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Public Bill Committee

DEREGULATION BILL

Fifteenth Sitting

Thursday 20 March 2014

(Morning)

CONTENTS

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Monday 24 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 20 March 2014

(Morning)

[Mr Christopher Chope *in the Chair*]

Deregulation Bill

11.30 am

The Chair: Before we start, may I tell the Committee that, due to a printing error, a number of amendments and new clauses tabled on Monday and Tuesday this week did not appear on the amendment paper until today. The provisions concerned are amendments 28 and 29, new clauses 16 and 17 and Government new clause 18. Those provisions were circulated to Members by e-mail yesterday and are on today's amendment paper. Today, I intend to select those amendments that were tabled in accordance with the notice period for today's sitting: amendments 28 and 29. We will not reach the new clauses until next week anyway.

Clause 61

Exercise of regulatory functions: economic growth

Toby Perkins (Chesterfield) (Lab): I beg to move amendment 27, in clause 61, page 40, line 34, leave out from 'function' to end of line 41 and insert— 'must publish an annual report which—

'(a) makes an assessment of the extent to which they have taken into account the specific needs of small and medium sized enterprises in the exercise of that function, and

(b) sets out complaints received relating to the exercise to of their functions and/or their engagement with their duties.'.

The Chair: With this it will be convenient to discuss clause stand part.

Toby Perkins: It is a pleasure to serve under your chairmanship again, Mr Chope.

On the face of it, there is much to support about the thought process behind clause 61. The clause was intended to be about better regulation and recognising that sometimes the way a regulator performs its duty should be done, in any sensible operation of the regulation, in the best interests of the industry, and, of course, in the British national interest. Certainly, feedback we received during some of the evidence sessions showed that people recognise there is an important requirement on regulators to try to have sensible, supportive relationships with the organisations they regulate. However, we are concerned that the outcomes of the Bill that the Government hope for could be undermined by unintended consequences of the clause. We are worried about how workable the provision will be and how the powers will be used.

The clause is in a deregulation Bill, but it is not, in any way, deregulatory. In evidence to the Joint Committee that first considered the Bill, the Local Government Association—currently chaired by the eminent Conservative local government legend, we might say, or, certainly, the very well-respected Conservative local government figure, Sir Merrick Cockell—summed up the central issue with the clause by saying that there is an irony in a deregulation Bill introducing a new duty where one is not needed. That strikes to the heart of some of our concerns. The evidence session was very interesting indeed, because, from the business community's perspective, there was a real sense that this is something good regulators should be doing. Good regulators should understand that they are there to promote the best interests of the industry. They should support that industry and support the organisations they regulate to comply with regulations. All that is entirely sensible.

However, the evidence sessions also exposed the open questions that remain as to how the growth duty would be applied and what its implications are. The hon. Member for North West Leicestershire, who is not in his place, raised one such point when we talked about the nuclear industry and the nuclear regulator. In the context of the growth duty, he said:

"Given the sensitivities of the nuclear industry, is it not more likely that the nuclear regulator will realise that the biggest threat to the growth of the nuclear industry is any breach of safety whatever, and that the duty could have the reverse effect? As we have seen around the world, when there has been a breach of safety in the nuclear industry, it curtails that growth completely."––[*Official Report, Deregulation Public Bill Committee,* 25 February 2014; c. 80, Q210.]

That is an interesting question. He is saying that this newly imposed growth duty might persuade the nuclear regulator to think, "Let's start getting tough on nuclear safety, because it could be bad for growth if a nuclear power station blows up." Whereas, previously, the regulator's core responsibility was safety, it will now say, "Let's really start getting safe, because we're going to have growth problems if this nuclear power station blows up." That is an interesting thought process, and not one that I agree with, but it exposes the open way in which the clause is drafted. The clause could mean a whole variety of different things depending on who is reading it.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): My hon. Friend is making excellent points. He may be coming to this, but while the nuclear regulator knows about nuclear safety, it will know less about economic growth. Is it not more likely to misinterpret a growth duty than a safety duty?

Toby Perkins: That is an interesting point. That is one of those issues where we will find out how the clause operates when it comes into effect.

One thing that undermines the clause is the potential for it to lead to a huge raft of litigation. One thing that came across powerfully in the evidence of Alexander Ehmann, the deputy director of policy and public affairs at the Institute of Directors, was the question over what happens once the duty exists. What happens if a business being regulated in relation to food safety or drinking water, or being regulated by the Driving Standards Agency, thinks, "Hang on a second, I do not think the things my regulator is putting in place are reasonable in

terms of its responsibility towards the growth duty"? Mr Ehmann supported the principle of the growth duty, but he said:

"I suppose there is a possibility that things could escalate in the sense that unsatisfactory fulfilment of the growth duty, from the view of the business community, could well be an area of disagreement between the regulator and the regulated businesses and could be used as a challenge perhaps right up to judicial review."—[*Official Report, Deregulation Public Bill Committee,* 25 February 2014; c. 75, Q197.]

Regulators have responsibility for safety, and the hon. Member for North West Leicestershire thinks the growth duty will strengthen that responsibility. However, the Institute of Directors says that a company that thinks its regulator is not taking enough care to promote the growth duty might say, "We're putting a halt to this regulatory process. You might think our food standards aren't up to scratch, but we can put the boot back on the other foot. We can start prosecuting you now, Mr Regulator, because we don't think you are recognising your growth responsibility." We therefore have, from two people who support the growth duty, two entirely different and contradictory understandings of how it will work. That is troubling.

If we look at the list of non-economic regulators that will fall within the scope of the growth duty, we see a huge number of authorities and inspectorates that have a clear primary responsibility for safety: the DSA, the Environment Agency, the Food Standards Agency, the Fish Health Inspectorate, the Maritime and Coastguard Agency, the Sports Grounds Safety Authority—I could go on and on. We understand their role on safety.

During the evidence session, some of the people who supported this move said, "We respect that these regulators will have a safety function and that will be their prime function, but maybe they could start considering how often and at what time they do inspections. That would be how to demonstrate their growth duty." However, what that means exactly is so open—for example, how would the Animal Health and Veterinary Laboratories Agency satisfy the growth duty? One person might think that that is an entirely satisfactory way of applying the duty, but their competitor might say, "This is totally unreasonable. It's really restricting our growth."

We might start finding that the organisations with the greatest power, the greatest lobbying power and the ability to bring legal proceedings, will be those that are able to say to the regulators, "I'm going to bring you to heel now. Things have changed around here. You'd better start supporting how we're growing or else we'll be off to court." Other organisations—either with a less aggressive approach to the legislation or without the same resources—might be much more compliant and supportive of how the regulator works. Those bigger organisations that take an aggressive approach could end up having a competitive advantage over smaller ones because, through this power, they are able to change how they are regulated. It will not be a level playing field. Those bigger companies will be able to say to regulators, "We've got this growth duty. Different people think it means different things. We don't think you're complying with your responsibility in terms of growth and we're going to pursue this all the way to judicial review."

Chi Onwurah: Is it not the case that a number of these regulators are relatively small organisations for which the cost and risk of legal proceedings would be extremely onerous? The growth that this provision might, therefore, support would be in legal fees and the legal market rather than economic growth per se.

Toby Perkins: Precisely, and that is one of my worries. Often relatively small organisations regulate mammoth corporations, so the power balance between a regulator and the big businesses they regulate is delicate. We do not want regulators to be obtrusive or unnecessarily inconsiderate to their businesses' needs. Of course they should work with the businesses they regulate to ensure those businesses comply.

11.45 am

We propose that if that regulatory relationship—that power base—changes too much, there should be a report so that we can ask each regulator to give us some evidence of what they are doing. They would be held to account for the ways that they are supporting growth, particularly in small and medium-sized businesses. However, if we go from that to a statutory requirement enforceable in a court of law through judicial review, a major company can go to its regulator and say, "There are going to be some changes around here. The way you regulate us is going to change because we now have this growth duty and the resources to test this all the way in a court of law. Have you, Mr Food Standards Agency?"—or whatever regulator it might be.

I think the Government have all the best intentions and want better regulation. They want regulators to meet their duties in a way that supports the industry in, first, complying and, secondly, thriving. We all want that, but in attempting to achieve those laudable aims, let us not do something that actually undermines the whole regulatory function.

Chi Onwurah: My hon. Friend is being generous in giving way. On the point about the impact that litigation could have on economic growth, the Committee may know that I worked for Ofcom before joining Parliament. The auction of 4G spectrum was delayed by at least two years by litigation, or the threat of it, from major communications operators. That certainly reduced growth in the communications market.

Toby Perkins: That is an incredibly important point, but it is just a glimpse of what could happen. We have a very openly worded function, which different people think means entirely different things. Rather than the legal methods or threats that were open to the companies in the case my hon. Friend referred to, we have a much broader duty to be mindful of growth, which, as we have heard, can be pursued to judicial review if companies are not happy.

Think about all contracts that there are. We need to get some of them processed and operating. If powerful organisations want to hold those processes up the whole time because it is in their commercial interests to do so, they could use the growth duty to do that. We have the brand-new Groceries Code Adjudicator, which is a pretty small organisation, but which is responsible for regulating some of the most powerful companies in Britain and, arguably, in the world. It regulates the companies that control the food that the majority of us rely on.

There are valid questions about the way that the supermarkets operate, and I support the Government in bringing forward the Groceries Code Adjudicator. However, in the last 10 to 15 years, we have seen a huge change in

[Toby Perkins]

our grocery market, with huge numbers of small grocery stores closing down and the convenience store sector really feeling under siege. We have Tesco, Sainsbury's, Asda and Morrisons not operating a monopoly—obviously, there is the choice between the four—but making it difficult for small companies to compete.

In that industry, we are potentially heading towards huge growth, particularly of Tesco, in the community sector. I met Tesco to discuss the fact that it now has nine stores in Chesterfield and is looking to buy up a couple more pubs and turn them into stores. I said, "We've got nine Tesco stores in Chesterfield. Don't you think we maybe have enough?" They said, "No, not nearly enough." They were quite open about it. They said, "Our growth is in every community in the country. That is where we see ourselves." Tesco's growth is not going to be in lots of huge new supermarkets but in every minor district precinct. A small Tesco local store will go up in every area.

What is happening is that a small number of companies are growing ever more important in terms of the distribution of food—which ultimately keeps us all alive. That might be absolutely fine, but we have never had a debate about it.

John Cryer (Leyton and Wanstead) (Lab): Would my hon. Friend bear in mind that there are large companies that are giving way to very, very large companies? Kraft took over Cadbury about five or six years ago and created, from one very large company, a super-large company. Kraft is an enormous company and it has not just national domination, but world domination.

Toby Perkins: Absolutely. I suspected I was testing your patience, Mr Chope, but if I were to pursue my hon. Friend's argument much further, the debate would really get distant from the amendment and the clause. However, it is an important point.

The point I was looking to develop in the context of the clause was that we have not had a debate about the fact that a small number of organisations have become increasingly and incredibly powerful. It means consumers have quite limited choice. In addition, the options on where to sell produce are shrinking tremendously for the farming industry. We might be entirely comfortable with that, but we need, on occasion, to stop and think about it.

In that context, these changes are incredibly important for the Groceries Code Adjudicator. Why was the adjudicator set up? What was the Government thinking when they came forward with the proposals on the adjudicator? It is a fledgling regulatory body that is supposed to be regulating incredibly powerful and massive corporates. The scope of the growth duty poses questions in that context.

Chi Onwurah: My hon. Friend is making a critical point with regard to the growth duty. Supporting an organisation that has perhaps 40% or 50% of the market will result in far more growth than supporting a small organisation that has a very small percentage of the market. The proposal is necessarily going to increase support for large organisations if growth is measured purely by incremental financial growth.

Toby Perkins: My hon. Friend has made an incredibly important point. Clause 61 poses that question. Subsection (1) says:

> "A person exercising a regulatory function to which this section applies must, in the exercise of the function, have regard to the desirability of promoting economic growth."

That is a very broadly based and unspecific description. In my hon. Friend's example, a business might say, "What you as a regulator are doing will constrain our growth. We have huge growth potential. The proposal is going to support the growth of a company with far less growth potential. Does the level playing field still exist? Your responsibility as a regulator is to be mindful of the desirability of growth, and we have more growth potential without this. Effectively, in your regulatory function, you should be more mindful of our growth potential than the growth potential of some of our competitors."

David Rutley (Macclesfield) (Con): Has the Groceries Code Adjudicator complained about the duty?

Toby Perkins: That is an interesting point. A number of organisations made representations, and many regulators are quangos that find it difficult to criticise Government policy. To say that one arm of Government is not criticising the rest of the Government is not a particularly powerful point. A number of representations were made in the Joint Committee and in our evidence sessions on the reservations of some organisations.

David Rutley: The hon. Gentleman makes that point, but he fails to talk about whether the adjudicator has complained. To my knowledge, the adjudicator has not complained. He makes his argument about the supermarkets—I declare that I used to work for a supermarket—but surely the adjudicator will have greater powers under the clause because if she believes supermarket practices are anti-growth, it is further grist to her mill.

Toby Perkins: It all depends on what we mean by growth.

David Rutley: I mean growth.

Toby Perkins: Well, precisely. We recently had an interesting Budget debate about what kind of growth and what kind of recovery we are having. Because the clause is so openly drafted, it is open to interpretation. The hon. Gentleman seems to be saying that now the regulator has the growth duty, it is empowered. I do not see that as the outcome at all.

Chi Onwurah: Having worked for a regulator for six years, I can tell the hon. Member for Macclesfield that it is not the regulator's function to complain about the duly elected Government of the day. I am sure that, like regulators in general, the adjudicator would not complain about Government policy.

Toby Perkins: Absolutely. My hon. Friend brings a useful perspective.

We strongly feel that if the clause is passed as currently drafted, the overall regulatory responsibility would be undermined and the regulatory burden on the regulator

would be increased. The Bill was marketed as a Bill to deregulate on behalf of businesses, but much of it is about deregulating on behalf of the Government. That is not necessarily a bad thing if it means that resources go further, but the clause will not achieve that; it will create an additional regulatory requirement.

David Rutley: It is interesting that the Joint Committee said that if the duty is

"thoughtfully applied by regulators, it could lead to less burdensome regulation for some businesses in the future."

That is a good thing.

Toby Perkins: It would be a good thing if that is what happens, but it is an assertion, not a piece of evidence. I would be interested to see the examples that back up that assertion. Where are the examples to demonstrate that if we give an additional responsibility to a regulator that can be challenged all the way up to judicial review by sometimes incredibly powerful companies, it will somehow reduce the regulatory burden on the regulator? If the hon. Gentleman is saying that it might reduce the burden on businesses, it could potentially be true; it all depends on how the duty is operated.

In his advice, Mr Ehmann said:

"My observation is that time will ultimately tell with this duty".—[*Official Report, Deregulation Public Bill Committee,* 25 February 2014; c. 75, Q197.]

It may or may not. How the duty will be operated is very unclear. Of course, it is bound to be unclear as the organisations covered range from the Animal Health and Veterinary Laboratories Agency to the British Hallmarking Council, the Driving Standards Agency, the Fish Health Inspectorate, the Food Standards Agency, the Forestry Commission and the Environment Agency. When regulators have such broad, differing responsibilities and regulate such different industries and organisations, it will be difficult to draft a clause that can be specific on outcomes.

12 noon

I suspect that there would be some positive outcomes and some potentially negative outcomes, and for a huge number of regulators the principle would already be core to their functions and make no difference whatsoever. Our responsibility when scrutinising legislation is not just to ask whether such a measure will be helpful in some cases and ignore those where it would not be, or to say whether we broadly support what the Government are trying to do, which we do, but to ask what the potential pitfalls could be.

Look at the Dangerous Dogs Act. No one thought it would be good to have more dangerous dogs, but that legislation was rushed through and ended up being viewed as one of the worst pieces of legislation ever passed. We have a responsibility in the Bill Committee and in this place to scrutinise, so when measures are unclear and people do not entirely understand what is meant, we should ask questions.

David Rutley: The hon. Gentleman makes many points about the challenges he perceives, but there are plenty of opportunities, too. If the regulators that he listed take the time to think about this new duty and that causes them to drop parts of their enforcement regulations that they perceive now to be out of date, that will save them time and reduce the burden on businesses. Surely that is a good thing.

Toby Perkins: If that happened, yes that would be good, but where is the evidence to suggest that that will happen? Our amendment would ensure that regulators had to think about what they were doing to support the growth of small and medium-sized businesses, because they would have to produce a report. We are not talking about creating a lawyers' playground where there would be a rush to court every time someone was not happy with their regulator, but regulators would have to come to this place annually and provide an annual report that says, "This is what we are doing to support growth in small businesses."

The amendment would place on the regulator the emphasis and responsibility to be mindful of good regulatory principles, and they would be required to demonstrate that. It would not, however, change that balance of power between regulators and the regulated too greatly or lead to a situation where businesses could constantly resort to judicial review. Even if the clause did not lead to a raft of court cases, the amendment would ensure that threat would not exist. Regulators such as the Drinking Water Inspectorate would otherwise have to think not just, "How do we regulate this?" but "How does this comply with the growth duty and in which way might we be open to legal challenge?" That is a valid question to raise and we will shortly hear the Minister's response.

We are concerned that the clause will damage the regulatory relationship, but we are also concerned that it has been put into a deregulation Bill when it is clearly not deregulatory. It is an additional piece of regulation.

David Rutley: It could be.

Toby Perkins: The hon. Gentleman says from a sedentary position that it could be deregulatory. For some businesses on some occasions, and if applied in the right way, it might end up being helpful, but the Government should focus more on trying to ensure that regulators are always mindful of good regulatory practice and principles, just as the majority of them are most of the time. It would be far better to manage the relationship between the regulators and regulated in the context of the Government having an eye on whether those regulators are delivering the functions for which they were set up than to say, "Well, we have got this open duty which could mean lots of different things and we don't quite know what it is. It might end up being deregulatory, but it might not." That does not seem like a good way to make policy.

As things stand, the Government want to add to the regulators' burden by giving them wide and sweeping but ill-defined duties to promote economic growth. This ultimately means imposing new responsibilities and burdens, not taking them away. I said at the start—and will continue to say—that we support what the Government are trying to achieve: we think they are trying to achieve good regulatory practice, but we do not think this is the right route to delivering it.

Because the duty is so vague, regulators will have to take considerable time thinking about the organisations that they regulate and how that relationship will have to change in the context of all their new responsibilities.

[Toby Perkins]

They will have to put work into thinking about which practices they need to change or abandon. Good regulators should be thinking along those lines all the time anyway, but introducing legal responsibilities and the potential threat of going to court if they do not comply means that they will have to put emphasis and resource into this.

If we then start to see regulatory organisations falling behind on their core functions—because all the time they are having to look again at their processes to comply with the growth duty—people will ask why. This will be particularly the case in the event of a safety lapse. The regulators will say, "You as legislators put an additional responsibility on us, which took us away from our core function and that is where we are spending our resources." Given this Government's approach to regulators more generally—quangos and other organisations—whose resources have been cut back substantially, will they have the capacity to think about their new function? If regulators spend more time on this function and fall behind on their regulatory work—undermining the principle of what they are actually there for, while at the same time thinking about a powerful organisation pursuing them in the courts—it will pose financial questions that we do not have the answers to. This will potentially undermine what the regulators are there for in the first place.

David Rutley: The hon. Gentleman complains about the extra work that this provision may create, but surely having to produce a report every year would create even more work?

Toby Perkins: That is a remarkable assertion. The hon. Gentleman is comparing that with having every regulated relationship potentially open to legal challenge, with myriad unknown consequences. I appreciate that, to an extent, I am over-egging the pudding, and I do not expect every regulator to get into that in every case—of course they will not—but it is our responsibility in scrutinising the legislation to say what might happen. It does not stand up to scrutiny to say that putting together an annual report showing the steps taken to comply with the principles of what this clause was intended to achieve in the first place would be more onerous than the open-ended challenge that regulators might face.

We all want regulators—we want to stress that strongly in this debate. We all want regulators to act sensibly and apply their duties responsibly and in the best interests of their industry. If there is a good reason for regulators not to carry out an inspection of shops on the last Saturday before Christmas, or of restaurants leading up to busy periods, it would be sensible for them to consider that function. That is one of the potential positive outcomes of this legislation. However, even in that kind of example, there might be a situation where the Food Standards Agency says, "Well, actually, we think their busiest times might be a very good time to inspect them, because that might be when food standards slip." There are reasons why that might be the case.

We want a situation where regulators responsibly use that function. I have to say that in my role as shadow small business Minister there have been occasions when people have come to me and said, "The way we are being regulated isn't sensible." They have highlighted interpretation of health and safety legislation that seems very different to how I would anticipate that that legislation should be interpreted. However, we are creating a responsibility that is very open to interpretation to try to deal with the fact that the existing regulations are sometimes interpreted wrongly. I just do not see how the helpful intention behind what the Government are attempting to do will result in what they want.

The issue with a general duty to promote growth is that almost any action that a regulator has to take could be argued to have impinged upon growth, so it all becomes about balance—was a request reasonable or not? Most importantly, what is the legal response or legal threat on behalf of businesses to that request? Almost any action that a regulator takes could be open to challenge. That is significant, particularly in the context of the power relationship.

The clause has two particular drawbacks. First, as I have said, it could hugely increase the number of legal challenges against regulators, using up both their time and resources to defend actions that they were previously able to take with confidence in fulfilment of their duties. Secondly, as the Equality and Diversity Forum told the Joint Committee, the duty could have "a chilling effect" on regulators, discouraging them from taking action that would be in the public interest, as they may be fearful of

> "having to prove on each occasion that action was "needed" rather than simply appropriate and justified".

That is what people are telling us in our role here as scrutineers of this legislation. They are saying that it could change what the regulatory function is all about and the way that regulation is carried out.

Much of the regulation of these organisations is about prevention rather than cure, and the difficulty with prevention is that it is difficult to prove categorically that preventive action was actually "needed"—to meet the Government's test—until it is too late. Among the organisations concerned, the duty will not apply, for example, to project licensing decisions of the Animals in Science Regulation Unit, which are exempt. I would be interested to hear from the Minister—I am sure he will tell us—the reason for that exemption. There is also an exemption for the economic and regulatory functions of the CAA. There are cases where the Government have decided to make certain regulators exempt.

Let us consider this responsibility in relation to the Drinking Water Inspectorate, the FSA or the Environment Agency. The Environment Agency has been under huge pressure recently with all the flooding—we think of all those who have been critical of it in recent weeks and months. We all have tremendous sympathy for those who have been flooded, whose lives have been changed and whose business have been turned upside down, and so on. They might say, "Hang on a second. What about your growth duty? You failed your growth duty because my business has been flooded and we're going to be out of pocket for months." As the legislation is drafted currently, that would be a reasonable point.

We should also bear in mind what the hon. Member for North West Leicestershire said: "Well, they're going to be mindful that any problems that are caused could hamper growth, so they're not going to let those problems happen." The Environment Agency would not have

stopped more floods if they had had a growth duty. Now, with all the pressure that the Environment Agency is under, attempting to carry out its responsibilities with hugely diminished resources, there is the potential for legal threats every time something goes wrong. The evidence from the Equality and Diversity Forum about the "chilling effect" on regulators who have a core function is really important, and we should give it a great deal of consideration.

12.15 pm

Interestingly, in the 2010 Liberal Democrat manifesto—they say a week is a long time in politics, but that certainly feels like a long time ago—priority was given to strengthening regulation in several areas to protect the public. The Liberal Democrats were going to increase regulation on CCTV; there was also mention of the supermarket regulator, regulating private bus services, increasing building regulation for environment reasons and regulating airbrushing in adverts to protect teenage girls. The Liberal Democrats wanted to increase regulation in a variety of ways, but now we are presented with an openly-worded growth duty instead of the things they appeared to be about then—trying to stick up for ordinary people and protect them. The Liberal Democrats are jeopardising what they were about by hamstringing regulators with a new burden.

The proposal does not sound to me like a priority of the Liberal Democrat party. Perhaps after 2015 we shall be given a list—I am looking forward to all the books that will come out then—that explains: "This is what we said, and this is what they said." It will be interesting to see how the Liberal Democrats unscramble the omelette. They should be careful; a short clause has been set out with the intention of achieving something helpful, but they should ask themselves what the implications would be in practice.

There is no need for primary legislation to promote a new duty on regulators. The Government are really saying that regulators should heed best practice and consider business needs in their actions. Of course they should do that; who could disagree? The Government will provide plenty of advice. Perhaps they have identified some failings of regulators—the Minister may give us a list—in relation to growth, to explain why the clause is necessary. It would be interesting to scrutinise that evidence.

My response would be that Government should examine their relationship with the regulators. If the regulators carry out their functions in ways that damage industry and economic growth, the Government should speak to them. They should provide them with the guidance that would lead them to stop, instead of saying, "We cannot, as a Government, legislate or police the issue, so we will let the one with the biggest wallet do it. We will create a general, broad duty, and it will be your responsibility, Mr Regulator, to defend yourself in the event of being pursued by a major corporation. If you cannot defend yourself, you will lose in court, and if you can, it will cost you a fortune to get there." The Government are trying to set out a sensible duty, but they will in fact muddy the waters of the regulatory relationship.

In 2007, the previous Labour Government introduced the regulators' compliance code, setting out clear best practice for regulators so that they do not impose too heavy a burden on business and so that they work to promote growth and opportunity. The present Government recently updated that with a new code that we supported. It is slimmed down; once again there is less detail. We understood what they were trying to do, but what the Labour Government demonstrated back in 2007 by introducing the regulators' compliance code, which has turned into the new regulators' code, was their commitment to ensuring that regulators always complied with best practice, so that they did not impose too heavy a burden on businesses.

The House of Commons Library, a respected source, estimates that the collective actions taken by the previous Government to reduce the burdens on business—of which the regulators' code is a worthwhile example, although by no means the full story—saved businesses £3 billion in reduced costs every year. To put that in context, the entire Deregulation Bill sets out to achieve less than 1% of that. That is the difference between this Bill and the kinds of step taken by the previous Government, who absolutely realised that regulators should responsibly dispose of their duties, but also that Government had a responsibility to ensure the balance in that relationship. Let us think of the energy industry and how it operates at the moment. Labour says that how the regulator operates is not in the best interests of consumers, and wants to ensure that empowered regulators work in consumers' best interests and those of the industry and economic growth.

A policy review initiated by this Government in 2013 found that most regulators were sticking to the guidelines. There were concerns that delivery was inconsistent in some sectors—there was certainly feedback from the Federation of Small Businesses, for example, that regulators sometimes interpreted even this fairly beefy code differently from how the Government intended. If there is any lesson to be learned from that, surely it is that we should be careful and clear about what we in this place are arguing for when we send information to the regulators.

It is surprising that a Conservative-led Government have considered a problem and decided that the first port of call is to write a new law that will be unclear. I know that the legal profession and the Conservative party have had close links historically. Maybe there has been some lobbying of that kind; I do not know. We may find out as time goes on.

The Solicitor-General (Oliver Heald): I am sure that the Society of Labour Lawyers would be pretty horrified by what the hon. Gentleman has just said. Would he not agree that there is a proud legal tradition in both the main parties—and indeed in the Liberal Democrats?

Toby Perkins: I absolutely would agree; I was simply musing on where this might have come from. Perhaps the hon. and learned Gentleman protests a little too much. I was making only a small point, but it appears that I might have struck a chord.

Without changing primary legislation, the Government have launched a new regulators' code based on six principles, which is important in the context of the new clause. I am sure Members are aware of our debate in a Delegated Legislation Committee the other week, but in case it passed any of them by, they might want to be aware that the Government's six principles in the code are:

[Toby Perkins]

"i) Regulators should carry out their activities in a way that supports those they regulate to comply and grow."

That is already there in the code, which continues:

"ii) Regulators should provide simple and straightforward ways to communicate with those they regulate.

iii) Regulators should base their regulatory activities on risk."

It is legitimate to ask what is meant by "risk". If the Government are talking about risk to life and limb, that is an important principle for regulatory function, but regulators are there not just to prevent people from being killed, but to ensure fair play across the market. We have seen the distortion of markets many times over the years when that has not operated. When we asked the Minister in the statutory instrument debate exactly what was meant by "risk", it was clear that the Government were thinking of risk to life and limb. The Government misunderstand what businesses expect from regulators and Government regulation. As someone who ran his own small business, I know that no one who goes into business does so because they want to spend more time with their paperwork or enjoy bureaucracy. All of us who have set up our own business complain there is too much regulation. Of course we do; it is one of those things—a bit like farmers complaining about the weather. We complain that regulation is never quite right, but it is important to note that what businesses think about when they complain about regulation and what the Government take action on are two very different things.

The fourth principle is:

"Regulators should share information about compliance and risk".

The fifth is:

"Regulators should ensure clear information, guidance and advice is available to help those they regulate meet their responsibilities to comply".

The sixth states:

"Regulators should ensure that their approach to their regulatory activities is transparent".

The regulatory code, which we support, sets out the principles that this legislation looks to put into statute, but we have demonstrated powerfully that there are all sorts of unintended consequences that could distort that relationship between regulators and the regulated.

We should have more focus on the regulators' code and on ensuring that the Government have an eye on the relationship between these regulatory bodies and the organisations that they regulate. If problems have developed within these regulators—I am sure that they have, because otherwise the Government would not have brought this measure forward—let us talk about what those problems are and what the Government are doing to take action, rather than creating an open duty and saying that it is basically up to the courts to decide whether they have complied.

We have heard, powerfully, that two people who support this legislation believe that it means two totally different things. Given that the Government have only just brought forward the new regulators' code, they seem to lack faith that they will be able to make it do what it is set out to do. As the first principle states:

"Regulators should carry out their activities in a way that supports those they regulate to comply and grow",

I do not understand why the Government feel that there is a need for an additional piece of primary legislation. When it comes to things such as late payments or the regulation of pub companies, the Government have bent over backwards to support a voluntary, self-regulatory code, yet here we have a brand-new Government code, but they say, "No, we do not think that is the main way of doing it; we think we should put it in primary legislation".

It is incredibly important that the Government take a moment to think through the evidence received by the Joint Committee and what we heard in this Committee's evidence sessions. Our proposal would ensure that regulators had to be minded—not with the threat of legal action hanging over their heads—to act responsibility and thoughtfully, and to understand that they would have to answer to Government for how they carried out their duties, which is exactly what they should be doing. It would put in place a much more sensible managerial tool for how regulatory bodies operate. If the problem that the Minister is setting out to try to solve exists, we have a function that supports the ability to demonstrate that. Certain regulators have important responsibilities that protect the very safety of our country, and any distraction from those might be hazardous. Nuclear safety inspectors and the Drinking Water Inspectorate are two examples. Is it right that any other duty should be imposed on regulators by central Government when the stakes are so high?

12.30 pm

Amendment 27 is cautious and proportionate. It would prioritise small and medium-sized businesses that do not have the loudest voices and are not always able to employ powerful lobbyists and get themselves on to "Newsnight" every time they are unhappy. It would ensure not only that they were protected, but that good regulatory practice and principle was at the heart of the clause, rather than our having a well-meaning clause with uncertain results and outcomes.

It is important that the Government listen to what we have said and support the small businesses that we all recognise are the lifeblood of our economy. They are often under the greatest pressure due to the regulatory burden. The provision of a reporting mechanism would achieve what I believe the Minister wants to achieve, but would not undermine the key relationship between regulators and the regulated. I commend the amendment to the Committee.

David Rutley: The hon. Gentleman said at one point that he might have over-egged the pudding. After an hour, I am not sure there is much pudding left. Government Members have become used to the short, pithy, whipping-up and entertaining speeches by the hon. Member for Derby North. Perhaps lessons can be learned from that, as such speeches take much less time and help to move forward our proceedings.

Chris Williamson (Derby North) (Lab): The hon. Gentleman is being unfair to my hon. Friend the Member for Chesterfield. I cannot believe that my hon. Friend was speaking for 60 minutes because he was so eloquent and interesting that the time whizzed by. I thought he spoke for only five minutes, and I was disappointed when he sat down—I wanted more.

David Rutley: Sometimes less is more, but let us come back to what the clause actually says.

Toby Perkins: May I make a pithy intervention? Time might have whizzed by for my hon. Friend the Member for Derby North, but it certainly felt like a full hour to me.

David Rutley: Well, there we have it.

Let us remind ourselves that clause 61 refers to having regard

"to the desirability of promoting economic growth".

That complements existing duties; it does not subtract from them. Let us not forget that the non-economic regulators to which the hon. Member for Chesterfield referred—there is a long list—account for £2 billion of the Government's budget and 25,000 employees. Their influence and power are significant. The clause simply encourages them to consider the importance of economic growth in their activities, which is not an unreasonable thing to do. When we heard evidence from the Federation of Small Businesses and the British Chambers of Commerce, they were supportive of the clause and thought it would be a good thing.

The hon. Gentleman speaks sincerely about small businesses, having worked in that sector himself and done well, so let us not over-egg the pudding or whip it out of existence, but think about what the clause is actually an attempt to do. As we have said before, it could be deregulatory. It could cause—I hope it will—regulators to have a spring clean of their regulations, thus reducing the burden on small businesses. That is surely why the FSB was so keen to support it.

The Opposition talk about the importance of better regulation and smart regulation, but that is the talk of the European Commission—heaven help us. Look at the amount of regulation it puts to us in this country. In case the hon. Gentleman has not noticed, there is rising concern among the British public about the weight of regulation that comes from Europe, and that is something that we need to address. It should not be simply about smarter or better regulation; there needs to be further talk about deregulation and less regulation, which is what the Bill and the Government want.

I hope that Opposition Members come to recognise that this is an important Bill. We need to show our support for small businesses, not through another box-ticking exercise with an annual report, but by putting the duty into legislation so that non-economic regulators see its importance. I hope that hon. Members have the courage to back the clause and that hon. Member for Chesterfield does not press his amendment to a Division because further action will be achieved through the clause, but not with the kind of backward-thinking, box-ticking exercise that was all too prevalent under the previous Government.

Chris Williamson: It is a great pleasure to serve under your chairmanship, Mr Chope. I support the amendment tabled by my hon. Friend the Member for Chesterfield, which is eminently sensible and would preserve the sense of what the Government are trying to achieve without putting unnecessary burdens on business and, indeed, regulatory bodies. The Government are desperate, the economy is flat-lining and the growth upon which they are—

James Duddridge (Rochford and Southend East) (Con): Thanks to rule changes, we are allowed to use Twitter and electronic devices. Is the hon. Gentleman as up to date as I am with the welcome news that Barratt has today announced 3,000 new jobs as a result of the Budget decision to extend Help to Buy?

Chris Williamson: It is marvellous news that people are getting employment in the construction industry. As a former bricklayer—I have mentioned that before—among my many other occupations, I am delighted about that, because obviously the construction sector is labour intensive and will contribute to growth. However, it is important that the construction industry is regulated properly by the Health and Safety Executive for the health and safety of the 3,000 workers who will secure employment with Barratt. Having worked on a building site in the 1970s, I know from personal experience how hazardous and dangerous such sites can be. I had an industrial accident owing to there being no safety rails on scaffolding. I could have died as a consequence, but was fortunate that I was not too seriously injured. It is a hazardous industry, so it is important that it is properly regulated.

Perhaps the economy is not flat-lining at the moment, but it was for most of this Parliament. We are now seeing some flimsy growth, although I will mention my concerns about that in a moment.

John Cryer: Despite the words of the hon. Member for Rochford and Southend East, the reality is that the number of construction workers who are out of work is still into six figures—well over 100,000—and we have the lowest number of home starts since the 1920s. Despite a period of devaluation, we are not increasing exports.

Chris Williamson: My hon. Friend's important point reminds me to come back to another aspect of the intervention made by the hon. Member for Rochford and Southend East. He talked about Help to Buy, but I am worried about that because unless there is a significant uplift in house building—we are not seeing it—without an increase in supply, the availability of credit will result in a house price bubble. We are beginning to see that in various parts of the country already.

John Hemming (Birmingham, Yardley) (LD): To bring the hon. Gentleman back to the details of the amendment, is he arguing that regulatory action should be taken when it is not needed?

Chris Williamson: I will come to that in a moment. If the hon. Gentleman will bear with me, I shall deal with that point when I get to it.

With the obligation that they seek to incorporate into the Bill, the Government are trying to give the impression that they are doing something, when in reality they are doing little. The growth at the moment is built on sand. If I may, Mr Chope—if it is okay for an atheist—I will regale the Committee with a biblical quotation, from Matthew:

"Everyone then who hears these words of mine and does them will be like a wise man who built his house on the rock. And the rain fell, and the floods came, and the winds blew and beat on

[Chris Williamson]

that house, but it did not fall, because it had been founded on the rock. And everyone who hears these words of mine and does not do them will be like a foolish man who built his house on the sand. And the rain fell, and the floods came, and the winds blew and beat against that house, and it fell, and great was the fall of it."

Frankly, that sums up the approach the Government have taken since they came to office.

The hon. Member for Rochford and Southend East let the cat out of the bag with his reference to Help to Buy, which is fuelling a large part of the growth. Growth is obviously welcome to see, but we are not seeing manufacturing growth or exports, as my hon. Friend the Member for Leyton and Wanstead pointed out, and the Bill will not deliver them. The clause will make matters worse. When we look at the record, it is clear that deregulation does not work. *[Interruption.]* I see the hon. Member for Croydon Central scoffing and smiling, as if I am talking gibberish and nonsense, so let us look at the statistics. In the 1960s, growth for the decade was 38.3%; in the 1970s, it was 28.2%. That was the period when regulation was at its height.

The Solicitor-General: Labour years.

Chris Williamson: Great Labour years, punctuated, unfortunately, by one or two periods of Conservative Government. Those Conservatives were nevertheless one nation Tories—before the advent of the new right and Margaret Thatcher—who subscribed to appropriate regulation. In the 1980s, growth was 30.5% and in the 1990s it was 36.8%. It never matched the 1960s.

Gavin Barwell: Better than the 1970s though.

Chris Williamson: The point I am making is that growth in the 1980s, when deregulation came in, was broadly the same as it was in the 1970s. For all that deregulation is trumped up to be by Government Members, it does not work. It is not a substitute for proper growth.

The Chair: Order. The clause is about regulatory functions; it is not about deregulation. I hope the hon. Gentleman will address his remarks to the substance of the clause.

Chris Williamson: I am grateful for your guidance, Mr Chope. I want to come to the specific point my hon. Friend the Member for Chesterfield mentioned—he spoke for 60 minutes, but it felt like five because I was so enraptured by his oratory—sustainable economic growth. "Sustainable" is what it says in the next amendment. Do we not want sustainable economic growth? I am fearful. A lot of commentators make the point that what we are seeing is not sustainable economic growth.

David Rutley: Is the hon. Gentleman saying that when economic growth was founded on the rock of socialism, under the previous Labour Government, we saw benefits as a result?

Chris Williamson: We did see benefits, certainly; we absolutely saw real benefits. We saw circumstances where an ordinary working-class person like me, an apprentice bricklayer, could buy a house at 19 years of age—a brand-new three-bedroom house. How many apprentice bricklayers could do that in this day and age? We need the kind of sustainable economic growth from which everybody can benefit, not just those at the top.

Toby Perkins: If I may, I will return the compliment to my hon. Friend and say that I am enjoying his contribution immensely. Is not the truth that we saw 11 years of stable economic growth—the longest period of stable economic growth we had ever had—undermined by a failure in the regulatory function, caused largely by the deregulation of the City under the previous Conservative Government, but not altered under our Government?

12.45 pm

Chris Williamson: My hon. Friend puts his finger absolutely on the point. If one thinks back to the deregulation—*[Interruption.]* The hon. Member for Croydon Central is laughing and scoffing; I do not know whether he has been enjoying the Opposition contributions. The truth is—and he cannot deny it—that the problem with the financial crash can be pinpointed back to the deregulation in the 1980s. If the regulatory body at the time had wanted to impose proper regulation to prevent that crash from happening and this legislation had been on the statute book, it would potentially have been unable to do so, particularly as we are only talking about economic growth and not sustainable economic growth, as my hon. Friend's amendment says, so there would be a real problem.

John Hemming: I should just point out that we are talking about amendment 27, which would delete the words

"regulatory action is taken only when it is needed".

In other words, the argument for the amendment is that you can have regulatory action whether or not it is needed. That was the question that I asked you earlier, but you have not yet answered it.

The Chair: Order. I hope the hon. Gentleman is going to address his remarks to the Chair.

John Hemming: My apologies.

Chris Williamson: Thank you, Mr Chope. If I have not already made the point, I will come to that later in my speech. If the hon. Member for Birmingham, Yardley will bear with me and have a little patience, I will deal with the point to which he refers. What we are seeing, as a result of there not being sustainable economic growth, is the obscene increase in extreme wage inequality in our country. As a consequence of the deregulatory way in which Governments have addressed the regulatory function over the years, between 1979 and 2007 we saw, according to the Centre for Economic Performance, the top decile increase their share of income by 14 percentage points, from 28.4% to 42.6%. The top percentile accounted for two thirds of these gains, seeing their share rise from 5.9% to 15.4%. If we are talking about economic growth, surely we want the fruits of that growth to be shared by everybody, as it was in the 1960s and 1970s, unlike today.

It is appropriate that the amendment standing in the name of my hon. Friend the Member for Chesterfield talks about sustainable economic growth. That is absolutely apposite and the right way to go. We are seeing the

result of this extreme inequality in wages. I will again quote the Centre for Economic Performance, which points out that the median pay of a FTSE 100 CEO is now about 116 times that of the median worker, compared with a ratio of 11 in the 1980s. Where are we going, Mr Chope? This is ridiculous. It is all very well having economic growth, but if it is focused only on a tiny percentage of the population, that is not really benefitting people. It is certainly not benefitting the ordinary working people whom I represent.

Toby Perkins: I agree entirely with my hon. Friend. Does he also agree that the second part of our amendment—which would require regulators to set out any complaints they received—means that we would get proper information where there were problems with a regulator, but that where there was not a problem, we would not create one?

Chris Williamson: My hon. Friend is absolutely right, and that seems a far more sensible approach to take. It is essential that we have appropriate information on which to base policy decisions that can facilitate and assist business and ensure that we create sustainable economic growth.

As I understand it, the clause will cover 50-odd regulators. One of my other concerns—my hon. Friend has touched on this—is that it puts the regulators in a slightly awkward situation. I do not think they will quite know what their role, function or priority is. Given the approach of certain Government Members, I fear that profit will be put before safety. In days gone by, when regulation was less tight, profit was clearly put before safety—there is no doubt about that. The regulations were tightened up as a consequence of the dreadful health and safety conditions on building sites—including those on which I worked, for example.

When I was a young apprentice bricklayer and I was topping out a house, I used to ask, "Can we not have a safety rail on the scaffolding?" I used to be told, "What do you want a safety rail for? You won't be up there long enough. Just get up there and do it." I used to teeter on the scaffolding with two oil drums, a few breezeblocks and a single batten that was used to do the topping out to the apex. It was ridiculous; I had no hard hat, no safety boots and no proper safety wear. Unless it is very clear what the function of regulators is, there might be a tendency to put profit before safety.

My hon. Friend the Member for Chesterfield quoted EDF—as I have—which said the growth duty will have a "chilling effect". EDF went on to say that a requirement

"to prove on each occasion that action was 'needed' rather than…simply appropriate and justified"

will create difficulties. On the issue of putting profit before safety and distracting regulators from their primary role, I worry that the clause will diminish the quality of regulation and potentially create more bureaucracy with no tangible benefits. Indeed, the Local Government Association said it would do precisely that.

My other concern is that the clause will be a lawyers' charter. The Solicitor-General is not in his place, but earlier my hon. Friend the Member for Chesterfield challenged him on whether there had been any lobbying by the legal profession about this clause. It is likely to lead to numerous judicial reviews, because the wording that my hon. Friend seeks to remove would leave it open to interpretation. He identified at least two different interpretations, and I think there could be several more. Clause 61(2)(b) states:

"any action taken is proportionate."

What does "proportionate" mean? It is a shame that the Solicitor-General is not here, because he is legally qualified and he might be able to—*[Interruption.]* The Solicitor-General is back; he might be able to help me. Perhaps I should explain to him that I was making the point that the clause as drafted will be a lawyer's charter, and we will potentially have judicial reviews coming out of our ears. Clause 61(2)(b) states:

"any action taken is proportionate,"

but what does "proportionate" mean?

John Hemming: The answer to the hon. Gentleman's question is that it means "not disproportionate". Why would he want regulators to take disproportionate actions?

Chris Williamson: Excuse me, but where does the amendment say "disproportionate"? We are not calling for disproportionate action. Putting that phrase on the face of the Bill would make it a lawyers' charter, because "proportionate" can mean a multitude of different things.

Then, of course, clause 61(2)(a) says:

"regulatory action is taken only when it is needed".

How do we know when it is needed? If regulatory action is taken and a company—especially a bigger company, with a lot of resources at its disposal—is unhappy with it and feels that the regulator is being unduly burdensome, it is almost bound to challenge that action by saying, "We don't think what you're doing is needed. How can you justify it? It's not reasonable. It's not needed and it's not proportionate."

This will end up in the law courts. Indeed, I thought this was supposed to be a deregulatory Bill, yet it seems to me that a lot of time will end up being wasted in the courts. As I understand it, the Gambling Commission has said that the clause fosters litigation instead of collaboration, so I am not the only one making this point. There are interested parties outside this place that are reinforcing the point I am making. They say that the clause will foster litigation instead of collaboration.

I do not understand why the Government are resisting the reasonable amendment that my hon. Friend the Member for Chesterfield has tabled to delete those highly questionable paragraphs that are open to interpretation and insert the aim for sustainable economic growth, which is absolutely worth incorporating, because we want to ensure that economic growth is sustainable and we do not want to end up creating a lawyers' charter. As I say, I am not the only one who is making that point. I made the point to both the Solicitor-General and the hon. Member for Birmingham, Yardley, and neither could advise me what is meant by "proportionate" and "needed". I ask again, and perhaps the Solicitor-General would be willing to offer an interpretation.

Toby Perkins: I am sure I do not need to tell my hon. Friend, but for the sake of the hon. Member for Birmingham, Yardley, let me say that just because there were words in the original drafting that were sensible, that does not mean that by deleting them we are against

[Toby Perkins]

all that. We could not leave individual phrases hanging there, in some sort of wilderness. He should not take it that we are in favour of disproportionate regulation.

Chris Williamson: Precisely. As things stand, I do not think the regulatory bodies operate in a disproportionate way. They provide fantastic safeguards for workers and consumers. Are we saying that we want to allow consumers to be poisoned? Are we saying that it is okay for building workers to be subject to undue and unreasonable risk on a building site? Surely even the most right wing among the Government Members—*[Interruption]*—even the smiling hon. Member for Croydon Central—would not argue with that, would they? He is not nodding or shaking his head. Maybe he would argue with that; I do not know.

Chi Onwurah: I am sorry to interrupt my hon. Friend while he is in full flight, but it is important to note that regulators already have duties of proportionality. Indeed, there is a duty of proportionality in Government action generally. As for this question of using the word "proportionate" or not, I am very surprised by it, and I am grateful that he has raised this issue.

Chris Williamson: That is a very interesting intervention, and that is another reason why this clause—or this part of it—is superfluous and why Government Members ought to support the amendment.

Government officials have said that they are absolutely sure that the deregulatory basis of this Bill will benefit business. However, the Minister of State, Department for Business, Innovation and Skills, the right hon. Member for Sevenoaks (Michael Fallon), said that the initial impact assessment said that this provision was not

"a major part of our reduction on the burdens of business"

and that

"it won't solve the problem of growth but will make a difference perhaps at the margin."

That is a Business Minister saying that it is hardly going to make any difference at all—it will make a difference "perhaps at the margin." There we go: the cat is out of the bag. It will only make a difference "perhaps at the margin."

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

1 pm

Adjourned till this day at Two o'clock.