PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT
GENERAL COMMITTEES

Public Bill Committee

DEREGULATION BILL

Third Sitting

Thursday 27 February 2014

(Morning)

CONTENTS

PUBLISHED BY AUTHORITY OF THE HOUSE OF COMMONS
LONDON – THE STATIONERY OFFICE LIMITED

£5·00

PBC (Bill 162) 2013 - 2014

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Monday 3 March 2014

STRICT ADHERENCE TO THIS ARRANGEMENT WILL GREATLY FACILITATE THE PROMPT PUBLICATION OF THE BOUND VOLUMES OF PROCEEDINGS IN GENERAL COMMITTEES

The Committee consisted of the following Members:

Chairs: †Mr Jim Hood, Mr Christopher Chope

† Barwell, Gavin *(Croydon Central)* (Con)
† Bingham, Andrew *(High Peak)* (Con)
† Brake, Tom *(Parliamentary Secretary, Office of the Leader of the House of Commons)*
† Bridgen, Andrew *(North West Leicestershire)* (Con)
† Cryer, John *(Leyton and Wanstead)* (Lab)
† Docherty, Thomas *(Dunfermline and West Fife)* (Lab)
† Duddridge, James *(Rochford and Southend East)* (Con)
† Heald, Oliver *(Solicitor-General)*
† Hemming, John *(Birmingham, Yardley)* (LD)
† Hopkins, Kelvin *(Luton North)* (Lab)
† Johnson, Gareth *(Dartford)* (Con)
† Maynard, Paul *(Blackpool North and Cleveleys)* (Con)
† Nokes, Caroline *(Romsey and Southampton North)* (Con)
† Onwurah, Chi *(Newcastle upon Tyne Central)* (Lab)
† Perkins, Toby *(Chesterfield)* (Lab)
† Rutley, David *(Macclesfield)* (Con)
Shannon, Jim *(Strangford)* (DUP)
† Turner, Karl *(Kingston upon Hull East)* (Lab)
† Williamson, Chris *(Derby North)* (Lab)

Fergus Reid, David Slater, *Committee Clerks*

† attended the Committee

Public Bill Committee

Thursday 27 February 2014 (Morning)

[Mr Jim Hood *in the Chair*]

Deregulation Bill

Written evidence to be reported to the House

DB 04 The National Union of Rail, Maritime and Transport Workers (RMT)

DB 05 Peter McKay

11.30 am

The Chair: Before we begin, it may be helpful if I say a few words about our proceedings today. Members may remove their jackets, if they wish. I remind them that hot beverages are not allowed in Committee. I also remind them that the deadline for tabling amendments to be considered in a Thursday sitting is the rise of the House on the previous Monday and for a Tuesday sitting it is the rise of the House on the previous Thursday.

A selection list for today's sitting is available in the Committee Room and shows how the amendments selected for debate have been grouped together. Amendments grouped together are generally on the same or a similar issue. The Member who has put their name to the lead amendment will be called first. Other Members are then free to catch my eye to speak to the amendments in the group. A Member may speak more than once in a single debate.

At the end of a debate on a group of amendments, I will again call the Member who moved the lead amendment. Before they sit down, they must indicate whether they wish to withdraw the amendment or seek a decision. If a Member wishes to seek a vote on another amendment in the group, they must let me know. I will work on the assumption that the Government want the Committee reach a decision on all Government amendments. Members should note that decisions on amendments take place not in the order in which they are debated, but in the order they appear on the amendment paper.

I will use my discretion to decide whether to allow a separate stand part debate on clauses and schedules following the debate on amendments to them. I hope that explanation is helpful.

Another piece of important information I want to impart to Members on the Front Benches is that I will not accept any chatter between the Front Benches, but the Whips may talk to each other outside the Committee. I do not want any chattering across the Benches. The most important person to listen to is the person who is on their feet addressing the Committee. We now come to line-by-line consideration of the Bill.

John Hemming (Birmingham, Yardley) (LD): On a point of order, Mr Hood. I want to declare interests as detailed in the Register of Members' Financial Interests. It will need updating because some of my interests are going through a process of change, but in essence they are JHC Software Ltd, a software house that employs 300 people and has interests in employment law, although the software concerns financial services. I no longer own a farm, but I am a member of the Musicians Union, which is affiliated to the TUC, so I am a trade unionist.

The Chair: I thank the hon. Gentleman for his declaration. I advise other hon. Members that they may make a declaration of interest when they speak, preferably the first time they address the Committee. That will suffice for the duration of the Committee, but if they are speaking to an amendment in which they have a particular interest, they may remind me of their earlier declaration. I hope that is helpful.

Clause 1

Health and safety at work: general duty of self-employed persons

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I beg to move amendment 3, in clause 1, page 1, line 4, leave out subsections (1) and (2) and insert—

'(1) After section 52 of the Health and Safety at Work etc. Act 1974 (meaning of work and at work) insert—

"52A Self-employed persons: list of low risk activities

The Executive shall, for the purpose of clarifying the duty set out in section 3(2) of this Act—

(a) prepare and maintain a list of undertakings commonly carried out by self-employed persons that, so far as can be reasonably expected, will not expose any persons to risks to their health or safety; and

(b) publicise this list in such ways as the Executive thinks appropriate, including on their website.".'.

Creates a duty on the Health and Safety Executive to maintain a list of 'low risk' activities that are not likely to fall within the duty under section 3(2) of the Health and Safety at Work Act, etc. 1974.

The Chair: With this it will be convenient to discuss amendment 4, in clause 1, page 1, line 10 at end insert—

'(2A) Regulations resulting from the amendments made by subsection (1)(2) of this Act shall be made by statutory instrument.

(2B) A statutory instrument under subsection (2A) shall be made until—

(a) the Secretary of State has—

(i) consulted with relevant parties; and

(ii) conducted and published a full impact assessment; and

(b) the instrument has been laid in draft and approved by resolution of both Houses of Parliament.

(2C) The Secretary of State shall—

(a) review the definitions of prescribed undertakings specified in regulations resulting from this section annually; and

(b) publicise widely the prescribed undertakings and any subsequent changes made to those regulations.

This would amend the procedure for the Secretary of State to make regulations on which undertakings are covered by the Health and Safety at Work Act, etc. 1974.

Chi Onwurah: It is a pleasure to serve under your chairmanship, Mr Hood. I am particularly indebted to you for your direction that the most important person is the one on their feet. It is also a pleasure to open consideration of the Bill. This is only my second Bill Committee. My first was also on deregulation, so clearly I must be doing something right. I know that many members of the Committee are, likewise, veterans to

deregulatory legislative scrutiny. I therefore hope they all share my conviction of the importance of safe and considered deregulation.

The Bill may not appear very exciting on the face of it, but it contains important proposals. I am sure that all members of the Committee have read the minutes of the Joint Committee. I read in them that the Minister without Portfolio described the Bill as "Oliver's Bill". Obviously Oliver has had enough, as both the Minister for Government Policy and the Minister without Portfolio appear to have more pressing matters to attend to in the next four weeks.

The Solicitor-General (Oliver Heald): Of course, the Bill has not lost all the Olivers, because I am called Oliver and it is my Bill too.

Chi Onwurah: I am grateful for that clarification and the reminder that we have an Oliver to guide us through.

My previous sojourn on a Bill Committee was when the Enterprise and Regulatory Reform Act 2013 was being considered. On that occasion, the Government delegated the leadership of Committee proceedings to a Liberal Democrat. The Minister of State, Department of Health, the hon. Member for North Norfolk (Norman Lamb)—who was then Under-Secretary of State for Business, Innovation and Skills—was a man of hidden talents. For reasons that I do not think your patience will extend to allowing me to rehearse, Mr Hood, when we completed our deliberations we left him a present: my hon. Friend the Member for Edinburgh South (Ian Murray), the shadow Minister for Trade and Investment, gave him the book "Fifty Shades of Grey". I hope we will all learn to appreciate each other's talents similarly. It is certainly a great pleasure to have the Parliamentary Secretary, Office of the Leader of the House of Commons, and the Solicitor-General here.

As I said on Second Reading, the Bill is the Christmas tree Bill to end all Christmas tree Bills. I was surprised, given its breadth, that there are no proposals in it to deregulate the Christmas tree industry. After 13 years of complaints about the previous Government stifling business, including the banking sector, with regulation, we have a Bill that will remove £10 million of burdens. All businesses in the UK will share that £10 million benefit over 10 years. As my hon. Friend the Member for Hartlepool (Mr Wright) said on Second Reading:

"It takes four fifths of a second for the British economy—for the hard work and effort of millions of people and enterprises—to generate that potential saving of £1 million a year."—[*Official Report*, 3 February 2014; Vol. 575, c. 97.]

Amendment 3 would remove subsections (1) and (2) from clause 1, and would instead introduce a duty on the Health and Safety Executive to maintain a list of low-risk activities. Clause 1 would exempt from health and safety legislation self-employed persons who do not pose a significant risk of harm to others. The Secretary of State can prescribe a list of the activities that would be expected to pose such a risk of harm, and self-employed persons undertaking prescribed activities must comply with section 3(2) of the Health and Safety at Work, etc. Act 1974. The clause comes from a review of health and safety legislation by Professor Löfstedt.

The Opposition, too, seek to minimise the obstacles to growth and expansion that small businesses face; it is very important to us, so we support the removal of unnecessary burdens. There is consensus on that. However, it is important to think about the words "unnecessary" and "burdens". Health and safety for self-employed people with no employees is rarely unnecessary and, where it exists, it is not a burden. If it is necessary, it is not a burden; if it is not there, it is not unnecessary.

The Association of Personal Injury Lawyers—a group that some cynics might think would have an interest in more health and safety litigation—opposes the clause, saying:

"The work that self-employed people have to undertake to ensure that they comply with health and safety law is therefore minimal, and is not a burden."

When the Cabinet Office consulted on clause 1, it found no clear consensus of opinion, while a significant number of respondents said they preferred no change in the law. The written and oral evidence to both the Joint Committee and this Committee showed fairly lukewarm support from business organisations. Importantly, where there was support, it was for addressing the perception of regulation and showed support for the clause only in as much as it addressed the perception of regulation. Almost all respondents conceded that clause 1 would have little impact beyond addressing the perception of regulation. Our amendment would address that perception of regulation, rather than potentially undermining the health and safety of self-employed people.

Toby Perkins (Chesterfield) (Lab): My hon. Friend is entirely right about the response of the business groups. If the British Chambers of Commerce or the Federation of Small Businesses were not in support of a deregulation Bill, they would have an existential crisis. It is clear, however, that they considered the change to be something that would make a very small difference and was actually about the Government trying to do something deregulatory. That lukewarm support stands in stark contrast to some of the risks, which I am sure my hon. Friend will identify, and puts the Bill in context.

The Chair: Order. The hon. Gentleman made a rather longer intervention than was absolutely necessary. For the duration of the Committee, I ask for interventions that are a lot shorter than the first example.

Chi Onwurah: Thank you, Mr Hood. I thank my hon. Friend for that contribution, which may have been long, but reflects his long experience running a small business and his experience of the opportunities and safety requirements that small businesses have. He is absolutely right. As I will set out, the clause is unlikely to benefit small businesses and self-employed people, and risks being significantly negative. That is why we seek to amend it.

I will return to perception in more detail, but let me say that a Government who constantly deride health and safety laws as unnecessary—I hope no one in this Committee will be guilty of that—create more of a problem with perception than a law does, and certainly more than a law that, in practice, has been working well and saving lives for more then 40 years. The legislation has been in place for four decades. During that time the economy has had its ups and downs, as we have all seen and can testify to, but it is not health and safety that has depressed the economy. I would be interested to hear evidence from those who claim that health and safety laws put off potential entrepreneurs and sole traders.

[Chi Onwurah]

Perhaps the Minister will present it. The evidence seems largely anecdotal. We have seen such a situation before. The previous Bill Committee that I served on—the Enterprise and Regulatory Reform Bill Committee—tried to shoehorn in many proposals from the Beecroft review, which seemed to be entirely based on anecdotal evidence.

11.45 am

Let us assume for a moment that health and safety laws deter an army of entrepreneurs—although I think that is unlikely, because there has been an exponential rise in the number of people choosing self-employment. The clause might have the unintended consequence of deterring entrepreneurs from hiring their first employee, because they would suddenly be bound by health and safety laws. Nor will the clause save entrepreneurs much time. As we heard during the evidence sessions, for many self-employed people who undertake non-risk activities, a health and safety risk assessment can be undertaken in their heads. It does not require much time. Whether or not we remove the criminal duty, a common-law duty of care remains.

The clause poses questions and will create confusion. That is why amendment 3 seeks to address the perception of the burden without creating confusion. I want to reiterate our support for businesses and the removal of unnecessary burdens. When in government—*[Interruption.]*

The Chair: Order. I must say to the hon. Member for Derby North that I cannot let that go without making a comment. May I remind all hon. Members to ensure that their hand-held devices are on silent?

Chi Onwurah: Thank you, Mr Hood. I hope my hand-held devices are already following your direction.

When in government, Labour introduced programmes for simplifying regulation that delivered £3 billion of savings to businesses per year without endangering the lives of working people. I am not exaggerating when I say that the proposal is a matter of life and death. Self-employment is a long-standing challenge for the construction industry. We have pledged to take action on the problem of what we call "bogus self-employment" when we come to government. Committee members know that the construction industry will not be covered by clause 1, but can Government Members be confident that that message will go out to the 2 million people employed in that sector? The law as it stands is clear: everyone is covered. No self-employed person with no employees has ever sued themselves for a breach of health and safety legislation.

I understand what Ministers want to achieve. They are targeting sole traders who work at home on a computer. In reality, no burden is being lifted from them because the situation will not change

"for those who genuinely do not pose a risk to others".

That is why our amendment seeks to address the perception of, and information about, the reality of health and safety legislation, rather than undermining it.

In the economy as a whole, fatalities among self-employed workers are more than twice as high per million as among employees. Self-employed workers are at more than twice the risk of health and safety fatalities. In 2012, 27 million days of productivity and value were lost due to health and safety incidents. According to Health and Safety Executive estimates, the total cost to business is £13.4 billion per year. Its research shows that the most frequent causes of injury are manual handling, slips, trips and falls from height. Those basic incidents are preventable with simple precautions, and the risks can be assessed relatively easily, simply and quickly. The TUC told the Joint Committee that the most dangerous industries have a higher proportion of self-employed people in them. Anything that causes confusion in that situation is a recipe for disaster. The fatality rate for self-employed people is 1.1 per 100,000 against 0.4 per 100,000 for employees.

Health and safety is often maligned but has saved thousands of lives. The Health and Safety at Work, etc. Act 1974 changed the culture of workplaces in this country. Since then injuries at work have fallen by 77% and fatalities by 83%. This country has an enviable reputation as a health and safety world leader. We have the lowest rate of fatal injuries in the EU. That is something to be proud of. Whatever hon. Members' views of the EU—I will not ask for interventions on that point—the fact that we have the lowest rate of fatal injuries in the EU should be a source of pride. I counsel caution in introducing confusion that may undermine that record. The amendment seeks to address the perception of health and safety burdens by requiring the HSE to maintain the list.

The Royal Society for the Prevention of Accidents told the Joint Committee that self-employed lone workers who work at home are de facto already exempt. That is a very important point. The Joint Committee also heard from the Institution of Occupational Safety and Health, which has nearly 70 years' experience. It was clear that the burdening of health and safety on the self-employed was minimal, and that a risk assessment was such a quick and easy thing that a child could do it. In its view, the clause was "unnecessary, unhelpful and unwise" and would be a short-sighted and misleading move that would not help anyone. It would not support business but would cause general confusion. A report from the institution in 2010 put forward wider benefits of the status quo.

"We believe that taking sensible steps to protect yourself, others who you may engage to help you, and the public, is good for the self-employed person, good for their business and good for UK plc...People who are injured or are ill will need support from GPs, NHS and possibly social services. So, it makes economic sense all-round for people to take sensible steps to look after themselves at work."

One company that works with health and safety equipment pointed out:

"Self-employed workers are more likely to turn to the state for support when they incur injuries, as it is unlikely that they would receive sick pay to cover their period of absence. This results in not just increased costs to self-employed workers when they are injured, but also leads to increased financial pressures on the welfare budget which will support them whilst they are out of work."

I emphasise that point. At a time when much pressure is being brought to bear on the welfare budget and there is much debate about how it can most effectively support those getting into work, do we really want to introduce a potential risk that could lead to more self-employed people incurring accidents?

Government Members must realise that what appears to be a deregulatory measure is not quite what it seems. Like many measures in the Bill, it may simply shift a burden from one group of people to another. And what a burden: 37.5p per self-employed person, although that seems to be an overestimate, as we heard in the evidence to the Joint Committee. The hon. Member for Birmingham, Yardley, who sat on the pre-legislative scrutiny Committee—he must be a glutton for punishment—estimated it to be closer to 4p a year.

Clause 3(2) of the 1974 Act states:

"It shall be the duty of every self-employed person to conduct his undertaking in such a way as to ensure, so far as is reasonably practicable, that he and other persons (not being his employees) who may be affected thereby are not thereby exposed to risks to their health or safety."

Is that really an unnecessary burden? Are we saying that those who are not in the list that the Minister is proposing should not conduct their undertaking in such a way as to ensure, so far as is reasonably practicable, that they and other persons are not exposed to risks? Are we saying that they should conduct it in such a way that other persons are exposed to risks?

In the example of a novelist, used both in evidence to the Committee and on Second Reading, it is a matter of common sense that he or she should ensure that they do not write a book in such a way that harms somebody else. Unless they are writing in blood or it is a murder mystery and they are undertaking rather active research, I can see no possible way that they could write a book—their undertaking—in a dangerous way, so in that case there is no burden. If Government Members of the Committee have some evidence for the burden that not writing a book in a dangerous way represents, I hope they produce it, rather than risk creating confusion for thousands of self-employed construction workers, for example. Should the novelist decide that, as part of writing her book, she undertakes, for example, some activity that ends up hurting somebody, she would be liable for a prosecution.

The fact is that if people cause injury to others, by definition their activity poses a risk to others. In short, if people pose no risk to others, health and safety is not a burden and a common law duty of care still applies. The current law requires action only to prevent risk. If there is no risk, there is no problem to solve.

As the TUC said in its written evidence,

"The Bill states that the proposals are being done 'for the reduction of burdens resulting from legislation for businesses or other organisations or for individuals'. In fact it does the opposite as it does not actually change the situation for those who genuinely do not pose a risk to others and only creates complete confusion for all the other self-employed."

The dangers of that in the construction sector are clear, but confusion could be created in other, perhaps less obvious, sectors. For example, the Broadcasting, Entertainment, Cinematograph and Theatre Union said:

"Despite being categorised by the Secretary of State as a "low-risk" industry, many self-employed workers in the sector are engaged in activities that involve significant hazards, both to them and others".

I am sure we can imagine situations in which film sets—perhaps those in films that we have seen—could pose risks to the health and safety of the self-employed people working there.

It is dangerous when we start saying that one sector is dangerous and should be covered, but that another is not and so should not be covered. Confusion is bad for workers and bad for business, especially when it serves no purpose and lifts no burden. The clause will not change that. It is interesting that the outcome may well be exactly the opposite of what Ministers say they want to achieve.

12 noon

The Committee heard on Tuesday how clause 1 might well lead to a proliferation of health and safety consultants and create an up-front cost to businesses in familiarising themselves with the law. Indeed, the impact assessment sets out quite a significant up-front cost to business, which may yet be an underestimate. As has been pointed out in evidence, the self-employed and small businesses are among the hardest communities to reach with specific and detailed messages.

The HSE said that the list of prescribed descriptions would be made through regulation but that the duty might still apply to individuals even if their activity was not listed. I am struggling to see why the provisions that amendment 3 would remove have been included. The vast majority of interested parties in the consultation did not favour the provisions, and they have received lukewarm and shaky support from business even though we are told that business is driving the changes. All that the provisions will do is to create confusion where at least some clarity exists. We join the Government in supporting increased clarity in health and safety where it is possible to achieve that without undermining health and safety, so the amendment is designed to extend existing clarity without removing important employment rights. Subsections (1) and (2) of clause 1 exempt the self-employed from health and safety legislation unless they undertake prescribed activities, but amendment 3 would replace those subsections with a new duty on the HSE to

"prepare and maintain a list of undertakings commonly carried out by self-employed persons that, so far as can be reasonably expected, will not expose any persons to risks to their health or safety".

In short, that would be a list of activities in which the self-employed were not likely to hurt themselves or others. The HSE would be required to publicise that list to novelists, for example, and to others that undertake low-risk activities so that they know, if they did not already, that there is little chance of their harming anybody and so they are de facto exempt from duties associated with section 3(2) of the 1974 Act. If the Minister really wants to challenge negative perceptions of health and safety, he should do so directly rather than pandering to such perceptions by removing health and safety provisions. The IOSH said:

"We are not so clear that this would improve the perceptions."

The institute was talking about the clause as it stands, without our amendments.

"It could even make it worse. It could reinforce the current regulatory myths and the negative stereotypes that abound about health and safety."

Addressing misconceptions about health and safety should be done through education and publicity, and that is what amendment 3 seeks to do. Adding to the confusion with a measure such as the existing clause—without our amendments—will do the opposite of what

is needed. Amendment 3 would help to make the law clearer without repealing a law that has helped to keep us safe for 40 years. If the Minister wants to add some clarity to health and safety legislation, he will accept the amendment.

Amendment 4 is a probing amendment that seeks to understand what kind of controls and safeguards Ministers have in mind, as the clause as drafted poses the risk of exempting large sections from health and safety while increasing confusion. The amendment would require the Secretary of State to consult relevant parties, and to conduct and publish a full impact assessment before setting out what activities should be covered. It would also require the Secretary of State to review the arrangements and ensure that the rules are clearly publicised.

The Government have published a draft list of prescribed activities. I have read through them, as I am sure has everybody, but I am not sure how much the wiser I am. For example, I was pleased to learn that all those self-employed people working with ionising radiation will continue to be covered by health and safety, as will those self-employed people manufacturing and storing explosives. Will the Minister tell the Committee how many self-employed people are undertaking either of those two activities? How many people does he actually expect will be exempted?

Browsing through the list, I could not see hairdressers listed anywhere. Maybe I missed them—I do not know—but if that is the case, the clause is already confusing people before it has even become law. Does the Minister really think that the many self-employed hairdressers with no employees should undertake their activity without regard to the risk that they pose to others and without having to consider the health and safety of their customers?

Just three months ago, I remember the Parliamentary Secretary sporting a moustache for Movember. I am not sure whether he visited a barber, perhaps a self-employed barber, to have it shaved off, but if he did, conscious as I am for his safety, I would like to think that before a barber took to his face with a cut-throat razor—

The Parliamentary Secretary, Office of the Leader of the House of Commons (Tom Brake): I reassure the hon. Lady that I removed the moustache myself, although I did not do a risk assessment.

Chi Onwurah: I thank the Minister for that clarification. He might not have done a risk assessment, but I am sure that in removing that moustache he felt confident that he did not pose a risk to himself, or he would not have undertaken doing so. That underlines the point.

John Hemming: I must admit that at times, I have cut myself shaving, so I do therefore pose a risk to myself, but I must admit also that I shave myself.

Chi Onwurah: I am saddened to hear that the hon. Gentleman poses a risk to himself when he shaves. I hope that that risk is diminishing and that he will not seek to offer money to himself for his services and then sue himself for not having due regard to health and safety. This exchange has illustrated how relatively easy it is to do a simple health and safety assessment for the kinds of activities that the clause seeks to exempt.

At the same time, the clause runs the risk of exempting many activities that could pose health and safety dangers to others, such as hairdressing. I would like to think that before a hairdresser applies chemicals that can be extremely dangerous to someone's hair, they consider the risks.

Caroline Nokes (Romsey and Southampton North) (Con): The hon. Lady makes an interesting point. The use of chemical hair dyes carries a significant risk and we have seen recent press coverage about people who have died from an allergic reaction to them. Does she agree, however, that most responsible hairdressers carry out a patch test before they consider putting dye on people's hair?

Chi Onwurah: To my knowledge, most responsible hairdressers do exactly that. Certainly, hairdressers should act responsibly and, therefore, in accordance with health and safety legislation. The existing legislation says that they should carry out their undertaking with due regard to their customers' health and safety and the burden of such legislation is a common-sense, professional and responsible approach to their profession.

Kelvin Hopkins (Luton North) (Lab) rose—

Chi Onwurah: Hairdressing appears to be a subject of great interest.

Andrew Bridgen (North West Leicestershire) (Con): Not for Kelvin—*[Laughter.]*

Kelvin Hopkins: My hon. Friend makes the point about chemical processes being used to beautify people, such as to take off eyebrows. I had a case in my constituency in the past month that I have written to the Secretary of State about. The unregulated nature of the chemicals used for such treatments means that terrible accidents occur. As the hon. Member for Romsey and Southampton North said, these cases have been covered in the media and I think that such practices should be more regulated than they are.

Chi Onwurah: As this is a Deregulation Bill, we are not looking to propose regulations, but I will be meeting with the Hairdressing Council to discuss safety in the industry. Unfortunately, there are many examples of real injuries. Perhaps I should declare an interest inasmuch as I have had chemical burns from a hairdressers.

Thomas Docherty (Dunfermline and West Fife) (Lab): I have had a chance to look at *Hansard* from 30 November 2011, which shows that the hon. Members for Romsey and Southampton North and for Birmingham, Yardley both voted for the proposed amendment to the Hairdressers (Registration) Act 1964. We look forward to their support today.

Chi Onwurah: I thank my hon. Friend for that typically perceptive contribution. I find it hard to reconcile supporting improved safety and professionalism in hairdressing with exempting all self-employed hairdressers, of which there are many—perhaps the Minister could tell us how many—from health and safety regulations.

Caroline Nokes: I thank the hon. Lady for giving way again. I probably should declare an interest—although I will cover up my roots frantically.

There is a significant problem not with hairdressing but with hairdressing products. Potent dyes can easily be bought over the counter in most chemists so people can dye not only their own hair but other people's hair. We are in something of a minefield here, because it is perfectly possible for somebody who is not a hairdresser to dye the hair of a relative, a friend or an acquaintance.

12.15 pm

Chi Onwurah: The hon. Lady makes an interesting point. I am not going to declare an interest in my roots, but I have spent significant time at the hairdressing counters of chemists. It is certainly true that many people buy strong chemicals for their own use and to use on their friends. Some kind of remuneration often takes place, so the definition of self-employment will increase the confusion about whether they must think about health and safety regulations when they dye other people's hair. We do not want to encourage that.

Thomas Docherty: I wonder whether my hon. Friend is as confused as I am. Government Members voted for a Bill to

"provide for the mandatory registration of hairdressers with the Hairdressing Council; to empower the Hairdressing Council to issue and charge for licences to hairdressers holding certain qualifications; to provide for the removal of names from the register by the Hairdressing Council"

and

"to introduce a scale of fines"—[*Official Report*, 30 November 2011; Vol. 536, c. 974.]

for operating without a licence, but they will not support basic health and safety regulations.

Chi Onwurah: My hon. Friend eloquently expresses my confusion. If Government members of the Committee do not vote for our amendment, it will seem a wholesale contradiction to support increased regulation of an industry in one vote, and then exempt self-employed members of the same industry from all regulation.

The Solicitor-General: Of course, the handling of a sensitising substance of the sort used for colouring hair and in other hairdressing activities is on the prescribed list already. It is the second item down, under handling, storage, transport and use. It lists various items, including sensitising substances, so anything of that sort would be covered. *[Interruption.]* I will just make the point that the HSE will consult on that list before it becomes part of the regulations. If there are other issues, they can be considered.

Chi Onwurah: I am afraid that the Minister has added to my confusion. I thought I had committed that list to memory, but clearly I had not entirely. I read it many times, and it was not apparent that hairdressers are covered. If I were a hairdresser, I would not think it applied to me.

Toby Perkins: First, I want to say that when people were declaring their interests, I was getting nervous. I just want to draw the Committee's attention to the fact that I do have hair.

I share my hon. Friend's confusion. If hairdressers are included, they certainly would not expect to be. If chemicals are included, perhaps hairdressers who do not do dyeing are not included, but scissors and razors are pretty sharp. The Minister has made the clause even more confusing. I thought that he was wrong, but now I am not even sure of that.

Chi Onwurah: I thank my hon. Friend. I wonder whether a hairdresser who was moving a chemical substance would be outside the exemption, only to be covered by it once they picked up their scissors. Perhaps we could have that point clarified.

John Hemming: When I agreed with the Whips office to undergo the punishment of sitting on this Committee, it was on the condition that I need not necessarily support the Government on every clause.

Thomas Docherty: On a point of order, Mr Hood. Can serving under your chairmanship ever be described as a punishment?

The Chair: I am sure that, in years gone by, some have thought of it in that way.

John Hemming: The hon. Member for Newcastle upon Tyne Central described me as a glutton for punishment, since I am on the Select Committee on Regulatory Reform—an excellent Committee with an excellent Chair—and was on the Joint Committee for pre-legislative scrutiny of the Bill. Of course, my view of the clause will not be known until I speak on the amendment, but I want to make the point that there is a difference between the law of tort, relating to the damage that someone does to someone else, and health and safety regulations. That is not necessarily an argument to substantiate the hon. Lady's case.

Chi Onwurah: I thank the hon. Gentleman and look forward to seeing his voting behaviour. His comment was important, but I think that the issue I am raising is relevant. There is obviously a difference between the law of tort and health and safety legislation, but what we want to achieve, and the objective that I hope is shared on both Government and Opposition Benches, is the improvement of health and safety.

Regardless of where legal responsibility and blame might lie, we want to improve the health and safety of self-employed people, because that would be a good in itself. There would be a contribution to the economy, it would be better for society and it would reduce the burden on the welfare state. We want better health and safety, so there is an objection to anything that contributes to confusion on health and safety.

John Hemming: The point I am making is that there is no exemption from a duty to ensure that people—the people having their hair dyed—are safe. My hair, I must

[John Hemming]

admit, has not been dyed, but I have a little bit left. *[Interruption.]* You never know. It is a sort of indicator of age and experience.

The point is that people would not be absolved from the responsibility and duty to minimise accidents; the law of tort would maintain that. So even if hairdressers were exempt—which they are not—they would not be exempt, anyway.

Chi Onwurah: I may want to quote that in future—even if they were exempt, they would not be exempt anyway. We have had a profound summary of the impact of the measure.

Andrew Bridgen: Perhaps I may share some thoughts. My degree was in behaviour and genetics. Human beings are programmed to make risk assessments consciously or subconsciously thousands of times a day from when they get up in the morning, including such things as crossing the road. The mere fact that we are all here means that we are quite good at making those risk assessments; otherwise we would not be here any longer. Indeed, most people would regard it as common sense, without the need for legislation or regulation. Perhaps common sense is not always as common as we should like, but the whole population will have to make a huge risk assessment next May.

The Chair: Order. The hon. Gentleman has moved a little far from the subject in his intervention.

Andrew Bridgen: I think you knew where I was going, Mr Hood.

Chi Onwurah: I think we do know where the hon. Gentleman was going, and I know where I think he will be going in the next year. I look forward to a longer speech from him.

Our discussion on hairdressing has highlighted significant flaws in the clause, which our amendments are intended to probe. Perhaps it will be beneficial if we do not move on to the subjects of mountain guides and beekeeping, which were discussed with some fervour on Second Reading. As the Minister without Portfolio put it, only

"A small and select group of specialist people"—[*Official Report*, 3 February 2014; Vol. 575, c. 98.]

took part in the Second Reading debate, in which we were treated to a speech by my hon. Friend the Member for Bassetlaw (John Mann) about mountain guides and beekeepers. Unfortunately, that did not attract quite the same debate and good humour.

The list may be in draft form, but the huge potential for loopholes and further confusion is already clear. I am not convinced that the Government have a clear idea of how they will make the clause work, so we are attempting to draw that out through amendment 4. Will the Minister tell us how the list was drawn up and who was consulted? How were activities determined to be dangerous, where does the threshold lie and who decided on that? What safeguards are in place to ensure that no grey areas emerge? What plans do the Government have to review the workings of the clause and its impact?

Amendment 4 would provide for significant scrutiny, including parliamentary scrutiny, and consultation on that list, which may involve significant work for the Minister. The greatest proportion of the Bill deregulates and reduces burdens on Ministers rather than business, despite the Bill's objective being not to make life easier for Ministers but to reduce burdens on businesses and reduce regulatory burdens altogether. We want to understand that the activities on that list can be justified by evidence and that, if the Minister truly is proposing to take such a risk with our excellent health and safety record, the list can be revisited in time.

John Hemming: You are an excellent Chair, Mr Hood—that is no criticism of the members of this Committee. I have spent a lot of time looking at all these issues. I declared my interest earlier: I have been self-employed—I was on my own initially, in 1983—and my companies now have 300 staff. Therefore, we are now covered by health and safety laws. At one time, however, my business was made up of someone with a computer, which is exactly the sort of situation we are discussing.

I have certain principles on rules and laws. One of them is "If it ain't broke, don't fix it" and the other is "keep it simple". Sadly, the clause fails on both. I am therefore unsure whether I can support the Government, as I have not been given a good reason to support the clause. Amendments 3 and 4 also fail, because they would further complicate a clause that complicates a relatively simple situation.

The impact assessment provides the best argument for why the clause should be gently forgotten and drift into the mists of time. It says that the initial impact of the clause on business will be a cost of £1.7 million. There would be a gradual move towards savings in theory, but the confusion that we have experienced in our discussions on what is in, what is out and what is going on would be replicated across the country. Were the clause to go through, I do not think that it would provide a massive hazard to health and safety, but it would create a lot of work for no real benefit.

Health and safety is important and we want to see improvements that prevent people from getting hurt at work or whatever it may be. There is no question about that. It is also true that people use health and safety as a spurious reason for not doing things. That is not supported by the Health and Safety Executive and it is an issue of concern in the country. There are two measures that people abuse: one is data protection and the other is health and safety. They use them as if they trump all other rational considerations. It is a problem and it needs fixing. The clause does not fix the situation; it fixes something that is not broken.

12.30 pm

Chris Williamson (Derby North) (Lab): That is more of an urban myth. Can the hon. Gentleman give concrete examples of where health and safety has meaningfully made a difference in stopping something from happening?

John Hemming: We have had problems with parades, for instance. There can be circumstances in which the response of the police to rolling road closures has massively increased the cost of parades. That might be about insurance—the insurers might have over-complicated

the situation—or it might be that somebody cannot be bothered. That is a good example because historically in Birmingham we used to have lots of parades with rolling road closures.

Toby Perkins: The hon. Gentleman makes an important point. One thing applicable to whole deregulation argument is that when businesses talk about regulation, they do not always mean regulation. Sometimes they mean insurance or saving themselves from getting sued, but not the things that the Government are talking about under the heading of regulation, which so many of us in business talk about.

John Hemming: Indeed. It tends to be used as a justification, hence the media stories about it. Something must be done—the clause is something, but it is not necessarily something that will achieve anything.

Chris Williamson: Is that the best the hon. Gentleman can do? Is he really suggesting that we should go forward with this legislative measure on the basis of a problem with parades? That is just ridiculous. If that is the best example he can come up with, there is frankly no justification.

John Hemming: The hon. Gentleman obviously has not been listening.

Thomas Docherty: The hon. Gentleman makes an interesting and important case. Does he agree that part of the problem is that people hide behind health and safety when the issue is not health and safety? In fact, the HSE has run campaigns to say, "This is not us. We do not support this nonsense."

John Hemming: That is exactly the point I am making.

John Cryer (Leyton and Wanstead) (Lab): The hon. Gentleman refers to the insurance issues. Today we are talking mainly about the Health and Safety at Work, etc. Act 1974, which is riddled with the phrase

"so far as is reasonably practicable".

That gives an awful lot of companies and others a get-out, because they can say, "It wasn't reasonably practicable to undertake that risk assessment or spend money on those safety features." Since the Act received Royal Assent in, I think, 1975, the phrase has allowed people all sorts of loopholes.

John Hemming: That is also true. I do not think that there is a substantive problem with health and safety legislation. There is clearly an issue with people using it as an excuse to stop people doing things when there should be a rational argument. The hon. Member for Dunfermline and West Fife made exactly the right point earlier.

Andrew Bridgen: My hon. Friend talks about how "reasonably practicable" is used in health and safety legislation. Is it not true that what is deemed reasonably practicable prior to an accident is often not deemed reasonably practicable just after the accident has happened? That is a great worry for an employer.

John Hemming: That is true, but we are moving further and further from amendment 3.

Thomas Docherty: On the point made by the hon. Member for North West Leicestershire, is not the clause about self-employed people, not employers?

John Hemming: That is also true, and we return to the point that the clause provides a solution to a different problem than the one that exists. It does not solve a problem; it creates an additional burden for business of £1.7 million, which gradually whittles down over the years. I have not tried to calculate when business runs into profit.

Andrew Bridgen: The simplest solution is to take out of health and safety legislation altogether the self-employed whose activities pose no risk. Then there is no confusion. It is straightforward and exactly what happens in Germany, France and Italy—economies with which we must compete.

John Hemming: That is true, but we have to compete on the basis, in part, of quality and, in part, of price. If this puts our prices up, it is not necessarily a good idea.

Kelvin Hopkins: I want to speak briefly about this issue. I congratulate my hon. Friend the Member for Newcastle upon Tyne Central on her excellent speech. She made many important and valid points. I wanted to speak because I have particular concern about health and safety, which has been under attack in certain areas of the media. The provision is a token Government swipe at health and safety, but possibly the thin edge of the wedge for more radical attack later.

Health and safety has made a real difference to working people in Britain over several decades. I have a personal interest, because I was at the TUC in 1974 when the legislation went through. It was seen as a great victory —not only for working people, but for everyone. As my hon. Friend said, the costs of people being injured at work, or dying, are enormous—in wider social terms, as well.

At the time, I was also the staff member responsible for setting up the TUC construction committee. Construction was bedevilled, as it is even now, with bogus self-employment and a terrible record on health and safety. Thousands of people must have survived who might otherwise have died, or lived a healthy life who might otherwise have been injured, thanks to that legislation. It has been enormously beneficial.

I am certainly the oldest person in the Committee. I remember working in industry in the 1960s before the legislation came through. I saw horrendous practices. I will not go into detail, but industry was an extremely dangerous place. In my own brief experience of industry, I saw a number of serious problems that were subsequently addressed by the legislation.

Andrew Bridgen: The hon. Gentleman talks about genuine concerns about bogus self-employment. Is he not somewhat relieved, therefore, that the Bill will mean that the risk is on activity, not job titles? The activities of the person, whether self-employed or bogusly self-employed, account for whether they are in or out of health and safety legislation.

Kelvin Hopkins: If the individual is taken out of the legislation, they will not be inspected at all.

I want to talk about bogus self-employment. We have seen an enormous rise in self-employment in recent years, which is often for tax avoidance or possibly even tax evasion reasons. Certainly that was true in the construction industry all those years ago. Employees would take cash in hand, taking some financial benefit by not paying tax and national insurance. That has been addressed to some extent over time. Of course, bogus self-employment is still going on and many people in the IT sector are really employees in a genuine sense, but technically work as self-employed people.

Toby Perkins: I agree entirely with my hon. Friend. He is saying that bogus self-employment continues. In fact, it is proliferating hugely. We are seeing not just IT contractors and construction workers, but a whole raft of staff—in accounts, sales and so on—who to all intents and purposes look like employees, but are contracted on a self-employed basis.

Kelvin Hopkins: My hon. Friend is absolutely right and reinforces my point. The real employers—if the position is legitimate, they will be the main contractors—might set up workplaces for supposed self-employed people, and would not be subject to restrictions or have to have regard to health and safety if some provisions in the Bill are enacted. I support the amendments of my hon. Friend the Member for Newcastle upon Tyne Central, but my preference would be for this part of the Bill to be removed entirely. If that were proposed, I would support it. In the meantime, I will support my hon. Friend, who has made some valid and important points, which would mitigate the Bill's effects if it were unamended further.

John Cryer: I was not trying to intervene, but I find it difficult to shut up once I am on my feet. I am going to talk on this subject shortly. Does my hon. Friend agree that the proliferation of practices such as introducing payroll companies into the economy means that bogus self-employment is becoming more, not less, serious?

Kelvin Hopkins: My hon. Friend is absolutely right. The sheer cost to society of bogus self-employment in terms of tax avoidance and evasion is enormous. The tax gap is gigantic, so encouraging self-employment is not a good idea. I would like to see a lot of it abolished and people brought back into proper employment, where employers would have a duty to adhere to health and safety legislation.

I return to my original point. Certain sections of the media and some employers go on and on about health and safety. Health and safety legislation has made an enormous difference to society; it has been massively improving in so many ways; yet that attack is now reflected in this legislation.

The Solicitor-General: I am sure the hon. Gentleman would accept that this legislation does not change the definition of who is self-employed. It is all still there in section 53 of the 1974 Act.

Kelvin Hopkins: Indeed, and I thank the Minister for his intervention. The fact is that this legislation is about pandering to that pressure from outside and not about a real burden on employers. Employers, if legitimate, have to pay taxes. If health and safety legislation is reduced in extent, more people will suffer injury, our tax bill will go up to pay for the suffering of people who have been injured or have died at work, and society will not benefit in any way.

I hope we can support the amendments. In my best of all possible worlds, I would like to see this clause entirely removed.

John Cryer: It is a pleasure to serve under your chairmanship, Mr Hood. I support the amendments in the name of my hon. Friend the Member for Newcastle upon Tyne Central. I tend to agree with my hon. Friend the Member for Luton North, in that I would prefer this clause to be removed completely. Failing that, it would preferable to make the amendments.

The Minister touched on the root of the problem with the clause: that the distinction between self-employment and employment has been blurred. The list we have seen is a lawyers' charter. If this clause is passed, we will see court case after court case for years, to argue about who is on the list, and who is and is not covered.

John Hemming: The hon. Gentleman expects court cases about the uncertainty. Who would initiate those court cases?

John Cryer: I would expect them to be initiated to some extent by employees who do not know whether they are covered and who would potentially take out cases against their employers.

John Hemming: But this applies only to the self-employed.

John Cryer: Yes, but they would not know whether they were officially self-employed or not, and would not know whether they were covered or not. That is the problem with the list and the way the clause is drafted. Clause 1 is drafted on the basis of the world of work 30 years ago, when there was a clear distinction between being employed and self-employed. That distinction has become blurred.

12.45 pm

Chi Onwurah: I thank my hon. Friend for giving way and I am sorry to interrupt the excellent point he is making. He is right to make the point about a lawyers' charter. To offer an example, if a self-employed hairdresser, not subject to health and safety legislation, burns my head with chemicals, I might sue the chemical manufacturer, claiming that the chemical should be covered by the law, or I might sue the trading standards authority for not making it clear whether those chemicals are under the law. Uncertainty opens the way to litigation.

John Cryer: I agree with my hon. Friend. We have talked a lot about construction this morning, and the section of the list dealing with construction is very vague. What about people working in homes? Are plumbers,

carpenters and electricians covered or not? It is not clear, and that is the sort of thing that will lead to problems.

John Hemming: Coming back to the earlier point, if there is uncertainty about whether somebody is employed or self-employed—*[Interruption.]*

The Chair: Order. There is a hum about in the Committee. I said earlier that the most important person is the one who is on their feet addressing the Committee, and if I cannot hear that person, somebody is out of order. There are so many people responsible that I do not want to identify anybody in particular, but I ask the Committee collectively to give attention to the person who is on their feet.

John Hemming: Thank you, Mr Hood. The question whether somebody is employed or self-employed is an issue now, and the clause makes no difference to that.

John Cryer: Actually, it will make a difference, because that blurring is becoming more and more marked as time goes on. I return to a point I made in an earlier intervention. If an employer transfers the work force to being self-employed, they will lose rights to holiday pay and sick pay, and they will lose their employment rights, so there will be the ability to hire and fire at will. We are constantly seeing new additions to that process, and one of the most recent is the advent of payroll companies. For hon. Members who are not familiar with payroll companies, they take over responsibility for employing people. As a result, the payroll company, rather than those who direct the work force, has a relationship with the work force. The payroll company will say to the employers, "Give us the payroll contract and the work force will lose all employment rights and rights to holiday pay and sick pay." In some cases, payroll companies even promise that companies will not have to deal with HMRC any more. The practice goes as far as that.

A report on payroll companies was produced a few months ago, which was commissioned by the Union of Construction, Allied Trades and Technicians—I should mention that I am a proud member of UCATT. The author of the report, freelance journalist Jamie Elliott, set up a front company called Fairbrother Builders and approached various payroll companies. Hudson Contract, the biggest payroll company in Britain, made the situation clear in a letter to Mr Elliott:

"We can save you money, 20 per cent of your labour costs, by reclassifying PAYE staff, paying them through CIS."

For hon. Members who are not familiar with CIS, it is the construction industry scheme for self-employed people. The letter continued:

"Self-employed operatives, paid under CIS deduction through Hudson are not entitled to holiday pay, redundancy or notice. We are helping companies to move their PAYE labour over to CIS…Last year this saved our clients over £25 million in employers' NIC, placing tax and employment law liabilities with us."

If the employer goes down that route, the work force will be asked to sign a contract. Some form of compensation is usually paid for the loss of benefits, but it is usually quite a small amount. Once the contract is signed, the employee no longer has a relationship with the original company, despite the fact that the original company still directs operations and is still responsible for what happens in the work place.

Andrew Bridgen: The hon. Gentleman makes an important point. However, with regard to the Bill, it is clear that members of the construction industry will remain under health and safety legislation even if they are self-employed.

John Cryer: I am grateful to the hon. Gentleman for that intervention, but I am afraid that he is wrong. The definition on the prescribed list is very vague. As I have said, it is not clear when it comes to plumbers, carpenters and electricians. What about a building site with an office and several office staff? They will not be covered by a prescribed list, but they could still be transferred to being self-employed overnight. In some cases, work forces have woken up one morning to discover they are suddenly self-employed. Technically that is illegal, but if someone works for a company that says, "You are now self-employed and there is nothing you can do about it," are they really going to report that company to the authorities? It has been made absolutely clear what that company thinks of that person and how they will be treated in future.

There are all sorts of other scams that have appeared in recent years, such as offshore companies.

Toby Perkins: I am keen to intervene before my hon. Friend moves on. There is a danger that we focus too much on the kind of workplace. People who work in an office are entitled to be protected under health and safety legislation. People in a variety of office trades are now being asked to go self-employed and invoice the employer, rather than being employed under the traditional working arrangements. They should have the same right to protection, whether the workplace is considered a dangerous place or not.

John Cryer: I absolutely agree with my hon. Friend. It is an important point that everybody should be covered by health and safety legislation.

I do not want the Committee to get the wrong idea about what I am saying about payroll companies, so I should make the important point that there are perfectly legitimate and respectable payroll companies that do not undertake such scams. Mr Elliott, who wrote the report for UCATT, contacted a number of payroll companies whose response was that the practice was disreputable and that they would not help to transfer people to being self-employed when they are clearly not. At the dodgy end of construction and in other industries, such as catering, hotel management and security—an important industry that employs large numbers of people—this practice of bogus self-employment is increasingly creeping in.

My fear is that we are effectively seeing the abolition of full-time, permanent work in many industries in Britain today. That has the other knock-on effect of creating economic instability and insecurity. People do not have the confidence to spend the money they earn. They worry if they are self-employed, being dealt with by a payroll company, are on zero-hours contracts or are agency workers. They have much less confidence that work will be there tomorrow, next week or next month. Therefore, they do not spend and stimulate the economy, and that is important to all of us on the Committee.

[John Cryer]

There are other wheezes, which I will not go into now, such as the offshore wheeze. A company called ISS employs 24,000 supply teachers across the UK. Because it is based in the Channel Islands and is a payroll company, it does not have to pay employer's national insurance. There is a question that has never been quite sorted out: are those teachers self-employed or employed? That has never been settled. Such arguments are becoming more dominant in people's lives. My worry is that if the Bill is passed in its current form, we will be sitting here in years to come facing other problems in the workplace and saying that the Treasury is losing a lot of money.

I had an Adjournment debate a while ago and the Minister responsible, the hon. Member for East Dunbartonshire (Jo Swinson), admitted that possibly tens of millions of pounds are missing from the Treasury coffers because of bogus self-employment. She admitted that, although I suspect the figure is a lot higher than the Government believe; I do not think the Treasury has accurate figures. I think the problem is lot worse and more widespread, and I suspect that the taxpayer is losing a lot more than the Government are prepared to admit.

There is an argument over the exact figures. Nevertheless, there is an admission on all sides that we are losing an awful lot of money through bogus self-employment. If, as the Bill requires, these people will not be covered by health and safety legislation, there is a further incentive for employers to think it is a great idea to transfer the work force to being self-employed. They would not be covered by health and safety legislation, thus avoiding those problems, as well as other responsibilities such as holiday and sickness pay and the other factors I previously alluded to.

Chris Williamson: It is a great pleasure to serve under your chairmanship, Mr Hood, for what I believe is the first time. I rise to support the amendments tabled by my hon. Friends, which I am sure is no surprise, and to reinforce some of the comments made by my hon. Friend the Member for Leyton and Wanstead.

I am no longer a member of UCATT, but I was formerly. I remember in the 1970s, before the protection afforded by health and safety legislation, the extremely hazardous circumstances on building sites that I and my fellow workers were subjected to. Indeed, I sustained an industrial accident owing to the poor health and safety provision that pertained to the building sites that I worked on. Thankfully, I am here today to tell the tale, but the injury was severe and the accident could have led to my death. Many colleagues died on construction sites and, even with improved health and safety provisions, many still do.

I get concerned when I see legislation proposed that confuses and undermines the health and safety that is so important to manual workers in particular—although workers in white-collar occupations in offices and so on are just as entitled to such protection, as my hon. Friend the Member for Chesterfield pointed out. They would also be subject to hazard if safety provisions were not in place.

In a former incarnation, I worked as a welfare rights officer and I saw real concerns and problems for people in the situation that my hon. Friend the Member for Leyton and Wanstead suggests will get worse, when they are unsure about their employment status and whether they were employed or self-employed. That makes a real difference, not just in the scams, tax fiddles and so on that take place, but in the risks that people are potentially prepared to take or expected to take. When clients whom I represented sustained an industrial accident, there was an issue about whether they were covered by the industrial injuries provisions, because as self-employed earners they were excluded from certain provisions.

I fear that if we increase the scope of self-employment, that will not be in the interests of ordinary workers on the ground who are forced into an occupation. My hon. Friend the Member for Luton North made that point. We all need to think very carefully before we rip up legislative protections and muddy the water. That will not be in the interests of the people who will be victims of these changes, because their earning potential will be affected, as will their health and safety.

We should also be mindful of the succinct point made about the impact on the Treasury's tax take. If we see a reduced tax take, that will have a knock-on implication on our ability to ensure good quality public services.

Ordered, That the debate be now adjourned.—*(Gavin Barwell.)*

12.59 pm

Adjourned till this day at Two o'clock.