Serbia's Cross of Mercy.

After that, Bessie slips from the historical record. Perhaps she was unable to carry on in nursing after what she witnessed in Serbia. I have found only two subsequent mentions of her: on 26 February 1916, the minutes of the Scottish Matrons Association record that its members agreed to send her a telegram to express their admiration for her heroism; and on 10 June 1916, she hosted tea at her nurses' home. She died in York on 12 September 1930, aged 61.

I raise Bessie's case today to highlight the enormous contributions made by women, which far too often go unnoticed and without thanks, but which have been crucial to shaping and deciding the future of us all, and often illuminate and focus the true meaning of moments in history. I think of the strength of the contribution made by women during the miners' strike of 1984-85. The roots of the strike go back to the aftermath of the devolution debacle in the 1970s. The Labour Government fell in 1979, when they were defeated by one vote in a vote of no confidence; Scottish National party Members were among those who voted against them. The result was the 1979 election and the victory of a Conservative Government under Britain's first female Prime Minister, Margaret Thatcher. In 2014, in moving a motion in the Scottish Parliament on the miners' strike, Iain Gray said:

"With so much at stake, it was no surprise, then, that when the dispute came, it was not just any strike... In East Lothian, the Labour club was turned over to the strikers as their headquarters and soup kitchen. The Co-operative was generous to those who were its members as well as its customers. The Royal Musselburgh Golf Club felled its trees for fuel and the council set up a hardship fund.

The wider labour movement mobilised too, in practical ways, collecting food and money to keep the miners—"—[*Scottish Parliament Official Report*, 20 March 2014; c. 29224.]

Philip Davies (in the Chair): Order. I have given the hon. Gentleman a little latitude, but he seems to be straying from the title of the debate; the miners' strike is quite some distance from Dr Elsie Inglis and the contribution of women to world war one. If he got back to the subject, I am sure we would all be grateful.

Martin Whitfield: I accept your guidance from the Chair, Mr Davies; I merely wished to reiterate that the contribution made—often silently—by women during world war one and subsequently has often gone unheard in a history written by men.

[*Martin Whitfield*]

Millicent Fawcett, an English suffrage organiser from Dr Inglis' time, described the suffrage movement, in words that are still so apt today in the fight for justice and equality for all, as

"like a glacier; slow moving but unstoppable".

We must remember and celebrate the bravery, intelligence and service of women such as Dr Elsie Inglis and Matron Bessie Bowhill, of women who supported the miners' strike by setting up the soup kitchens, and of women today.

Hugh Gaffney (Coatbridge, Chryston and Bellshill) (Lab): Dr Inglis, like Keir Hardie, supported the suffragettes; that is where the link with the miners may come in. Both opposed the war, but both were there to help out when the time came.

Martin Whitfield: I am grateful for that intervention.

We must remember women such as Dr Inglis, but also women today who suffer under universal credit, zero-hours contracts and ill health, but fight for others before themselves. Whether through imaginative thinking, fighting typhoid or promoting cleanliness, they have always supported and served others before themselves. I hope that the battle will be won for women sooner rather than later.

10.4 am

Jim Shannon (Strangford) (DUP): It is always a pleasure to speak in Westminster Hall debates. I congratulate the hon. Member for Edinburgh South (Ian Murray) on presenting his case so well. It is no surprise that we all wish to speak not only about Dr Elsie Inglis, but about women from our own parts of the country who did so much so many years ago. The debate gives us a timely opportunity to do so, almost 100 years to the day since Dr Inglis' death.

Some may wonder what an Ulster Scotsman has to say about the contribution of Dr Inglis and women in general to the world war. It can be summed up very briefly: I have to give sincere thanks and honour the memory of a lady who was one of a generation of women who won the war on the home front, and whose memory should be honoured when we mention any victory in the war. It is good to have that on the record. A well known saying that I use often and that is certainly true in my case is that behind every good man is a better woman. Behind every victory in the world war was a woman at home, keeping the home fires burning, the cattle milked and the grain growing, caring for the children and continuing life.

This summer, I attended the Milwaukee Irish Fest, as I have done for the last six years; it is an honour as a Unionist to attend such an occasion. I was pleased to see Carol Walker of the Somme Association in Newtownards as a fellow speaker on the list. Her topic was the role of women in the first world war, and she has been kind enough to provide me with her notes on the topic. They are fascinating and give a small insight into the wealth of knowledge and experience that is available from a visit to the Somme Museum on the boundary of Newtownards in my constituency of Strangford. I encourage any visitor to my wonderful

constituency to take the time to tour the museum and learn more about our vibrant history and the vital role that we played in the war.

Prior to the outbreak of the first world war, more than 800,000 women in Britain were in paid employment. The majority were in low-paid jobs—domestic service, agriculture or fireside industries such as sewing—and were paid 50% less than men doing the same job. That was a matter that clearly needed to be addressed and settled. In the 19th century, education reinforced the female role as that of a wife and mother, but women were increasingly beginning to make a significant impact on society as their legal and social status started gradually to improve.

By 1910, universities in Ireland were admitting women to all courses, and by 1914 education was much more open to women, but it was mainly the wealthy who could enjoy the benefit. Middle-class women tended to take "respectable" jobs, such as governess or teacher. Irish women had a long informal involvement in politics in the 19th century, with many participating in food riots and agrarian societies. The general progress being made by women throughout society allowed them to become more actively involved in the political issues of the day, such as home rule. Many thousands of Unionist women signed a declaration against home rule in 1912—indeed, more women signed than men.

I would like to talk about two ladies. One notable local political woman was Winifred Carney, a suffragist, trade unionist and Irish independence activist who was born in Bangor but moved to Falls Road in Belfast. She was in charge of the women's section of the Irish Textile Workers Union, where she met James Connolly and became his personal secretary. Winnie was also a member of Cumann na mBan and was present at the General Post Office during the Easter rising of 1916. She probably had a "road to Damascus" experience, as she later married George McBride from Belfast, an Orangeman and a member of the Ulster Volunteer Force. Such is the history of our politics in Northern Ireland! George had served with the 36th Ulster Division at the Battle of the Somme.

The overall lack of women's involvement at the higher levels of pre-war politics resulted in ignorance of women's issues. A major issue was the right to vote. On 4 August 1914, war broke out and changed the role of women. The first world war was a time of huge social change, particularly for women. It was the catalyst to speed up changes that were already happening. Some 80,000 women had volunteered for war service by 1918. Initially, they were not allowed to go to the front, but more than 25,000 women served there in different roles, including as nursing auxiliaries.

Jessie Getty from Newtownards, the main town in my constituency, joined the Ulster Volunteer Force nursing corps in 1913 and went on to enlist in a voluntary aid detachment on the outbreak of war. Jessie served at the military hospital in Wimereux during the first world war and, like so many others went on to marry a soldier whom she had nursed back to health.

During the war years, many women were prominent in supporting war charities such as the Red Cross and sailors' charities. Buffets were regularly provided for returning soldiers by ladies at the railway stations and docks in Belfast. In the old town hall, they packed parcels and dispatched them fortnightly to Ulster prisoners

of war. Clearly, women were very active; they may not have been at the front in large numbers, in battle or in nursing care, but at home they were very much holding the reins. Nurses worked long hours looking after wounded sailors and soldiers in the accommodation provided by the UVF hospitals; that is an enormous part of our history, too.

Many married women found that their husbands returned from the war with serious mental as well as physical injuries. Today, such issues are addressed more than in the past—in those days they were perhaps unknown. Many men were treated for the effects of neurasthenia, but for countless others no support was sought or provided. In those days we clearly did not have the level of care that we have at least the potential for today. Many were left to cope alone with flashbacks, night terrors and severe depression, and a great strain was put on family life and relationships.

The first world war was a watershed for women, especially in relation to new employment and enhanced voting opportunities. The work of the suffragettes and women's contribution in war made it apparent that a change in the laws concerning elections was needed, but that was slow to happen. Overall, even though more women were becoming involved in trade unions, women were still employed on lower wages than men—often half the male rate. That is still a battle to be fought today, for some.

Time has beaten me, but I conclude by again highlighting why this Ulsterman is speaking on this topic: I recognise how thankful we must be to the thousands of women who helped to win the war, at home and on the frontlines alike. They must be remembered, and honoured, and that is what we all seek to do in the debate.

10.10 am

Christine Jardine (Edinburgh West) (LD): It is an honour to serve under your chairmanship, Mr Davies. I thank the hon. Member for Edinburgh South (Ian Murray) for securing what, for me, is a crucial debate.

I admit that before I heard about the campaign for the Elsie Inglis memorial in Edinburgh I knew little about her. As I heard more and was drawn in, I was astonished at the contribution she had made and moved by what she had done, not just for the many soldiers she saved or eased through the horrific suffering and death of the first world war, but for me and my generation. As has been mentioned, the centenary of that great war is coming up next year, but there is another centenary, that of the Representation of the People Act 1918, and Elsie Inglis was at the forefront of campaigning on both.

In Edinburgh, Elsie Inglis was one of eight women—the others being Sophia Jex-Blake, Isabel Thorne, Edith Pechey, Matilda Chaplin, Helen Evans, Mary Anderson and Emily Bovell—who campaigned for the right of women to practise medicine in the city. I wonder where we would be today without them. They led the way, and so many women have been able to follow and do so much. Elsie Inglis was a role model for the women of her time, but she is also a role model for us all today. Before the war, she had qualified as a physician and, appalled at the standard of care for other women, she was prompted to become a suffragist and to set up a maternity hospital in Edinburgh for poor women. The

hospital, originally called The Hospice, became the Elsie Inglis Memorial Hospital. As the hon. Member for Edinburgh South and many others have detailed, Elsie Inglis' achievements were huge, as were those of many other women in the great war, in world war two and in every conflict since. The contributions, suffering and achievements of those women have been vital to not just our modern wellbeing but our very survival as we are today.

The fact that these women have often been overlooked is at times the result of the women's own modesty. Recently, at the funeral of a friend's grandmother, I heard her story for the first time. She was to many people an ordinary, loving grandmother and mother, who had led a pretty standard Scottish life, but at the funeral I heard the remarkable moving story of a then young woman, who like many others had put her life on hold to join up and serve in the armed forces. She was a spotter for the RAF. That is an example of the contributions that so often have been overlooked. It is my generation who have benefited from many such achievements, who are able to stand here today and contribute to the wellbeing of our country. No opportunity to recognise those contributions should go unmarked.

Elsie Inglis is not just an example of the women who made a contribution to the great war; she is part of a glorious thread woven through British history of the contributions that women have made at home during war and at the front itself, and after war too. My mother, Nessie Jardine, appears on a monument in my home town to those who have died from asbestos-related conditions as a result of working in the shipyards on the Clyde and elsewhere in Scotland, which have played such a vital role in this country's wellbeing. By honouring Elsie Inglis, we honour all such people, and this is an opportunity for which we should be grateful.

10.15 am

Dan Jarvis (Barnsley Central) (Lab): As ever, it is a pleasure to serve under your chairmanship, Mr Davies. I congratulate my hon. Friend the Member for Edinburgh South (Ian Murray), who has done us a great service in introducing the debate and drawing attention to the extraordinary story of Dr Elsie Inglis. I had not planned to contribute, but hearing the amazing story of Elsie reminded me of another formidable woman, and I want briefly to refer to her achievements.

Before I do that, however, I want to reflect on the fact that now, of course, world war one is a war of history not of memory and, for many, the conflict is characterised by the slaughter in the trenches on the frontline. It is incredibly important that we commemorate that aspect of the campaign, but this debate has provided a timely reminder of the extraordinary contribution made by women over that period in history and the process of social change that was unleashed by the conflict.

I was pleased to see the hon. Member for South West Wiltshire (Dr Murrison) in the debate earlier. I have had the pleasure of supporting some of the work he has been doing in commemorating the centenary of the first world war, and during that process I have had the opportunity to look at many amazing and extraordinary stories of the contribution made by women throughout that period of our history, many in Yorkshire and in my constituency of Barnsley. But one woman particularly caught my attention and I want to tell her story.

[Dan Jarvis]

This is the story of a woman called Mary Barbour; some hon. Members will know it. Mary lived in Glasgow, and politics meant as little to her as it does to some of the people most disillusioned with our politics today, but in 1914 something changed. Mary's husband, David, went to fight on the frontline and she was left alone at home with their two young boys. With so many men away on the frontline, the city's private landlords sensed an opportunity and cynically began hiking the rents of Mary and her neighbours, trying to make an easy profit out of people they thought could not fight back. But in Mary Barbour's case, they messed with the wrong woman.

Working with friends, Mary organised a rent strike. Together, they led tenants into a protest that grew into one of 20,000 people and became known as Mrs Barbour's Army. Together, they forced the Government to take immediate action to protect people from unfair rent increases—the first-ever rent protection legislation. Mrs Barbour did not even have a vote when the war broke out, but her experiences led her to become one of the first women to represent her city as an elected councillor—as it happens, Mr Davies, a Labour councillor. Mrs Barbour did not wait for someone to tell her she could make a difference; she just did it. She did not ask for anyone's permission to say what she knew to be right; she just said it.

Hugh Gaffney: Mary Barbour—who, along with many other great women, stood up for this country—will be getting a statue in January, in Govan, Glasgow, where she came from. The statue also includes ordinary people—Mary Barbour's Army—marching behind her. This is the first time there will be a statue of ordinary children and women, and it will soon be unveiled in Govan, Mary Barber's home town.

Dan Jarvis: I thank my hon. Friend for that intervention. My hon. Friend the Member for Plymouth, Sutton and Devonport (Luke Pollard) made a point about the importance of commemorating the stories of women, so I am delighted to hear that the formidable Mary Barbour will have her story formally marked with the erection of a statue in January.

In holding the debate today, we are shining an important light on some incredible and inspiring stories of women who were true pioneers. We are doing so in a way that recognises their memory and the fact that the struggle for equality is not a battle consigned to history, but one that is very much alive today.

10.20 am

Deidre Brock (Edinburgh North and Leith) (SNP): It is a great pleasure to serve under your chairpersonship, Mr Davies. I commend the hon. Member for Edinburgh South (Ian Murray) on bringing the debate forward today. I am particularly pleased to speak in it not only as a woman and an Edinburgh MP, but as someone who has long held an interest in the work of Dr Elsie Maud Inglis, one of Edinburgh's finest adopted daughters.

Elsie pursued women's equality not just through words, but through work. She campaigned for the vote and she took part in the war, even when she was rudely told not to. Elsie did not "know her place"—she wanted to make a better world for all women. Many folk in her home

city of Edinburgh, where she lived, trained and worked for much of her life, still do not know who Dr Elsie Inglis really was, beyond the name of the old maternity hospital where so many Edinburghers, including my partner, were born.

As we have heard, awareness of Elsie Inglis's work is growing, with a local campaign in the *Edinburgh Evening News* gathering steam and a long-standing and relentless campaign for greater recognition led by Alan Cumming and Ian McFarlane. There are a few plaques here and there that commemorate the tremendous work of the Scottish women's hospitals, but notably there are many more in Serbia, as we have heard. All credit to Clydesdale bank for putting Elsie's image on its £50 notes in 2009. However, it is hardly the heights that Winston Churchill predicted when he said:

"The record of their work, lit up by the fame of Dr Inglis, will shine in history."

I am not going to go over all Elsie Inglis's achievements—those have been ably covered by other Members—but suffice it to say that hers is an incredible story. The grit and passion this woman and her colleagues showed in standing up to the prevailing attitudes to women and driving their plans forward regardless remain an inspiration to us all. The challenges for women at that time make her story all the more astonishing. Elsie Inglis was not a nurturing angel in the role women were expected to adopt; we remember her for her surgeon's skills, her leadership, her tenacity and her vision, and for the impact she made on so many lives and the principles by which she lived. Elsie may have had a relatively privileged background, but she chose to take on the screaming wealth and gender inequalities of society. She was a progressive before that term became fashionable.

As convenor of culture in Edinburgh, I supported another 100th anniversary back in 2009, when there was the recreation of the 1909 Gude Cause suffrage procession along Princes Street, which I believe Elsie played a part in organising. That was such a memorable day, when we sisters and a few brothers celebrated not just the efforts of those women in gaining the vote, but the changes we have seen in the 100 years since. The accompanying "Votes for Women" exhibition at the Museum of Edinburgh—it was curated by another woman passionate about the history of the suffrage movement in Scotland, the excellent and late Helen Clark—was hugely successful and was extended by popular demand month after month.

Finally, the role Elsie Inglis and her contemporaries played in carving a path for me and other women to get involved in politics and medicine and to help build a better society for our daughters and our sons began to be more widely recognised in Edinburgh. Elsie deserves a statue in Edinburgh, at least as much as the grand generals on horses, the visiting royals clad in tartan trews or that famous terrier in the graveyard. I hope we get one, and soon. If as many Edinburgh girls and women as could manage it gave just £1 each towards that project, we would reach the target very soon. That would be a lovely tribute from those of us who owe many of the freedoms we enjoy today to women like Elsie. However, it is even more important that her legacy is a living one, where we work to protect our NHS from privatisation, tackle poverty and inequality, and ensure that every child has the best possible start in

life. I am sure Elsie would approve of the Scottish Government's baby box policy. One of my favourite slogans from the 1909 march, which was recreated in song for the anniversary, is:

"Ye maunna tramp on the Scottish thistle".

That mood still resonates now, and the UK Government would do well to mind it.

It is good to see at least one woman being celebrated in this Parliament, which has so often failed many, many women. I could refer to the unfairness dished out to the Women Against State Pension Inequality pensioners, or how universal credit disproportionately targets women. There is the horrifying rape clause, the continuing disparity in wages between men and women, and many more examples. Elsie Inglis was an utterly remarkable woman who did an enormous amount of good, but she was fortunate to have started from a position of some privilege. We should be levelling the playing field and giving every woman a chance—at least a chance—of a life lived to its full potential. I am certain she would agree with that. Her great-nephew, the Reverend Hugh Inglis Maddox, said recently:

"My great-aunt spent her life showing men that women could do anything."

Let that be her legacy.

I welcome the commemorations for the 100th anniversary of Elsie Inglis's death. At the weekend, I—alongside our Health Minister, Elsie's descendants and Edinburgh's Lord Provost—attended a beautiful memorial service in Dean cemetery, where Elsie lies. It is good to see Scotland's First Minister Nicola Sturgeon paying hearty tribute to this hero. I believe she is attending the ceremony in St Giles cathedral tomorrow. Here in London, the many roles of women in world war one are marked in a lovely, moving memorial at the Cenotaph, but among all the unsung heroes, Elsie's is a name that deserves to be sung about—a story that deserves to be told.

10.27 am

Kevin Brennan (Cardiff West) (Lab): It is a great pleasure to serve under your chairmanship, Mr Davies. I congratulate my hon. Friend the Member for Edinburgh South (Ian Murray) on securing today's debate. We have heard some wonderful contributions, starting with his own, followed by a speech from the hon. Member for Berwickshire, Roxburgh and Selkirk (John Lamont). My hon. Friend the Member for Plymouth, Sutton and Devonport (Luke Pollard) made a good point about the statistics on the representation of women in public art; perhaps the Minister could reflect on that. Given what we have heard today, the representation of women in our public art is pitiful, and much needs to be done to rectify that, including collecting statistics. Indeed, another matter that the Minister could fruitfully give some thought to after the debate is the number of women artists represented in the Government's art collection.

My hon. Friend the Member for East Lothian (Martin Whitfield) reminded us of the role of women in the great war, but after being admonished by you, Mr Davies, he did not stray too far into the issues relating to the miners' strike. I think the historical thread he was trying to draw out was understood by all concerned: women have made a huge contribution not only during national and international conflict, but during industrial conflict in this country.

The hon. Member for Strangford (Jim Shannon) appropriately reminded us of the complexity of politics in Ireland at the time of the great war, embodied in the person he spoke about, Winnie Carney. That complexity is at last being much more openly acknowledged, as is the contribution that Irish men and women from all over Ireland made during the great war, prior to the Easter rising and the civil war that followed the great war. It is right that that should be much more openly acknowledged and debated in the UK and Ireland.

The hon. Member for Edinburgh West (Christine Jardine) said that the women are part of a "glorious thread woven through British history", and I entirely endorse that remark, which sums up in a single phrase what we are discussing this morning. My hon. Friend the Member for Barnsley Central (Dan Jarvis) spoke about Mary Barbour, a huge figure in the "Red Clydeside" movement at the time of the great war and thereafter. Indeed, as well as the rent strike, she organised the women's peace crusade. When discussing the great war we should also talk about the complexities and the controversy in relation to the way that that war broke out and was fought.

I am glad to be here on behalf of the Labour Front Bench and pleased to be able to contribute to this important debate during the period of the first world war centenary commemorations. As we have heard, the story of Dr Elsie Inglis is remarkable. Her work in setting up women's medical units on the western front so soon after the outbreak of the war, and her later involvement in arranging women's despatch units to attend to other areas of fighting, is an incredible story. As a result of her work, there were 14 Scottish women's hospitals along the frontline, where almost 1,500 women served, often in atrocious conditions, serving an estimated 20,000 allied soldiers.

Today we have heard of Dr Inglis' drive and her initiative and compassion, all of which led her to use her skills to help others. My hon. Friend the Member for Edinburgh South said that when she was told by the War Office to,

"go home and sit still",

she turned to France for support to make her goal a reality. She also turned to the sisterhood and solidarity of the women's suffrage organisations, which were crucial to her success, as they raised the equivalent of £53 million in today's money in support of her cause. She is a fine example for us all to follow. Do not follow the Government's advice at all times is one message I take from her example. We are grateful today for her service and her sacrifice, and indeed her belligerence, independence and stubbornness, which led her to carry on despite the opposition from her own Government. This month's celebrations in Edinburgh are a fitting tribute to her work and I wish all the best for the service at St Giles' Cathedral taking place tomorrow, which hon. Members have mentioned.

Earlier this year we had the opportunity to pay tribute in the Chamber to those who fought in Passchendaele. During that debate I was glad to be able to pay particular tribute, as a Member of Parliament representing a Welsh constituency, to the Welch Regiment, the South Wales Borderers and the Royal Welch Fusiliers, who all fought alongside each other in the 38th Division, and to the Welsh Guards who fought in the third battle of Ypres. In Wales we particularly remember the poignant

[Kevin Brennan]

death of the poet Ellis Evans, better known as Hedd Wyn, who was killed before he was able to claim his prize of the chair at the National Eisteddfod during the war; he was killed at Passchendaele. As ever, we remain in remembrance of their great sacrifice for the freedom and future of our country. In addition to paying tribute to the local forces as part of that debate, many Members talked of the brave work of women across the country, as well as from their particular constituencies, during the great war.

Across the UK women served at home and abroad to ensure the success of the allied forces. Many, like Dr Elsie Inglis, left for the western front to care for the wounded. In the munitions factories, as we have heard, many working-class women undertook hazardous manufacturing work. In fact, in the second world war, my father's sister, my Auntie Mary, worked in the Currans munitions factory in Cardiff. In the first world war there were 11 munitions factories in Wales alone, and by the end of the war 80% of the workforce in those factories were women. It is a myth that women were not in paid work before the first world war. Many, like my own relatives, worked in service before getting married. Many of the women who worked in the munitions factories transferred their aprons working in service to work in overalls in the munitions factories. In that dangerous and dirty work, they found both a way to contribute to the war effort on the home front, and for many, for the first time, a way to earn a significant and stable independent income.

The percentage of women in paid work increased from 24% at the outset of the first world war to 37% by 1918. In 1917, 20,000 women joined the Women's Land Army across the UK. In my constituency, the Green Farm became what is now the very large housing estate of Ely. That subject is quite topical in some ways, as the estate was part of the drive to build homes fit for heroes after the first world war. As a farm during the war, it was predominantly run by female farmhands. One of the workers, Agnes Greatorex, who left domestic service to work there, said:

"Every morning, we would get up at five o'clock and milk a hundred cows. We would then take the milk to Glan Ely Hospital,"

where many of the injured soldiers returning from the war were looked after. For many, such work was taken on in addition to the weight of domestic work. Although many men went to fight, women often became the breadwinner at home, bearing the brunt of the increased emotional and domestic labour of running a house and caring for a family. We should also remember that others served at home, but not in the armed forces. Like my grandfather, Edward Evans, they were not allowed to be conscripted in wartime because they worked in the coalmines, but they made their contribution serving at home. My grandmother, Gwellian Evans, worked in service and then domestically supported her husband.

Women such as Dr Elsie Inglis and Agnes Greatorex are a part our history, and we owe them a huge debt. I should also mention some prominent women from Wales. Gwendoline and Margaret Davies are better known as philanthropists in the arts, but they worked with the French Red Cross in canteens and organised convalescent hospitals and transit camps on the frontline. Annie

Brewer, a military nurse from Newport, spent the war in France and won many medals for her courage. One citation applauded her

"coolness and total disregard of danger, lavishing her attention on men wounded under fire".

That sums up some of the incredibly brave contribution made by women on the frontline during the war.

A poster during the first world war depicted a woman wearing overalls and said:

"On her their lives depend."

Our tributes today make that same message abundantly clear. It is no coincidence that the centenary commemoration of women's suffrage closely follows that of the first world war. As we know, the suffragettes largely suspended their organising during the war in order to concentrate on the war effort. In the end, the crucial contribution of women to the war helped change the perception of women in the UK, and in November 1918 women over the age of 30 were given the right to vote.

Given Dr Inglis' commitment to women's suffrage, it is particularly poignant that, as my hon. Friend the Member for Edinburgh South reminded us, she died a year before the passage of the Representation of the People Act. It is a great injustice that despite her historic sacrifice for our country, she never had the opportunity to cast a vote in an election to this place.

Before I close on the topic of women in the first world war, it is right to consider how these issues continue to play out today. Women's work—their physical, professional and emotional labour—remains often underappreciated and underpaid. Of course, women play a vital frontline role in our armed forces today. We have come a long way since 1918, but it remains all too common that the contributions of women are underplayed, so I am pleased that this debate today has shone a spotlight on the accomplishments and sacrifices of so many historic women, from extraordinary actions to daily perseverance. I warmly welcome the WomensWork100 programme, which will launch in 2018 through the First World War Centenary Partnership. I thank all the organisations involved for their hard work throughout the commemoration period, in particular the Imperial War Museum.

Our armed forces communities continue to protect us, and I am proud of and humbled by the sacrifices they still make today. At home, the UK armed forces, supported by the entire armed forces community of families, reservists, veterans and cadets, continue to support responses to terrorist incidents and to protect our aerospace. Abroad, they are currently involved in more than 30 operations in 20 countries, from supporting the European Union and UN peacekeeping missions in South Sudan, to responding to the continuing threat posed by Daesh. As we take this time today to remember the contributions and sacrifices made during the first world war, we should also remember the sacrifices that have been made every year since then and are still being made by the brave men and women of the armed forces community. We should also redouble our efforts—all of us; men and women—to work for peace.

10.40 am

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (John Glen): It is a pleasure to serve under your chairmanship, Mr Davies, and I thank

the hon. Member for Edinburgh South (Ian Murray) for introducing the debate. I know the subject is close to the hearts of many Members across the House, and that has been reflected in the nine moving and poignant speeches and the several interventions made this morning.

We have heard of the importance of Dr Inglis's work and how it serves as one of many examples of the contributions of women to the war effort. This is a very important subject as we reflect on the first world war 100 years on. I pay tribute to my parliamentary neighbour, my hon. Friend the Member for South West Wiltshire (Dr Murrison), who has done so much, alongside other Members of the House, including the hon. Member for Barnsley Central (Dan Jarvis), to commemorate the first world war. There has been a significant number of events, and those taking place in 2018 will be announced early in the new year.

As hon. Members have observed, Dr Inglis was a hugely inspirational woman. As one of the first female doctors in the UK, a pioneer of women in medicine and an ardent campaigner for votes for women, she is a remarkable figure in our history. The hon. Members for Plymouth, Sutton and Devonport (Luke Pollard) and for Cardiff West (Kevin Brennan) spoke about the collection of data. I am open to representations on that matter, but it is important that many commemorations have been based on decisions made in different local authorities. It is about getting the right balance between spending money and allowing local campaigns to come to fruition in the right way. A large number of commemorations that have taken place over the last few years reflected inputs from local communities. Although I do not rule anything out, there are a number of communities across our history—perhaps even ethnic minorities—whose contributions have not been reflected. There is a judgment to be made on where we draw the line on that, but I note the sensible points that have been raised.

Through the upheaval of the first world war, Dr Inglis achieved international fame for the drive, dedication and compassion that were woven into her life, as well as her determination to do what she believed was right—refusing, as the hon. Member for Edinburgh South said, to go home and sit still. She is an enduring inspirational role model for us all. Instead of sitting still, she turned her energies to establishing field hospitals for service overseas.

As has been mentioned, Serbia in particular was in dire need of doctors, and some 600 British women served there as volunteers during the war—in large part due to Dr Inglis's pioneering work to raise awareness and funds for that cause. She arrived in Serbia in January 1915 with the Scottish women's hospitals, and used her skill and tenacity to save lives and alleviate suffering in extremely harsh and hazardous circumstances. She demonstrated extraordinary leadership and great loyalty in refusing to abandon Serbian troops in the field, and was herself sent into German captivity with the wounded, rather than withdrawing when the opportunity arose.

I am delighted that the Scottish commemorations panel, ably led by Norman Drummond, is delivering a number of events to commemorate the work of Dr Inglis and her fellow members of the Scottish women's hospitals movement. A wreath-laying ceremony took place on Sunday at the grave of Dr Inglis in Dean cemetery,

Edinburgh, as the hon. Member for Edinburgh South mentioned. Tomorrow, a commemorative service will take place in the presence of Her Royal Highness the Princess Royal in St Giles' Cathedral in Edinburgh, timed to start 100 years to the minute from Dr Inglis's funeral there.

As with all its previous events, the Scottish panel has produced an historical publication, available to members of the public on its website. The impact of Dr Inglis's contribution reflects the sacrifice and courage of so many women—something that has been raised by hon. Members across the Chamber. My hon. Friend the Member for Berwickshire, Roxburgh and Selkirk (John Lamont) gave a moving and poignant account of the contribution made by individuals from his constituency. The hon. Member for Plymouth, Sutton and Devonport spoke about the work of Chris Robinson and the sacrifices made by those who worked with poisonous chemicals in Plymouth—a city that is close to my own heart, following my extensive attempt to get elected there several years ago.

The hon. Member for East Lothian (Martin Whitfield) spoke of Bessie Bowhill and her enormous contribution. Such contributions were often under-reported; that theme has run across many of the individuals we have discussed. We did not really know about their contribution, and that is not right.

The hon. Member for Edinburgh West (Christine Jardine) spoke movingly about the many women who made such strong contributions and sacrifices in difficult circumstances, and about the premature death of her own mother—as with my father—through asbestos poisoning.

In 2015, the British residence in Belgrade, as was also mentioned in some very well-researched speeches, was named in Dr Inglis's honour, as a reflection of her service in Serbia and the historical relationship between the UK and Serbia. She was also featured on stamps issued by the Serbian Mail in 2015, along with other British women of the Scottish women's hospitals movement. Closer to home, I understand that the Edinburgh & Lothians Health Foundation has an annual Elsie Inglis staff development award, and there is a permanent memorial to her in St. Giles' Cathedral in Edinburgh.

Dr Inglis's contribution also reminds us of the role played by other remarkable women who made history during the first world war, such as Gertrude Bell, who played an extraordinary role in the middle east; Edith Cavell, the nurse executed in 1915, who was commemorated in a series of events in October 2015; Flora Sandes, who also served in Serbia with the Serbian army; and Vera Brittain, the Voluntary Aid Detachment nurse, who left a powerful account of her experiences and the reality of modern war. Those well known heroines are the most recognisable women of the first world war, but we should also remember the vital role played by many less well known, but no less inspiring, women—a theme of some of this morning's speeches.

The range of organisations established during the war reflects the range of contributions made by women, and the strength of their desire to play their part. Although it is not possible in the remaining time to recount every organisation founded by, or for, women during the war, I will highlight some of the most prominent to give an idea of the scale and breadth of their contribution.

[John Glen]

Under military control from the start of the war, Queen Alexandra's Imperial Military Nursing Service, and its part-time equivalent, the Territorial Force Nursing Service, were greatly expanded and served throughout the war on every front and in every campaign, often in the harshest conditions. Their professionalism and compassion feature in the recollections of many of those who experienced their care. They were supported by the Voluntary Aid Detachment of the Red Cross—staffed by both men and women—which was tasked with nursing, the administration of hospitals and rest stations, clerical and transport duties, and, in response to new developments, air raid duties. Working in Royal Army Medical Corps hospitals from February 1915, they numbered more than 82,000 members by 1920.

Women also served in the Army, the Navy and the newly-founded Royal Air Force in a range of roles previously performed exclusively by men. The Women's Army Auxiliary Corps was formed in February 1917 and eventually numbered 57,000 volunteers. In recognition of that service, the corps was renamed Queen Mary's Army Auxiliary Corps in April 1918. The Women's Royal Naval Service, universally known as the Wrens, was also formed in 1917, with 5,500 women serving by 1918 in a wide range of roles. On 10 October 1918, 19-year-old Josephine Carr from Cork became the first Wren to die on active service when RMS *Leinster* was torpedoed by a German U-boat.

The Women's Royal Air Force was created as part of the newly-established RAF on 1 April 1918, and 9,000 women already serving alongside the Royal Flying Corps and Royal Naval Air Service volunteered to join. Many will remember Harry Patch, the last Tommy. However, the last surviving veteran of the first world war from any country is believed to be Florence Green, who served with the WRAF in the UK and died at the age of 110 in 2012. More than 100,000 women served in Britain's armed forces during the war.

Other auxiliary forces assisted with the war effort at home. The Women's Land Army, formed in February 1917, provided a dedicated agricultural workforce and went on to employ some 113,000 women as field workers, carters, milkers and ploughwomen. Indeed, by the end of the war women made up around one third of all agricultural labour. The first female police officers also served during the first world war. The women's patrols were tasked with supervising women around factories and workers' hostels, as well as patrolling railway stations and public spaces.

In addition, a huge number of auxiliary and volunteer organisations were established, which reflected the desire of women across the country to take part in the war and serve their country. The enthusiasm with which women joined the groups and the way they performed their roles played a large part in the decision to increase recruitment of women in the forces.

The Women's Legion, which was formed in July 1915, eventually became the largest entirely voluntary body. Its volunteers were involved in many forms of work and the strength of response is often cited as a factor in influencing the Government to accept and organise female labour on a more formal basis.

Women began to contribute more than ever to Britain's industrial output. Although women made up a substantial part of the industrial workforce before the war, largely

in the textile industry, as the demand for shells and munitions increased, women were employed in the munitions industry in larger numbers. As has been mentioned a number of times in the debate, working long hours, in difficult and sometimes dangerous conditions, women helped to supply the troops with weapons, ammunition and equipment. By 1918, almost a million women were employed in some aspect of munitions work. Women also began working in much larger numbers in the transport industry. During the war, the number of women working on the railways rose from 9,000 to 50,000. Elsewhere, they worked as bus drivers, conductors, ticket collectors and porters.

I am very pleased to say that that huge range of activity will be reflected in "WomensWork100", a programme led by the Imperial War Museums and the Centenary Partnership. An international programme of exhibitions, events, activities and digital resources will be launched in February 2018 and will recognise and celebrate the working lives of women during the first world war. Through the stories of those who joined the workforce and against the backdrop of the campaign for female suffrage, it will use the IWM's Women's Work Collection to explore the breadth of women's roles.

The creation of that collection is closely linked with the establishment of the museum. Almost immediately after its creation in 1917, the museum formed a committee to source material to ensure that the role of women would be recorded. That material included items donated by Dr Inglis's sisters, some of which are on permanent display at the Imperial War Museum North. It is particularly appropriate that next year Imperial War Museums will be sharing stories from the collection.

The Department for Communities and Local Government, which has responsibility for commemorating women's suffrage, has plans for a project called "Inspirational Women: Speak Up". It will enable schools across the country to research and present content about the contribution of women to society and will include women such as Dr Elsie Inglis and Sophia Duleep Singh, who served as a Voluntary Aid Detachment nurse, tending wounded Indian troops in Brighton.

Although the courage, self-sacrifice and determination of such women is inspiring, we should not lose sight of the loss and hardship endured by women during the war, as reflected in the speech by the hon. Member for Strangford (Jim Shannon). In a recent debate introduced by my hon. Friend the Member for Morecambe and Lunesdale (David Morris), it was noted that some 600 memorial plaques were issued to the families of women who died in the first world war in the service of their country. Each plaque represents a very personal and tragic story of loss and sacrifice.

Women's suffrage is somewhat outside the scope of this debate, but the contribution of women to the national effort was rightly a significant factor in the passing of the Representation of the People Act in February 1918. Although I note the observations of my hon. Friend the Member for South West Wiltshire about what happened subsequently, I am sure that the IWM and DCLG programmes, as well as many other local and community projects, will reflect on that element of women's experience during the war. The war galvanised women of all ages and social backgrounds to support the war effort and to reconsider their position in society.

We should not lose sight of the ever-present contribution of women at home and to the family, maintaining some sense of normality, or looking after the children of those who had entered the workforce.

In those respects and many others, the contribution of women to all aspects of the first world war was hugely significant. I am conscious that the debate has only touched on the many fascinating and moving stories of many millions of our forebears. I am sure that tomorrow our thoughts will turn to Dr Inglis, but as we approach the final year of centenary commemorations, we will continue to recognise and remember the huge role played by women during the first world war and ensure that it is not forgotten.

10.57 am

Ian Murray: I thank the Minister and the shadow Minister for their wonderful contributions and the moving stories they told from their personal experience. What we see from the debate—from Dr Elsie Inglis, Mary Barbour and Florence Green, whom the Minister mentioned; from Plymouth to Wales to Glasgow to Edinburgh, from Barnsley to Caithness to Northern Ireland and right across the country; from the RAF, the Army and the Royal Navy—is that the contribution that these dedicated, passionate and often modest women made to the war effort, and subsequently, without any regard to their own safety, shows that we owe them a great deal of respect and remembrance. Perhaps, if someone from the BBC is watching, they might want to change “Dad’s Army” to “Mum’s Army” and make a new comedy series about the contribution of women to the war effort.

We will see many centenaries this year and next in the run-up to the centenary of the end of the first world war. For everyone who made an effort, particularly for women, we will do two things: thank them for the service they gave this country and say that we will always remember them.

Question put and agreed to.

Resolved,

That this House has considered Dr Elsie Inglis and the contribution of women to World War One.

Voter Registration: Nottingham North

10.58 am

Alex Norris (Nottingham North) (Lab/Co-op): I beg to move,

That this House has considered voter registration in Nottingham North constituency.

This is the first time I have served under your chairship, Mr Davies. I intend to take you on a journey to Aspley in my constituency via Athens. My topic is restricted to my constituency, but has wider applications to the rest of my city, and indeed to Shipley, Kingswood—the constituency represented by the Minister—and the rest of the country.

Our free and fair democracy is at the root of what makes us a special nation. We host the mother of all Parliaments, and in our participatory democracy we are treated all the same, whoever we are and wherever we come from. It is special, and it is to be cherished and, crucially, nurtured and developed. Democracy was established by the Athenians, but is frequently executed by people in Aspley. Democracy is strong only when it is truly participatory, which tells us something about voter turnout: if next to no one voted, the validity of the contest would be undermined. Voter participation ought to be of interest to us all, but this debate is about one specific part of participation: voter registration. Perhaps mercifully, discussions about turnout and extending the franchise will have to be left to another day.

I secured this debate to state publicly a belief of mine to see whether the Government share it. It is a simple but important statement: I believe strongly that the Government ought to prioritise the completeness and accuracy of the electoral register. That might sound like a broad statement, and it might sound uncontroversial or even facile, but it is none of those things. It is a crucial statement about our democracy, and if we accept it, I think it will act as a call to action. I will talk about some actions later, but first I want to talk about some of the challenges relating to voter registration that we face in my community and the reasons for the current situation; then I will move on to what we might do about it.

Let me start with the very basics. This is a discussion about voter registration in my constituency, Nottingham North. We know that we do not have a complete register of voters, but we do not know how incomplete it is. We do not know who or how many voters we are missing. To prepare for this debate—I have been putting in requests for many weeks, perhaps even months, since I was elected—I have been tabling questions to the Cabinet Office. The Minister may recognise them; others in the Chamber definitely will. I tabled one on 3 November to ask for the Cabinet Office’s estimates of how short we are on the electoral register in Nottingham North. I was given a holding reply on 15 November and heard back this morning—25 days later—with the answer I suspected I would get, which is that the Cabinet Office does not know. That lack of knowledge is not born out of disinterestedness or discourtesy, but it is a pretty good demonstration of where we are as a nation on this issue.

We do not know how many people are not registered; instead, we draw on global estimates. The House of Commons Library estimates that about 6 million people are missing from the register across the UK. On an even distribution, that would mean that more than 9,000 are

[Alex Norris]

missing in my constituency, but when it comes to those not on the register, distribution is not even. People from poorer backgrounds in a working-class community such as mine in the north and west of Nottingham are much less likely to register to vote, so it stands to reason that in my community the number of missing voters is much higher than 9,000. That is a significant proportion stacked against the 70,000 registered to vote at the latest update. That situation significantly weakens our democracy, so it is right that we are concerned about it.

It is hard to find out the current position. I drew on the resources of our excellent local authority in Nottingham. Every year, all electoral services teams in the country are required by law to conduct an annual canvass of every property in the electoral area to ensure—we are all keen on this—that the information on the register is complete, accurate and up-to-date, but that means that local authorities are forced to spend time and resources chasing households in which the number and identity of the residents have not changed. In Nottingham, the council sends a household enquiry form. If it is unreturned, it is followed by a further letter, and if that letter is not returned, by a visit from a canvasser. Only then can the council send an invitation to register, which again if it is not returned, is followed up by a second letter and by a canvasser after that.

That process does not strike me as very efficient. It is very challenging and it succeeds only 74% of the time in Nottingham, so it is both hard and not particularly effective. The council told me that the expense of printing and posting letters and training and paying staff is substantial, and that the administrative time it takes to process all of the responses is phenomenal. It is a real challenge. Despite all the effort that goes into it, since the introduction of individual electoral registration the Electoral Commission thinks that about 87% responded in 2017, as opposed to 93% in 2013. It is expensive, it is hard to do and it is not getting better.

An eminent individual I will name shortly said:

“Currently the annual canvass costs around £65 million to conduct every year—it is too high and we must take advantage of new and emerging technology to make the process more efficient where we can.”

As I say, those are not my words. The Minister may well recognise them, because they are his. I hope he shares my view that the annual canvass is too expensive. It does not produce fully accurate registers. It is time to make changes.

The solution that the Cabinet Office offers to local authorities is to use a phone and emails as a different way of contacting households. That is sensible, but I would like us to be much more ambitious, because the consequences are significant. We know that voter registration rates remain particularly low among young people and those who live in privately rented accommodation. About three quarters of 18 and 19-year-olds and 70% of 20 to 24-year-olds are registered, compared with 95% of the over 65s. There is a real imbalance.

Lilian Greenwood (Nottingham South) (Lab): I congratulate my hon. Friend on securing this debate and on making such a powerful case. Does he agree that one of the issues we face in Nottingham is the under-registration of students? It is clear that, since the university

no longer automatically registers students who live in halls, let alone all those who live in houses in multiple occupation in their second and third years, large numbers of young people have not been able to exercise their right to vote.

Alex Norris: I share that view. Later, I will talk about block registration, which was a recommendation of an excellent report that I intend to draw on. For a long time, my hon. Friend and I have been out on doorsteps, carrying around our forms, desperately trying to get people to register when we meet those who have not. I think there might be a better way to do it.

The differences are even starker when we look at housing tenure. Only 63% of private renters are registered to vote—far from the 94% of those who own their own homes. Access to the ballot box ought to act as the ultimate leveller, but at the moment it does not.

Low registration can lead to a rush to register, which is the last thing that hard-pressed local authorities need. On the registration deadline before the EU referendum, the Government website crashed due to the number of people trying to register late, which led to the deadline having to be extended. I remember that that was very controversial. Similarly, people do not want to miss out, so although they may assume that they are already on the register, they may send in duplicate applications anyway. Electoral registration officers' estimates of the proportion of duplicate applications ahead of the 2017 general election ranged from 30% of the total submitted in some areas to an incredible 70% in others. People who have registered and done the right thing are fine, but they do not know that and do not feel they can check, so they put their registration in again. That is not a sign of a healthy system. If the registration does not work, people get turned away from polling stations. At the 2015 general election, two thirds of polling stations turned away at least one person. Unsurprisingly, the most common reason for that is that they are not on the register. Again, that is not good for confidence in our democracy.

Finally—I have left this last for emphasis—all of us may have noticed the upcoming boundary changes. The electoral register has an even more crucial role in that process, because it forms the basis of our country's electoral map. We are therefore in the process of setting new parliamentary boundaries that we know are based on flawed assumptions. We are trying to tackle imbalanced constituencies in a way that will only produce further imbalances. It is a fool's errand. We need a really good register so we can set our boundaries properly.

What can we do about it? It will probably not be a revelation to anyone in the Chamber—especially if they have been following me on Twitter in the last 20 minutes—that I believe in automatic voter registration. I am not the only one who is enthusiastic about that idea. For several years, both the Electoral Commission and the Association of Electoral Administrators have been calling for automatic registration, as did the now-dissolved Political and Constitutional Reform Committee, which was chaired by my predecessor, Graham Allen. I promise hon. Members that there is not a gene in Nottingham North Members of Parliament that makes us interested in constitutional affairs. I am particularly interested in this one, but I cannot match the breadth of my predecessor's interests. When I was preparing for this debate, I half-expected him to intervene at some point to clarify

something. That has not happened yet, so I will carry on, on my own. His Committee, which he led with distinction, conducted the largest public consultation ever achieved by a Select Committee, and it recommended the introduction of automatic registration. The all-party group on democratic participation recommended it, and so did the Electoral Reform Society, Bite the Ballot and Operation Black Vote. The list goes on and on, but it is not just experts: according to the Electoral Commission, 59% of people support the idea of automatic registration, and it is even more popular among younger age groups, with two thirds of 18 to 34-year-olds voicing support.

Automatic voter registration would make two transformative yet simple changes to voter registration: first, eligible citizens who interact with government agencies would be registered to vote unless they decline; and, secondly, agencies could transfer voter registration information electronically to election officials. Those two changes would create a seamless process that is less error prone and more convenient for both voters and government officials. Such a policy would boost registration rates, clean up the rolls, make voting more convenient and reduce the potential for voter fraud, all the while lowering costs.

The end game is to achieve full participation in our democracy and, as I say, an accurate system is a better way to do that, but this is not simply a theoretical exercise, something I have dreamt up at home and asked Ministers to go on, on the back of my ideas—it is already happening. In the US, they are way ahead of us. In March 2015 the state of Oregon became the first to pass a breakthrough law to register automatically eligible citizens who have a driver's licence, but with the choice to opt out. Registration has increased since the policy was implemented, and last November voter turnout in the state was the highest for decades, and one of the highest rates in the country. Since then nine other states have followed suit and 32 of the remaining 40 are considering similar legislation.

Automatic registration is not just about the registration rate, but about accuracy and saving money. Delaware estimated that it saved \$200,000 in the first year alone of implementation. We could do that too. We should unleash the collective knowledge of the state—whether of the Departments for Work and Pensions and of Health, or the Driver and Vehicle Licensing Agency—to wire up a system that makes a complete and accurate register.

We could build in other areas, too. Bite The Ballot and Dr Toby James, with the all-party group on democratic participation, published an outstanding report with 25 recommendations to reform our voter registration system. Published more than a year and a half ago, it was welcomed by the Government and praised by the Minister as a publication that will

“go down in history as helping to evolve the UK's electoral registration system”,

but so far only two of the recommendations have been implemented. Today I hope to hear about more, in particular the one on block registration in care homes and halls of residence. That recommendation could be introduced quickly.

We know there is emphasis on voter fraud. That played out during Cabinet Office questions last week, when there was plenty of discussion about voter fraud. Certainly, voter fraud is something that the Cabinet

Office is interested in. It is a criminal offence and ought to be treated seriously—it is another way to undermine our democracy—but the evidence tells us that electoral fraud is exceptionally rare. In the past 20 years in Nottingham, exactly zero cases have resulted in people being prosecuted. In 2016 in the UK more broadly, of 260 cases of alleged electoral fraud, only two led to convictions, while 138 cases were dropped with no further action. Stand that against nearly 34 million people voting in the EU referendum and we are talking about fewer than one in 10 million people being convicted of that offence—stacked against 6 million missed off the register. Both issues are important, but I am arguing that one ought to have considerably greater emphasis placed on it by Ministers.

I hope that I have demonstrated the real challenges to registration in my constituency, the sterling efforts of our local authority, despite the considerable pressures on it and the weak hand it has been dealt, and outlined a better, evidence-based approach for Ministers to follow in the future. I am sure that the Minister will forgive me for drawing on his previous comments, and I look forward to hearing more from him.

11.13 am

The Parliamentary Secretary, Cabinet Office (Chris Skidmore): Thank you for your chairmanship, Mr Davies. I am grateful that you are presiding over this debate, because you too take a personal interest in electoral matters and I am sure you enjoyed the contribution from the hon. Member for Nottingham North (Alex Norris) as much as I did.

It is striking that although we sit on opposite sides of the political divide, I agree with much in the hon. Gentleman's speech on electoral registration being a matter of social justice. I will touch on that later, but I am determined that, as a Government, we will look at the burning injustice for those people who are unable to access the ballot box for whatever reason. Next year, it will be 100 years since women got the right to vote, but now many people do not vote because they do not wish to—that is their freedom—although many people who want to vote will still be unable to do so. I will talk about what the Government have been doing and intend to do to improve access to registration and, therefore, to our elections.

The hon. Gentleman paid tribute to his predecessor Graham Allen. In July 2016, two days into my job as a Minister, I was here in Westminster Hall to respond to Mr Allen's debate on the issue of a constitutional convention. I am delighted that the hon. Gentleman is following in the proud footsteps of his predecessor by taking up the matter of voter registration. It is incredibly important for that issue to be raised in the House and I thank him for securing the debate. As is evident from his recent parliamentary question to the Cabinet Office, which he mentioned, electoral registration is of interest to him, and I commend him for that.

The hon. Gentleman is absolutely right about the issue of data. To consider what we do and do not know, at the moment we do not have the accurate data to be able to track movements of people within certain locations. I am passionate about changing the nature of the electoral registration conversation from focusing only on top-line national issues.

[Chris Skidmore]

The hon. Gentleman mentioned the “Missing Millions” report, which I commend for highlighting the number of people missing from the register, but what we do not know is who those missing millions are and whether they are all actually missing or have gone off and registered in a different location. I am absolutely determined for us in the Government to do the work on the much finer-grained detail to achieve a more accurate picture of where we need to focus our resources. I will talk about that in connection with our democratic engagement programme for the future.

We need to move away from the national conversations on voter registration and talk about democratic inclusion versus democratic exclusion and where the democratically excluded are. The hon. Gentleman mentioned certain target groups that had traditionally under-registered and were under-represented, such as home movers. He mentioned the Electoral Commission report that highlighted the number of renters who are not on the electoral register. For me, one of the most significant statistics is that only 28% of renters join the electoral register in their first year of moving into a property. We are looking at trying to tackle that churn.

I will have to disappoint the hon. Gentleman in his passion for automatic voter registration. I am equally passionate about the system of individual electoral registration, which is here to stay. More than £70 million has been invested in putting the system in place and in enabling the successful transition to individual electoral registration. At the core of that system is the conviction that individuals should own their own registration status. When it comes to our democracy, voting and registration, I am a passionate believer in voting being not only a right but a responsibility. Gone are the days of the old head-of-the-household system, in which one individual registered numerous others; now it is the right and responsibility of each and every individual to decide when and where they want to be registered.

Individual electoral registration has proved not only more responsive to the needs of electors, but a success in making the system more robust and in driving up the accuracy of the electoral registers. The Electoral Commission report on the 1 December 2016 registers provides the best and most recent full assessment of the completeness and accuracy of the electoral registers across Great Britain.

Lilian Greenwood: The Minister may be wedded to individual registration, but will he not accept that there are some groups he needs to work much harder with? That might be those who have poor language skills or learning disabilities. They might want to register but find the process difficult. Will he commit to put in extra measures to ensure that those people who want to vote but find the existing process difficult can access it effectively?

Chris Skidmore: The hon. Lady is clearly as passionate about this issue as I am—only last week, she asked a question during Cabinet Office questions. As a Government, we are absolutely determined to ensure that by the next general election in 2022 we will have made our elections the most accessible ever. Clearly, 100 years on from women getting the right to vote, there are still those who

are unable to vote. We want to be able to change that. Looking at the whole process—the journey through our democracy—from registration through to turning up at the polling station, we need to do more.

We had a call for evidence, and 260 people have responded so far. In the spring, we will publish a report on actions the Government intend to take forward. I have already managed to make certain changes—for example, with the certificate for visual impairment—on data held at NHS level. Last year, there was a consultation. I wrote to the Health Minister to make the case that that data should be shared with local authorities and electoral registration officers, so that when a certificate exists for those who are blind or visually impaired, it should be possible to use it to contact people in the local authority area, perhaps with forms in Braille—although it is not frequently used nowadays, and it is important to keep up with the technology when it comes to access to elections—or large print. It is about establishing who the vulnerable people are who need the extra effort and attention.

Again, it is about data and about ensuring from an early position that we can act as a Government. I agree entirely with the hon. Lady that we need extra investment in those certain groups, but we also need knowledge of those under-registered groups. We have run a knowledge and capability review to try to understand people’s needs. Since becoming a Minister, I have been touring every area and region of the country to try to understand the needs of the most vulnerable.

When it comes to individual electoral registration, the completeness of the register is stable at around 85%, but its accuracy has now increased to 91%. There is more to do. I share the hon. Gentleman’s vision of having as complete and accurate a register as possible, although I perhaps disagree about the methods to achieve that. Since 2014, 30 million people have registered to vote using the IER system, and 75% of those did so online. During this year’s general election, nearly three quarters of the 2.9 million applications were made using the register to vote website. I am sure he will join me in welcoming the fact that electors across Nottingham have engaged with this new system, mirroring the trend we have seen nationally. Since 2014, 197,042 applications to register to vote have been submitted to Nottingham City Council—79,314 of those were from 16 to 24 year-olds—and 24,978 applications were submitted to Nottingham City Council ahead of the 2017 general election, from 18 April to 22 May.

The hon. Gentleman also touched on the issue of duplicate registrations, which the Association of Electoral Administrators has raised with me. In a way, that problem is part of the success of the register to vote website—the opportunity and flexibility that it gives to individuals to register—and the side effect is duplicate applications. At the 2017 general election, we added a page to the website that said that if people were already registered with their local authority they would still be on the register, which we believe screened about 5% of applications. However, as a Government we are determined to look at the issue. I am not convinced that a centralised database is necessarily the way forward, but we are continuing our work and we want to work closely with the AEA and the Electoral Commission on those barriers.

I addressed the AEA conference in Brighton earlier this year and I committed the Cabinet Office to holding an annual electoral summit, which will take place on

11 December, with representatives from the AEA and from the Electoral Commission, so that we can plan out the registration and democratic engagement strategies for several years. We are launching a democratic engagement programme, which will be published this side of Christmas. It is the first Government electoral engagement strategy and we are determined to ensure that, rather than focus on electoral events, when money is invested suddenly in the run-up to an election, we can plan across a five-year cycle where we need to focus our attention to help the most vulnerable people and to drive up the completeness and accuracy of the register. I will be delighted to share that work with the hon. Gentleman when it is published and to have a separate meeting to talk him through the Government's plans.

As part of my tour, I visited the British Chinese Project in Nottingham, and I attended a round table with electoral service managers in Gedling. The hon. Gentleman is fortunate to have passionate electoral service managers in his local area who do good work. I learned a lot from my conversations with them, which I hope will be reflected in the strategy.

On the annual canvass, again, we do not disagree in principle. The annual canvass is a 20th century process—an analogue system in a digital age. We have already seen the modernisation of IER and the register to vote website, but the annual canvass process is in the past and it needs to catch up. It is a significant cost for local authorities, of between £60 million and £65 million. I am determined to try to enable permanent change to reform that system, but what does permanent change look like?

I am determined that we make measured and evaluated changes to the annual canvass that do not risk upsetting the existing system, so that when it comes to preserving the completeness and accuracy of the registers, we do not move simply from one system to another. That is why we established a pilot process. We had three pilot areas in 2016 and we have 24 across the UK in 2017. All the pilots are being evaluated by the Electoral Commission and that evaluation has to be published by the end of 2018, I think. I am determined that we go forward with permanent change to the annual canvass. The pilots so far have tried to give local authorities greater flexibility over the canvassing process.

The hon. Gentleman mentioned the endless number of letters that can go back and forth, the paper that is wasted in that communication process and the canvass itself, which can cost £1 for every door knocked on. Legislation may require people to return to a particular address, on occasion up to nine times. Although the canvass procedures are in primary legislation and we are looking to make changes to that, we will shortly lay a statutory instrument that will aim to make further improvements to the registration process within the existing canvass, and which will be debated early next January. The hon. Gentleman might want to speak to Labour Whips or the Committee of Selection because we would be delighted to have him on the Committee to continue these discussions.

The statutory instrument will aim to make further improvements to the registration process by streamlining the deletions process and rationalising correspondence that electors receive in the registration process. The same statutory instrument will also seek to improve the

anonymous registration system to ensure that it is accessible to those escaping domestic abuse who need to register in such a way.

The hon. Lady mentioned vulnerable groups; one of the vulnerable groups that I have been determined to help, particularly in view of next year's 100th anniversary of women getting the right to vote, is those women who are survivors of domestic violence and who might be residing in refuges, who are unable to register to vote without risking their identity being revealed. They have to sign up to an anonymous registration system by going to either a director of social services or a chief constable of police. We will lower that attestation process to domestic refuge managers. There are 12,000 women in domestic violence refuges, but only about 2,300 women use the anonymous registration scheme. I hope that for the May elections we can demonstrate that change and give those women back their voice in the democratic process.

I passionately believe that voting is more than just a cross on a ballot paper. Voting is the end point: there is a process by which we need to re-engage communities, but there are some people who might not want to engage in the electoral registration process to begin with. How do we work with organisations such as the British Chinese Project, which I mentioned and which sees the low levels of literacy among first generation Chinese people, for instance? How do we engage people to make them understand that that registration process and having their say are equally important and vital for them to take part in our democracy?

I am determined to look at that, through reflecting on the democratic society. There are civil society organisations and groups that do a fantastic job helping to register vulnerable people. One of my first visits was to Birmingham, where I met Uprising—a charity that went around with tablets to help people to register to vote.

What can we do as a Government to try to engage those groups with the wider community and to try to provide them with opportunities? I have announced the first National Democracy Week, which will take place next year on the 90th anniversary of the Equal Franchise Act. When we think about our democracy, we think of Magna Carta and parliamentary sovereignty, and think of ours as being one of the oldest democracies in the world, but it is remarkable that it has been just 90 years since women got the equal right to vote.

In celebration of that moment, I want to set out a week's programme, and the hon. Gentleman will be more than welcome to involve the people of Nottingham. I want to make sure that events take place across the country. How can we ensure that we look at the state of our democracy 90 years on from the Equal Franchise Act and what can we do over the next 10 years, to 2028, to ensure that we have as complete and accurate a register as possible?

There are other events taking place next year, including the suffrage celebrations, with £5 million set out for that. A key part of it will be investment in education and democratic participation. The week before last, I met the National Citizen Service to look at engagement models for young people.

I want to reassure the hon. Gentleman that although we differ on the point of principle, it is a point of principle. I understand that hon. Members feel passionately

[Chris Skidmore]

about automatic electoral registration. I believe that individual electoral registration is here to stay, but in that context we are determined to ensure that we register as many people as possible. This is a social justice issue and we will publish our democratic engagement plan shortly.

Question put and agreed to.

11.29 am

Sitting suspended.

Rohingya Crisis

[IAN PAISLEY *in the Chair*]

2.30 pm

Dr Roberta Blackman-Woods (City of Durham) (Lab): I beg to move,

That this House has considered the Rohingya crisis.

It is a pleasure to serve under your chairmanship, Mr Paisley.

I visited the Kutupalong refugee camp earlier this month, as part of a cross-party delegation to Bangladesh organised by the Commonwealth Parliamentary Association and the United Nations High Commissioner for Refugees. I thank both organisations for organising that visit, which gave me and others the opportunity to speak to non-governmental organisations working on the ground and to the Rohingya themselves about their most urgent needs, which they identified as food, shelter, education, clothes, water and sanitation. That is complemented by the UNHCR's assessment that there is

“an urgent need for... more space for shelters and infrastructure... including water points, latrines, bathing areas, distribution points, child safe...spaces, safe spaces for women and girls”

and community centres.

Although stories about the crisis are familiar, my visit brought home the vastness of the camps. The UNHCR's head of emergency planning told our group of parliamentarians that the camps needed to house the new refugees are the equivalent of a city larger than Manchester being established almost overnight, with no infrastructure, housing, water, sanitation or any of the tools needed for self-subsistence. The scale of the need is truly vast. The International Rescue Committee estimates that nearly 300,000 people need food security assistance and more than 400,000 people need healthcare. Only a fraction of the 453,000 Rohingya children at camps receive education. The young people we met were desperate for education—particularly higher education.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Lady on securing the debate. She alludes to the issues facing young people. Does she agree that, in addition to the horrendous conditions she outlines, the news that emerged yesterday that organised gangs are taking advantage of women—particularly vulnerable young women, but also older women—is another complicating factor? That needs to be resolved in addition to the humanitarian crisis.

Dr Blackman-Woods: The hon. Gentleman makes a really relevant point, which I will come to later.

The school that we visited was doing a valiant job of teaching children in shifts, but that is really a drop in the ocean. Much more education and schools are needed in the camps.

Paula Sherriff (Dewsbury) (Lab): I thank my hon. Friend for introducing this important debate. It is of course incredibly important that we deal with the current acute situation, but does she recognise that, the current crisis aside, most Rohingya people are not actually

recognised? They are not entitled to state education or healthcare, and many cannot even access employment. We need to address that.

Dr Blackman-Woods: My hon. Friend makes a really good point. I was coming to the lack of citizenship that underpins most of the problems that the Rohingya people face. They have suffered persecution in Myanmar for decades. The 1982 citizenship law denies them citizenship. They are deprived of the right to vote and unable to access higher education or travel freely. Their lack of official citizenship, which is underpinned by ethnic conflict, is at the root of all those problems. Even before this year, 212,000 Rohingyas had fled Myanmar for Bangladesh, but the latest wave of forced displacement is one of the largest population movements in living memory. More than 640,000 people fled Myanmar in the wake of the August attacks, and the camps are now estimated to be home to more than 836,000 Rohingyas.

Stephen Timms (East Ham) (Lab): I strongly agree with my hon. Friend. Does she agree that a basic step towards resolving the terrible tragedy that she describes would be the repeal of the 1982 citizenship law?

Dr Blackman-Woods: My right hon. Friend makes a really important point. I will ask the Minister how we can apply international pressure, particularly on the military in Myanmar, to ensure that that is achieved.

The horrific violence over the summer in Rakhine state, in which more than 1,000 Rohingya Muslims were killed by the Burmese security forces and other militia groups, was described by the UN as “a textbook example of ethnic cleansing.”

Reading reports of mass executions, gang rapes, the burning of villages and the killing of children is harrowing, but it does not compare with hearing first-hand reports of violence from people in the camps. As if that violence were not enough, the Rohingyas face horrific journeys when fleeing from Myanmar to Bangladesh. They must trek for days through the countryside in Rakhine state to reach the border crossing, which has been planted with landmines. Some have paid fisherman to take them across the Naf river in fishing boats, but many have drowned trying to make it across.

Despite the deal signed on 23 November between Myanmar and Bangladesh to return the Rohingyas to Myanmar, there is understandably widespread aversion among the displaced Rohingyas to returning to their home state at present.

Rushanara Ali (Bethnal Green and Bow) (Lab): Does my hon. Friend share my concern that the supposed agreement between the Bangladeshis and the Burmese about return is deeply problematic, given the state of camps in Rakhine and the way the Rohingyas are being treated? I visited Burma twice. Our Government need to ensure that security arrangements are in place and that the Rohingyas’ protection is guaranteed before any such process takes place.

Dr Blackman-Woods: My hon. Friend makes an extremely pertinent point.

Jeff Smith (Manchester, Withington) (Lab): I am grateful to my hon. Friend for giving way—she is being very generous with her time—and thank her for raising this topic. The repatriation deal requires that refugees

produce a load of documentation, including names of family members, previous addresses, birth dates and a statement of voluntary return. Does she agree that, given the systematic denial of citizenship rights, that will be incredibly difficult for them?

Dr Blackman-Woods: I absolutely agree.

Human Rights Watch has provided evidence of at least 288 villages in northern Rakhine state being partly or completely burned since 25 August. The International Rescue Committee described the deal as “at best, premature,” noting that Rohingya refugees are still fleeing Rakhine state and arriving in Bangladesh. The IRC describes ongoing violent clearance of villages and mining of the border by the Myanmar military, and states that “it is clear that the conditions for safe, voluntary and informed returns are not being met.”

The IRC also states that 81% of the Rohingyas it interviewed do not wish to return to Myanmar at present.

The UK Government and our representatives in the international community must do all they can to press all sides to ensure the safety, livelihoods and, crucially, citizenship rights of the Rohingyas if they return. The Burmese Government also need to address the widespread and credible reports of horrific human rights violations in Myanmar, and to stop anti-Rohingya propaganda, which has spread across the country.

Amid the tragedy, the response by the Department for International Development and British NGOs in the camps should be commended. I am pleased that the UK has committed £47 million to meet urgent humanitarian needs in the camps, including £5 million to match the generous donations of the UK public to the Disasters Emergency Committee. The UK is the largest bilateral donor to the crisis and has given more than one third of the overall money donated by the international community. In addition, our existing work in the region means that, when the crisis hit, we were already in a position to provide lifesaving support. Without DFID’s existing networks, that aid would have taken longer to reach those in need.

British NGOs, including Oxfam, ActionAid, the Red Cross and Save the Children, are also doing an incredible job, alongside others, in very difficult conditions. Oxfam alone has reached more than 185,000 people, providing clean drinking water and sanitation facilities. I could give many examples of the amazing work being done by our NGOs in the camps, including setting up emergency health units and providing clothing and emergency kits for people arriving at the camp. We should also pay tribute to the international organisations such as UNHCR, the International Rescue Committee and Médecins sans Frontières, which have been vital in providing frontline support in the camps and have already saved thousands of lives.

The British public, too, have played a remarkable role with their donations. UK aid has provided emergency food for 174,000 people and lifesaving nutritional support to more than 60,000 children under five.

Catherine West (Hornsey and Wood Green) (Lab): Does my hon. Friend agree that a great deal of that aid needs to be directed in particular toward women and children suffering violence?

Dr Blackman-Woods: Absolutely. My hon. Friend makes an important point, which I will come to in a minute.

UK aid has provided safe drinking water and latrines to 138,000 people. It has also provided counselling and psychological support for over 10,000 women suffering from the traumas of war and sexual violence. I witnessed that service myself in the transit camps, where newly arrived refugees, traumatised by their experiences, have their medical and personal needs assessed before moving to the camp. That showed the difference international efforts are making on the ground, particularly the support being given to women and children. It was also heartening to see the generosity of so many of the ordinary people of Bangladesh, who though poor themselves have given a lot to the refugees and welcomed them into their country. Nevertheless, the UNHCR has estimated that there is a shortfall of £247 million in the funding needed from the international community to meet the needs in the camps.

Turning to the response from the international community, while Britain and France initially put forward a Security Council resolution on Myanmar in late October, China and Russia refused to co-operate, meaning that it is now only a statement passed by the Security Council and does not carry the weight of a resolution. The statement said that the Security Council

“strongly condemns the widespread violence that has taken place in Rakhine State, Myanmar,”

and

“further expresses grave concern over reports of human rights violations and abuses in Rakhine State, including by the Myanmar security forces”.

It has therefore been up to individual Governments to take action to try to resolve the crisis. As a number of hon. Members in this room will know, much more work needs to be done to come to an international solution. Many critics noted with surprise that the Rohingya crisis was barely mentioned at the most recent summit of the Association of Southeast Asian Nations, which took place earlier in November. The UK and EU should be using our relationship with ASEAN to push it to make the crisis a higher priority for the whole region.

What should the UK Government’s priorities be? The UK Government must do all they can to ensure that any deal reached between Myanmar and Bangladesh to return the refugees ensures that return is safe, voluntary and informed. For as long as the Rohingyas are living in the camps, the UK and international community must have four urgent priorities. First, international aid is essential in ensuring that the Rohingyas’ basic needs are met and that camp life can improve. The donors’ meeting in February, where more aid is being requested, will be critical in that respect. Secondly, the camps need more space, so it is urgent that Bangladesh determines as soon as possible how that can be achieved. Thirdly, staff and volunteers from UNHCR and NGOs are doing an amazing job servicing the camps and supporting the Rohingyas. They do not seek recognition for their efforts, but their brilliant work in difficult circumstances should be acknowledged.

Fourthly, the underlying problem of the Rohingya is not only the violence and persecution they face in Myanmar, but their lack of citizenship. I will never forget the young man, aged 25, who we met at our first meeting at the camp. He had been born at the camp, as

his parents had fled Myanmar in an earlier displacement. Despite facing huge challenges with regard to shelter and food, he told us the most important thing he wanted was citizenship, because then he could make his own way in the world. At present, that will not be easily achieved. The military in Myanmar have refused citizenship, and Bangladesh is reluctant to give permanent residency to so many people in a very poor area of a low-income country.

International pressure to solve the crisis is of the utmost urgency, and I would like to hear from the Minister what the Government are going to do to try to step up the amount of aid delivered not only by the UK Government but by other partners, and how they will press for a longer-term international solution to the problem.

Several hon. Members *rose*—

Ian Paisley (in the Chair): Order. I will call Mr Philip Hollobone to speak next, but there is obviously considerable interest in the debate. As a result, in order to give sufficient time to the Front-Bench spokespersons of the Labour and Scottish National parties and the Government, I am cutting the time immediately to three minutes per speech.

2.47 pm

Mr Philip Hollobone (Kettering) (Con): It is an honour to serve under your distinguished chairmanship, Mr Paisley, and a huge pleasure to congratulate the hon. Member for City of Durham (Dr Blackman-Woods) on her excellent speech. I had the privilege of going on the same CPA visit to see the Rohingyas as the hon. Lady, and it seemed to me that two responses were required from Her Majesty’s Government, who are so ably represented here by my right hon. Friend the Minister.

The first is the diplomatic response to the grossest example of ethnic cleansing that one could come up with. It is ethnic cleansing, pure and simple, and must be 100% condemned through all diplomatic channels available to us. I appreciate the sensitivities of the nascent democracy in Burma, but we must make it clear that the generals are responsible for this ethnic cleansing and that the international community will not put up with it. When it comes to the potential return of Rohingya refugees, returning stateless people to remain stateless in their country of origin is not good enough. These people require their nationhood to be given to them.

The second response required from Her Majesty’s Government is humanitarian assistance. Britain has a good record of providing financial assistance directly to the camps, but more will obviously be required. We must stimulate further contributions from other countries, particularly Muslim countries, because we are dealing with a Muslim population and there are lots of rich Muslim countries in the world that, frankly, should be stepping up to the plate rather more.

On the CPA visit to the refugee camp, we had the privilege of meeting some truly inspirational aid workers from the UNHCR and the International Rescue Committee. It was a privilege to meet them and see the fantastic work that they do.

The Minister for Asia and the Pacific (Mark Field): Reflecting on what my hon. Friend just said, it would be very dangerous for this to be seen as only a Muslim

issue. It is a global humanitarian catastrophe, and while I accept what he says—that we want to see all nations contributing—to try to frame it in an ethnic way would be the wrong way forward.

Mr Hollobone: The point I am making is absolutely right: yes, it is an international emergency, but the Rohingya are being expelled because they are Muslim. We must not ignore that fact. We also have to accept that there are very rich Muslim nations in the world that can step up to the plate. I do not think that the Minister and I disagree; help is great, wherever it comes from.

The international aid workers we met, many of whom have been international aid workers for a long time, told us that the Kutupalong camp, which we visited and which had more than 400,000 people in it, is the most congested refugee camp they have ever experienced. That is a huge problem because, as was certainly made clear to us, the outbreak of disease is a really big concern. When we asked what the solution is, they said they will simply have to create more, smaller camps in that part of Bangladesh, which will minimise the risk of a disease outbreak. If we can encourage the Bangladeshi Government to do that—they have been very generous—that would be good.

The aid workers made the point that we need to think about the medium term. There has been a rush of refugees into Bangladesh, but those people will not go back in a hurry and they will not go back in numbers, so we need to think five or 10 years ahead. The aid workers also told us that in absolutely no way should those people be returned to any unsafe situation, and that there must be an informed, safe, voluntary, dignified and sustainable return, or no return at all.

The Bangladeshis need to speed up the entry clearance process for refugee aid workers. Some of the pre-registration processes for refugee organisations are, frankly, taking too long; they can take six to 12 months. I am sure the Minister is on the case and will listen carefully to the debate.

2.52 pm

Dr Rosena Allin-Khan (Tooting) (Lab): The UK has a proud history of being courageous, compassionate and generous, and of leading the way on humanitarian rights in the international community. I am here to say that we must act to protect the Rohingya people.

Last week, I returned from the camps, where I was not just visiting but working as a doctor. I visited all the camps on the Myanmar-Bangladesh border and also went to the checkpoints. I promised the people I met that I would tell their stories. People had to choose between returning to the fires and picking their three children who were burning alive, or picking the two children who were still alive and running with a shirt over their back, making the treacherous journey over the border into Bangladesh. I held those charred babies in my arms and made a promise to tell their story.

I say on the record, as I have all week, that this is not ethnic cleansing. Ethnic cleansing is not a crime in humanitarian law. This is genocide—the systematic dehumanisation of a population of people—and we have to call it out. We are proud to be British and all that stands for. Our standing in the world is to be applauded. The amount we give to humanitarian efforts

is absolutely wonderful, but it is tantamount to putting a sticking plaster on a gunshot wound and allowing the shooter to roam free. We cannot be bystanders to this genocide.

I met an imam who managed to escape into the bushes as the military arrived in his village and started shooting everybody. He described, through his tears, all the men being mutilated and killed as their wives were forced to watch; women being dragged backwards by their hair and gang raped repeatedly as their children were forced to watch; and their children, as they ran away screaming, being dragged back and thrown into the fires. I know that that is hard to hear, but I promised I would tell their stories.

We cannot be bystanders to a genocide in which a group of people really believe that throwing living babies into fire is just. What does that say about what we will allow to happen in our world? What does it say about the world that we are raising our families in? I met a four-year-old girl—the same age as my eldest daughter—who was absolutely mute because of the injuries she had sustained and the journey she had made, without her parents, into Bangladesh. She was able to say only, “They killed them all,” before being unable to speak again.

We are a full member of the UN Security Council, we have leverage and we can make changes. We cannot stand by and let this happen. I am calling for an independent ministerial delegation to go to Myanmar, into the Rakhine province, and to call this what it is.

2.55 pm

Mrs Anne Main (St Albans) (Con): It is a privilege to follow the hon. Member for Tooting (Dr Allin-Khan). I, too, visited the camps, and like her I made that promise. It still feels as raw today as when I went there.

I will make a few points in the short time I have. I agree with the Minister that this is not only a Muslim problem; we were told of Hindus who had been expelled because they are Rohingya. The very fact that the Pope may have been advised—I would not wish to give His Holiness advice—not to use the word “Rohingya” is very wrong. All of us should be free to describe the Rohingya for who they are and what they are. Apparently, a delegation from Burma came over a year or so back at the invitation of the Bangladeshi Government. They went into the camps and said they did not see any Rohingya, only Bangladeshis. That is the problem.

If the Myanmar Government deny people who they are, sending them back there will make no difference. There is a cultural problem here—tacit agreement with the process that has happened. The local people in Myanmar are “not unhappy” that these people have been driven out in the most horrific manner. That needs to be addressed. Otherwise, sending the Rohingya back will only send them back into a scenario in which they are permanently under threat, despised and robbed of their rights. I put it very clearly on the record that we must not accept any pressure to not use the terminology of their race. They are Rohingya and should be respected as such, and the fundamental flaw in this is that Myanmar does not recognise that.

I accept what my hon. Friend the Member for Kettering (Mr Hollobone) said about permits, and I, too, am concerned that valuable groups such as Islamic Relief

[Mrs Anne Main]

UK and Restless Beings want to work in the camps but cannot get access. If this is a legitimate aid process, as much as help as possible should be accepted.

I am also concerned about the estimated 285,000 people outside the camps. The camps are one part of the problem, but there are also huge numbers of people lost in the system. I respect the hon. Member for Tooting saying that this is genocide. I am not sure whether it meets the criteria for that—it looked that way to me—but it is certainly at least ethnic cleansing, and we must not pussyfoot around calling it what it is.

When we talk only about numbers of people and moving them around, we are denying those people their identity and their human rights. Therefore, to me, if nothing else comes out of the debate, we must at least put Myanmar, its Government and its military on notice that the world has noted what they have done. Simply allowing people back in—Bangladesh is under pressure and I see why it wants that repatriation—does not forgive the crime that has happened. That crime needs to be examined and taken to the highest level, and if it is a crime against humanity, which it looks like to me, people should be held accountable and there should be trials. I would welcome that and be proud if my own Government led the calls for it to happen.

2.58 pm

Eleanor Smith (Wolverhampton South West) (Lab): My speech will be very short because everybody will more or less say the same thing that I will. I was one of the delegates who went to Myanmar as part of the CPA group. I also went into that camp, and what I saw has left a mark on me. I am a nurse and have seen many things, but that is the worst of people's humanity I have ever seen. How people can treat others like that is beyond me.

All we are asking is for this to be recognised as what it is: the dehumanisation of people going to Bangladesh. Bangladesh is a very poor country—what are we expecting it to do? It cannot cope with what is happening. We have been told that by December, which is only a couple of days away, 1 million people from Myanmar will be on its borders. We have to do something. I am here to support my colleagues across parties in saying to the Minister that we have to do something. Please listen.

2.59 pm

Sir Mike Penning (Hemel Hempstead) (Con): It is a pleasure to serve under your chairmanship, Mr Paisley. I want to say from the outset that there is a court in The Hague where the people who have been perpetrating these murderous activities will end up, and it is for this Parliament and this Government to work internationally to make sure that they are brought to justice.

By coincidence, my researcher worked in what was then Burma, long before the new golden leadership, when the generals were in charge. There is nothing new about what has been going on there. Colleagues who went to the camps saw people born there not 10 years ago or 15 years ago, but in excess of 25 years ago. It is a crying shame that the camps are still in that condition. The longevity of the camps is very important. I had the honour and privilege of visiting our troops in South

Sudan—another place in the world where we should all be ashamed of what is going on—and the camps there had fresh water, sanitation and some longevity, so that when the rains came, the people there were protected.

At the same time, we need to think of the people of Bangladesh. These camps are on the side of the river, on some of the most fertile land that these people, who are subsistence farmers, have. That land has been taken away from them for generations now, and more will be taken away. The right sort of compensation needs to be directed to them, through either our aid budget or the international community.

Catherine West: Will the right hon. Gentleman give way?

Sir Mike Penning: I will not, because I want everybody to be able to speak. That is very important.

I am very worried that we might be encouraging people to go back to Myanmar with the so-called deal between Bangladesh and the Myanmar Government. People are being asked up to give up really quite personal details that could be easily used against them when they return to this place—I am conscious of not talking about a country, because it is not a country. These people have no rights. It is illegal under international law to make someone have no citizenship at all, yet that is exactly what has happened there for generation after generation.

My view, which may be different from colleagues' views, is that we must not be part of any deal that encourages people to go back to watch their daughters being raped—they are not of my daughters' age, of 26 or 27; girls of 11, 10 or younger are being raped—and their sons castrated in front of them. That is what is going on. That is the sort of thing that, if we are not careful, we will condone.

There is no change in the country. The generals are still in control, and they feel they can do this to these people because nothing will happen to them. We must make sure that something does happen to them and that they go to the international court in The Hague, so that we protect these people.

3.2 pm

Naz Shah (Bradford West) (Lab): It is always a pleasure to serve under your chairmanship, Mr Paisley. I congratulate my hon. Friend the Member for City of Durham (Dr Blackman-Woods) on securing the debate.

It is imperative that we all make the effort to continue raising the plight of the Rohingya people—those displaced and those still living in Myanmar—who face the continued threat of persecution and violence. That includes a woman having her unborn baby cut out from her and killed, babies snatched from their mothers and thrown into fires and burned alive, children beaten to death with shovels, children forced to watch as family members are tortured, raped and killed and mass rape of girls as young as five.

If we stop to contemplate those atrocities even for a moment, we can be in no doubt that what has taken place is ethnic cleansing and genocide. The US and the UN have both said that. The British Government are yet to recognise it. I have said it before and I will say it again: 640,000 people have been deliberately driven

from their homes, with many killed or tortured. I fear that the international community is failing these people, who are stateless within their own country and do not have the necessary level of aid and support as refugees.

The thing I want to focus on and that I am deeply concerned about, like my colleagues, is the Rohingya refugees' potential return to Myanmar. A proposed return without secured political and human rights may create a perception of progress while in reality abandoning the Rohingya people to a life of normalised terror. With the current situation and the animosity, this is no time to be talking about simply returning the Rohingya to Myanmar. If return is on the table, what exactly are they returning to? Without rights and acceptance, what difference will it make? How can we expect people to return when they are dehumanised and persecuted daily?

It is far too early to be returning people to uncertainty. Early surveys indicate that only 10% would wish to return at this point anyway. The 1951 UN refugee convention is absolutely clear about the forced return of refugees and the conditions of safe return that would be required. That is an absolute principle within international law, and any forcible repatriation must be rejected by the entire international community.

Last time I spoke on this subject, I pleaded with the Government to look seriously at more targeted sanctions against the Burmese military and to convince the Burmese military—not just the leadership—to accept what is going on and change the status quo. So far, all we have done within Europe and the UN is to stop our military training and deny visas to military personnel. That is simply not enough.

Rushanara Ali: Does my hon. Friend agree that the UK Government should look at the business interests of the Burmese generals who have been prosecuting these acts of violence and terror and sanction them? Will the Minister address that point today?

Naz Shah: I absolutely agree. I said it previously, but it must be reiterated: unless we sanction the military and carry out these investigations, we are not telling the world that we are serious about this issue.

The Myanmar military and leadership need to understand that actions have consequences and repercussions, and that we as an international community will not stand by and allow this to continue. They need to understand that Great Britain and those who have spoken today have been heard and listened to and that these people's stories are reaching our shores. They are the stories of tears that my hon. Friend the Member for Tooting (Dr Allin-Khan) spoke about, of women who are homeless and of children who will know no certainty for years to come and have no future. They have come out of the chip pan and into the fire, and they are still burning—literally. This is not something we can accept or stand by and watch. We must be doing more.

3.6 pm

Will Quince (Colchester) (Con): I congratulate the hon. Member for City of Durham (Dr Blackman-Woods) on securing this important debate on the most serious humanitarian crisis facing the world today.

On visiting the camps with the Conservative Friends of Bangladesh in September, I witnessed some of the most horrific scenes imaginable. I know that several hon. Members across the Chamber have also visited.

We saw makeshift camps as far as the eye can see and poor sanitation, and it is mostly women and children there, because husbands have been killed. We saw women fleeing with their children—largely daughters—because their houses had been burned, walking for five days with just the clothes on their back, clutching their children. In every case, when we spoke to people, it was the Myanmar military that had conducted those atrocities and horrific attacks.

I have to say, I am immensely proud of the role that the United Kingdom has played in terms of aid. We visited the Kutupalong camp and a camp right on the border with Myanmar—so close that we could see the smoke over the border—and were shown images of landmines and heard horrific tales. I was really proud to see the Union flag from the British people and that aid was going there. I think we are the largest bilateral donor, having given some £47 million. I was pleased to see the Secretary of State for International Development there this weekend, committing a further £12 million. I am pleased that we are playing our part, but that is only half of this issue. We have to provide the aid, but the second half is the diplomatic efforts.

I am also proud of what Bangladesh has done. It has a population of 160 million, and Sheikh Hasina has welcomed these people and said, "If we can feed 160 million, we can feed another 500,000 Rohingya." That is an incredibly noble thing to do, and I applaud the Bangladeshi Government. However, I draw the line at the deal with Myanmar, because I have serious concerns about sending people back to a state—Rakhine state—in which they are not welcome, are persecuted and will have all sorts of untold violence inflicted upon them.

Mrs Main: On our visit, we saw people with nothing, as I am sure other hon. Members did. There is no way they would have the documentation necessary. Even if there were some sort of rules about documentation, the majority of people will not fulfil those criteria.

Will Quince: My hon. Friend is absolutely right. Stateless people will not have rights or protections, which is a serious concern. All the refugees we spoke to in the camps said they wanted to go back to Rakhine province, but only when it was safe and their security was guaranteed. Before we talk about, endorse, sanction or support any deals between the Myanmar Government and Bangladesh, it is important that security and protection is guaranteed and that we see the humanitarian charities and NGOs in there to protect those people's rights.

Several hon. Members have talked about what the UK is doing. I am proud of what the Minister has done so far. There is always more that we can do, but we need to talk about tangible measures that the British Government can take. As we know, measures at the UN have been blocked by both China and Russia. China is key. I met the Foreign Secretary only last week. We have to put pressure on China, which has a border with Myanmar, because it also has concerns about humanitarian crises in Myanmar spreading and refugees potentially entering into China. We have to stress the point that China is key, and diplomatic efforts should be directed that way.

I am conscious of the time, so I will conclude. I know the Minister is as passionate about solving the issue as the rest of us. I implore him to do as much as he can to help to resolve it.

3.11 pm

Jo Stevens (Cardiff Central) (Lab): It is a pleasure to follow the hon. Member for Colchester (Will Quince), and I thank my hon. Friend the Member for City of Durham (Dr Blackman-Woods) for securing this important debate. It is good to see so many colleagues here, particularly from the CPA delegation, of which I was a member a couple of weeks ago. I have a substantial British Bangladeshi diaspora in my constituency. As the Rohingya crisis has developed at such speed and at such scale during the past couple of months, I have received lots of representations and a lot of concern has been expressed about what was going on, so I felt privileged to take part in the delegation to go and see for myself what was happening. I wanted to understand the nature of the crisis and also the role that the Bangladeshi Government and their people have played in the humanitarian effort, but most importantly what I, we and the Government can and should do in terms of humanitarian support and political international solutions.

I want to reiterate the praise that we have heard today for the Bangladeshi Government, for the Bangladeshi host families in Cox's Bazar, the NGOs and the generous fund-raising efforts of the British public. On that last point, I want to mention my local councillor, Ali Ahmed and the Bangladesh Association Cardiff, who so far have raised £30,000 for the international relief effort.

What I saw and what I heard directly at the Kutupalong camp will stay with me for a very long time. I saw a mass of humanity, literally as far as the horizon, and that was not the entire camp; it was only a small proportion. There was no space, no water and no sanitation. People were picking up shelter packs. I do not know where they were going to walk to so as to erect these pieces of tarpaulin and bamboo shoots to make some sort of shelter. There was literally no space. As we approach the cyclone season, I really worry that if a cyclone hits that camp, we will see the destruction and death of hundreds of thousands of people.

I have three questions for the Minister. I want to thank him for a frank discussion at the all-party group on Bangladesh last week. I know he visited Myanmar last week. What representations were made and to whom? Can he tell us a little more about the response that he got? What can he tell us about the agreement between Burma and Bangladesh on the return of the Rohingya to Burma, which disturbs me and obviously several other Members greatly? Finally, to take up the point made by the hon. Member for Colchester about China, what diplomatic efforts are being made with the Chinese, who clearly have significant leverage to make the Burmese regime deal with the situation in some way? So far they have done nothing and have been complicit in what I agree has been genocide.

3.14 pm

Jim Shannon (Strangford) (DUP): I congratulate the hon. Member for City of Durham (Dr Blackman-Woods) on securing this debate and giving us all a chance to participate. I declare an interest as the chairman of the all-party group on freedom of religious belief, which speaks out for the right of everybody to hold their own religion and belief and to practise that. The case of the Rohingyas is one that I have spoken on numerous times in this place. Indeed, the last time we had a debate here

in Westminster Hall, I spoke on them specifically, along with others. Like others, I am not afraid to stand and speak up. I do what I can to raise awareness and possibly help to bring about a change in the horrendous situation.

On Thursday 23 November, Myanmar and Bangladesh signed an agreement to repatriate the Rohingya refugees. Ever mindful that the monsoon season is on the way, the Bangladeshi Foreign Affairs Ministry stated that a joint working group would be set up within these three weeks to manage the process, and the return of the refugees would start within two months. Human rights groups have raised several concerns about the agreement, and I must agree with their concerns. The first is that the military generals could still obstruct the process, and it is unclear where the Rohingya will be resettled, given that many villages have been razed.

Let us be clear about the scale of the crisis: 624,000 Rohingya refugees have arrived in Bangladesh since the Burmese military launched its ethnic cleansing and its genocidal, brutal, bloody, murder of innocents. The sheer volume of refugees indicates that fleeting statements cannot be made with no plan in place. These people need assurances that they can return home—indeed, that there is a place for them to return to. They need to know that they are back for good and welcome for good, and that they need not be concerned about having to uproot their lives and their children in the near future. Without a guarantee of citizenship, the Rohingya will be vulnerable to the same discrimination and violence that they have experienced for decades. That is not acceptable. They need their guarantee of citizenship.

China has indicated a wish to try to do something. There may be some light at the end of the tunnel, but there is not enough light to make the path home safe, and more needs to be done. I thank the Minister for all the hard work that he does. I know he is very compassionate and has a personal interest in this matter. I look to him to provide an update of what steps we are taking to help this nation of people who are so desperately in need of international aid and support. We must do something right now.

3.16 pm

Mohammad Yasin (Bedford) (Lab): I thank my hon. Friend the Member for City of Durham (Dr Blackman-Woods) for securing this important debate and for bringing our attention to her visit to the Rohingya refugee camps in Bangladesh. If we watch the TV and follow these stories, it is bad enough. My hon. Friend should be thanked for her efforts in bringing the reality that she has experienced at first hand to this House.

The UN refugee agency said that what it is doing was like establishing a city the size of Manchester overnight, but one with no infrastructure, housing, water, sanitation or tools for survival. However, that is better than the alternative. We have all heard the most horrific stories of brutality. It is difficult to comprehend the suffering. The Prime Minister has called the Rohingya crisis heartbreaking and has pledged to deepen partnerships with Asian countries in a move to combat such problems. The Foreign Secretary is looking for more analysis. That is not enough. The massacre of the Rohingya is genocide. We cannot keep denying the truth against the weight of evidence, and we cannot keep talking about how shocking the human suffering is without acting.

The UK is well placed to influence stakeholders in Myanmar and across the region, and at the United Nations. Last week, Burma and Bangladesh signed an agreement to repatriate refugees, although Burma gave no details of how many would be allowed to return home. Repatriations are expected to begin in the next month or two, but the Myanmar Government's continued denial of a well-evidenced campaign of ethnic cleansing is astonishing.

Can we really believe that the Rohingyas' home, or what is left of it, is safe to return to? Repatriations must not happen prematurely and without assurances that there is a genuine solution in place. I ask the Government to do everything in their power to bring about lasting peace and to ensure that no Rohingya will be returned to a place where they will not be safe. It should be recognised that the people of Bangladesh have opened their borders and their hearts to people in desperate need. If Bangladesh is to deliver a progressive refugee policy under such strain, the international community must step up its support. It is right that we continue to talk about the atrocities, but we also need to see proper recognition of the scale of the issue from the international community, and we need action to stop the horror.

3.19 pm

Faisal Rashid (Warrington South) (Lab): I congratulate my hon. Friend the Member for City of Durham (Dr Blackman-Woods) on securing this timely debate and bringing further attention to such an important issue. I also echo many of the comments that have been made in the debate today. It is utterly heartbreaking to read and hear reports about the devastation in Rakhine state and of the desperate situation that many are facing in Bangladesh. We have a responsibility to speak out against those atrocities and do all we can to stop them, and having listened to colleagues from across the House speak in this debate today, it is clear that that is something on which we all agree.

More than half a million Rohingya have fled to Bangladesh since August, and more than 340,000 of those are children, many travelling unaccompanied. That is the largest displacement of people in a short period since the Rwandan genocide. Two hundred and eighty-four Rohingya villages have been torched; tens of thousands of people have been victims of gender-based violence, including rape and sexual assault; thousands more people have been violently attacked, and many of those have tragically lost their lives. We must be prepared to call this what it is: a textbook example of ethnic cleansing.

I commend the steps that the Government have taken so far in an effort to tackle this crisis. Unfortunately, however, as we all know, in reality that action is not enough. We have been speaking for long enough, and the situation continues to worsen. I call on the Government to lead the way in organising an immediate co-ordinated and effective international response to the crisis, and to urge the other members of the United Nations Security Council to come together and use their collective power to help this persecuted minority. The Burmese Government must be held to account, and the war crimes that have been committed by the Burmese military must be investigated in an international court. The Rohingya people need justice.

3.22 pm

Mr Tanmanjeet Singh Dhesi (Slough) (Lab): I congratulate my hon. Friend the Member for City of Durham (Dr Blackman-Woods) on securing this important debate. Many of my constituents have been, and remain, extremely concerned about the situation in Rakhine state. It was the subject of the first wide-scale correspondence campaign that I received as a Member of Parliament, and it remains one of the biggest. Like me, my constituents were appalled about the extreme violence inflicted on the Rohingya in Rakhine state, which has been going on for years.

It is difficult to imagine the scale of the exodus: more than 600,000 people have crossed into Bangladesh since the end of August. No wonder UN officials described the situation as a "textbook example" of ethnic cleansing. Will the Minister confirm whether our Government have officially classified the situation as such? More to the point, has it been classified as a genocide? That is what I feel it actually is.

Mark Field: Yes, we have made it clear that it is ethnic cleansing. The question of whether it is genocide is a legal issue and not something that Governments can decide. There has to be a legal process through the international community. The ethnic cleansing point has been made—I have made it on the Floor of the House, and my right hon. Friends the Foreign Secretary and the Secretary of State for International Development have also made it very clear that this seems like a case of ethnic cleansing.

Mr Dhesi: I thank the Minister for his response, but he will be the first to acknowledge that that does not mean that these events have been classified as a crime against humanity. Hopefully we will pursue the Myanmar Government on that.

It is to the credit of Bangladesh and other nations that they have attempted to accommodate and assist the Rohingya refugees. While a repatriation agreement has been made, help and resources to deal with the humanitarian crisis are still urgently needed. The International Organisation for Migration estimates that more than 820,000 Rohingya need urgent support to survive—food, water and medicine. The UN and international aid agencies must be allowed to reach displaced families, and the Foreign Office must maintain pressure on the Burmese authorities to ensure that humanitarian aid gets to Rohingya communities.

This is a human rights crisis as well as a humanitarian crisis, and concerns about rising levels of intolerance in Myanmar remain. I spoke previously in Parliament about the enormous respect that was accorded to the de facto leader of Myanmar, Aung San Suu Kyi, by this country during her own struggle for democracy—she of all people should respect the rights of all, especially minorities. It is therefore understandable that human rights groups remain concerned over the repatriation agreement signed last week. Because the Rohingya are not regarded as Burmese citizens by the military, there remains a distinct and serious concern that the generals could still obstruct the repatriation. Kofi Annan's Rakhine commission recommended that the Rohingya be granted citizenship and freedom of movement. Mr Annan stated:

[*Mr Dhesi*]

“This is a critical step for Rakhines and Muslims alike. Only in this way can they break out of the hostility that leads to the violence and despair that has blighted their lives for so long.”

Without citizenship, the Rohingya may still be vulnerable to the discrimination and violence that has been ongoing for decades.

I hope that our Government will take a global lead in finding long-term solutions to achieve lasting peace once violence has ceased and humanitarian access has been put in place, and that they will work with the authorities on the implementation of Kofi Annan’s Rakhine commission recommendations. Before I sit down, let me record the enormous gratitude and respect that I and no doubt all hon. Members feel towards the aid workers and organisations, including the superb humanitarian charity, Khalsa Aid, whose founder, Ravi Singh, lives in my constituency. We are in their debt as they undertake such efforts in circumstances that we can hardly imagine.

3.27 pm

Paul Flynn (Newport West) (Lab): I congratulate my hon. Friend the Member for City of Durham (Dr Blackman-Woods) on securing this debate and on her leadership role as a senior member of the Commonwealth Parliamentary Association. I thank her for her great kindness and support for me and all other members of the delegation who visited the camp in Kutupalong. It was a lifetime experience—certainly the worst sight that I have ever seen in my life, and I have visited many refugee camps over the years.

There is a feeling of desperation and impotence when we see the scale of this problem—when we look, human being to human being, at a young child carrying an even younger child who is hopelessly paralysed, and when we imagine the depth of suffering of people who have gone through the worst experiences that life has to offer. We cannot see ourselves as having any facile solution to this issue; it is not easy. There is no future in Bangladesh for a million people. We cannot allow the camp to continue, let alone grow, yet that is one of the alternatives. Another alternative—all alternatives are unpalatable—is for people to return to Myanmar. Can that be done? I believe that we should not dismiss it, but we have seen in the eyes of people in the refugee camp their fear about going back. Who could not understand that?

I believe we have a record with our services of brilliant work in creating, defending and protecting peace. That work has been going on for decades. If people do go back, and that is the only practical solution to this crisis, we must guarantee support and be generous enough to provide resources in great quantities, so as to solve this enormous series of tragedies.

What sticks in the mind is not just the individuals, but standing on a high point in the camp and looking out over hills into the distance, and as far as the eye can see, it is all refugee camps. All that many of the refugees have is a piece of tarpaulin and a stick to protect themselves. The horrors are there. This country deserves great credit for the aid that we have given, but despite all the heroic, herculean tasks that we have performed, it is inadequate—pitiful—given the scale of the problem. There is not enough food. The water is contaminated. There is no serious police service there. The dangers of fire and of disease breaking out are ever present.

Although the status quo is intolerable and offends humanity, we must look with intelligence and care towards practical solutions. I am afraid that means considering the return of the Rohingyas, if they wish to return and if we can provide adequate protection for them—

Ian Paisley (in the Chair): Order. I must call the first Opposition spokesperson, Hannah Bardell.

3.30 pm

Hannah Bardell (Livingston) (SNP): It is a pleasure to serve under your chairmanship, Mr Paisley. Please excuse my voice; the cold has reached Livingston, but I will do my best to get through my speech and be heard.

I congratulate the hon. Member for City of Durham (Dr Blackman-Woods) on securing the debate and on a really powerful speech. We were able to hear from all those in the Chamber who have visited Myanmar and seen at first hand the tragedy that is unfolding. It struck me during the hon. Lady’s speech that some of the things being denied to the Rohingya people—food, education, sanitation, water and citizenship—are the very basic needs of human beings, and that we should be and are joining together proudly to stand against what is and appears to be genocide. I appreciate the Minister’s point about the legal language in relation to that and the definitions, but I urge him to look for every avenue possible, to use the utmost imagination and every channel available to him and the Government, to stand up to the regime on behalf of the Rohingya people.

Mrs Main: Does the hon. Lady share my concern that His Holiness the Pope made a speech in Burma today, yet still could not bring himself to mention the word “Rohingya”? It is not just our Government but the whole world that needs to do more.

Hannah Bardell: Although the hon. Lady and I are in different parties, I agree with her words and sentiments, because language is very important in these situations. However, although our words and our support are very important, we will be judged on our actions. I think that this place is at its best when we are in agreement, and we are in agreement today across all parties and, indeed, all Governments. The Scottish Government pledged in September £120,000 from their humanitarian emergency fund for the Disasters Emergency Committee appeal for the Rohingya people.

We have seen images of what is unfolding and heard the hon. Member for Tooting (Dr Allin-Khan) talk about going to the area as a doctor to use her skills to provide support. We are very fortunate that people come to this place with professional skills that they can then use in their role as parliamentarians. I cannot imagine what that is like; I have not been myself, but those who have visited have spoken powerfully about their experiences at first hand. I commend the hon. Lady for the work that she did in her own time to support those who are suffering so terribly.

The hon. Member for Bradford West (Naz Shah) spoke about military sanctions and what the Government can do to crack down in that regard. Watching the news recently, we have seen the reporter Alex Crawford, who managed to gain access to a camp. As the world rolls on and Brexit rolls on, some of these stories, some of these

issues, fall away into the background. Sadly, we often see only through the lens of our media what is happening, and it is a huge challenge for them to report on it. Some of the experiences captured in the images—of people's houses being burned and so on—are some of the worst experiences that human beings can possibly have. It is just devastating, so we must pull together and look at all the options available to us.

The return of people to their state will be hugely challenging, but I ask the Minister what practically we can do when we are talking about timescales of five or 10 years. That seems truly incredible. In a world and in countries of plenty such as ours, can we not find solutions and shorten that time? These are such long timescales for people living in such terribly tragic situations.

I know that there are huge challenges in looking to resettle people, which has been considered. I think that Canada has been looking at resettlement options, but are there avenues for the countries in the United Kingdom to give more support in that regard? I would be very interested to hear from the Minister on that front. I know that many other people wish to speak, and my voice is failing me, but I congratulate all hon. Members who have taken part in the debate, and I again call on the Government to do everything they possibly can to support the Rohingya people.

3.34 pm

Helen Goodman (Bishop Auckland) (Lab): It is a pleasure to serve with you in the Chair, Mr Paisley. I begin by congratulating my hon. Friend the Member for City of Durham (Dr Blackman-Woods) on securing this very important and timely debate. I thank her not just for making her speech, but for taking the time to go to Bangladesh to see the situation of the Rohingya people. I also thank, for giving their time and bringing back their testimony, the hon. Member for Kettering (Mr Hollobone), my hon. Friend the Member for Tooting (Dr Allin-Khan), the hon. Member for St Albans (Mrs Main), my hon. Friend the Member for Wolverhampton South West (Eleanor Smith), the hon. Member for Colchester (Will Quince) and my hon. Friends the Members for Cardiff Central (Jo Stevens) and for Newport West (Paul Flynn). Their words have been heard today in the House. I also thank my hon. Friends the Members for Bedford (Mohammad Yasin), for Bradford West (Naz Shah), for Warrington South (Faisal Rashid) and for Slough (Mr Dhesi) for their excellent speeches.

The humanitarian situation, as the Minister knows better than I do, is extremely serious. He will have heard the many terrible stories about sexual violence. We therefore want to know that the Foreign Office is continuing the excellent initiative of the previous Foreign Secretary, William Hague, in deploying the Preventing Sexual Violence in Conflict team. I suggest to the Minister that perhaps that needs more resources than it has at the moment.

Carol Monaghan (Glasgow North West) (SNP): I am hugely concerned about the unaccompanied children now in the camps. Does the hon. Lady share my concern that those children, living in the dreadful conditions that we have heard about today, are ripe for exploitation by people traffickers? We need to be in there, ensuring that that is not happening.

Helen Goodman: The hon. Lady is absolutely right. The risks to the people in the camps, whether of disease or violence, are very significant. The British people have done a great thing in mobilising a lot of resources, and the Government have responded well to that.

I welcome the acknowledgement by the United Nations and the United States Government that this is a case of ethnic cleansing. I am pleased that the Minister has moved on from saying that it looks like ethnic cleansing to saying that it is ethnic cleansing. Clearly we need to look into the legal situation. That means we must have people going into the camps and to Myanmar to find out about the situation. I am talking about qualified, legal experts from the UN. As many hon. Members have said, on both sides of the Chamber, it is extremely important that the perpetrators of these horrendous crimes are brought to justice, and the first step is securing the evidence. The Myanmar military continue to deny their responsibility and to deny access, and that must be one of the things that we now make a priority.

Everyone in the Chamber recognises the fantastic generosity of the Bangladeshi people. Notwithstanding that, there are clearly a lot of questions about the proposal to repatriate people from Bangladesh to Myanmar. These are people; they are not cattle to be shunted backwards and forwards across the border. We need to make that absolutely clear. According to the United Nations High Commissioner for Refugees, the conditions in northern Rakhine state are not suitable at the moment for "safe and sustainable returns".

Hon. Members have spoken about the problems of putting together documentation. It is also vital, if this is to be done in the right way, that it is voluntary repatriation and that people are not forced, with the fear of yet more violence, back across the border. Obviously that means that the UN and the international community need to put resources in to facilitate that situation, probably on both sides of the border, because at the moment the situation is clearly not safe.

The fundamental issue, of course, is that the Rohingya people are not equal under the law in Myanmar and their citizenship is not recognised. Like the hon. Member for St Albans, I think it is regrettable that the Pope was advised that he would inflame the situation if he said that these were Rohingya people. It is basic to people's identity that they determine that identity themselves and everybody else acknowledges it. I am pleased that Ministers have been calling on the Myanmar Government to implement the recommendations of Kofi Annan's Advisory Commission on Rakhine State, because only those will give us a sustainable solution and secure the legal status of the Rohingya and other minorities in Myanmar, which has the highest number of stateless people anywhere in the world. My right hon. Friend the Member for East Ham (Stephen Timms) spoke about the importance of changing the 1982 citizenship law. That is obviously a crucial part of building a new, safe situation and returning the law in that country to international norms.

Great Britain has an important role to play here. We have an historic involvement with these countries and we have shown our generosity by giving aid, but we have also been the pen-holder at the United Nations in the diplomacy through which the Government have been trying to secure an international consensus on the need for change. If it helps the Minister, I will say on behalf of Her Majesty's Opposition that China and Russia

[Helen Goodman]

should be supporting the British Government's diplomatic efforts, because it is clear that the UN cannot move on substantively without their agreement. I think that they need to acknowledge their international responsibilities.

Getting the Myanmar Government to acknowledge the rights of the Rohingya people will require a change to the Myanmar constitution. That means it must go through their Parliament with 75% of the vote. That is only going to happen if they feel that they need to do this. We can help them to understand that they do need to do it. This is where the issue of sanctions comes in. I ask the Minister to consider a few further points on sanctions, in line with the intervention by my hon. Friend the Member for Bethnal Green and Bow (Rushanara Ali). Will the Government join the United States in considering targeted sanctions? Will the Government confirm whether it supports a UN-mandated global arms embargo against Myanmar, comprehensive visa restrictions against the military and their families and associates, and, significantly, halting investment in business with companies owned by the Myanmar military?

This is an extremely difficult situation. I know that the Minister is committed to tackling it as well as is possible. He has been in the region twice. I just want to assure him of our support in facilitating a resolution to this crisis, in both the short and the long term.

3.44 pm

The Minister for Asia and the Pacific (Mark Field):

Thank you, Mr Paisley, for calling me to speak. Having visited Burma last week, for the second time in seven weeks, I welcome the opportunity to update the House on the heartbreakingly appalling situation facing the Rohingya people of Rakhine state and the active work of the UK Government to address it in both Burma and Bangladesh, and in the UN and the international community.

I thank all colleagues for their powerful contributions and testimony, particularly the hon. Member for City of Durham (Dr Blackman-Woods). They should rest assured that their words will be heard not just across the road in the Foreign and Commonwealth Office, but around the globe, as we make the case about what is happening. I am well aware that in Burma people actively listen to what is happening in the UK Parliament, so these are words that will be listened to far afield.

Since military operations began in Rakhine state on 25 August, more than 620,000 Rohingya have fled across the border into Bangladesh. Many have given heart-wrenching accounts, which I know many have heard, about the human rights abuses, including unspeakable sexual violence, which has been suffered or witnessed in Rakhine. Up to 1,000 people are still crossing that border each and every day. This is a movement of people on a colossal scale, with few parallels in recent times. I accept the point, made by my right hon. Friend the Member for Hemel Hempstead (Sir Mike Penning), that this issue with the Rohingya goes back to the formation of the Burmese state, but the sheer scale of it over the past three months has been remarkable.

I pay tribute again to the Government of Bangladesh for the support they have offered the Rohingya. Prime Minister Sheikh Hasina's decision to open the border and allow the refugees to enter has without doubt saved

countless lives. Last Thursday, as has been pointed out, Bangladesh and Burma signed a memorandum of understanding on the return of refugees to Rakhine. We understand that a joint working group will be set up within three weeks, with the aim of commencing the processing of returns within two months.

I want to touch on the UK Government's position, because I know that there are concerns across the House. We will press for quick progress on the implementation of this bilateral agreement, but we will be absolutely clear that any returns must be safe, voluntary and dignified, and there must be appropriate international oversight. In my view, which I think is shared by many Members here, it is too early even to talk about voluntary returns at this stage. The Rohingya have rightly addressed legitimate concerns about their personal security. The severe restrictions that Amnesty International has described persist. Access to livelihood and humanitarian aid remains insufficient. That was evident to me from the other side of the border when, on my first visit to Burma, I went to a camp in Sittwe that had been set up in 2012, during one of the more recent times of strife.

It is not a life for the people living in that camp; it is barely a subsistence living. They are able to live and eat, they have healthcare and UK aid is able to provide fairly significantly, but it is not a life that anyone can recognise. It was heartbreaking to chat to Rohingya people there who had had businesses and professions, and who were left in limbo for five years, and potentially for many years to come. That option is not satisfactory. It would get people across the border, but the notion of setting up similar sorts of camps for the future for many years to come has to be a non-starter.

Jo Stevens: The Minister just said that the working group and implementation would start within two months, and that any scheme must be "safe, voluntary and dignified," but then I think he said that clearly people are not going to return voluntarily. Will he clarify that point?

Mark Field: I am making the point that we want to see people return. I will move on to the important point made by the hon. Member for Newport West (Paul Flynn) a moment ago. Although the Government are not directly criticising the agreement, our position is that we should be telling both Governments that substantial progress on the ground will be necessary, as well as proper engagement with both ethnic Rakhine and Rohingya—if needed—if any Rohingya are to return. We want to see the momentum on this issue. The reason for that—I think it was alluded to earlier—is that if the Rohingya do not return, ruthlessly the Burmese military will have got their way; they will have got what they wanted. That is why, although I accept that we should not dream of forcing Rohingya to return, nor should we do this with such swiftness that they are not secure on the ground.

Equally—this is the slight concern I have with the contribution from the hon. Member for Livingston (Hannah Bardell), who spoke for the Scottish National party—even to talk about resettlement at this stage plays into the hands of the Burmese military, and I think it is something we should avoid. I understand that she is doing it for the best of humanitarian motives, but realistically at the moment we must try to insist that the Rohingya return to their rightful homeland.

Rushanara Ali: Perhaps the Minister will allude to this shortly, but will there be an international presence? Will we be pushing for an independent security presence to protect them, because otherwise we are expecting the perpetrators of ethnic cleansing to be the ones managing this process?

Mark Field: Absolutely. We will. I am also wary of the idea of having a long-term presence there, rather like what has happened in the middle east where one has an unsustainable position for the longer term, but in the short term we need to have an independent international presence to police this matter.

The UK Government have concluded that the inexcusable violence perpetrated on the Rohingya by the Burmese military and ethnic Rakhine militia appears to be ethnic cleansing—or is ethnic cleansing. The UK has been leading the international response diplomatically, politically and in terms of humanitarian support.

Dr Allin-Khan: Will the Minister give way?

Mark Field: If the hon. Lady will excuse me, I am wary that I am running out of time and I want to touch on sanctions and other issues that have been raised.

On 6 November we proposed, and secured with unanimous support, the first UN Security Council presidential statement on Burma in a decade. With this the Security Council made clear its expectations of the Burmese authorities: no further excessive military force; immediate UN humanitarian access; mechanisms to allow voluntary return; and an investigation into human rights violations, including allegations of sexual violence.

Elsewhere in the UN, we are co-sponsoring a UN General Assembly resolution on the human rights situation in Burma. I note the comments made by my hon. Friend the Member for Colchester (Will Quince) about the importance of China in this situation. Please rest assured that a huge amount of work is going on at the UN to try to bring China on board. I think it would be wrong to overstate China's leverage on these matters, and there are issues on the Chinese-Burmese border that are nothing to do with the Rohingya, but hon. Members are correct that China has an important role to play. The resolution we are proposing has received the support of 135 member states at the Third Committee. The strong international support for this resolution and the Security Council's presidential statement send a powerful signal to the Burmese authorities about the military's conduct and the lasting damage it will do to their international reputation.

May I touch on sanctions, which the hon. Members for Bethnal Green and Bow (Rushanara Ali) and for Bishop Auckland (Helen Goodman) mentioned? We impose our sanctions through the EU, but we must secure the consensus of all member states. At the October EU Foreign Affairs Council, the Foreign Secretary secured agreement to consider additional measures if the situation did not improve. Evidently, it has not. If the Burmese authorities do not heed the call of the 6 November UNSC presidential statement, we will be returning to EU partners to press for agreement on further measures, which could include targeted sanctions along the lines that the hon. Member for Bethnal Green and Bow referred to. But we would want to be clear about what

impact they were having on the military's conduct, as indeed would our EU partners. I pledge to the House that we will be giving very serious consideration to trying to work out the appropriateness of such sanctions, including to try to discover whether there is any property or companies owned by the Burmese military.

I attended the Asia-Europe Foreign Ministers meeting in Naypyidaw last Monday and Tuesday and had meetings with the Minister of Defence, Sein Win, the Deputy Foreign Minister, Kyaw Tin, and Aung San Suu Kyi's chief of staff, Kyaw Tint Swe. My hon. Friend the Member for St Albans (Mrs Main) will, I hope, be pleased to learn that I did not pussyfoot about. I referred on each occasion to "Rohingya" and got a lecture for my pains in doing so, but we will continue to do so on that basis.

Dr Allin-Khan: I very much appreciate the Minister giving way. Although I acknowledge that the geopolitics of the region might make it difficult for our Government to speak out against Myanmar, and I appreciate that he was there last week at the same time I was, does he not agree that we stood by and blinked while the Rwandan genocide happened and, given the nature of the crimes against humanity that are currently being committed, while we play around with semantics we risk being bystanders to yet another genocide?

Mark Field: The hon. Lady will be aware that I think of this a great deal. I am very much aware, as we should all be in the international community, that we are faced with a set of problems, and one could argue that they are not dissimilar to what happened in Rwanda, Sri Lanka and Srebrenica, and at various other times. The international community needs to be able to come together, but it needs to do that in a united way, and the only way to do that is through the United Nations, which is why we continue to work tirelessly in that regard.

Any long-term resolution needs to address the issue of citizenship in Burma, as has been said. The report of Kofi Annan's Advisory Commission on Rakhine State remains central to this, and I welcome Aung San Suu Kyi's recent establishment of an international advisory board, including Lord Darzi and other respected international political figures, to ensure its implementation. She has publicly committed to implementing the commission's recommendations, which include reviewing the controversial 1982 citizenship law and making progress on citizenship through the existing legal framework.

The main current impetus continues to be the urgent humanitarian needs of the Rohingya refugees. The UK is the single largest bilateral donor to the crisis. We have now contributed £59 million, as has been stated, and we are making a material difference. We are providing food for over 170,000 people, 140,000 people with safe water and sanitation, and emergency nutritional support to more than 60,000 vulnerable children under the age of five. On 23 October I represented the UK at an UN-organised pledging conference in Geneva, where through our leadership we were able to get more money. But the reality is that, as has been pointed out, that will take us through only to February, when we will need to go through that process again. More will be needed from us and others, and we will sustain the international leadership role on the humanitarian response to ensure that it happens.

[Mark Field]

I want to touch on sexual violence. I have already mentioned the horrifying accounts provided by some Rohingya refugees about sexual and gender-based violence. Earlier this month the UN's special representative on sexual violence visited Bangladesh and heard consistent and harrowing reports of the widespread and systematic use of sexual violence against Rohingya women and girls, both in the past on the Burmese side of the border and now in the Bangladeshi camps. That clearly needs to stop. The extremely serious conclusions have meant that the UK Government have deployed two civilian experts to Bangladesh. We will obviously review that and whether to increase it to look at the current levels of investigation and documentation of these abhorrent crimes. They will provide us with advice on where the UK can continue to support this vital work. We are committed to ensuring that there is full support for victims and witnesses of these crimes. We need to have accountability, and we are determined that those who have committed human rights violations will be brought properly to account.

I want to thank everyone here for all that they have said. Please rest assured that my door remains open, as the Minister with responsibility in this area. Please feel free to get in touch at any stage if you are able to pass on either more evidence or the strength of the views of many of your constituents. I know that the hon. Member for City of Durham will want to say a few words, so I will sum up.

The UK Government will do our best to maintain a full range of humanitarian, political and diplomatic efforts, leading the international community's response to this ongoing catastrophe and pressing Burma to

meet urgently the expectations set out in the UN Security Council's presidential statement. I know that diplomacy has a bad name sometimes, and it is something we have to be very determined to try to work together on. Please be assured that we are doing as much as we can. I wish that we could do more. I wish that this situation could be resolved. I wish that there was more goodwill in that part of the world. The Foreign Office will remain steadfastly determined to ensure, as far as we can, the safe return of the Rohingya people, to ensure access for humanitarian aid and to hold to account those who are responsible for these harrowing crimes.

3.58 pm

Dr Blackman-Woods: I want to start by thanking Members from all parties for their powerful and moving contributions this afternoon. Those of us who visited the camps made a commitment to the Rohingya people that we would not just walk away from what we had seen, and that when we came back we would raise the situation that they face and ask for two things: that the humanitarian aid would continue and be stepped up so that their conditions in the camps are made more tolerable; and that we use our role as MPs to put pressure on our own Government and the international community to come to an agreement with Myanmar and solve this problem for the longer term, so that they would be given safe return to Myanmar, that that would be overseen by the international community and, critically, that they would be given citizenship, because that is what they need in the longer term to be able to lead their lives. I thank the Minister for his comments, and we will continue to work with him.

Motion lapsed (Standing Order No. 10(6)).

Charitable Fundraising Websites

[MR PHILIP HOLLOBONE *in the Chair*]

4 pm

Mary Robinson (Cheadle) (Con): I beg to move,

That this House has considered charitable fundraising websites and associated charges.

It is a pleasure to serve under your chairmanship, Mr Hollobone. Britain is a nation of givers. More than 160,000 charities are registered in England and Wales, and, thanks to the generosity of the British public, last year they raised almost £10 billion in donations. We all immensely value their role in our communities and public services, and I know that Members will join me in thanking them for the tremendous part they play in providing support for vulnerable and local community groups.

Charities contribute to every walk of life, such as medical research, animal welfare and local hospices, to name but a few. However, larger organisations such as Cancer Research UK, the British Heart Foundation and Oxfam—those with incomes of more than £5 million—make up only 1% of registered charities, and 40% of charities have an income of less than £10,000 a year. Those charities tend to be embedded in our communities, often engaging with local causes.

Wendy Morton (Aldridge-Brownhills) (Con): I know that my hon. Friend will raise some interesting points, but will she also join me in recognising that today is Giving Tuesday? That provides a good opportunity for us all to celebrate the work across the country of the small charities that she refers to, as well as local, national and international charities.

Mary Robinson: I am grateful to my hon. Friend for her intervention. She is right to point out that Giving Tuesday is our opportunity to celebrate the volunteers who work in our communities to raise money for charities.

Charities rely largely on donors and Government grants for their income. Over the past decade, donating to charities online has become a well established practice. Websites such as BT MyDonate, Virgin Money Giving and JustGiving, which is the largest site, have become the go-to places to donate to charities. Such platforms allow donors to search for their preferred charity and donate money using their smartphones, computers and other electronic devices. In a few clicks, donors can register their debit or credit card, choose their charitable cause and donate.

Last year, websites, social media and apps accounted for more than £2.4 billion in donations, representing 26%, or one in four, of all donations made in the United Kingdom. That figure will only increase as charities adapt to the evolving technological landscape. People like using online platforms because they provide a hassle-free way to present a fundraising case, and they allow individual donors to set up their own mini fundraising campaigns for causes close to their heart. Indeed, many hon. Members may have used the sites to raise money for charities in their own constituencies, perhaps by running the London or Manchester marathons, or by climbing Kilimanjaro—if they are very athletic and adventurous.

Rather than using traditional means of donation, such as cheques or bank transfers, young donors in particular find it far more convenient to donate to

charities through online platforms. If we look at the spread of donations across age, we see that last year 58% of donors who contributed online were aged between 16 and 44. Many charities also find using third-party sites more convenient. They provide a huge bonus by attracting funds from friends and family who fundraise on a smaller scale for large charities, such as for the hugely successful Motor Neurone Disease Association ice bucket challenge some years ago.

However, the ability to raise funds generally comes at a cost. Most online giving platforms charge charities an administration or transaction fee for processing each donation. Those typically range from zero to £2 per donation and can make a significant difference to the overall amount that a charity receives, especially if the total comes from many small donations that are all subject to a fee. There are also set-up or monthly rental charges that charities pay for a presence on fundraising websites.

Most fundraising platforms are not-for-profit organisations, although a few sites are run for profit. JustGiving is run for profit. Charities, depending on their size, are required to pay a monthly subscription fee to JustGiving of up to £39, plus VAT, and are charged a 5% fee on the amount raised. The fee is taken from the gift aid received, if eligible, or is deducted from the total if no gift aid can be claimed. Virgin Money Giving is a non-profit company. Charities registering with it are required to pay a one-off set-up fee of £150 and it takes a 2% fee on donations, but all the gift aid is received by the charity.

I declare an interest as a Greater Manchester Member of Parliament, because one online fundraiser, the Wonderful Organisation, is located in Manchester. Wonderful.org is the only site in the UK not to charge any fees. Its core belief is that charities should receive 100% of donations from their fundraising efforts, including gift aid. It is a non-profit organisation run by volunteers and funded entirely by corporate sponsorship from philanthropic businesses, which guarantees that charities, fundraisers and sponsors pay nothing and that the charity or good cause gets all the benefits in full.

As hon. Members may have gathered, the landscape for charities and giving sites is confusing. Transparency is therefore a fundamental issue facing the sector. A recent survey revealed that almost 80% of the people who use the largest run-for-profit platform are unaware that it is a for-profit business. To put that into context, when we register for a bank account or credit card, we understand that institutions have a legal responsibility to explain to customers certain charges and fees that they may be obligated to pay. With large sums being donated and handled, transparency is important.

It is apparent that when people donate online many are unaware of the fees and charges. The sector is telling me that users are simply not aware or do not know. For example, in the wake of the Grenfell Tower fire, Karolina Hanusova created a fundraising page on JustGiving. Through her fantastic efforts, she raised more than £400,000 for the survivors and victims of the fire, but £25,000 of the total was taken in processing fees. Karolina was surprised to find that such a significant amount was deducted from the total raised.

Karolina's case is not uncommon. Immediately following the Manchester Arena bombing in May, the *Manchester Evening News* began an appeal, raising £2.5 million

[*Mary Robinson*]

through the JustGiving website, but that was subject to deductions of £100,000 in fees. Time and again, I have come across users who registered with fundraising websites but were not aware of such substantial charges being taken from the donated funds. Users need to be aware of the costs and fees so that they can make an informed choice, just as we would expect with any other financial body. The payment process needs to be clear from start to finish.

Public trust in charities is critical and has become a key question over recent years following various crises and media coverage of the sector. Worryingly, this year's Charities Aid Foundation report revealed that only 50% of the population—half, that is—believe that charities are trustworthy. Clearly, that has to be taken seriously by the sector, and I believe that the sector is now doing that.

I understand that the Charity Commission and the Fundraising Regulator recently met 14 major UK giving platforms to discuss these issues and to agree principles collectively to increase public understanding and transparency. Online fundraising platforms have agreed to provide information to the Fundraising Regulator about their complaints process, and to work with the regulators and the Government to explore how their transparency on fees and charges can be improved.

I am pleased that registration with the Fundraising Regulator is now open to third-party fundraisers, offering platforms an opportunity to demonstrate a public commitment to meeting the highest standards for fundraising. I urge the Government to encourage platforms that have not yet registered to consider doing so and signing up to the code of practice.

However, the Fundraising Regulator is a self-regulating body with no formal powers, so I further ask the Minister, what powers can be granted to the regulator to give it some teeth in dealing with platforms that do not adhere to the code of conduct? All charities must submit their accounts or annual returns to the Charity Commission, and those are available to view on the commission's website. One benefit of compulsory charity registration is increased transparency across the sector. Perhaps the Fundraising Regulator could replicate that best practice. I suggest that to move towards that aim and promote best practice and transparency, online platforms should also be encouraged to submit their accounts to the commission or Fundraising Regulator.

Anecdotally, many people assume that fundraising platforms are themselves charities. They are not. They are more akin to agents or intermediaries. Although I am of the opinion that not-for-profit platforms are a better fit for the charitable sector, they too have operating costs that are ultimately borne by charities. Card-processing fees are the principal culprit. All charities must pay transaction fees on receipt of donations from PayPal, credit cards and major banks.

I have met representatives of Wonderful.org, whose running costs are covered by corporate sponsors. That is a great initiative. Will the Minister highlight what steps the Government are taking to encourage large corporations and banks to engage with the charitable sector on this issue? For instance, they might provide assistance by exempting card charges and processing fees. After all, corporate responsibility is at the core of

many banking companies' charitable activities, and that would be one way to engage with charities that clearly matter to the general public.

I would like to mention gift aid. Some platforms use a part of taxpayers' gift aid—a scheme enabling charities to reclaim tax on donations—to cover their costs. Gift aid is a significant cog in the charitable sector. It increases the value of donations to charities by allowing them to reclaim basic rate tax on donations as long as the donor pays tax. Charities can take the donation and reclaim the basic rate of tax from Her Majesty's Revenue and Customs.

Since the introduction of gift aid in 1990, more than £13 billion in relief has been paid to UK charities. The commitment of this and previous Governments to supporting and expanding gift aid has been a tremendous boost to charitable fundraising—currently, it allows charities to claim an extra £25 for every £100 donated—but although some sites automatically pass on the full amount, others do not. In my opinion, the gift aid reclaimed should benefit the relevant charity, rather than being used to pay an intermediary cost.

I believe that the way forward must be ensuring, with guidance from the Fundraising Regulator and the Charity Commission, that online fundraising platforms are transparent and clear from the outset. I am encouraged by the action that has been taken to update the regulator's code of practice, but I seek further assurance that the Government will take on board fundraisers' concerns to make the process as transparent as it needs to be and get more people giving with confidence to our wonderful charities and good causes.

4.14 pm

The Parliamentary Under-Secretary of State for Digital, Culture, Media and Sport (Tracey Crouch): It is a pleasure, as always, to serve under your chairmanship, Mr Hollobone. I thank my hon. Friend the Member for Cheadle (Mary Robinson) for bringing such a topical and important issue to our attention.

We should celebrate the fact that we are a generous nation. As my hon. Friend said, Charities Aid Foundation research indicates that the British public donated about £10 billion to charity in 2016, making the UK the most generous nation in Europe and one of the most generous in the world. Today is Giving Tuesday, the global day of giving that encourages people to volunteer, donate to charity and spread the word about doing good stuff. Last year, 4.5 million people in the UK gave their time or money to charity on Giving Tuesday, and for the second year running the campaign broke the world record for the most money donated online in 24 hours.

Many people need to be asked before they give, so charities have to invest some of their money in fundraising in order to raise funds to undertake their important work. According to the National Council for Voluntary Organisations, every £1 that a charity invests in fundraising raises an average of £4 in return. Fundraising, when done well, also means that charities can develop positive relationships with their supporters.

Recent years have seen the emergence and rapid growth of online fundraising platforms as a new and convenient way for people to donate to charity or other causes. Huge sums are raised for charity through online fundraising platforms. The largest, JustGiving, has helped people to raise more than £3 billion for good causes

since 2001. We need only look at the incredible public generosity and use of online fundraising platforms following recent tragic events such as the Grenfell tower fire and the terrorist attacks in London and Manchester to gauge the popularity of that form of fundraising. However, fundraising must be undertaken responsibly by all if public trust is to be maintained.

Sadly, in 2015, charity fundraising came into the spotlight for all the wrong reasons, risking public trust and confidence in charity. Two years on, the charity sector has taken responsibility and embraced change. It set up a new independent and effective self-regulatory body, the Fundraising Regulator, which has worked with fundraisers and charities to strengthen and enforce the code of practice. It has implemented the Fundraising Preference Service, enabling members of the public to easily put a stop to unwanted fundraising requests. Charities and their trustees have embraced higher standards. They are monitoring and overseeing their fundraising activities much more closely, and are strengthening their data protection policies and practices.

My hon. Friend asked whether we could give the Fundraising Regulator more teeth. The regulator regulates the fundraising community by consent. Working with the sector, it has taken major steps to strengthen the regulation of fundraising and ensure that the public are protected from poor practices. Where there is deliberate abuse or unlawful activity, it is for the Fundraising Regulator to report to the relevant statutory regulators—for example, the Charity Commission, the Information Commissioner or the Financial Conduct Authority, and in appropriate cases the police—and encourage them to use their statutory powers. We think that effective self-regulation rather than Government intervention can deliver on the public's expectations.

As my hon. Friend also mentioned, recent online fundraising has shed light on the need for improved standards of transparency and accountability for online fundraising platforms. The issues include a lack of transparency about website fees and charges, the potential for online fraudulent activity, and the need for the public to have access to good advice about online giving. We need to ensure that high standards and best practice are shared and followed across all online fundraising platforms. That is why, earlier this year, I asked the Fundraising Regulator and the Charity Commission to work with the online fundraising platforms to address public concerns and promote high standards and good practice.

The Fundraising Regulator and the Charity Commission convened a summit with 14 of the largest online fundraising platforms in September. The aim was to agree collectively on principles to increase public understanding and transparency about the different forms of online donating, in order to secure public trust and confidence. I am pleased to report a positive response from the online fundraising platforms and a number of commitments from their meeting with the regulators. They have confirmed their commitment to transparency on fees and charges and have agreed to work with the Charity Commission and Fundraising Regulator to explore how that can be

improved. They have also agreed to disseminate clear and consistent public advice about the choices available for donating. They will review their resilience to fraud and help the regulators to review the code of fundraising practice with the aim of expanding the standards for online fundraising.

On fees and charges, we need to recognise that there is a range of commercial and not-for-profit organisations that operate as online fundraising platforms. In addition to the debit and credit card transaction fees that apply in all cases, there are significant costs to be covered in providing the service. That is the case for online fundraising platforms and for traditional methods. In some cases, those costs or a proportion of them are subsidised by associated businesses as part of their social responsibility programmes, reducing the proportion of fees that comes out of individual donors' gifts. In other cases, fees are taken from the donation or any gift aid on the donation.

My hon. Friend the Member for Cheadle asked about gift aid and the fees that are taken from the total value of the donation plus gift aid. That is the case regardless of whether the platform says that the fees are taken from the body of the donation or from the gift aid that is paid on top of it. Platforms also take responsibility for processing gift aid claims on a charity's behalf, including any associated reporting and audit requirements. As always, we continue to have discussions with those involved. It is important that in all cases any charges and fees are reasonable and transparent, so that donors can make an informed choice. I welcome the decision that some fundraising platforms took to waive or reduce their fees, or to make a donation, in relation to fundraising for disasters such as the Grenfell Tower fire and the terror attacks earlier this year.

My hon. Friend asked whether we could put pressure on the industry to reduce debit and credit transaction fees. I assure her that UK card processing fees of generally between 1% and 2% compare favourably with the payment processing fees charged in other countries, which are usually higher—significantly so in some cases. I am fairly certain that members of the industry will be watching this debate and they are welcome to discuss what they can do to help support charities' fundraising efforts with me and my colleagues.

The Charity Commission and Fundraising Regulator will continue to work with the online fundraising platforms and will keep me updated on progress. They sent me a letter yesterday that outlined current progress, which I am happy to share with my hon. Friend. Those platforms provide an important service that is popular with the public and raises significant sums for charity. They have shown that they are willing and committed to work with the regulators and the Government to respond to public concerns and to strengthen standards and transparency. I welcome that, and I hope that other hon. Members do too.

Again, I congratulate my hon. Friend on securing this important debate, particularly on Giving Tuesday. I am willing to continue the conversation outside this Chamber.

Question put and agreed to.

Rural Economy of Wales

4.23 pm

Ben Lake (Ceredigion) (PC): I beg to move,

That this House has considered the future of the rural economy in Wales.

It is a pleasure to serve under your chairmanship, Mr Hollobone. I am grateful for the opportunity to have a debate on a topic that is of great importance to the people of Ceredigion, whom I serve, and a subject that is close to my heart.

An economic strategy that facilitates growth in rural and urban Wales and forges stronger links between them is sorely needed if we are to avoid building a geographically unbalanced Welsh economy. I hope that we can debate the ways in which the current approach fails rural Wales and how those failings can be addressed. The rural economy is resilient and there is potential for greater development that should not be left unrealised. At the very least, I hope to persuade hon. Members that securing a prosperous future for the Welsh rural economy is not a cause that should be championed only by those fortunate enough to represent rural constituencies; it should be a priority for us all. As such, it is good to see right hon. and hon. Members from urban as well as rural constituencies here, and I look forward to their contributions.

The development of the rural economy should form a key part of an economic strategy for Wales if we are to avoid a national economy unhelpfully concentrated in a few areas or in one corner of the country. We need look no further than the UK economy to understand the consequences of an unbalanced approach to economic development. Page 218 of the “Industrial Strategy” White Paper illustrates all too clearly how focusing attention and investment on urban centres has meant that the productivity of rural areas is consistently below the UK average, in stark and rather depressing contrast to that of larger towns and cities. I am sure that we will hear a great deal in this debate about the supposed successes of the UK’s current economic approach, but who benefits from the status quo? If that approach gives rise to such grotesque regional inequality, can it truly be considered a success? It is not over-ambitious, let alone idealistic, to believe that the prospects for individuals living in the countryside should be just as promising as those for individuals living in cities.

Although I am not surprised, I am concerned that the development of the rural economy is not high on the UK Chancellor’s list of priorities. Last week’s Budget offered no sign of imminent change in the UK’s approach to rural development, and even less promise for the rural economy in Wales. Indeed, one is left to infer from the few policies on offer that the Government’s intentions for the rural economy, at least in England, amount to little more than improving existing connections between the countryside and the cities to ensure that the prosperity of the economic engines and powerhouses trickles to the rural periphery that little bit faster. Yet again, I fear we have a Budget that serves the south-east of England rather well, at the expense of the rest of the UK.

Buried deep in the Budget, however, there was a cautious and no doubt carefully worded announcement about a growth deal for mid-Wales. It does not overwhelm me with confidence, nor am I over-enamoured of the

thought of delineating new economic areas without considering whether there are sufficient cultural, economic and social links to justify those new lines on the map. Nevertheless, I appreciate that the growth deal for mid-Wales—or perhaps the Welsh midlands—could be a real opportunity to deliver for some of those rural communities that have suffered chronic under-investment and neglect by successive Governments. It is also a chance to diversify the base of the rural economy to ensure that, just like the economic success stories of the cities, the economy of rural Wales is rooted in a rich mixture of sectors and industries.

Agriculture, the food and drink industry and tourism are at the heart of the present rural economy, as I am sure other right hon. and hon. Members will explain in more detail. A growth deal for rural Wales would need to safeguard those foundations, but it could also enable us to build a more mixed economy on them, and in so doing secure a more prosperous future for rural areas. It is therefore important to stress that if a growth deal is produced for mid Wales, it cannot mindlessly replicate the model used for city deals. The Government must do more than merely pay lip-service to the idea; they should work with the Welsh Government to engage with stakeholders and forge a bespoke package that focuses on addressing the unique challenges and opportunities facing the rural economy.

One fundamental problem that could be addressed by a worthwhile growth deal is the poor connectivity in many rural areas of Wales. Broadband, or rather the lack of it, is by far the most prevalent issue raised by my constituents in Ceredigion, which is among the 10 worst constituencies for broadband speeds—an affliction that also plagues the Minister’s constituency. Wales has the perceived benefit of being able to receive investment from the Welsh Government and the UK Government, but thus far both have failed to outline how broadband will be delivered to some of the most rural parts of the country.

Recently, the UK Government invested significant sums to improve broadband infrastructure in three of the four UK nations, but unfortunately not Wales. They managed to find £20 million extra for ultrafast broadband in Northern Ireland. For the time being, I am confident that residents in Ceredigion would happily settle for superfast broadband. The UK Government also managed to find £10 million for full-fibre broadband in six trial areas across England and Scotland, but what about rural Wales?

According to Ministers, the decision on where to invest that money was based on how likely they believed the investment was to stimulate economic growth. Rural Wales should not be written off as an area that has no potential, that would not be successful even if it had effective digital infrastructure, or that is simply not worth it. Why should shared office spaces and other opportunities afforded to start-ups and small businesses be poorer in rural areas? Why should essential utilities such as adequate broadband and mobile infrastructure be dismissed as luxuries for those who live in the countryside? If we are to make Ceredigion and other rural areas of Wales more practical places for businesses to locate and expand, and if we are to ensure that communities can fully benefit from the opportunities afforded by better digital connectivity, investing in broadband and mobile infrastructure is crucial.

Why stop there? A potential growth deal for the Welsh midlands—sorry, for mid-Wales—could also include an ambitious package of investment in transport infrastructure. Reopening the railway line between Aberystwyth and Carmarthen would help to reconnect north and south Wales. Installing a network of electric vehicle charging points would allow rural Wales to make the most of advances in electric cars. As well as improving connectivity, such investment by the UK and Welsh Governments would send a clear signal to budding entrepreneurs and start-ups that the countryside is open for business. It would be a strong statement of intent and confidence.

I am not alone in thinking that rural Wales is worth such an investment. Ceredigion has almost 9,000 microbusinesses, which account for up to 94% of all businesses in the constituency. They sustain the local economy and make up our communities, yet they are penalised by poor all-round connectivity. Improving that connectivity is key to supporting and sustaining those entrepreneurial, innovative and hugely important businesses while opening the door to new enterprises.

I am conscious that other hon. Members wish to speak, but it would be remiss of me not to speak briefly about the need to secure the current foundations of the rural economy, or about how a potential growth deal could help to steady nerves in what is proving to be a most uncertain time. Food and drink manufacturing contributes £1.5 billion to the Welsh economy, supports more than 22,000 jobs and generates more than £330 million in exports. It sits at the heart of the food and drink supply chain that generates a total of £4.5 billion for the economy and supports more than 240,000 jobs across Wales. Agriculture in Ceredigion directly employs more than 6,000 people. Some £40.8 million is spent on goods and services purchased by farmers, which in turn sustains additional spending of £96.9 million.

Although they are seldom associated with the rural economy, the teaching and research conducted in our universities also make a vital contribution: on Ceredigion's economy alone, they have an annual economic impact worth approximately £250 million. The uncertainty surrounding Brexit is throwing our higher education sector into uncertainty. Clarifying future funding and visa arrangements would go a long way towards addressing that.

David Hanson (Delyn) (Lab): The hon. Gentleman will know that sheep and beef farming are critical parts of the economy, not just in his constituency but in north Wales. Does he agree that the Minister should give an assurance that those products will eventually be tariff-free post-Brexit? If they are not, we will face potential loss of business and therefore loss of income to the rural economy.

Ben Lake: I agree that an assurance that beef and lamb exports will not be subject to tariffs or non-tariff barriers post-Brexit would go a long way towards securing the future of agricultural industry and would settle a lot of nerves across the country.

It is imperative that any growth deal for mid-Wales takes account of the significant burden that leaving the EU places on such sectors. The UK Government's steadfast pursuit of severing all ties with the single market risks undermining the rural economy. We should strive to build a more mixed rural economy, but we must also secure its foundations. I was therefore glad to

learn that my Plaid Cymru colleagues in the Welsh Assembly have helped to safeguard the future of Welsh agriculture by securing £6 million of funding for a grant scheme to help young entrants to establish themselves in agriculture. With Brexit negotiations stumbling at every possible hurdle, such funding cannot come quickly enough. The right hon. Member for Delyn (David Hanson) alludes to the effect of Brexit on tariffs; it looks increasingly likely that any meaningful beneficial relationship with the single market and customs union will be abandoned.

I am deeply concerned that Welsh agriculture will be sacrificed in EU negotiations. We will have to compete with markets with far lower food hygiene and animal welfare standards, while losing unrestricted access to our main export market. Welsh farmers will be hardest hit by the double whammy of cheap imports and new regulatory barriers. A staggering 90% of Welsh food and drink produce, produced mainly in rural areas such as mine, is exported easily, directly and freely to the European Union. Do the Government expect farmers simply to replace 90% of their customers overnight? We desperately need certainty and clarity.

The damaging impact of Brexit uncertainty on the whole rural economy should not be underestimated. The National Farmers Union's farm confidence survey in April showed that 20% of farmers are likely to reduce investment as a result. Without clarity on trading relationships or the support payments that make up to 80% of farm incomes in Wales, it is hardly surprising that many are postponing further investment in their businesses. That should alarm us all, because for every £1 invested in the farming industry, more than £7.40 is put back into the local economy. Our communities simply cannot afford to lose such investment. Without it, the future of the rural economy looks very bleak indeed.

Tourism is a £2.8 billion Welsh industry that employs 4,000 people in Ceredigion and contributes £70 million to gross value added. It often goes hand in hand with agriculture and is an important contributor to the rural economy. Plaid Cymru has proposed a 15% reduction in VAT for the tourism and hospitality sector, which would generate an estimated 5,500 additional jobs and an economic boost of £166 million. Our proposal is not innovative or pioneering thinking, but simply common sense. It would stimulate investment, create jobs, increase consumer spending and help to ensure that Wales's visitor economy continues to thrive. Even the UK Government think it is a good idea: the Chancellor announced a review of tourism VAT in his Budget, although of course it applied only to Northern Ireland. If it is good enough for Northern Ireland, why is it not good enough for us? Could it not be included as part of a growth deal package for the Welsh midlands—sorry, mid-Wales? At the very least, it should offer resources to support organisations such as Mynyddoedd Cambria that work to forge closer links between the old market towns of the Elenydd—the Cambrian mountains—and ensure that coastal and inland areas benefit from tourism.

It is deeply frustrating that the potential of the Welsh rural economy was not adequately pursued in last week's Budget, but a growth deal could be the first step towards correcting that mistake. Offering the support and investment required to sustain today's rural economy will be crucial,

[Ben Lake]

but just as important is the opportunity to change how the rural economy is understood, recast how rural development is pursued, and rejuvenate our aspirations for such development. Such new thinking is already being explored by colleagues of mine, including a former Member of this House. The economic region of Arfor aims to develop west Wales into a more cohesive and connected entity. There is no reason why a growth deal for the Welsh midlands—or mid-Wales—could not support and work in conjunction with such an economic area.

I have already mentioned the importance of the agriculture, food and tourism sectors to today's rural economy. Let us make the most of the opportunity presented by the growth deal to redefine the rural economy of tomorrow. If done properly, such a deal could begin to address the issues plaguing today's industries and could implement the conditions necessary to facilitate a more versatile future for the rural economy. It could concentrate on improving connectivity and offering greater support to higher education institutions so that they can build on their expertise and cement themselves as centres for the technologies of the future.

After all, why should rural Wales not be at the forefront of biotechnology and research? It could be the centre of cutting-edge knowledge, tackling global issues such as food security. Aberystwyth University's institute of biological, environmental and rural sciences is already an internationally renowned research and teaching centre for biotechnology and environment studies. It is leading the work to address some of the most pressing issues facing the agricultural sector, and it has already received support from the Biotechnology and Biological Sciences Research Council for its Aberystwyth innovation and enterprise campus. Just imagine the potential benefits of further investment in our other universities in rural Wales! Such investment could serve as the foundation of a bigger Welsh biotechnology industry, shaping the future of food and farming for generations and increasing the breadth of highly skilled and highly paid careers available in rural Wales. That is just one example that is open to the rural economy if we wish to explore it.

I am in no doubt that the Welsh and UK Governments desperately need to reconsider their approach to economic development and to refocus attention on the rural economy, to ensure that it forms an integral part of any economic strategy for Wales and that it is more than a simple afterthought, an also-ran, a non-essential addition to the real work of developing our cities and urban areas.

People should have a realistic hope of being able to pursue a career, and of being able to afford to settle down and lead a prosperous life in any part of Wales. I hope the Minister accepts the points I have raised in the spirit in which they are offered. The possibilities for a mixed and advanced rural economy in Wales are endless, provided that the potential is unlocked with the right investment and the right growth deal for the Welsh midlands—or mid-Wales.

Several hon. Members rose—

Mr Philip Hollobone (in the Chair): Order. The debate is due to finish at 5.30 pm, which means that, under the rules of the House, I need to call the first of the Front-Bench spokesmen at seven minutes past 5. There

are guideline limits of five minutes for the Scottish National party, five minutes for Her Majesty's Opposition and 10 minutes for the Minister, with three minutes for Mr Lake to sum up at the end. Three Members are seeking to catch my eye, which means that there will be a time limit of eight minutes for each of them.

4.41 pm

Susan Elan Jones (Clwyd South) (Lab): It is a great pleasure to serve under your chairmanship, Mr Hollobone. Congratulations are very much in order for the hon. Member for Ceredigion (Ben Lake), the Member for the Welsh midlands—I like the sound of that. I am not sure what the comparative term would be for Members from north Wales; I think we will stick to north Wales. [Interruption.] My right hon. Friend the Member for Delyn (David Hanson) said, "Scotland". We will stick to north Wales—we have better weather, I think.

I am conscious of the importance of the subject of the debate. My own constituency includes many rural communities. I will not be able to name them all, which risks offending people, but in its 240 square miles are the villages in the Ceiriog valley, Minera, Llangollen, Corwen, Cynnwyd, Glyndyfrdwy, Carrog, Llandrillo, many of the Maelor villages and many other areas the main industry of which may not be farming but which involves a considerable amount of agriculture. I was interested to hear from the National Farmers Union Cymru that about 60,000 people in Wales are employed full or part-time in Welsh agriculture. That is a staggering number, especially when one considers the ramifications for other industries in those areas.

I do not always quote the Countryside Alliance, but I would like to do so today. [Interruption.] I am glad that the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart) agrees with me. The points that the Countryside Alliance has made on the issue are superb. It notes, for instance, that Wales exported £12.3 billion-worth of goods outside the UK in 2015, of which 67% went to the European Union. It makes the point that it is vital that the UK Government seek to maintain tariff-free access to EU markets for food and agricultural produce. It notes also that if the UK Government do not establish a new trade agreement with the EU before leaving and do not adopt World Trade Organisation terms, the £12 billion-worth of food and agricultural produce that the UK exports to the EU each year will face the prospect of high tariffs, which would be damaging to UK producers, including those in Wales, and to EU consumers. That shows that the future of the Welsh rural economy is inextricably linked to what happens in, and how the UK Government and others deal with, the Brexit negotiations.

My right hon. Friend the Member for Delyn made the point well about beef and lamb exports. We also need to note that farmers in Wales must never become a bargaining chip. If the UK Government—in their trade deals with large meat-exporting countries, such as New Zealand, Australia, Brazil and the USA—do not listen to our farming industry, that will be devastating for our rural economies. I know that the Minister has always, in himself, made positive noises about our relations with the EU, and I make the point to him that where there is a transfer of powers post-Brexit in areas that are currently devolved, it is vital that those powers are devolved to the Welsh Government.

One spark of light after Brexit—if it ever happens—might be what happens with the common agricultural policy, or CAP. The NFU, in what I think is the reverse of spin, made the point that although Wales has only 4.7% of the UK population it has 9% of the UK CAP allowances. I do not think that that was meant to be spin; I think it was meant to show how important the rural economy is to Wales. If we are to look at a new CAP that will apply Wales-wide and UK-wide, we need to reshape it in a way that makes it less interested in supporting the likes of the Duke of Westminster and more interested in supporting the Welsh hill farmer—for the many, not the few, and for small family farms.

Tourism, of course, is vital to any discussion on the Welsh economy, and I was delighted that the “Under the Arches” festival at Pontcysyllte aqueduct in my constituency won a prestigious north Wales tourism award. There is so much in my area that is connected with tourism, such as the Llangollen railway extending, as it will fairly soon, into the middle of Corwen; the Dee Valley area of outstanding natural beauty; and much that is developing in the Ceiriog valley and in many other places. Will the Minister support our plans locally for the vital adaptation of Ruabon station so that there can be better disability access? I am sure he would wish to support those efforts.

Ian C. Lucas (Wrexham) (Lab): Does my hon. Friend agree that that worthwhile step would best be made in conjunction with the introduction of a half-hourly service between Chester and Shrewsbury, along one of the most beautiful railway lines in the United Kingdom, so that more people from the west midlands and the north-west of England, as well as from the rest of the country, could see just how good it is?

Susan Elan Jones: That is a wonderful idea.

I would also like to mention the Welsh Government’s rural development programme. It has been innovative, with support for food, timber and other businesses, as well as farm business grants and even a micro small business fund. Many companies in my constituency, and other areas, have benefited, and I welcome the diversity of projects it provides.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Is it not the case that the Labour Government’s economic policy for rural Wales has been a complete and utter failure? Does the hon. Lady agree with Baroness Morgan, who also serves in the Assembly, that there needs to be a dedicated economic plan for rural areas in Wales, and that that indicates that the Welsh Government have failed?

Susan Elan Jones: The hon. Gentleman always puts it so well in his own way, does he not? The points my good colleague Baroness Morgan made referred to the need for development programmes in specific areas. In the same way as we speak of the north Wales deal, I think she was thinking of something dedicated specifically to certain parts of west Wales. I think that the hon. Gentleman is being a bit mischievous in referring to our elected Government in Wales as a failure.

On the Welsh Government’s budget for the forthcoming year, I very much welcome the extra support on homelessness in the £340 million for the building of 20,000 affordable homes. We need to recognise that

homelessness is not just an urban problem. I also welcome the courageous decision to suspend the right to buy on council houses. That was not an easy decision, and it was not uncontroversial in its day, but it made the point. The hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards) might agree with me a little more on this point: if we are serious about tai, gwaith, iaith—houses, jobs, language—as a driver in rural Wales, we must look at that sort of policy.

I will say a quick word on rural areas in Wales, Welsh-speaking areas and planning laws. I very much support the Welsh Labour Government’s policy—it is supported by others, too—for 1 million Welsh speakers in Wales. That is an important policy, and consensus on it is vital.

I sometimes think we are a little reticent in Wales when it comes to planning issues. In some cases, that is simply because of our history as a nation, and that is a mistake. In Cornwall, Cumbria and other parts of the UK, people are prepared to look thoughtfully at issues connected with second homes and affordability. As we look at the rural economy and parts of Welsh-speaking Wales, we should not be frightened of doing that.

Finally, one has to say something about broadband. I am delighted to have been able to work with other representatives in making Gwynfryn, Llandrillo and a few other places a bit more connected. I welcome the Superfast Cymru project, but we have more to do to ensure that that is connected in every part of Wales.

4.50 pm

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I congratulate my hon. Friend the Member for Ceredigion (Ben Lake) on securing this significant debate. As the youngest Welsh MP—I do not know whether he likes me reminding him of that fact—it is evident that he has already played an inspiring role in representing his constituency and his country.

Considering the interest in this debate and the comments that have already been made, I will be as brief as possible and confine my remarks to one key issue: addressing the need to counterbalance the dynamics in Wales between the east and the west. There is a cognitive block in viewing the geography of Wales in terms of north and south, and that in turn blocks our growth as a nation. Undoubtedly there are some unifying factors among north Walians—the gogs, as we call ourselves—and our compatriots in the south. For example, the gogs will always call milk “llefrith”, and the south will wrongly insist on having borrowed the word from Latin and so call it “llaeth”. We do enjoy these differences, but let us never forget that the language unites us along a north-south axis, while our historic infrastructure and economic convention would have us looking east-west all the time.

Wales’s cities and large towns generally lie in the east, but in the west, rural Wales is made up of villages and market towns. The public sector, agriculture and tourism are the pillars of the economy in those communities. None the less, it is in those rural villages and towns that we find the highest concentration of Welsh speakers, and I am proud to represent Dwyfor Meirionnydd, the constituency with the highest proportion of Welsh speakers anywhere in the world. Sadly, in my constituency and other rural Welsh constituencies, we also find some of the lowest wages in Europe. As already noted by other Members, the economies of the region—the public

[Liz Saville Roberts]

sector, agriculture and tourism—are teetering on the brink of crisis. We cherish all those economies, but they are all vulnerable.

With massive outflows of young productive people, EU funding at risk and a Westminster Government hunkered down in the south-east and, frankly, focused solely on the needs and interests of that region, rural Wales faces unprecedented challenges. This re-formulation or resetting of how our nation of Wales could be perceived is best summed up by the work of my colleague Adam Price AM. He is sitting in the Public Gallery, and I welcome him. His concept of Arfor would see a new socioeconomic map drawn for Wales along a more appropriate boundary, acknowledging the east-west norm, but also looking at the issue from an alternative and counter-balancing north-south axis. That would not only allow investment to be more appropriately targeted to suit areas in the east and west, but foster greater north-south integration. That simple re-imagining or re-perceiving could not only save economies and communities, but safeguard our language and those rare communities where Welsh is not a minority language and is used by the majority. That is important to our perception of the use of the language. Bringing these majority Welsh speaking areas together to offer real opportunities for young Welsh speakers will give our language the environment in which it can thrive into the future.

To finish, I will give three examples looking at how Arfor could energise the economy of the west of Wales and Wales as a whole. First, we could transform tourism jobs from being a gap-year filler to offering the living wage and a long-term career. As a first step, we could set up a tourism academy linking business to universities and further education colleges to ensure we have the skills and expertise we need—skills made in Wales, for the needs of Wales, for the salaries of Wales and that stay with us.

Secondly, we could have a community bank for west Wales. As commercial banks disappear from our high streets—even ATMs in rural areas are under threat—rural people are left without basic services. A new model of community banking could fill the gaps.

Finally, we need the conventional and digital infrastructure that will truly transform west Wales. Let us consider reopening the Aberystwyth to Carmarthen rail line and the digital infrastructure that my hon. Friend the Member for Ceredigion spoke about so eloquently. We need swiftly to move people, bits and the knowledge economy across Wales to move into the future.

Rural Wales has been the cauldron of Welsh culture and remains the heartland of our language and its traditions. Let it be the pair dadeni—the cauldron of rebirth. Economically, it faces its greatest challenge in modern history, yet I am confident, despite everything and everyone—er gwaetha pawb a phopeth—that we need only to be given the tools to build our own future.

4.56 pm

Albert Owen (Ynys Môn) (Lab): It is always a pleasure to serve under your chairmanship, Mr Hollobone. I genuinely congratulate the hon. Member for Ceredigion

(Ben Lake) on the tone he set in opening the debate. I pay tribute to him and his predecessor Mark Williams, who for many years adopted the same tone of consensus in Wales. He brought people together to speak as Welsh MPs in the House of Commons.

I congratulate the NFU on providing a concise brief, much of which the hon. Gentleman referred to, and I make no apologies in echoing some of the statistics that it provided. Indeed, farming unions have been helpful to Members over many years, and I pay tribute to the work they do not just for their members, but for the communities of rural Wales. They play a very positive role in the social fabric of Wales, and I thank them for that.

I will concentrate my contribution on a matter that has been affecting my constituents for a long time, but in particular since 2010: the over-centralisation of many of the UK Government's services, away from rural and semi-rural areas to the towns and cities of Wales and the UK. I will also touch on food and drink and the importance of agriculture, tourism and connectivity.

The Welsh food and drink industry is hugely important, as the hon. Gentleman said, to the whole economy of urban and rural Wales. The backbone of the food industry is Welsh agriculture. As has been said, it is a progressive, outward-looking industry that exports much of its produce across the European Union—some 90% of it is freely traded across the EU. A third of the lamb that the United Kingdom exports is Welsh lamb, which is without a doubt the finest lamb in the UK. It is hugely important, and we need to pay tribute to our agriculture industry and our farmers and offer them help and support.

I know the Minister listens carefully to what is said and represents our views to Government as a Minister in the Wales Office. He talks about securing EU funding to 2020, but I challenge him to go further than that. Our farming industry needs safeguarding post-Brexit. The money we receive from the common agricultural policy needs to be ring-fenced. If the funding is done through the Barnett formula, we will lose out. That is the challenge for the Government. When they talk about agriculture and rural Wales, they need to safeguard the monies we receive now. Alternatively, the Minister can tell us exactly how he will replenish that money.

Liz Saville Roberts: I beg the hon. Gentleman to bring to bear what influence he can on the Welsh Government to get them to commit to maintaining the same level of income for farmers when that money is transferred from Westminster under the devolved processes, whatever they may be.

Albert Owen: That is the point I was making: it should not just go through the Barnett formula, because we would lose out by getting only a certain percentage. We need like-for-like funding, because when the European Union negotiates the amount, it looks at need in a way that is fairer to rural communities.

Connectivity is also important. In north-west Wales, and indeed in Ceredigion on the west coast of Wales, we suffer from a double whammy in being not just rural communities, but peripheral communities. Often a Cardiff or London-centric view predominates in the United Kingdom, so we have to fight harder for services and the connectivity that we deserve. I consider north-west

Wales to be the heart of the British Isles. I do not see it as peripheral; it is only peripheral to someone looking up towards it from down south. It is the heart of the British Isles, because to our west is the island of Ireland and Northern Ireland, to our north is Scotland, and to our east is England. We are the heart of the British Isles, and need to start speaking with that confidence.

When there are roll-outs of programmes such as 5G, which we heard about in the Budget, it should be started and test-piloted in difficult rural areas, not just in the large towns and cities of the United Kingdom. That is the challenge for the Wales Office in the UK Government. Swansea deserves its connectivity, but so too does rural Wales. If the Government are serious about spreading wealth across the United Kingdom, they need to pilot projects in rural and peripheral areas.

Simon Hart: Does the hon. Gentleman agree that the technology already exists? It is available in the Alps, in Norway, and in the highlands of Scotland. The technology is, to some extent, proven. What is actually required, as I am sure the Minister will confirm, is political will.

Albert Owen: The hon. Gentleman has asked me a question and answered it in the way that I would have: it does require political will. Each time the Government trial something, I ask them to go not for the easy towns and cities, but for rural and peripheral areas.

Tourism is hugely important. It is the fastest-growing industry in the United Kingdom and in the world, and we have some of the best brands in Wales. Many visitors to Wales come for our coastline, our national parks, our areas of outstanding natural beauty, and the tranquillity, which is best seen on the Isle of Anglesey—the heart of the British Isles. In my opinion, Anglesey is very much the jewel in the crown of Welsh tourism. There are, however, serious challenges in rural Wales. If we are to develop a 21st-century economy, we need 21st-century tools to do the job. As I said, in the digital age we do have better connectivity in broadband and mobile, but it is still behind many parts of the UK. We should address that problem, and the Ministers from the Wales Office need to fight for it.

I commend the roll-out package that was put together in partnership between the UK Government, the Welsh Government, the EU and BT. I hope that the EU money can be replenished in some way in the future, because that package has worked in many places. I have been working with BT, the Welsh Government, and indeed the Ministers in the Wales Office, including the Minister here today, who has listened to what I and other Members have been saying.

When I talk about rural Wales, I talk about interdependency with urban Wales as well, which is very important. My main point is about the centralisation of UK Government services. We have seen court closures over many years, which not only result in denial of local access to justice but damage to local economies. Many of the local economies created by solicitors' offices and the extra boost given to the economy by the areas around the courts are lost for good. Many personnel move from those areas to where the courts move to. We have seen HMRC, for example, moving its offices from the west to the east, to central Wales, down to Cardiff. That does not help rural economies in north and north-west Wales.

Ian C. Lucas: I am afraid this is an irresistible opportunity to talk about the Government's appalling proposal to shift HMRC from Wrexham in north Wales, my constituency, which has many rural areas, to Cardiff's city centre. Is that not exactly the opposite of what we should be doing?

Albert Owen: Yes, it is. The Government talk, as many Governments do, about decentralisation and devolution of services, but they act in the opposite way, pulling out services from rural areas. Those rural areas have very competent people, with the skill sets to do those jobs for many years. The services are being moved just to save the Government money, and in the long run communities are getting left behind.

My final point has nothing to do with the Government, although the Government need to take some responsibility. We need to get proper banking policy in this country. When high street banks close in rural areas and in small and larger towns, it rips the heart out of those communities. Local government, the Welsh Government and the UK taxpayer are paying for those communities, yet banks just walk away. We know what banks have done to our global economy; we see the recession across the world and in this country. Those banks have responsibilities, but we need to plug those gaps, because often buildings are left empty, jobs are lost and the local high street suffers.

Rural Wales needs a strong voice and, with Welsh MPs across the parties, we have one. We also need a Government here in the UK that are listening and putting devolution into practice, with real delivery of jobs and services in our rural communities, so that rural and urban Wales can compete on a level playing field with the rest of the United Kingdom. I thank the hon. Member for Ceredigion for giving me the opportunity to say that, because I want to stand up in future and say how much better things are in Wales because rural and urban areas have worked together to create the best place to live, work and visit in the whole of the United Kingdom.

Mr Philip Hollobone (in the Chair): We now come to the first of the Opposition Front-Bench speeches. The guideline limit for both the Scottish National party and the Labour party Front Benchers is five minutes.

5.7 pm

David Linden (Glasgow East) (SNP): Tapadh leibh, a Cathraiche. It is a pleasure to serve under your chairmanship, Mr Hollobone. I congratulate the hon. Member for Ceredigion (Ben Lake) on securing this timely debate. He is a passionate campaigner and champion for the people of Wales in this House. In the less than half a year that he has been here, he has done an enormous amount to hold both of Wales's Governments to account, and I have no doubt he will continue to do so in the coming months and years.

The focus on the future of our rural economy is timely, because we stand at a fork in the road, given our Brexit negotiations. The decision of the United Kingdom to leave the European Union, which was rejected in all 32 of Scotland's local authorities, will have potentially catastrophic consequences for rural communities across these islands—not least in Wales, which has benefited enormously from EU funding. Indeed, in some cases, it

[David Linden]

is the only money that has come into Wales in recent years. The current negotiating position taken by Her Majesty's Government is deeply flawed, isolationist and wrong-headed. I will outline one or two areas in which I feel a change in tone and position could help soften the forthcoming Brexit blow to our economy. I will also outline a couple of ideas from a domestic policy perspective that would deal with some of the challenges facing our Welsh colleagues.

First, I will add a bit of context to the scene so eloquently set out by the hon. Gentleman. Given that time is at a premium, and I am conscious that I am something of an intruder on this debate, I will focus solely on food and drink. Quite rightly, food and drink is a priority economic sector in Wales, with 170,000 people contributing to gross sales of £17.3 billion. Much like Scotland, Wales is staring into the abyss as we look over the cliff edge of a hard Brexit, to which we have been driven by the Back Benchers of the Conservative party. Although Wales as a whole narrowly voted to leave the EU, it is worth noting that not all areas did. Ceredigion, for example, which is mainly rural, voted 54.6% to remain, and Gwynedd, with a large agricultural industry, voted 58.9% to stay in the EU. If the Minister is serious about being Wales's voice in Whitehall, and not Whitehall's voice in Wales, he should immediately commit to joining the Welsh and Scottish Governments in calling for our membership of the single market and customs union to be maintained.

On trade, it is abundantly clear that access to the single market is essential for our agriculture sector. No one wants to see prime Welsh lamb, or any other fresh produce for that matter, stuck on a lorry, in a queue, waiting for customs clearance. I very much echo what the right hon. Member for Delyn (David Hanson) said. I will not get into the battle about whose lamb is better—I think I might lose that one. As it stands, what will happen is that lamb will be stuck in a queue on a lorry.

On labour, it is vital that our sectors retain the ability to recruit staff from across the European Union. That is why free movement of people must be protected, which can easily be achieved by remaining in the single market. Scotland and Wales's problem has never been immigration; it has been emigration. Just as in Scotland, Wales needs to build a strong rural economy that will encourage young people to stay, and not exacerbate the brain-drain problem outlined by the hon. Member for Ceredigion.

We need action on a domestic front from the Conservative Government in London as well as the Labour Government in Cardiff. It is important that we ensure that the right infrastructure is in place to support the rural economy. That means action to improve broadband provision, and investment in mobile coverage and drastically improving the rail network. To give an example, in Scotland every year we provide more than £1 billion for public transport and other sustainable options. I know from personal experience of visiting and holidaying in Wales—I spent some time in the summer of 2016 in the constituency of the hon. Member for Ynys Môn (Albert Owen) in north Wales and I echo what he says about connectivity—that the rail network is particularly poor and could do with upgrading. The hon. Member for Ceredigion has already outlined why and how that can be done, including a rail link between Aberystwyth and Carmarthen.

Before I conclude, I want to say a word about how we support the most vulnerable and those on low incomes in our rural communities. With respect, my advice is perhaps aimed more at colleagues on the Labour benches, who would do well to take a leaf out of the SNP Scottish Government's book and axe the bedroom tax and the public sector pay cap, which affects people in rural communities. Delivering for the many, not the few, cannot just be a soundbite. It needs to be backed up with action, because with devolved power comes devolved responsibility, and there is a moral responsibility on the Welsh Labour Government in Cardiff to act here too.

David Hanson *rose*—

David Linden: If the right hon. Gentleman wants to indicate how he is going to lift the public sector pay cap, I am happy to give way.

David Hanson: I think the hon. Gentleman will find the bedroom tax is not devolved in Wales.

David Linden: My understanding is that the Welsh Government have spent something like 0.44% of what the SNP Government have spent on discretionary housing payments. I am happy to give way again if the right hon. Gentleman wants to correct that. I see he does not want to.

Wales cannot be stuck between an isolationist Government in Westminster and a lethargic Government in Wales. I very much commend the hon. Member for Ceredigion for bringing this matter to the House.

5.12 pm

Chris Ruane (Vale of Clwyd) (Lab): Let me first congratulate the hon. Member for Ceredigion (Ben Lake). To have a debate this late in the day and to have 10 Welsh MPs here shows the importance of the subject; to have five of them from north Wales and five of them Labour shows the importance of the debate to north Wales.

It is vital that we carefully consider how rural Wales can respond to increasing digitisation, the global economy and the challenges of leaving the European Union in a time of austerity. The Welsh Labour Government are committed to the success of their rural communities and have rolled out several initiatives to that end, but law makers in Cardiff have had their hands tied. The most recent Welsh Government budget, published in October, has been developed against a backdrop of unprecedented cuts and ongoing austerity.

In the referendum, the people of Wales did not give carte blanche to this Government to leave the single market or the customs union, or to make Wales and people in rural Wales poorer. Access to the single market and customs union membership, whether permanently or in a transitional period before long-term arrangements can be made, is necessary to provide the economic activity and jobs on which a sustainable future for rural Wales can be built. That is true of the UK generally, but especially in Wales where our economy has depended on EU funds for so many years. That investment is really appreciated in Wales, particularly by farmers and the farming community.

As has already been quoted, 67% of Welsh exports went to the EU. The corresponding figure for all food and live animal exports was 83%; for meat exports, it was 93%. Agricultural goods generally carry higher

import tariffs than other commodities, and if this Government fail to secure tariff-free trade post-Brexit, the effects will devastate the Welsh agricultural sector overnight.

Brexit also raises challenges for Wales in the way of European subsidies and structural funds. The Minister will be aware—I have mentioned this time and again—that I helped to secure European structural funds for his county of Conwy and for my county of Denbighshire.

The Parliamentary Under-Secretary of State for Wales (Guto Bebb): Did you?

Chris Ruane: The Minister should know that history. It is a huge amount of money for the whole of Wales—€320 million per year in direct subsidies from the common agricultural policy, with a further €355 million to support rural development.

I ask the Minister, as I have asked him before, to make sure that we have extra funding beyond 2020. Our urban and rural communities have been supported by extra funds from Europe over the past 17 years. We want to be treated as well by Westminster as we have been by Brussels. We have had a big dollop of jam—a big dollop of funding—for Wales. We do not want it taken away and for the jam to be spread thinly across the whole of the UK. We need that funding and the Minister must do his job and make sure that we get it.

On productivity and broadband, thanks to the efforts of the Welsh Labour Government, unemployment in rural Wales in 2016 decreased roughly in line with the Welsh average of 4% and productivity continues to increase. However, productivity in rural communities still lags behind the Welsh average. The Welsh Government recognise that and are helping boost productivity with the “Superfast Cymru” project, rolling out superfast broadband across the country. In an increasingly digital economy, the effects of high-speed internet are really needed in our rural communities. Sadly, Wales’s biggest export has been our young people. There has been a brain drain out of Wales for decades. Superfast broadband offers a chance to stop and reverse that. People want to live in rural communities, especially when they are bringing up families. To do that, they need access to superfast broadband to make sure that they can conduct their digital businesses from areas such as rural Wales.

I just want to touch on the north Wales and the mid-Wales growth funds. I ask the Minister to ensure that the funding allocated to those projects is as great as the funding allocated to city deals in England and Wales.

Mr Philip Hollobone (in the Chair): If the Minister concludes his remarks no later than 5.27 pm, that will allow Mr Lake time to sum up the debate.

5.17 pm

The Parliamentary Under-Secretary of State for Wales (Guto Bebb): It is a pleasure to serve under your chairmanship, Mr Hollobone. I also join in the congratulations for the hon. Member for Ceredigion (Ben Lake) on what was a very constructive speech and the tributes to his predecessor, who was also always constructive in this Chamber.

We have had a wide-ranging and constructive debate. It is a pleasure to be able to highlight some of the success stories and some of the work that needs to be done. The hon. Gentleman highlighted the need for a mid-Wales growth deal, although he was not particularly generous in his support for the comments made by the Chancellor in the Budget. I think it is a major step forward.

Since 2015, we have had a city deal for Cardiff and the 10 local authorities surrounding Cardiff and we have had a regional deal for Swansea—not just for Swansea, but for Swansea and the region surrounding Swansea, including Carmarthenshire, Neath, Port Talbot and Pembrokeshire. We are working on a growth deal for north Wales; I had the privilege yesterday to be at the acceptance of the bid from north Wales. I was joined at the session by the hon. Member for Wrexham (Ian C. Lucas). It was a constructive session and there was engagement across the political spectrum. We had leaders of local authorities in north Wales of all political colours. We had a Plaid leader in the session, a Plaid member who was also a leader but not currently a Plaid leader. I am not quite sure what is going on in my own county of Conwy, but we do have a good leader, who was there, and we also had leaders from other north Wales counties, who were of a Labour party persuasion.

Albert Owen: I want to say on the record what I have said to the Minister privately—that he should involve Welsh MPs from north Wales in the growth deal. Yes, let us have bottom up and get the bid, but we have a mandate from the communities as well.

Guto Bebb: I am absolutely delighted to welcome that comment. It was great to see the hon. Member for Wrexham there. In addition, I am engaging with north Wales MPs and there will be a roundtable session in Gwydyr House with the bid authors and north Wales MPs in due course.

The hon. Member for Ynys Môn (Albert Owen) made a very important point in highlighting the fact that growth deals are bottom up. The key thing is that the proposals from north Wales were coming in from local authorities representing the whole of north Wales. Our responsibility down here in Westminster—the responsibility of the UK Government—and the responsibility of the Welsh Government is to work constructively with the partners in north Wales.

This is the template for an approach for mid-Wales. One of the key things I am aware of as a UK Government Minister representing Wales is the importance of ensuring that we do not forget mid-Wales. One of the key things that we highlighted in the Budget is that, although of course we need to deliver a growth deal for north Wales—after all, in the context of this debate, a significant part of north Wales can undoubtedly be described as rural—we also need to deliver for mid-Wales. I want to be able to stand up and say categorically that we will have delivered growth deals for every single local authority in Wales. We have already delivered for 14 local authorities in south Wales. We are working with the six in north Wales, and we are opening the door to a deal in mid-Wales.

We passionately believe that such deals should come from the bottom up. That is why, in the discussions with the leader of Gwynedd County Council and the chief executive of Carmarthenshire County Council, and in

[Guto Bebb]

the discussions that Lord Bourne, my fellow Minister in the Wales Office, had yesterday with the chief executive of Ceredigion Council and the vice-chancellor of Aberystwyth University, we were very clear that we do not think that the mid-Wales deal has to be confined to Powys and Ceredigion.

I am sure the hon. Member for Glasgow East (David Linden) is aware of examples in Scotland of counties involved in more than one growth deal. We are keen to ensure that if the proposers from mid-Wales say that they want involvement from south Gwynedd—Meirionnydd, for example—Dyffryn Teifi in Carmarthenshire or even north Pembrokeshire, that is something we can look at, because we want to work to deliver the growth deals that are needed in every part of Wales. If people are telling us that the way to do that is to expand or to work as two counties in mid-Wales, we will listen. I am pleased to say in the spirit of co-operation that, over the past few years, the relationship with the Welsh Government Minister for the economy has been extremely constructive.

One thing that has been highlighted in this debate is that we have an east-west issue in relation to economic development. I would argue—perhaps some Opposition Members would agree—that there was perhaps too much emphasis in the early years of devolution on strengthening ties within Wales, which was perfectly understandable. When a new institution is being created for Wales, there needs to be a coherence to Wales. But we also need to recognise the economic realities, including the links between Newport and Bristol, and the cross-border links in north-east Wales. We need to ensure we have a strong Welsh economy that is able to work with our partners in other parts of the United Kingdom.

The hon. Member for Ynys Môn said that Wales is not a peripheral region. I could not agree more. The north Wales growth deal can link to the northern powerhouse and the success stories that are Manchester and Leeds, and a sector deal for the nuclear industry could make a huge difference not just for north-west Wales, but for the entirety of the north Wales economy and the north-west of England economy. That shows clearly that we are not a peripheral region and that we have a huge contribution to make.

I want to touch quickly on the involvement of universities. The hon. Member for Ceredigion was absolutely right to highlight the importance of universities for economic development. He is fortunate to represent not one but two universities in his constituency. The contribution of Glyndwr University and Bangor University to the north Wales growth deal is an example of what can be done. I was pleased that Lord Bourne met the vice-chancellor of Aberystwyth yesterday, because universities will have a crucial role in any mid-Wales growth deal. I encourage the hon. Gentleman to highlight the importance of the university and further education sector in developing growth deals.

I am aware that time is short, so I will highlight some other issues that were raised in debate. Concerns were raised about broadband connectivity. Listening to the hon. Gentleman, I could be forgiven for thinking that I was listening to his predecessor. Broadband connectivity in Ceredigion is indeed a very serious issue, as it is in many parts of rural Wales, although there are some areas where that is not the case. For example, the connectivity in Aberdaron on the Llŷn peninsular, which

is much better than the connectivity in the majority of my constituency, is an example of what can be done. Rural Wales can be served if there is a desire to serve rural Wales, but we need some honesty in this Chamber. For broadband connectivity to be supplied across Wales, there has to be a partnership between the private sector, the Welsh Government and the UK Government.

Back in September, I announced the £56 million of addition spending to be made available through the claw-back on the contract with BT, but it is disappointing that that figure was lower than the 11% secured for Wales in 2011 because take-up in Wales had been lower. There has been a lack of transparency in Wales about why and how the priorities for rolling out broadband were set. It is unacceptable that Ceredigion—an area with two universities, which can make such a contribution to our rural economy—has been so ill-served by the way the Welsh Government have rolled out the contract. We can rectify the situation, and we need to do so, but that can be done only if we work together.

I expected that the agricultural sector would be more of a key part of this debate. We understand the importance of the agricultural sector for Ceredigion and most of rural Wales, including Powys. The Government have gone a long way in trying to reassure the sector. First, we guaranteed that the funding will be in place until 2020. We also said that there will be comparable funding until 2022. I hear what the hon. Member for Vale of Clwyd (Chris Ruane) is saying about getting guarantees post-2022, but a funding guarantee until after 2022 would be a longer period of certainty than we would have had if we had decided to remain within the European Union. The farming community appreciates that guarantee.

The hon. Member for Ynys Môn made an important point, which I am happy to accept, about the importance of ensuring that our share of future agricultural funding is based on the historical trend, rather than a Barnett-based system. The Wales Office and Ministers representing Wales in the Wales Office will be making that case, but we have to do so with sensitivity because we cannot say to the Welsh Government, “This is a chunk of money for you, but you must spend it on this specific area.” If we did that, we would be accused of a power grab.

Liz Saville Roberts: Will the Minister give way?

Guto Bebb: I am afraid I cannot take an intervention from the hon. Lady because I am coming to the end of my speech.

This has been a constructive debate and the Wales Office is more than delighted to continue it with hon. Members. Our door is always open. The way we are working in north Wales and the way we have worked with the city deals in south Wales show what can be done when we work together on a cross-party, cross-governmental basis. I want to be part of a success story in mid-Wales to follow on from the success story in north Wales.

5.27 pm

Ben Lake: Thank you for chairing this debate, Mr Hollobone. It has been a pleasure to serve under your chairmanship. I thank all Members of Parliament—particularly the 10 Welsh Members of Parliament—who attended. That reflects the importance of the rural economy for Members of Parliament from Wales.

I outlined some of the problems facing the future of the rural economy, and we have had a broad discussion about them. We have covered issues relating to what our relationship with the European Union means for our trading arrangements and the future of rural development payments. We also outlined some of the possibilities and opportunities for the rural economy in Wales.

The hon. Member for Ynys Môn (Albert Owen) set out the problem of centralisation and the need for decentralisation. It would send a very strong signal if the UK and Welsh Governments were able to decentralise a lot more of their institutions to rural areas. I am fortunate in Ceredigion to have a Welsh Government building in Aberystwyth, but perhaps there is more we could do to implement that.

Albert Owen: I am glad the hon. Gentleman has highlighted that point. Is he as disappointed as me that the Minister did not refer to that? The Government have responsibility for it, and by keeping agencies open they would help local economies.

Ben Lake: I agree. The Government, and the public sector more broadly, can play a very important role in investing and locating agencies in more rural areas.

That would send a signal—a vote of confidence in rural areas—to the private sector that the countryside is open for business, as I said earlier.

I am conscious that time is getting the better of me. We have an opportunity with the growth deal in particular to work on a cross-party basis. This debate has been constructive, which can only be a good thing. We have an opportunity not only to safeguard the current rural economy, but to lay the foundations of the rural economy of tomorrow. Making better use of our higher education institutions and improving connectivity would be a great way to start. Just like decentralising some of the Government agencies, getting the growth deal right would send a clear signal to the outside world—to businesses and entrepreneurs—that the countryside is open for business, and that they should locate our businesses with us. Diolch.

Question put and agreed to.

Resolved,

That this House has considered the future of the rural economy in Wales.

5.30 pm

Sitting adjourned.

Written Statements

Tuesday 28 November 2017

DIGITAL, CULTURE, MEDIA AND SPORT

Education, Youth, Culture and Sport Council

The Secretary of State for Digital, Culture, Media and Sport (Karen Bradley): The Education, Youth, Culture and Sport (EYCS) Council took place in Brussels on 20 and 21 November 2017. The UK's Deputy Permanent Representative to the EU represented the interests of the UK at the Youth, Culture and Sport sessions of this Council.

Youth

The Council achieved a general approach among EU member states on the proposals laying down the framework for the European Solidarity Corps. The UK voted in favour of the general approach, which achieved almost unanimous support. The Commission commented on how they would consider the expansion of geographical scope of the Corps, which is an important matter for the UK. Members also unanimously agreed to adopt draft Council conclusions on Smart Youth Work.

The main policy debate focused on the issues that matter to young people and possible European efforts to address these issues. The debate was positive, with the UK setting out the importance of hearing directly from young people about the issues that matter to them, as well as highlighting the important work of the British Youth Council. The Commission also provided information on a new narrative for Europe, which further emphasised the importance of giving a political voice to Europe's youth.

Culture/Audio-visual

Draft Council conclusions on promoting access to culture via digital means, were adopted by the Council with the UK supporting their adoption.

On audio-visual, the presidency provided an update on the Audio-visual Media Services Directive (AVMSD). This update acted as the first reading since a general approach was achieved at the last EYCS Council in May 2017. The discussion focused on the progress thus far of Trilogue discussions between the Council and the European Parliament. Crucial areas of agreement thus far between the EP and Council included the provision of greater access of online digital content to people with disabilities. The UK emphasised how it can be a valuable asset as discussion progressed with the EP.

A policy debate on the role of culture in building cohesive societies in Europe, and a later item on remaking Europe through culture, put forward by the French delegation, emphasised a number of important themes including cultural heritage, using culture to integrate migrants, and the mobility of artists. The UK's position, in line with the spirit of the discussion, was supportive of the role culture plays in building community cohesion, raising the importance of tourism, and how creative and cultural exports shape the way member states, and the EU as a bloc, are viewed by the rest of the world.

Information was provided by the German delegation on the current legislative proposal regarding, the regulation on the import of cultural goods. This focused on the

responsibility of member states to better regulate the illicit trade of cultural goods as a means to prevent such trade funding terrorist activities. The UK did not comment on these proposals, however my Department and HM Revenue and Customs continue to work with the EU in developing this file. In addition to this item, information was provided on international cultural relations, cultural property, and the role of the EU in the defence of cultural heritage crisis areas.

Sport

The Council session on sport led with a policy debate, covering the main challenges facing sport in the 21st century and co-operation between the EU, Governments, and the sport movement. The debate highlighted the crucial role of sport for society as a whole and the importance of protecting the autonomy and integrity of sport. The UK's intervention emphasised how we are ensuring all citizens can access sport, targeting the least active in society. We also drew attention to the work that the UK Government are doing to combat corrupt practices in sport, through our Code for Sports Governance and our work alongside the International Olympic Committee to develop an "International Partnership Against Corruption in Sport". Council conclusions on the role of coaches in society and a Council resolution on the EU structured dialogue on sport were adopted, with the UK supporting both items.

The Bulgarian delegation provided information regarding the meeting of the World Anti-Doping Agency (WADA) Foundation Board in Seoul on 16 November. The Polish delegation then announced the 2019 World conference on doping in sport to be held in Katowice, and provided an informal invitation to member states. There was also information from the Greek delegation on supporting the Olympic Truce during the Winter Olympic Games, to be held in Pyeongchang, South Korea in 2018.

Other

The Council received information from the Bulgarian delegation, as the incoming presidency for the first half of 2018, setting out their work programme for the next six months. They highlighted a number of priorities for their presidency including:

- continuing to move forward with the revision of AVMSD;
- moving to the next stage of discussions on the EU Solidarity Corps, while focusing on the role of young people in peace-keeping and security;
- highlighting the importance of cultural heritage and strengthening international relations through culture; and
- fighting doping through information and education of young people.

The next Council is scheduled for 22 and 23 May 2018.

[HCWS279]

ENVIRONMENT, FOOD AND RURAL AFFAIRS

November Agriculture and Fisheries Council

The Minister for Agriculture, Fisheries and Food (George Eustice): I represented the United Kingdom at the Agriculture and Fisheries Council on 6 November in Brussels.

The Council opened with member states responding to the presidency's questions on the sustainable use of pesticides. There was widespread agreement that national action plans are a good way for member states to tailor

their approach to meeting the objectives of the sustainable use of pesticides directive, and widespread support for the principles of integrated pest management. The UK welcomed the European Commission's report on the sustainable use of pesticides, highlighting that integrated pest management is the key to future crop protection.

The presidency outlined the conclusions of the sustainable soil management conference held on 4-6 October in Tallinn, which highlighted the importance of managing soils and designing policies based on a strong evidence base. Responding to questions posed by the presidency, the UK informed Council that soil health goes hand in hand with farming productivity.

Commissioner Hogan then updated the Council on EU agricultural trade.

“Three further items were discussed under ‘any other business’:

The Slovakian and Czech delegations thanked Council for co-operation on the issue of dual quality foodstuffs.

The Agriculture Ministers of the Visegrad member states informed Council about the renewable energy directive post-2020.

The Agriculture Ministers of the Visegrad member states informed Council about the BIOEAST initiative.

On 23 June 2016, the EU referendum took place and the people of the United Kingdom voted to leave the European Union. Until exit negotiations are concluded, the UK remains a full member of the European Union and all the rights and obligations of EU membership remain in force. During this period the Government will continue to negotiate, implement and apply EU legislation. The outcome of these negotiations will determine what arrangements apply in relation to EU legislation in future once the UK has left the EU.

[HCWS278]

EXITING THE EUROPEAN UNION

EU Exit: Release of Sectoral Reports

The Parliamentary Under-Secretary of State for Exiting the European Union (Mr Robin Walker): Following the Opposition day debate motion on 1 November, the Government committed to making arrangements to respond to the motion which called on the Government to provide the Committee on Exiting the European Union with impact assessments arising from the sectoral analysis they have conducted with regards to the list of 58 sectors referred to in the answer of 26 June 2017 to written question 239.

On 27 November the Department for Exiting the European Union provided analysis covering these 58 sectors of the economy to the House of Commons Committee on Exiting the EU and the House of Lords European Union Committee. The reports were also shared with the devolved Administrations on the same terms.

As the Government have previously made clear, the information requested in the motion does not exist in the form requested. During the Opposition day debate I told the House “there has been some misunderstanding about what this sectoral analysis actually is. It is not a series of 58 impact assessments.” The Secretary of State for Exiting the EU also made this clear before the House of Lords EU Committee on 31 October and to the House at DEXEU oral questions on 2 November.

The reports cover:

- i. a description of each sector;
- ii. the current EU regulatory regime;

iii. existing frameworks for how trade is facilitated between countries in this sector, and;

iv. sector views.

We now consider the motion of 1 November 2017 to have been satisfied.

[HCWS277]

November General Affairs Council

The Parliamentary Under-Secretary of State for Exiting the European Union (Mr Robin Walker): I represented the UK at the General Affairs Council (GAC) meeting in Brussels on Monday 20 November, in place of Minister of State Lord Callanan. The main items on the agenda were: preparations for the December European Council on 14 and 15 December; a follow-up to the October European Council; legislative programming, with the Commission presenting its 2018 work programme; the implementation of the inter-institutional agreement; and a roadmap of the European semester.

A provisional report of the meeting and the conclusions adopted can be found on the Council of the European Union's website at:

<http://www.consilium.europa.eu/en/meetings/gac/2017/11/20>

Preparation of the European Council, 14 to 15 December 2017

The presidency presented the annotated draft agenda for the December European Council, which included defence; social issues, education and culture; and migration.

On the defence agenda item, the Council welcomed a discussion of both PESCO (Permanent Structured Co-operation) and EU-NATO co-operation. I intervened to agree on the importance of EU-NATO co-operation. I also stressed the need for third country participation in PESCO and welcomed early sight of the accompanying Council decision.

Ministers also welcomed the agenda item on social, education and culture following on from the Gothenburg social summit on 17 November. The outcomes of this meeting would provide the basis for Council conclusions. I confirmed the UK's ongoing commitment to education and culture, as set out in the Prime Minister's Florence speech and agreed on the importance of mobility and exchange programmes such as Erasmus.

Under the migration item, Ministers welcomed a discussion of both internal and external aspects of migration which would be discussed by leaders over dinner.

October European Council follow-up

The presidency and Commission highlighted the need to address the funding gap for the EU Trust Fund for Africa (EUTF) for projects in Libya. I emphasised the UK's significant bilateral contributions to Libya, which contribute to EUTF outcomes.

Legislative programming—Commission's work programme (CWP) 2018

Following a presentation by the Commission, Ministers exchanged views on the CWP. These views will determine the Council's input for the joint declaration between the European Parliament, the Council and the Commission on legislative priorities for 2018 and the first few months of 2019. I intervened to express support for open, flexible markets which lead to prosperity and strong economies. I also reiterated the UK's unconditional commitment to ensuring European security.

Interinstitutional Acts implementation

The presidency provided an update on the implementation of the interinstitutional agreement, particularly with regards to international agreements, delegated and implementing Acts and the transparency register. Meanwhile, the Commission explained the role of the new task force on proportionality and subsidiarity, as set out previously by Commission President Jean-Claude Juncker in his State of the Union speech.

[HCWS280]

FOREIGN AND COMMONWEALTH OFFICE**Developments in Zimbabwe**

The Secretary of State for Foreign and Commonwealth Affairs (Boris Johnson): Since I updated the House on 15 November there have been historic developments in Zimbabwe. Robert Mugabe's 37-year rule came to an end on 21 November, sparking joyous celebrations as Zimbabweans looked forward to the opportunity for a brighter future.

The UK's objective has remained constant throughout these dramatic developments. We want to support the people of Zimbabwe in building a democratic, stable and prosperous country. The only way for Zimbabwe to achieve a legitimate Government is through free and fair elections held in accordance with the constitution. We stand ready to support a legitimate Government to rebuild their beautiful country, working alongside our international and regional partners, with whom we are already engaging in order to lead the response.

President Emmerson Mnangagwa, who was inaugurated on 24 November, has stated that this marks the beginning of a "new unfolding democracy" in Zimbabwe. He must now demonstrate his sincerity by delivering political and economic reform. In particular, he must hold an election in which all Zimbabweans can participate without fear of intimidation or violence. A transition from one despotic ruler to another would be a tragedy for Zimbabwe and its people.

The process of democratisation and economic recovery will be led by Zimbabweans. The Minister for Africa visited Harare on 23 and 24 November and met with actors from across the political spectrum to discuss the transition to democracy. He made clear to the incoming Administration that the UK stands ready to play a key role in support Zimbabwe's recovery, but only on the basis of genuine political and economic reforms, including respect for human rights and the rule of law. In this moment of hope for Zimbabwe, the UK will be looking for tangible indications of progress.

[HCWS274]

Foreign Affairs Council 16 October

The Minister for Europe and the Americas (Sir Alan Duncan): The Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Uxbridge and South Ruislip (Boris Johnson), attended the Foreign Affairs Council on 16 October. The Foreign Affairs Council was chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Federica Mogherini. The meeting was held in Luxembourg.

FOREIGN AFFAIRS COUNCIL

The meeting covered discussions on Burma, Iran, Turkey, the Democratic People's Republic of Korea (DPRK) and human rights.

Burma

The Council adopted conclusions on Burma, in the light of the humanitarian and human rights situation in Rakhine state.

Iran

EU Foreign Ministers agreed a statement underlining EU commitment to the continued full and effective implementation of the joint comprehensive plan of action (JCPoA), and also expressing concerns related to Iran's ballistic missiles programme and increasing tensions in the region.

Turkey

Over lunch, EU Foreign Ministers discussed Turkey in preparation for the European Council discussions held by EU Heads of State and Government on 19 October. They focused on co-operation with Turkey in the region, including Syria, Iraq and relations with Iran.

DPRK

The Council discussed the situation in the Korean peninsula following recent provocative acts by the DPRK. EU Foreign Ministers agreed the need to maintain pressure on the DPRK, including through engagement with regional actors and outreach efforts to strengthen the implementation of UNSC resolutions by all UN member states. The Council adopted additional EU sanctions on the DPRK to complement and reinforce the UN Security Council sanctions.

Human rights

EU Foreign Ministers discussed the EU's policy on human rights. Conclusions were adopted on the mid-term review of the "Action Plan on Human Rights and Democracy" and the "Annual Report on Human Rights and Democracy in the World in 2016".

EU Foreign Ministers agreed a number of measures without discussion:

the Council adopted conclusions on an EU strategy on Afghanistan;

the Council adopted conclusions on Bosnia and Herzegovina;

the Council approved the EU programme of exercises and exercise-related activities under the common foreign and security policy (CFSP) for the period 2017-21;

the Council approved the signing and conclusion of a protocol to the partnership and co-operation agreement establishing a partnership between the EU and the Kyrgyz Republic to take account of the accession of the Republic of Croatia to the European Union;

the Council established and launched a new CSDP mission to support security sector reform in Iraq. The Council also adopted the operation plan and a decision authorising the opening of negotiations to conclude an agreement on the status of the EU advisory mission (EUAM);

the Council adopted three decisions authorising the opening of negotiations with Albania, Montenegro and Bosnia and Herzegovina for agreements on activities carried out by the European Border and Coast Guard Agency in those countries;

the Council adopted two decisions on positions to be adopted by the EU at the joint Council of Caribbean States (Cariforum) and EU member states to be held on 17 November 2017;

the Council received the high representative's report on the six-monthly review of Operation Althea.

[HCWS275]

Foreign Affairs Council 13 November

The Minister for Europe and the Americas (Sir Alan Duncan):

The Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Uxbridge and South Ruislip (Boris Johnson), and the Secretary of State for Defence, my right hon. Friend the Member for South Staffordshire (Gavin Williamson), attended the joint session of the Foreign Affairs Council (Foreign and Defence Ministers) on 13 November. The Council was chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Federica Mogherini. The meeting was held in Brussels.

FOREIGN AFFAIRS COUNCIL

EU Foreign Ministers discussed EU-Africa relations and EU strategic communications. EU Defence Ministers discussed EU-NATO and met as the European Defence Agency steering board. EU Foreign and Defence Ministers also participated in a joint session on security and defence co-operation.

Venezuela

The Council adopted conclusions on Venezuela and agreed targeted sanctions to encourage a peaceful, negotiated solution. These included an embargo on arms and related material that might be used for internal repression, and a legal framework for the possible targeted listing of persons.

EU-Africa relations

Foreign Ministers discussed EU-Africa relations with particular reference to the upcoming fifth African Union-EU summit on 29 and 30 November in Abidjan, Ivory Coast. EU Foreign Ministers welcomed the focus on youth and discussed the common challenges which were expected to be covered at the summit.

EU strategic communications

Foreign Ministers discussed the European External Action Service's current work on strategic communications for the eastern partnership region, the southern neighbourhood and the western Balkans. The Council agreed to further enhance the work, and supported the development of the three taskforces. EU Foreign Ministers underlined the need to counter disinformation where and when needed.

Security and defence co-operation

EU Foreign and Defence Ministers discussed the implementation of the EU global strategy in the area of security and defence. In the margins of the Council, 23 member states signed a notification for the establishment of a permanent structured co-operation (PESCO). The UK did not sign.

EU-NATO

EU Defence Ministers discussed EU-NATO co-operation together with NATO Secretary-General Jens Stoltenberg.

European Defence Agency

EU Defence Ministers met as the European Defence Agency (EDA) steering board.

Ministers agreed a number of measures without discussion:

the Council adopted the legal acts providing for the delisting of the FARC from the EU list of individuals and entities subject to restrictive measures to combat terrorism;

the Council adopted conclusions on a strategic approach to resilience in the EU's external action;

the Council appointed Toivo Klaar as EU special representative for the south Caucasus and the crisis in Georgia;

the Council adopted a regulation reviewing the list of luxury goods subject to an import and export ban on the Democratic People's Republic of Korea;

the Council adopted a decision to open negotiations on a missions framework participation agreement with Jordan;

the Council approved the requirements catalogue 2017 which identifies the military capability requirements for the common security and defence policy stemming from the EU level of ambition as agreed by the Council in November 2016;

the Council endorsed the European Defence Agency report and adopted the guidelines for the work of the European Defence Agency in 2018;

the Council established the EU position ahead of the ninth meeting of the Stabilisation and Association Council between the EU and Albania which will take place on 15 November in Brussels; and

the Council established the EU position ahead of the fourth meeting of the Stabilisation and Association Council between the EU and Serbia which will take place on 16 November in Brussels.

[HCWS276]

INTERNATIONAL TRADE

Trade Remedies

The Secretary of State for International Trade and President of the Board of Trade (Dr Liam Fox):

On 28 November the Government published a call for evidence to identify UK interest in existing EU trade remedy measures. Currently, there are a number of trade remedy measures being applied by the EU, some of which are relevant and significant to UK industry. In preparation for the UK being an independent trading nation, it is important that we provide certainty and continuity to UK businesses, and avoid exposing them to injury from known unfair trade practices.

The call for evidence will obtain the necessary information from UK businesses to enable the Government to assess which measures matter to the UK and therefore can be maintained when the UK begins to operate its own independent trade remedies framework. The Government will take account of the terms of any time-limited implementation period agreed between the UK and the EU.

We recognise that new EU measures may be put in place after the call for evidence closes and before the UK begins to operate its independent trade remedies framework. We will approach those interested parties ahead of the UK operating its independent trade remedies framework to understand whether there is an interest for any future measures to be maintained.

We will assess whether the transition of an existing measure is important to UK industry, and can be retained based on three criteria:

We have received an application from UK companies which produce products subject to trade remedies measures;

The application is supported by a sufficient proportion of the UK companies which produce those products;

The market share of the UK companies which produce those products is above a certain level.

The Government are committed to ensuring continuity to UK industry as the UK prepares to leave the EU. We are also committed to maintaining a fair and transparent approach to the handling of these existing remedies and aligning them as far as possible with our WTO obligations.

[HCWS273]

Petition

Tuesday 28 November 2017

OBSERVATIONS

TRANSPORT

South Western Railway

The Humble Petition of people of North East Hampshire,

Sheweth that urgent action must be taken concerning the South Western Railway and the change of their timetable coming into force in December 2018; further that this line is particular highly valued, especially the Fleet, Hook and Winchfield stations; further that if any morning peak-period services are removed this will be detrimental to commuters and is clearly not in the best interests of our community; and further that these proposals need not and must not be implemented, as demonstrated by their ability to provide good Hook and Winchfield services during evening peak-period.

Wherefore your Petitioners pray that your Honourable House urges HM Government to take all possible steps to urge South Western Railway to reconsider the decision to make their proposed changes to the train timetable due to come into force in December 2018 and to make sure that the train timetable considers the economic, social and familial implications to commuters across North East Hampshire.

And your Petitioners, as in duty bound, will ever pray, & c.—[Presented by Mr Ranil Jayawardena, *Official Report*, 7 November 2017; Vol. 630, c. 1438.]

[P002075]

Observations from the Parliamentary Under-Secretary of State for Transport (Paul Maynard):

South Western Railway (SWR) is currently consulting on the major timetable changes planned for December 2018 which will be the first of two significant timetable changes contemplated under the new Franchise agreement. This reflects the train service specification that has been contracted following the receipt and evaluation of the bids for the Franchise.

SWR launched the consultation on 29 September and it will run until 22 December—a copy of which can be found on its website at:

<https://www.southwestrailway.com/contact-and-help/timetable-consultation>

SWR will then have around three months to finalise the timetable before it is bid to Network Rail in March 2018.

Both the Department and SWR recognise the concerns raised from the people of North Hampshire and due consideration is being given to these.

However, I must stress that this is still a live consultation and no decision has been made yet. SWR is proactively providing initial responses to comments that are being made alongside the consultation documents on its website and it continues to welcome the views of passengers and stakeholders alike. This feedback will be used to shape the final timetable that provides the best levels of service for the maximum number of people who wish to use SWR's services on what promises to be an exciting future on the franchise which will deliver £1.2billion worth of investment over its seven year life span.

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