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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Tuesday 30 June 2015

House of Commons

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The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

CONTINGENCIES FUND 2014-15

Ordered,

That there be laid before this House an Account of the Contingencies Fund, 2014–15, showing—

- (1) a Statement of Financial Position;
- (2) a Statement of Cash Flows; and
- (3) Notes to the Account; together with the Certificate and Report of the Comptroller and Auditor General thereon.—(*Stephen Barclay.*)

Oral Answers to Questions

BUSINESS, INNOVATION AND SKILLS

The Secretary of State was asked—

Small and Medium-sized Businesses

1. **Alan Mak** (Havant) (Con): What steps he is taking to support small and medium-sized businesses to become more competitive. [900630]

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): Our business growth service provides expertise to ambitious firms who want to grow and become more competitive, and over this Parliament we will make extensive cuts to red tape which will save businesses £10 billion.

Alan Mak: I thank the Secretary of State for his answer. Headromance is a Havant-based hair salon launched in 2012 by two young entrepreneurs. It now employs 10 stylists and five apprentices. Will my right hon. Friend update the House on the measures this Government have taken to support the growth of apprenticeships?

Sajid Javid: I warmly welcome my hon. Friend to his place. I am not sure I would have much need of the services of Headromance—I am sure that applies to the shadow Business Secretary too—but that does not stop me warmly congratulating its owners on their success and in particular on backing apprentices. As my hon. Friend knows, during this Parliament we want to see apprenticeship starts rise to 3 million, and we have a number of measures in place to achieve just that.

Robert Ffello (Stoke-on-Trent South) (Lab): I draw attention to my entry in the register of interests. Many small and medium-sized freight businesses struggle with the cost of training drivers. Have the Government any plans to look at this afresh with a view to helping people train to become lorry drivers in the UK?

Sajid Javid: As the hon. Gentleman will know, it is very important for the Government to listen to all industries about their skills and training needs, including for freight drivers. Of course, the option of apprenticeships is open to that industry, but we must look at other measures too.

Mike Wood (Dudley South) (Con): The business rates system is one of the major barriers to competitiveness for small and medium-sized enterprises. What plans do Ministers have to reform and alleviate some of that burden?

Sajid Javid: My hon. Friend will know that the Chancellor announced a full review of business rates in the last Budget. It is important to note that although that will be a proper full review looking at what sensible changes can be made, it will stay fiscally neutral, so it will not be possible to satisfy everyone.

Peter Kyle (Hove) (Lab): Brighton and Hove is the most entrepreneurial city in the country but still lags behind the region for productivity. What is the Secretary of State doing to increase productivity among small businesses?

Sajid Javid: There are a number of actions that Government can take, and some of them were taken by the coalition Government and are now bearing fruit, such as cutting taxes and the employment allowance. During the lifetime of this Parliament, there will be a big focus on productivity, and there will be further measures, including on deregulation.

Rishi Sunak (Richmond (Yorks)) (Con): The last Labour Government had an appalling record on regulation, introducing something like six new regulations a day. What does my right hon. Friend think that did for the productivity of small and medium-sized companies in the UK?

Sajid Javid: I welcome my hon. Friend to the House, and he is absolutely right: the last Labour Government had an appalling record on so many things, including regulation, and the more we can keep the red tape challenge going, and our policy of one in, two out, the more we will help businesses.

Jim Shannon (Strangford) (DUP): In Northern Ireland 99.9% of small businesses are the core of the industrial base. They create some 347,000 jobs. What can the Secretary of State do to ensure that those jobs can be retained and more jobs can be created?

Sajid Javid: The hon. Gentleman is right to point out the importance of small businesses, particularly in the context of Northern Ireland. He will know that many

of the policies that impact on small businesses in Northern Ireland are devolved, but there are a number where we can make an impact through the UK Government. One is foreign investment, which has been going up in Northern Ireland, and we will continue to focus on that.

Self-employed People (Regulation)

2. **David Morris** (Morecambe and Lunesdale) (Con): What steps he is taking to simplify regulation for self-employed people. [900631]

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): The enterprise Bill will help to save businesses £10 billion through further deregulation. We have committed to launch a review into tackling the specific disadvantages faced by the UK's 4.5 million self-employed.

David Morris: I thank my right hon. Friend for that answer. As the self-employment ambassador, the issue of the IR35 constantly crops up when self-employed people write to me. Can we meet to see how we can simplify this?

Sajid Javid: I thank my hon. Friend for the work he has done and continues to do as self-employment ambassador. I would be delighted to meet him to discuss how we can make the system fairer, quicker and simpler for the self-employed. He will know that tax policy, in particular, is an issue for the Treasury, and I will bring it to the attention of my hon. Friend the Financial Secretary.

Marie Rimmer (St Helens South and Whiston) (Lab): The number of self-employed people is growing, but they are often disadvantaged and face additional burdens when applying for a mortgage or to set up a pension scheme for themselves. What steps is the Minister taking to ensure that these barriers are not erected and do not attack the self-employed?

Sajid Javid: The hon. Lady is right to point out that issue. She may know, as I am sure she read it carefully, that the Conservative party had a very pro-business manifesto. We have rightly committed ourselves to having a review of the challenges faced by self-employed people and their businesses, and that would include looking at the issue she raises: access to mortgages.

Mr Philip Hollobone (Kettering) (Con): The self-employed in Kettering and across the country are the unsung heroes of the economic recovery, yet their terms and conditions, with no sick pay, no holiday pay and inadequate pension provision, are akin to those of zero-hours contracts. What will the Secretary of State do in this Parliament to ensure that the rewards for the self-employed, with their enterprise and endeavour, are properly recognised?

Sajid Javid: My hon. Friend, as usual, is spot on. He should know that this review will look at precisely those issues. A number of challenges are faced by the self-employed and it is about time the Government took a careful look at them. That is exactly what we will be doing.

Andrew Gwynne (Denton and Reddish) (Lab): The Government's universal credit plans are set to burden 600,000 self-employed people with additional red tape requiring them to provide a new set of monthly accounts. Given that the Secretary of State is responsible for cutting red tape, what is he doing about that? What is he doing to put self-employed people first?

Sajid Javid: The hon. Gentleman will know that the universal credit plans are essential to make sure that work pays, and I would have thought he would support that. On the issues that it might raise for small businesses and the self-employed, it is important that we look at the net burden of regulation on businesses and keep reducing it.

Industrial Strategy

3. **Ian C. Lucas** (Wrexham) (Lab): If he will implement an active and interventionist industrial strategy to assist economic growth in the UK. [900632]

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): The biggest challenge facing the economy is improving productivity, and that challenge varies by sector. Dialogue with business, including through the sector councils, as part of our industrial approach, is key to addressing this issue.

Ian C. Lucas: As a member of the last Labour Government, I am very proud that the Labour party, in government, established the Automotive Council, which has provided the framework for the most successful decade in UK car production for a very long time. Will the Secretary of State confirm that he will not, on the altar of ideology, endanger that success?

Sajid Javid: I look forward to working with the Automotive Council. In fact, I have already had a meeting with it and I told it something the hon. Gentleman would agree with, which is that the automotive industry is one of the brightest stars in the constellation of British business.

Mr Steve Baker (Wycombe) (Con): May I reassure my right hon. Friend that if he does wish to follow a more liberal policy than his predecessor, he will have plenty of support from Conservative Members?

Sajid Javid: I can tell my hon. Friend that we will have active dialogue with various industries, across sectors, and we will make sure that we are listening and seeing what the Government can do.

Andy McDonald (Middlesbrough) (Lab): Given tomorrow's eagerly awaited announcement by the Teesside Collective on its ambitious industrial carbon capture and storage proposal, will the Minister, with his colleagues, ensure that industrial, energy and climate change policies are aligned and that every other assistance is given to the collective in bringing about an early realisation of this vital project?

Sajid Javid: I have listened very carefully to the hon. Gentleman, and if he would like to furnish me with more information about the Teesside Collective and how we can help, I would be happy to take a look.

Mr David Jones (Clwyd West) (Con): The Government's northern powerhouse strategy has the potential to offer huge benefits to north Wales. What discussions has my right hon. Friend's Department had with the Welsh Government with a view to developing it?

Sajid Javid: As my right hon. Friend will know, this is a one nation Government. We want to make sure that, as the economic recovery continues, it includes every part of the UK, and that will of course include Wales. We are more than ready to talk to the Welsh Government. I have had a number of discussions with my right hon. Friend the Secretary of State for Wales, who at this point is a lot more interested in economic development in Wales than the Welsh Government.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The Chancellor says that he supports modern industrial policy and the Prime Minister has said that he wants an active industrial policy, but, according to the *Financial Times*, the new Business Secretary has told officials in the Department that they should not talk about industrial policy. Now we hear him talking about an "approach". Can he tell industries around the country whether he still has an industrial policy and, if so, what on earth it is?

Sajid Javid: I think I have already answered the hon. Gentleman's question, but I am happy to repeat that answer. This Government will have an active dialogue with all industrial sectors. We will listen to their needs on skills, infrastructure and training, and work with them. That includes the sector councils. We will also make sure that we are open to new industries, to competition and to disruptive industries, and that we become the most open economy in the world.

Strategic Support (Industries and Sectors)

4. **Anna Turley** (Redcar) (Lab/Co-op): What recent assessment he has made of the effectiveness of the Government's strategic support for industries and sectors. [900633]

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): In preparation for the forthcoming spending review, I am assessing the effectiveness of BIS policies, including strategic support for industry. We will continue an open dialogue with business, including through sector councils.

Anna Turley: A long-term industrial strategy is vital for my constituency, which boasts a major chemical process complex in Wilton. Recently, the workforce have been taking to the gates because they believe that long, hard-won, nationally agreed terms and conditions are being undercut on the site. What assurance can the Minister give me, and what steps is he taking to make sure, that nationally agreed terms and conditions are being applied on such sites, and that the British workforce are not being undercut by recruitment from overseas?

Sajid Javid: I welcome the hon. Lady to her place. I know that a number of industries, including the one that she has mentioned, are important to Redcar. I am more than happy to take a closer look at the issue that she raises. I am afraid that I do not know the details of

it, but if she would like to furnish me with them, I or my right hon. Friend the Minister for Small Business, Industry and Enterprise will take a closer look.

Tom Pursglove (Corby) (Con): Steel producers are an important employer in Corby. Will my right hon. Friend meet representatives of the steel all-party parliamentary group, who are working closely together, to talk about strategic support, especially on carbon taxation?

Sajid Javid: I welcome my hon. Friend to his place and congratulate him on his work to help the steel industry to meet those challenges. I will be more than happy to meet him and representatives of the APPG and see what more we can do, especially on the high energy costs that the industry faces.

Alan Brown (Kilmarnock and Loudoun) (SNP): I have previously suggested a strategic support mechanism for the open-cast coal industry—a carbon tax exemption for specific sites. An independent economic analysis suggests that an exemption with a value of £195 would produce a net income to the Treasury of £57 million and would also allow the sites to be restored. Will the Secretary of State consider that urgently and work with the Treasury to include the exemption in the July Budget or, following a previous offer, meet me to discuss it?

Sajid Javid: Steel is a very important industry, employing thousands of people in Britain. It is important to see what we can do to help, so I or my right hon. Friend the Minister for Small Business, Industry and Enterprise will be more than happy to meet the hon. Gentleman.

John Pugh (Southport) (LD): What plans, if any, do the Government have to make local enterprise partnerships more democratically accountable? They have more funds than the regional development agencies, but are less accountable.

Sajid Javid: It is right that LEPs are business-led, but it is also important that they include democratically elected people, and that is how they are working. It is important to review LEPs after a few years of operation and to ensure that they are truly accountable.

Productivity

5. **Huw Irranca-Davies** (Ogmore) (Lab): What steps his Department plans to take to improve productivity in businesses and industries. [900634]

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): Productivity growth ultimately comes from business and the hard-working people of Britain, but the Government can, of course, help. That is why my Department is working closely with the Treasury on a forthcoming productivity plan.

Huw Irranca-Davies: The Minister is right about the reliance on individual workers to drive up productivity and about what the investor community can do as well, but he will know that the Office for Budget Responsibility has said that if productivity per worker was 4% higher during this Parliament, that would have a significant effect on reducing the national debt, and correspondingly,

that if it was not, the national debt could rise. Does he agree with this rather gloomy assessment and, if so, what does he think the figures for individual growth per worker will be by the end of this Parliament?

Sajid Javid: The hon. Gentleman will know that the UK has had a long-running productivity challenge, which was made all the worse by Labour's great recession. An increase in productivity is the surest way to raise real wages and I can assure him that it will be a major focus of this Parliament. We will shortly publish a productivity plan which I hope will reassure him that the Government take this very seriously.

Neil Carmichael (Stroud) (Con): Does the Secretary of State agree that in challenging the productivity problem, we need to address our minds to skills and making sure that we have the appropriate pipeline of skills running through the education system to the businesses that desperately need them?

Sajid Javid: I congratulate my hon. Friend on becoming Chair of the Education Committee. He is right to talk about the link between better skills and increased productivity, and I hope that in his new role he can make a valuable contribution to that.

Michelle Thomson (Edinburgh West) (SNP): Given that we are five years into the long-term economic plan and regrettably our productivity is 17% lower than the average among G7 economies, with growth in the EU 5% over the same period, why does the Minister believe that productivity will rise during the lifetime of this Parliament, since it fell during the last Parliament?

Sajid Javid: I welcome the hon. Lady to her place. She is right to point out the challenges of productivity, which have been a long-term challenge for this country. I hope she recognises that over the past five years the previous Government did a huge amount to turn around the economic fortunes of this country. We are the fastest growing country in the G7, and just today we saw the Office for National Statistics revise growth figures for last year. That means thousands of jobs throughout Britain, including Scotland, making us the jobs factory of Europe.

Michelle Thomson: The Scottish Government, of course, are focused on growing our economy, using our four Is—innovation, internationalisation, investment and inclusion. Will the Minister support the Scottish National party call for a change to remove the sudden decrease in the investment allowance from £500,000 down to £25,000 from 1 January 2016 to help continue our success?

Sajid Javid: If the SNP wants to help business in Scotland, it should look at deregulating much more. In many of the areas that are devolved to Scotland, whereas the UK Government have been working hard to cut regulation, the Scottish Government have been working hard to boost regulation. Deregulation is one of the best ways to help productivity and growth in Scotland.

Superfast Broadband (Rural Areas)

6. **Rebecca Pow (Taunton Deane) (Con):** What discussions he has had with the Secretary of State for Culture, Media and Sport on the importance of superfast broadband to rural businesses. [900635]

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): There have been no recent discussions between the Business Secretary and the Culture Secretary, but as the Secretary of State for Business was the Secretary of State for Culture and therefore responsible for the broadband programme, a meeting is not necessary at this moment.

Mr Speaker: He can talk to himself.

Rebecca Pow: The second phase of the connecting Devon and Somerset superfast broadband programme has not been signed this week, and this could have an enormous negative impact on the economy of my constituency, Taunton Deane. For example, one business, the British Association for Shooting and Conservation, has recently moved from Staple Fitzpaine, taking eight rural jobs with it because it had no broadband. Please will the Minister intervene urgently to ensure that this vital service is provided not just for Taunton Deane, but for the whole of Somerset?

Mr Vaizey: I am delighted to welcome my hon. Friend to her place. Within weeks of arriving here, she is already proving that she will be a champion for her constituents, particularly on this issue. I am delighted that 52,000 premises in her constituency have superfast broadband. Another 10,000 will get it and I will continue to work with her and all MPs in Devon and Somerset to ensure that the broadband roll-out programme goes to plan.

Tom Elliott (Fermanagh and South Tyrone) (UUP): Has the Minister had any discussions with the devolved institutions about co-operating on rural broadband? The providers are UK-wide and there are opportunities for such discussions.

Mr Vaizey: We work closely with the Northern Ireland Executive on the issue. Something like £23 million is helping to roll out superfast broadband in Northern Ireland and get it to the level it should be at.

Mr Ranil Jayawardena (North East Hampshire) (Con): My hon. Friend the Member for Taunton Deane (Rebecca Pow) was right to mention rural businesses. Does the Minister agree that it is important for BT and others to streamline the way in which local authorities can provide match funding to help the final 5%?

Mr Vaizey: Yes. The success of the broadband programme so far means that focus is now turning to the final 5%, and in the next few months we will announce our plans to deliver for them. I am delighted that some £14 million has helped Hampshire get to 89%, and phase 2 will take it to 96%.

Carolyn Harris (Swansea East) (Lab): Does the Minister think that it is acceptable that in half of the Government's enterprise zones firms do not have full access to superfast broadband?

Mr Vaizey: It is important that we get superfast broadband to as many businesses as possible. I was delighted that last week we were able to say that 25,000 businesses have taken advantage of our excellent voucher scheme.

Small Businesses (Lincolnshire)

7. **Stephen Phillips** (Sleaford and North Hykeham) (Con): What assessment he has made of the effects in Lincolnshire of the Governments policies on small businesses. [900636]

The Minister for Small Business, Industry and Enterprise (Anna Soubry): Between 2010 and 2014 the number of private sector businesses in the east midlands increased by 28,000. Last week it was an absolute pleasure to meet representatives from local enterprise partnerships right across the midlands, including from Lincolnshire. There was such enthusiasm to make the midlands the engine that we want it to be, replicating the northern powerhouse—[*Interruption.*] I am sorry that Opposition Members find that funny; I thought that they would have welcomed the northern powerhouse, as their Labour colleagues in those local authorities do. In any event, we know that small businesses are at the heart of our long-term economic plan.

Stephen Phillips: I am grateful to my right hon. Friend for that answer. She will want to join me in welcoming the latest figures, which show that employment in the north-east, the north-west and the east midlands is growing faster than in London. Will she ensure that that record of seeing growth and prosperity outside London continues, reflecting this Government's one-nation approach?

Anna Soubry: I completely endorse my hon. and learned Friend's sentiment and absolutely agree with him. Between 2010 and 2014, 58% of net new jobs were created outside London and the south-east, whereas between 2004 and 2010 the figure was only 37%. That is further evidence of our long-term economic plan working.

Several hon. Members *rose*—

Mr Speaker: Order. The Minister has broadened the question a bit, which she is perfectly entitled to do, but not to the extent that it would encompass Northern Ireland, Merseyside or even west Yorkshire. Those Members will have to await their opportunity.

Mr Dennis Skinner (Bolsover) (Lab) *rose*—

Mr Speaker: Ah, the hon. Gentleman is stirring in his den. Mr Skinner.

Mr Skinner: I have listened carefully for the past half an hour to find out exactly what the Tory Government are trying to do about places in the east midlands such as Bolsover, which is very close to Lincolnshire, because when the Labour Government were in power, both myself and Gordon Brown, the then Chancellor of the Exchequer, were the northern powerhouse. I asked him for 40 million quid to flatten the pit tips at Markham Vale, and he gave it me. Then I asked for some more money for an interchange straight up the M1 into Markham pit yard, and I got that as well. We were fixing the roof while the sun was shining. We don't want none of this claptrap about the Tory northern powerhouse. [*Interruption.*]

Anna Soubry: I thought—[*Interruption.*]

Mr Speaker: Order. We must hear the answer.

Anna Soubry: I thought that we were about to call for a Division during that so-called question. Let me remind the hon. Gentleman what his real record is. The real record is one of the longest and deepest recessions in our country's history. The real record is bringing this nation to the verge of bankruptcy. Instead of talking down the east midlands—and I am an east midlands person through and through—the hon. Gentleman should be talking it up, and rightly so. From my experience, we will see the creation of a midland engine that will give us the long-term growth and the jobs of the future that his party failed to deliver.

Karl McCartney (Lincoln) (Con): Considering the growth of business opportunities in our county and particularly in the city of Lincoln, will the Minister build on the recently announced £130 million investment in the University of Lincoln, a chief component of the midlands engine, and grant us enterprise zone status?

Anna Soubry: I am very happy to provide a triumph for Lincoln, given that it is the city of my birth, if I may say so. In any event, I am very happy to meet him to talk about the future of the university and the real role it can play. As I have said—forgive me for repeating it, Mr Speaker—I have met all the representatives of the LEPs from right across the midlands. Indeed, we talked about Lincoln University and the real desire to create a midlands engine, and rightly so.

Mr Speaker: It has to be said that repetition is not a novel phenomenon in the House of Commons.

Business Regulation

8. **Helen Whately** (Faversham and Mid Kent) (Con): What steps he is taking to reduce regulation of businesses. [900637]

The Minister for Small Business, Industry and Enterprise (Anna Soubry): As we have heard, the Government are committed to reducing the regulatory burden on all businesses. The one in, two out initiative has put a real brake on the introduction of new regulations. Through the enterprise Bill, we will target regulators' actions as part of our commitment to cut a further £10 billion of red tape for the benefit of businesses.

Helen Whately: I thank my right hon. Friend for her answer. There are many pubs in my constituency, as well as the Shepherd Neame brewery and the Whitstable brewery. These local businesses are important as employers, and for their role in rural communities. Outdated bureaucracy is one more hurdle for them to overcome. For instance, pubs are required to advertise changes in their licence, costing about £500 a time, and many local authorities require licence fees to be paid by cheque, rather than allowing more modern methods of payment. What steps will the Government take to reduce the burden of bureaucracy on pubs and breweries?

Anna Soubry: I welcome my hon. Friend to her place and thank her for her question. She provides examples of exactly the sort of regulation that we are seeking to look at and, indeed, to remove if necessary. That is

why I will shortly announce a new Twitter account, @CutRedTapeUK, which no doubt—[*Interruption.*] It is all right. I am familiar with Twitter—oh, yes—and hashtags. I am trying to make the very serious point, which may be lost on Opposition Members, that we want to hear from businesses, and indeed from anybody, about the red tape, regulation and the burden it imposes, notably on small businesses, so that we can cut it.

20. [900649] **Nick Smith** (Blaenau Gwent) (Lab): The summer sporting and music calendar is in full swing, but fans are being let down by shady ticket sellers. This week, Taylor Swift fans are disappointed after the company from which they have bought tickets online disappeared without trace. When can we have better regulation of the secondary ticket market so that fans are not ripped off? [*Interruption.*]

Anna Soubry: I have heard of Taylor Swift, too. We are doing a review of that because we recognise that there is a problem. [*Interruption.*] The hon. Gentleman is straining to hear above all the chuntering on the Benches in front of him. I think my hon. Friend the Minister for Skills has responsibility for that—we are aware of the problem and we are doing a review—but I am more than happy to meet him to talk about it.

Michael Fabricant (Lichfield) (Con): Does my right hon. Friend agree that key to reducing regulation will be renegotiation in Brussels, so will she #congratulate the Secretary of State, who is sitting right by her, for his brilliant speech last night to the CBI, telling it that to argue against Brexit is madness before we have actually renegotiated anything?

Anna Soubry: I think I should just say yes, Mr Speaker, but I would add that my right hon. Friend the Secretary of State was actually talking about all businesses, not just those here.

Bill Esterson (Sefton Central) (Lab): I am sure that businesses will tell the Minister on Twitter what they told Ernst and Young, which is that the number of regulations has gone up, not down, under this Government. Is not the reality that this Government are all talk and no action when it comes to getting rid of regulations?

Anna Soubry: I am tempted to say, “The hon. Gentleman would know, wouldn’t he?” I am really surprised at his churlish attitude, and I absolutely do not agree with what he has been told. We know, because it was properly evaluated, that under the previous Administration we actually achieved £10 billion of savings for businesses by cutting red tape. The hon. Gentleman should welcome and praise that.

Small Businesses (Prompt Payment)

9. **John Mc Nally** (Falkirk) (SNP): What steps he is taking to encourage prompt payment to small businesses. [900638]

The Minister for Small Business, Industry and Enterprise (Anna Soubry): The Government are leading the way in paying their suppliers promptly. We have already legislated to “cascade”, as it says here, 30-day terms throughout public sector supply chains. We have also legislated for

new transparency measures in the public and private sectors, which will allow full public scrutiny of payment performance. We will go further and consult on our proposals for a small business conciliation service.

John Mc Nally: There are many roofing businesses and other small and medium-sized enterprises in Falkirk, and the time and effort involved in chasing late and incomplete payments is a serious burden on them. What plans do the Government have to ensure that the onus is on large contractors to pay, as opposed to SMEs having to chase?

Anna Soubry: I completely take the point, and I thank the hon. Gentleman and welcome him to his place. As he will understand, smaller businesses are often reluctant to take action through law. That is why we are considering a conciliation service, which could provide a genuine answer. I would be delighted to come to Falkirk at some stage on my travels and meet some of the companies in question to assure them that we are on their side.

Huw Merriman (Bexhill and Battle) (Con): According to the Federation of Small Businesses, half of small firms were paid late last year. What progress has the Minister made in ensuring that large firms do not take advantage of small businesses in their supply chain and risk livelihoods in the process?

Anna Soubry: I take a firm view that it is absolutely scandalous when people do not honour the terms and conditions of their contract and pay late. That is not acceptable, particularly in the modern world. I hear terrible stories about supermarkets; one can only imagine what would happen if someone went shopping on a Saturday and then said at the checkout, “I think I’ll settle my bill in about 120 days.” Obviously they would be told that it was not acceptable, and it is not acceptable for large businesses to treat smaller businesses in that way. That is why we take the problem so seriously.

Toby Perkins (Chesterfield) (Lab): I very much welcome the tone that the Minister is taking, which is in sharp contrast with the feebleness of the Government’s efforts on late payments over the past five years.

Some 2,500 businesses go bust every year not because of a failed business model but simply because they have not been paid on time. Some £46 billion is now owed to UK firms, a figure that rose throughout the Government’s previous term. Will the Minister take serious action, and does she agree that the last Government’s actions were inadequate? What message will she send to businesses that do not pay on time about the actions that the Government will take?

Anna Soubry: I hope that I have sent a strong message. I could not be clearer—it is completely unacceptable. [*Interruption.*] There is no need to add extra regulatory burdens. The law is quite clear: if two parties have come together and settled terms and conditions through a contract—forgive me for sounding like the lawyer I am, Mr Speaker—and one party then breaks the contract by not paying on time, legal action is available to the other party. As we know, the problem is that small

businesses are understandably reluctant to go to law. I am exploring other options, including the continuation of naming and shaming.

Business Competitiveness

10. **Mr David Nuttall** (Bury North) (Con): What steps he is taking to increase the competitiveness of UK businesses. [900639]

The Minister for Small Business, Industry and Enterprise (Anna Soubry): The World Bank recognises the United Kingdom as one of the best places in the world to do business, ranking us eighth. We committed in our manifesto to make the UK No. 1 in Europe and in the top five worldwide in the Doing Business rankings by 2020.

Mr Nuttall: Does the Minister agree that for millions of small businesses that never export to the European Union, either because they simply serve the domestic market or because they export only to countries outside the EU, the regulations imposed by Brussels are a burden that damages their ability to compete?

Anna Soubry: I absolutely recognise, and the Government recognise, that EU regulations can hit small and medium-sized businesses particularly hard, which is not right or fair. A key priority of our European better regulation agenda is continuing to ensure that the European Commission honours its commitment to introduce lighter regimes for SMEs and exemptions for micro-enterprises where appropriate.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Surely the Minister realises that if we want our businesses to be more competitive, we have to look to skills. Has she seen Professor Alison Wolf's report "Heading for the Precipice", which is a damning comment on the lack of skills training in this country and the crisis in further education and adult skills?

Anna Soubry: Not only did we deliver 2 million apprenticeships—

Mr Sheerman *indicated dissent.*

Anna Soubry: The hon. Gentleman shakes his head, but that is a fact. He does not like to hear the facts. There were 2 million apprenticeships under the previous Government, and we are determined to achieve 3 million. That is the way we upskill in our country. He should look at the Labour party's record in government; it was pitiful compared with ours.

Mr Speaker: The hon. Member for Huddersfield (Mr Sheerman) is supposed to be a statesman in the House—[*Interruption.*] Order. He should be setting an example. It is not a two-way debate. He blurted out his question and he must listen to the answer.

Business Support

11. **Kit Malthouse** (North West Hampshire) (Con): What steps his Department is taking to support people who want to start their own business. [900640]

Mr Speaker: I call Anna Soubry—[*Interruption.*]

The Minister for Small Business, Industry and Enterprise (Anna Soubry): I am more than happy to answer questions.

More than 30,000 people have benefited from more than £155 million worth of loans expert business advice provided by the Start-Up Loans company, and around 70,000 unemployed people have set up their own businesses with the help of the new enterprise allowance scheme. The business support helpline provides free expert advice to help people start their own businesses in England.

Kit Malthouse: North West Hampshire is literally pullulating with people such as Joanne Bishop of Atalanta Jewellery who pluck up their courage and their savings to start their own business. They often have a skill or an idea that they want to put into action, but they lack the expertise to do so, and are often faced with the might of the state. Will the Minister outline what she and her Department will do to provide support to entrepreneurs in future, particularly in taking on the Government?

Anna Soubry: I think "pullulating" is a parliamentary word, Mr Speaker, but I think it was a new one on both of us.

We take that issue seriously and various schemes are available, including the business support helpline. I would be more than happy to meet my hon. Friend, who I welcome to his place, to discuss the issue. Ensuring that once people have started a business they can continue to grow it and get support, is an issue we take seriously.

Mr Speaker: I have been advised by a scholarly source that "pullulating" means to breed rapidly or abundantly. We are immensely grateful to the hon. Member for North West Hampshire (Kit Malthouse) for his dexterity in the English language.

Stella Creasy (Walthamstow) (Lab/Co-op): Like me, the Minister will no doubt be concerned that only one in five of those new start-up businesses is led by women. I know that she is keen on Twitter accounts, but let me give her a better idea of something that her own Department came up with, although sadly her predecessors refused to implement. Will she commit to monitoring selling to businesses led by women in the supply chain, and help to get British women back into business?

Anna Soubry: We know that more women are employed now than ever before. Call me an old fashioned feminist but—[*Interruption.*] I understand that Opposition Members could call me far worse than that. I support the many wonderful initiatives that have been introduced to encourage women to come into business and set up their own businesses. It is striking, however, that all the meetings I have had with big businesses have been very male-dominated. We find an abundance of women in the small business sector—[*Interruption.*] The hon. Lady shakes her head but that is a fact, and that is because women have so much talent.

Science Sector

12. **Antoinette Sandbach** (Eddisbury) (Con): What plans he has to support the science sector in the next five years. [900641]

The Minister for Universities and Science (Joseph Johnson):

In the previous Parliament the Government demonstrated our commitment to science by protecting the science budget, even as we were forced to make discretionary savings of £98 billion elsewhere. Over the next five years, as we saw in our manifesto, our commitment to science will run through it like the words in a stick of rock. We have reaffirmed our commitment to investing £1.1 billion of science capital, rising every year until 2021, including £2.9 billion on grand challenges.

Antoinette Sandbach: Thornton science facility was handed by Shell to Chester University, which is attended by many of my constituents. With large, high-skill employers such as Airbus, Bentley and others in the north-west, what more can my hon. Friend do to link employers to educational institutions and encourage the uptake of STEM—science, technology, engineering and maths—subjects?

Joseph Johnson: I agree with my hon. Friend that Thornton science park deserves national recognition as an exciting regional centre for innovation, enterprise and higher education. I also welcome the strong leadership from the University of Chester in drawing together an impressive range of partners from business and academia. We need to see more such collaboration between universities and business all over the country.

Daniel Zeichner (Cambridge) (Lab): Does the Minister appreciate that many of our great scientists at places such as the Babraham Institute and the Laboratory of Molecular Biology in Cambridge are civil servants and stuck on the civil service pay freeze, and are being offered much better terms abroad? Will we compete? It is time to do so.

Joseph Johnson: All parts of the public sector have been obliged to contribute to the national savings effort undertaken in recent years, but I would note to the hon. Gentleman that research councils have been exempted from those constraints and, as a consequence, have been able to compete around the world in attracting the best scientists to this country. They are doing so extremely effectively.

Liam Byrne (Birmingham, Hodge Hill) (Lab): Our universities are critical to the strength of our science base, but following the tripling of tuition fees in the last Parliament, four out of five students no longer think that their courses are value for money. The Minister's predecessor said that he saw no case for raising tuition fees in this Parliament. What does the Minister think? Will tuition fees go up in this Parliament? A simple yes or no will do.

Joseph Johnson: Due to the financial situation we inherited, we are of course forced to review all BIS spend—as all Departments are reviewing their spend. As our manifesto made clear, the Government are committed to continuing to ensure that we have a stable and sustainable funding regime for our universities and higher education institutions. They are secure and financially stable, and we will continue to ensure a fair balance of interests between taxpayers and students.

Low-skilled Jobs

13. **Christina Rees (Neath) (Lab):** What recent estimate he has made of the proportion of jobs in the economy which are low-skilled. [900642]

15. **Melanie Onn (Great Grimsby) (Lab):** What recent estimate he has made of the proportion of jobs in the economy which are low-skilled. [900644]

The Minister for Skills (Nick Boles): We are focused on increasing the number of jobs at all levels of skill and on investing in 3 million apprenticeships, which will help people to improve their skills and command higher wages.

Christina Rees: The Welsh Labour Government have created more than 17,000 job opportunities for 16 to 24-year-olds to develop skills and earn the minimum wage through their flagship scheme Jobs Growth Wales. Some 82% have been taken on by private firms, which has led to apprenticeships, further education and permanent work. Jobs Growth Wales has also enabled more than 270 young entrepreneurs to start new businesses. Does the Secretary of State have plans to roll out similar schemes this side of Offa's Dyke?

Nick Boles: We welcome efforts by all parts of the UK to grow jobs and apprenticeships, and we have our own policies here. We will produce 3 million apprenticeship starts at all levels over the next five years, but we welcome anything else that the Welsh Government do to create jobs and apprenticeships.

Melanie Onn: Thanks to Labour's groundbreaking commitment to tackling climate change, investment in wind energy in Grimsby has created much needed high-skilled jobs in our local economy. With 25% of our young people not in education, employment or training, support for that industry is essential for my constituents' future, but the Government have now announced the removal of subsidies for onshore wind. What effect does the Minister expect that to have on investor confidence in the offshore wind sector?

Nick Boles: It is not my area, but as the hon. Lady said the cut in subsidies is for onshore wind. Her constituency is focused on offshore wind, where the Government's support is committed and going up. I welcome the high-skilled jobs that that support is bringing to her constituency, which has seen a 38% fall in the number of people claiming benefits since 2010.

Topical Questions

T1. [900620] **Kit Malthouse (North West Hampshire) (Con):** If he will make a statement on his departmental responsibilities.

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): May I first pay tribute to my predecessor, the equally hirsute former Member for Twickenham? As part of the coalition Government, Dr Cable did a great deal to support British business.

Speaking of former members, I see that last month Lord Sugar resigned his membership of the Labour party, citing its negative business policies and general anti-enterprise approach. It seems that while the Government are busy creating 3 million more apprenticeships, Lord Sugar has told the Opposition that they are all fired.

Kit Malthouse: As a small businessman—I draw the attention of the House to my entry in the Register of Members' Financial Interests—I welcome the Government's work in the past four years to roll back the red tape that has dogged small businesses. Now that the Government are firmly in control of the Department, can Ministers reassure us that they will redouble their efforts? In particular, will they develop measurable targets, for cutting red tape and administration for small business, against which we can measure success?

Sajid Javid: I fully agree with my hon. Friend. We will continue to work very hard to cut regulations, building on the very successful red tape challenge in the previous Parliament and the policy of one in, two out. Cutting regulation for businesses is like a tax cut for those businesses. The only difference is that it does not cost the Exchequer anything, so we should cut as much regulation as possible.

Mr Chuka Umunna (Streatham) (Lab): Britain has the worst productivity in the G7, bar Japan. Proper adult skills provision, not just apprenticeships, plays a vital role in addressing that, but the adult skills budget has been cut by 35% in the past five years. Now the Chancellor tells us that a further £450 million is to be taken out of the Department's budget, which could lead to the end of further education as we know it. In light of these very real concerns, what assessment has the Business Secretary undertaken on the risks posed for the sector? Will he now guarantee that no college will close as a result of what he and the Chancellor are going to do?

Sajid Javid: One of the most important things for businesses, and for a vibrant economy, is making sure we continue to deal with the record budget deficit we inherited from the previous Labour Government. The hon. Gentleman knows that himself. He has been busy telling the press very recently:

“to be running a deficit in 2007, after 15 years of economic growth, was...a mistake.”

He understands the importance of this, and it means the Government have to make difficult decisions. He also said very recently to the *Financial Times* that

“We are starting from square one.”

I think he was talking about the economic credibility of the Labour party. I do not think that was an accurate statement; I think he was—

Mr Speaker: Order. The Front-Bench exchanges have to be brief. A lot of Back Benchers want to get in. It is very self-indulgent to have these long-winded exchanges from the Front Bench.

Mr Umunna: When consolidating, you have to make appropriate choices—you do not want to cut off your nose to spite your face. If we want to increase revenue, we need to increase productivity. Look at South Gloucestershire and Stroud College, which the Secretary

of State attended: this month it confirmed that 70 staff posts are in danger due to the reduction in its adult learning funding. The principal of that college said:

“we need to reduce our costs in line with the reduction in funding to maintain our solvency.”

Should the alarm bells not be ringing when his own college is citing issues of solvency before we have seen the full scale of what he is going to do to the productive capacity of the economy?

Sajid Javid: It was an excellent college—[HON. MEMBERS: “Was!”] And it still is. I know many people who attend the college and they speak of it very highly. The important point is that all colleges, not just that college, have the resources they need to do their jobs. We will not put that at risk, especially as they continue to invest in apprenticeships, which are one of the surest ways to give people the training they want and to ensure they have skills that are wanted in the marketplace.

T3. [900622] **Bob Blackman (Harrow East) (Con):** I have been contacted by further education colleges in my constituency that are concerned about the decisions being made in-year to reduce funding. Will my right hon. Friend lay out a strategy that enables colleges to have a five-year programme, even if it means a gradual reduction in funding?

The Minister for Skills (Nick Boles): I know my hon. Friend recognises that difficult choices have had to be made and will have to be made during the spending review to bring the deficit down. It is that process of deficit reduction that has led to the massive growth in employment. I absolutely hear the argument he makes. Long-term certainty would be of tremendous value to colleges, and I will definitely make sure that that argument is made.

T2. [900621] **Jeff Smith (Manchester, Withington) (Lab):** Will the Secretary of State tell me what discussions he has had with the Secretary of State for Transport to ensure that business and growth do not suffer as a result of the delay to the electrification of the trans-Pennine line?

Sajid Javid: I was disappointed by that recent news, because it is important that we continue to invest in infrastructure—not least for increased productivity and, therefore, jobs growth. I have not yet had a discussion with the Transport Secretary, but I am looking forward to doing so.

T5. [900624] **Mr Christopher Chope (Christchurch) (Con):** Does my right hon. Friend think that the CBI's poverty of ambition for a radical new relationship with the EU is attributable to the fact that the CBI receives funding from the EU?

Sajid Javid: The point I made yesterday to the CBI was not just about the CBI, but was a call to all business groups. The best way to get the EU reforms that many of them seek is for them to help the Government with their negotiations, speak to their partners in other European countries and then make up their minds at the end of the process.

T4. [900623] **Simon Danczuk** (Rochdale) (Lab): I am sure the Secretary of State will agree that helping businesses to grow and develop is a key aim of the devolution and northern powerhouse agendas. Will he explain, therefore, why the word business does not appear anywhere in the Cities and Local Government Devolution Bill?

Sajid Javid: Not only do I agree with the hon. Gentleman about the importance of business, but my father's first business began in his constituency, so I understand the importance of this to people in Rochdale and elsewhere. It is important that the word "business" and the importance of business appear throughout Government policy, as they do in the Conservative manifesto and, as I am sure he will hear next week, in the Budget.

T6. [900625] **Paul Maynard** (Blackpool North and Cleveleys) (Con): Low-paid workers in my constituency will have been pleased to see the first above-inflation rise in the minimum wage since the financial crash, but what more can the Government do to encourage employers to pay the living wage where affordable?

Nick Boles: My hon. Friend is absolutely right. It is tremendously welcome that, as a result of the recovery, it has been possible for the Government to implement this second increase in the minimum wage—and the first that is higher than the rate of increase in both inflation and average earnings—which takes the minimum wage to £6.70. We want any employer that can afford to pay the living wage, without losing jobs, to do so, and we encourage them all to think of doing so soon.

T9. [900628] **Melanie Onn** (Great Grimsby) (Lab): Workers at the Young's Seafood factory in Grimsby are worried for their futures after Sainsbury's ended a contract with it. Grimsby already has the 17th highest unemployment rate in the country, and in the past few years it has seen several established companies leave the area, leaving behind nothing to replace them. Given that the Young's site provides 500 skilled jobs, what support can the Government offer to avoid further losses of skilled jobs?

The Minister for Small Business, Industry and Enterprise (Anna Soubry): Officials from my Department have already met people at Young's in her constituency, following the question from my hon. Friend the Member for Cleethorpes (Martin Vickers). Those meetings are continuing. I assure the hon. Lady, however, that if it is bad news, all the good support she would imagine coming from the Department for Work and Pensions to make sure people can find new work will be put in place. None the less, I am more than happy to meet her and my hon. Friend to discuss the matter.

T7. [900626] **Andrew Bingham** (High Peak) (Con): The Minister knows my background and support for small businesses in High Peak. I am delighted that 135 new businesses were set up in my constituency in the last Parliament, leading to more than 4,000 new apprenticeships. Will he tell me and my constituents what plans he has to build on this record, see unemployment fall and provide more opportunities across High Peak, particular for young people?

Nick Boles: My hon. Friend reminds us that this is a "one nation" recovery that is benefitting all parts of the country, including his own stunningly beautiful constituency. We are determined over the next five years to create thousands more businesses, millions more jobs and millions more apprenticeships for his constituents and the constituents of all hon. Members.

Mr Iain Wright (Hartlepool) (Lab): May I congratulate the Secretary of State on his appointment and wish him and his ministerial team every success? On Thursday, he announced the sell-off of part or all of the UK Green Investment Bank, but it is unclear what proportion will be sold off. When it was established in 2012, the bank's impact assessment said it was the only option that addressed market failure and barriers. How have these market failures been fully addressed and how will the Government's sketchy plans for the most active green investor in the UK not undermine market confidence?

Sajid Javid: I congratulate the hon. Gentleman on being elected Chairman of the Business, Innovation and Skills Select Committee and look forward to working with him. Since it was set up three years ago, the UK Green Investment Bank has been very successful. In fact, this year, for the first time, it is expected to turn a profit. I want to make it stronger and even more successful, however, and one of the best ways to do that is to ensure it can access both private capital and private equity—

Mr Speaker: Order. I call Michael Tomlinson.

T8. [900627] **Michael Tomlinson** (Mid Dorset and North Poole) (Con): I welcome the Government's work to encourage businesses to take more people on by reducing the burden of employment law, helping more people in my constituency to get into work. What reassurance can the Secretary of State give me that he will further reduce the burden of regulation, thus helping businesses in Mid Dorset and North Poole and across the country?

Anna Soubry: I welcome my hon. Friend to his place. As he has heard, it is an absolute priority for the Government to continue the great work we achieved over the last five years, with £10 billion-worth of saving by deregulation and a promise of £10 billion more to come in the next five years. I look forward to working with my hon. Friend and others—via Twitter or whatever—so we can find out where the regulations are that do not need to be there, get rid of them and make sure that we keep Britain working.

Wes Streeting (Ilford North) (Lab): Having failed to rule out a hike in university tuition fees during this Parliament, can the Minister rule out at least that there will be no changes either to tuition fee levels or the terms of repayment on student loans for existing students and graduates? Yes or no?

The Minister for Universities and Science (Joseph Johnson): The hon. Gentleman has previous experience as president of the National Union of Students, so it is valuable to us to have him here. He will know that the OECD has praised the UK as being one of the only countries in the world to have come up with a sustainable way of funding higher education, and this Government

have every intention of continuing to ensure that our higher education system is funded successfully and sustainably over the years ahead.

T10. [900629] **Amanda Milling** (Cannock Chase) (Con): Small businesses are a substantial part of the local economy of my constituency. I was pleased to welcome the news that, since launch, 22 people have already taken up start-up loans worth nearly £140,000 to start new businesses in Cannock Chase. However, relatively speaking, this is low. What steps are the Government taking to encourage more people to take advantage of this scheme in areas such as my constituency?

Anna Soubry: I welcome my hon. Friend to her place. We know that start-up loans have led to considerable success. One thing I am keen to do is to ensure that we keep all small businesses, especially entrepreneurs and people looking to start up their business, well informed and absolutely aware of the various schemes available to them. I know the British Business Bank, through its website and other media, can provide that information, and I want to make sure that it is working, so that in the real world, people have access to funds, to schemes and the advice they often need when starting up their business.

Susan Elan Jones (Clwyd South) (Lab): The Secretary of State will be aware of the great concern about the Government's failure to meet export targets. With UK Trade & Investment's own surveys saying that more than a quarter of businesses reckon that there is no business benefit from UKTI, how does he propose to deal with this problem?

Sajid Javid: We have seen some growth in exports over the last five years, but not enough. This remains a challenge, which means looking carefully at UKTI and improving what it does. That is exactly what the Minister for Trade and Investment, Lord Maude, is doing. The hon. Lady may know that we have seen record inward investment, which is also important and a job of UKTI to promote. It has now topped £1 trillion—the highest in Europe.

Stephen Hammond (Wimbledon) (Con): The Secretary of State will know that from this September, companies will have two years in which to introduce the new general data protection regulations, estimated to cost £2 billion. Will he ensure that his Department does all it can to minimise costs and to make industry aware, so that they can comply within the timescale?

Anna Soubry: I thank my hon. Friend for his question; he makes an important point. I know my diary is going to get busy, but I would very much welcome a meeting to discuss this with him because—[*Interruption.*] I do not know why Labour Members seem to be complaining about Ministers meeting Back Benchers—I would be happy to meet even the right hon. Member for Birmingham, Hodge Hill (Liam Byrne). I look forward to working with my hon. Friend on this important matter, of which we are aware. We must make sure that we do this properly.

Gavin Robinson (Belfast East) (DUP): Has the Secretary of State had an opportunity to consider last week's report from the Northern Ireland Consumer Council, which highlights the barriers to online consumers getting postage to Northern Ireland, the islands or the highlands of the United Kingdom? What steps can the Secretary of State take to create, dare I say it, a "one nation" consumer market where the inhibitors and the barriers are removed once and for all?

Sajid Javid: I have not yet had an opportunity to look at the report, but now that the hon. Gentleman has mentioned it, I shall certainly do so, and I shall then be able to respond to him on the issue that he has raised. He may be interested to know, however, that just today it was reported that consumer confidence throughout the United Kingdom had hit a 15-year high, which means that the Government's long-term economic plan is working.

Several hon. Members *rose*—

Mr Speaker: Order. I am sorry, but we must move on.

Points of Order

12.35 pm

Angus Robertson (Moray) (SNP): On a point of order, Mr Speaker. Have you received any notification from the Government that they intend to announce plans on Thursday to restrict the rights of Scottish Members of Parliament here in the House of Commons, even if the matters concerned have an impact on the Scottish budget? *The Daily Telegraph* reports today:

“Number 10 hopes to use an obscure parliamentary procedure known as standing orders to lock Scottish MPs out of shaping legislation that only affects English voters. The move needs just a single vote of approval from MPs to be put into law in a move that would circumvent the months of parliamentary scrutiny which comes with full legislation.”

Have you been given any notice of those proposals, Mr Speaker, and have there been any discussions with you about the potential role of the Speaker in certifying such procedures?

Mr Speaker: I have a number of things to say to the hon. Gentleman. First, in so far as there are periodic discussions on a wide range of matters involving the Chair, those discussions take place properly between the participants. The matters that are discussed are not aired on the Floor of the House. I hope that the hon. Gentleman will respect the significance of that principle and its application in this context.

Secondly, I have received no formal notification whatsoever of Government intentions on the matter relating—as the hon. Gentleman said—to Thursday. I think the hon. Gentleman knows that this is an issue that has been discussed over a period, and, if memory serves me, his right hon. Friend the Member for Gordon (Alex Salmond) aired it only the other day in a point of order; so it is not a novel concept.

Thirdly, let me say very gently to the hon. Gentleman, who is an experienced denizen of the House, that he is far too worldly wise to be beguiled or swept along by the journalistic licence that causes a scribe to refer to Standing Orders as an obscure device. There is nothing obscure about Standing Orders. The hon. Gentleman, exercising his customary patience and statesmanship, must await the development of events.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): On a point of order, Mr Speaker. It concerns yesterday's business. Some of us were very concerned about the mixed nature of the Prime Minister's statement. Many of us thought that two separate statements would have been more appropriate. Did you take that into consideration, Mr Speaker, when the Prime Minister made his request to make a statement? Some of us found it very awkward that a tragedy—a deeply felt tragedy—was mixed up with a report from a European meeting that the Prime Minister had attended. They did not seem to us to sit well together.

Mr Speaker: I am grateful to the hon. Gentleman, who is a very experienced Member of the House. The short answer is that it was entirely a matter for the Prime Minister. Let me add—just to put the matter in context, and so that the hon. Gentleman is not misled—that it would always be a matter for the Minister in question, whether that Minister be the Prime Minister or any other Minister. I note what the hon. Gentleman has said, and it should be heard on the Treasury Bench, but it is still a matter for Ministers to decide.

In the circumstances—and I think that the Prime Minister had very good intentions in seeking to address the House on both subjects, even if the hon. Gentleman did not think it was the right way to go about things—I thought that my role was to try to maximise the number of contributors, bearing in mind that some Members would want to raise the atrocious events in Tunisia, while others would be more focused on the matters appertaining to the European Union.

The hon. Gentleman is very experienced, and I think he will testify that exchanges on statements nowadays tend to last somewhat longer. My own view is that the interests of the House, rather than the convenience of a Minister, should come first. I know that that does not altogether meet the hon. Gentleman's concerns, but he has put them on the record, so let us see how matters progress. He may find that, as he is somewhat of a sage, his counsel will be heeded in future.

I think that the point of order appetite has been satisfied. The Clerk will now proceed to read the Orders of the Day.

Scotland Bill

[3RD ALLOCATED DAY]

Further considered in Committee

[NATASCHA ENGEL *in the Chair*]

Clause 19

DISABILITY, INDUSTRIAL INJURIES AND CARER'S
BENEFITS

12.41 pm

Ian Murray (Edinburgh South) (Lab): I beg to move amendment 128, page 21, line 39, leave out from “of” to the end of line 7 on page 22 and insert

“a disabled person or person with a physical or mental impairment or health condition in respect of effects or needs arising from that disability, impairment or health condition.”

The current definition of ‘disability benefit’ used in the Bill is restrictive and could place unnecessary limits on the kind of replacement benefit the Scottish Government has the power to introduce. It may not, for example, allow the Scottish Government to introduce a benefit to assist people with very low level disabilities or those for whom the effect of their disability is largely financial.

The Second Deputy Chairman of Ways and Means (Natascha Engel): With this it will be convenient to discuss the following:

Amendment 112, page 22, leave out lines 6 and 7.

Removes the word “short-term” in the clause devolving disability benefit. It is not clear what “short-term” means in this context, how it will be defined or whom it may exclude from receiving the benefit.

Amendment 48, page 22, line 45, leave out subparagraph (a).

Clause 19 stand part.

Amendment 115, in clause 20, page 23, line 27, after “financial”, insert “or other”.

This amendment would enable the provision of assistance, in relation to benefits for maternity, funeral and heating expenses, in a form other than cash.

Amendment 49, page 23, line 33, leave out “8” and insert “9”.

Amendment 50, page 23, line 34, leave out “8” and insert “9”.

Clause 20 stand part.

Amendment 12, in clause 21, page 24, leave out lines 9 and 10.

Clause 21 stand part.

Amendment 129, in clause 22, page 24, line 27, leave out from “who” to “appears” in line 32.

The current Exception 6 would extend the power to provide discretionary housing payments only to those already in receipt of housing benefit. Those who lose entitlement to any housing benefit as a result of the under-occupancy charge are precluded from accessing discretionary housing payments. The amendment seeks to allow the Scottish Parliament to mitigate the impact of the bedroom tax.

Amendment 116, page 24, leave out lines 36 to 48.

This amendment would remove some of the restrictions, including those relating to sanctions, in relation to discretionary housing payments.

Amendment 13, page 24, leave out lines 36 and 37.

Amendment 132, page 25, leave out lines 1 to 8.

The exception in the Bill could be problematic where claimants have had their housing benefit wrongly suspended. The amendment would allow the Scottish Parliament to provide discretionary housing payments in cases which might be regarded as arising from non-payability of a reserved benefit.

Clause 22 stand part.

Amendment 8, in clause 23, page 25, line 28, leave out “short-term”.

Amendment 117, page 25, leave out lines 30 to 37.

This amendment would broaden when discretionary housing payments can be made by removing some restrictions including those relating to sanctions.

Amendment 111, page 25, line 39, leave out “occasional”.

Amendment 131, page 25, line 45, at end add “or

(b) who are part of a family facing exceptional pressure.”

Clause 23 stand part

New clause 31—*New benefits*—

“In Section F1 of Part 2 of Schedule 5 to the Scotland Act 1998, in the Exceptions, after exception 8 (see section 23 above) insert—

“Exception 9

A benefit not in existence at the relevant date provided entitlement to or the purpose of the benefit is different from entitlement to or the purpose of any benefit that is—

(a) in existence at the relevant date,

(b) payable by or on behalf of a Minister of the Crown, and

(c) otherwise a reserved benefit.

For the purpose of this exception—

“the relevant date” means the date of introduction into Parliament of the Bill that becomes the Scotland Act 2015;

“reserved benefit” means a benefit which is to any extent a reserved matter.”

This New Clause broadens the circumstances under which the Scottish Parliament can create new benefits, as recommended by the Smith Commission.

Ian Murray: This afternoon, we are competing with the BBC’s coverage of Wimbledon; I hope we do not damage its ratings as Andy Murray kicks off his tournament. Of course, everyone in the House wishes Andy Murray well—not just for today’s match, but for the rest of the tournament. We apologise in advance if nobody watches his tennis match because their eyes are focused on this Chamber.

It is a privilege to speak on the Bill’s welfare provisions, to move amendment 128 and to speak to the other amendments as well as the very important new clause 31, which stands in my name and those of other hon. Members. I hope that Scottish National party Members—I had called them a braying mob, but there are slightly fewer of them this afternoon than last night—will not implode when I start by complimenting them: we will support their amendments 115 and 131, to which I have also added my name.

This area of the Bill devolves to the Scottish Parliament new and substantial powers over welfare, transferring to it £2.5 billion-worth of welfare responsibility. This is a real opportunity for Scotland; today we could pass amendments that fundamentally transform the Scottish Parliament’s relationship with the welfare system. It would then be up to the Scottish Government of the

[*Ian Murray*]

day to design the system that they want, and that the Scottish people have voted for, and find the resources to pay for it.

As much as the SNP has been desperate to be disappointed by the Bill, its approach to the welfare section has been broadly similar to Labour's. I think that the only major difference arises from the SNP amendments to devolve national insurance. As I said yesterday—perhaps this was lost in the melee of the debate—that is a perfectly legitimate amendment for a party that believes in independence, but we disagree with that fundamental principle. As the party of devolution, we believe in a strong Scottish Parliament within the UK. We passionately believe that it is in the best interests of all Scots and the rest of the United Kingdom that there should be a pooling and sharing of resources, redistributing wealth from the haves to the have-nots.

The Conservatives believe in the redistribution of wealth from the nots to the haves. Since 2010, the House has seen a sustained attack on the most vulnerable. It was not the poorest and most vulnerable who caused the worldwide recession, but the reckless gambling on the financial markets. That led to a Government income crisis, which led to a Government obsessed with austerity, and that has choked off demand in the economy, hitting the poorest hardest right across the United Kingdom.

There are many examples, but the most pernicious, unfair and unequal of those welfare changes must be the bedroom tax. It has hit the most vulnerable very hard for the sake of very few savings on the welfare budget. A further £12 billion of unfunded welfare cuts were announced at the general election, with no detail whatever about where they would fall.

The Government's problem is that they are failing to deal with the welfare system's underlying problems. For example, the lack of affordable and social housing is increasing the housing benefit bill as many are forced into the much more expensive private rented sector. I see that happening every single day in my constituency.

Alan Mak (Havant) (Con): There are reports in the press that Labour and the SNP are proposing to introduce higher welfare payments in Scotland and higher welfare bills, which the Bill would allow them to do. Does the hon. Gentleman not agree that both parties should spell out which taxes the Scottish people would have to pay to fund those commitments?

Ian Murray: We have a number of proposals relating to the Bill, including devolving housing benefit, which we will discuss this afternoon. We think that that money should be reinvested, wherever possible, in the building of social and affordable housing, because that would ultimately bring down the housing benefit bill. The hon. Gentleman tends to forget that if we invest in the fundamental underlying problems in the system, we can bring the benefit bill down.

Getting people into work, introducing higher pay and building social housing to get people out of the more expensive private rented sector would all make a huge difference to the benefit bill. More money would then be available to reinvest in the system. Our double devolution proposals to get the Work programme, the Work Choice programme and Access to Work into

the hands of the local authorities, which are in the best position to deliver them, would allow us to reinvest into the system. The Conservatives' response of simply cutting the welfare bill rather than dealing with the fundamental underlying problems is the reason why the bill has been going up despite all the changes that the Government made during the last Parliament.

Let me make it clear that Labour is the only true guardian of the UK welfare system, supporting pensioners and the most vulnerable against Conservative cuts that will hit working people the hardest and against an SNP group determined to break up the system without having any idea of the consequences. That is why the Bill is so important. According to the House of Commons Library, if the Bill were passed in its present form, the Scottish Parliament would be responsible for 62% of all public expenditure. If the new clause proposing the devolution of housing benefit were passed, that figure would rise to 65%, but that is within the integrity of the UK welfare system.

Richard Graham (Gloucester) (Con): I know that the hon. Gentleman is a reasonable man, and I do not want him to get too carried away with his narrative of how beastly the Conservatives have been to the poorest people. In my constituency, no new social housing was built during the 13 years during which we had a Labour MP. Now, 100 new social houses have been started. His narrative is precisely the one that his party tried, and failed, to get across during the general election. Does he not agree that it is time to look at welfare in a completely different light?

Ian Murray: That might be the experience in the hon. Gentleman's constituency surgeries on a Friday and Saturday, but it is not the reality for my constituents. Many disabled people, and all the disability and voluntary sector organisations that have contributed to these parts of the Bill, have said something completely contrary to what he has just said. That might be the experience in his own backyard, but it is certainly not what I see in my constituency. The Scottish Council for Voluntary Organisations, the Child Poverty Action Group, Shelter Scotland, Enable and many other disability charities have all said that the situation is completely contrary to the one he is describing. I do not think that having the lowest level of house building since the 1920s is anything to be proud of. We should be doing something about that, across the House.

Simon Hoare (North Dorset) (Con): The hon. Gentleman's preamble was slightly depressing, because it failed to wake up to a fact that I thought Labour Front Benchers had woken up to—namely, that all his party's intentions and warm words about welfare would come to nothing if they were not underpinned by a strong economy.

Ian Murray: I do not think that the hon. Gentleman was listening to my preamble, as he puts it, because I was talking about the underlying problems in the welfare system. They include: a lack of affordable social housing, which pushes people into the more expensive private rented sector, which pushes up the housing benefit bill; a lack of higher pay, which pushes up the benefit bill; and a lack of skills and opportunities to progress in the workplace and increase productivity, which also pushes

up the welfare bill. Indeed, in Business, Innovation and Skills questions this morning, the Business Secretary said that the UK had a problem with productivity and that it had to be resolved. If we could resolve those three underlying problems in the welfare system, we might be in with a fighting chance of making life better for people in this country and of bringing the welfare bill down.

Andrew Gwynne (Denton and Reddish) (Lab): Is my hon. Friend suggesting that, although the baseline will always be the UK welfare system, lifting some of the restrictions that the Bill would place on the Scottish Parliament would allow it to build on the provisions?

Ian Murray: I shall come on to that. Indeed, new clause 31, which SNP Members have signed, too, incidentally, would essentially give the Scottish Parliament full power to introduce new benefits in all devolved areas and to top up any benefits in reserved areas. Anybody who wished to put together a manifesto for a Scottish parliamentary election would have to determine what they would do with the welfare system and would consequently have to pay for that, but the important principle is that the UK welfare state would remain integral and the Scottish Parliament, as an autonomous and powerful Parliament, would be able to make its own decisions to reflect the interests of the Scottish people.

The exact amount of money that is spent and who spends it are not the key concerns of the Bill, which is about ensuring that powers are exercised where they most benefit the people of Scotland. The Labour party was the architect of the welfare state—the system of social insurance that covers every citizen, regardless of income, from cradle to grave and that is perhaps one of our greatest achievements and the purest expression of our common values and shared purpose. As the architect of the modern welfare state, the Labour party will do everything it can to ensure that it serves the needs of people not just across the UK but, crucially in terms of this Bill, in Scotland. That is why we have sought to be the driving force in this section of the Bill, tabling a total of 21 amendments and new clauses, more than any other party, to ensure that the Smith agreement is not only delivered consistently in spirit and in substance but that the Bill goes much further in welfare provisions.

Each and every one of the amendments has a purpose: to improve the lives of families in Scotland while maintaining the fundamental principles of the underpinning of the UK welfare state. May I take the opportunity to thank all the charities and voluntary sector organisations from across Scotland who have assisted me in this task? They do valuable work day to day with those who are most in need, and we should thank them every single day for what they achieve. Without them, society would not operate in Scotland and across the UK. To put it simply, we should all thank them.

I am glad that the SNP has seen fit to support a number of the amendments. We will work closely together to ensure that we can deliver them. In the same spirit of inter-party co-operation and consensus, I have signed a number of the SNP's amendments that attempt to improve the Bill. Although this is a fairly technical exercise and welfare is hugely complicated, I want to make it clear that fundamentally our amendments will

ensure, as I said in response to my hon. Friend the Member for Denton and Reddish (Andrew Gwynne), that the Scottish Parliament has the unrestricted power to create any new benefits in areas that are devolved, in addition to the guarantees of the UK benefits and pension system, as well as the power to top up any benefits that remain reserved in this Parliament. That wide-ranging provision effectively gives the Scottish Parliament the power to design its own welfare system in its entirety. However, unlike others, we are determined to ensure that the welfare state remains an integrated and UK-wide system of social security to allow for the continued pooling and sharing of risks and of resources.

We will also actively pursue our policy of double devolution by devolving as many powers as possible to local communities so that they can be tailored to local needs and circumstance, starting with the Work programme, Work Choice and Access to Work, which we will debate later. Subsidiarity should be at the heart of the Scottish Parliament to ensure that the public are engaged and that there is full community spirit in designing the system that is best for community needs.

Before I speak about Labour's specific amendments, I want to place on record my disappointment at the comments made by the hon. Member for Dundee East (Stewart Hosie) during yesterday's debate. He described the proposals in the Smith agreement as "miserable", and I think that that is quite wrong in the context of this Bill. We should be using this opportunity to improve on the provisions in front of us and to make the system better in Scotland. The Secretary of State has consistently said that he will consider sensible amendments to improve the Bill, both in substance and in spirit, and I hope that he will see many of our amendments on welfare as worth while, tabled in the spirit of co-operation and trying to make the Bill better rather than trying to make political points.

Clauses 19 to 23 concern the devolution to the Scottish Parliament of a number of welfare benefits, including power over disability benefits, industrial injuries allowance and carer's allowance, the power to introduce top-up payments for people receiving reserve benefits, control over discretionary housing payments and the power to introduce new discretionary payments to help alleviate short-term need. The powers in the clauses are extensive, but there are a number of areas in which I believe they fall short, particularly as regards limiting the scope of the Scottish Parliament to make discretionary payments and create new benefits.

Paragraph 51 of the Smith commission's report states that the Scottish Parliament

"will have complete autonomy in determining the structure and value of the"

devolved

"benefits...or any new benefits or services which might replace them."

As I have said, we are committed, wherever possible, to abide by the spirit as well as the letter of the Smith commission's recommendations. We believe that the term "discretionary", as applied in this context, should not necessarily refer to the strict definition of the recipient of a payment or the duration or frequency with which they receive that payment. As Professor Paul Spicker stated in evidence to the Scottish Parliament's Devolution (Further Powers) Committee:

[*Ian Murray*]

“A payment is discretionary, not because it is short term or individual, but because it is in the power of the delegated authority to determine whether or not the payment will be made.”

However, the Bill as it stands adheres to a more restrictive interpretation of what constitutes a discretionary payment and includes a number of definitions of who can receive benefits and for how long and how often they can receive them, which would limit the autonomy of the Scottish Parliament in a way that, in my opinion, Smith did not intend.

Our amendments seek to ensure that the Scottish Parliament will not face unnecessary restrictions in its provision of discretionary payments to carers, those with disabilities or any other applicant, both in terms of who they are paid to and for how long and how often they are paid.

Kate Green (Stretford and Urmston) (Lab): Does my hon. Friend agree that as well as being an unnecessary restriction in the legislation, the definition is also likely to give rise to a dispute about the ambit of the Bill? A wider definition that would embrace more people would be much simpler to administer.

Ian Murray: I agree, and we should be removing as much ambiguity as possible from the Bill. If the Scottish Parliament wanted to introduce a new benefit or a top-up benefit in one of these categories, the definition should be as wide as possible to enable it to do so. We do not want to end up with a dispute between two Governments or between recipients and the deliverer of the benefits or services about the definition in the Act. It would be good to get some clarity about what is meant by clauses 19 to 23.

As an example, I will consider disability benefit. As Inclusion Scotland has argued, the definition of disability benefits in clause 19 might “restrict the autonomy” of the Scottish Parliament in constructing a new disability benefits

“system based on empowering disabled people to lead active and productive lives and promoting the human rights of disabled people and independent living.”

We have therefore tabled amendment 128, which offers an alternative, broader and more flexible definition of disability benefit that would, among other things, allow the Scottish Parliament to introduce a benefit to assist people with low-level disabilities or those for whom the effect of their disability is largely financial.

Likewise, the definition of what constitutes a “relevant carer” is also, we believe, overly prescriptive. As ENABLE Scotland observes, it

“prescribes to whom carers benefits would be payable, stipulating that the recipient would be over 16, not in full time education and not gainfully employed; and requiring that the cared-for person is in receipt of disability benefit.”

The Scottish Parliament’s Devolution (Further Powers) Committee’s report of May 2015 on the Smith commission proposals and the UK Government’s response concluded:

“The Committee is concerned that the current definition of carer in the draft clauses appears overly restrictive and could limit the policy discretion of future Scottish administrations in this area. The Committee recommends that the clause should be re-drafted to ensure that the future Scottish administrations are able to define what constitutes a carer.”

I agree with both ENABLE Scotland and the Scottish Parliament Committee that the clauses as drafted unnecessarily limit the scope of the Scottish Parliament’s powers and might limit their ability in future to create new benefits. We have therefore tabled amendment 48, which seeks to remove the definition from the Bill to allow the Scottish Parliament to arrive at its own definition. I am pleased that the SNP has supported the amendment and want to reciprocate by supporting amendment 115, which provides for the provision of non-financial assistance as regards benefits for maternity, funeral and heating expenses, and amendment 121, which inserts the additional qualifying criteria for provision of discretionary payments and assistance for being part of a family facing exceptional financial pressure.

Sir Oliver Heald (North East Hertfordshire) (Con): Does the hon. Gentleman agree that the overall approach being taken in the UK now is of concentrating on tackling poverty by giving people skills, pushing the work obligation and removing barriers to employment, and that it is important that the welfare system should dovetail with that? There are of course provisions in this Bill to that effect. Does he agree that it would be wrong if Scotland were to take a different approach and go back to a dependency culture?

1 pm

Ian Murray: It is not the purpose of our amendments to create some kind of dependency culture. Indeed, in my last sentence as the hon. and learned Gentleman was seeking to intervene I said that we accept the SNP’s amendment 121 that addresses payments and discretionary payments for families facing exceptional pressure, and the amendments on carers and disabled qualifications widen the definitions, so it becomes not just about supporting people with a financial need, but about work assistance and getting people back into work.

The issues around the Work programme, the Work Choice programme and Access to Work schemes are the third part of this Bill. We will come on to them later and examine some of the points, because the Government have tended to forget that this process is not just about forcing people off welfare; it is also about giving them the opportunity to get back into work and supporting them through that process. We want to support more people in that way, particularly disabled people and those who find it particularly difficult to access the labour market, and we should make sure the legislation is flexible enough to do that.

Sir Oliver Heald: One of the key aims of the UK Government is to ensure work always pays better than being on benefits. Does the hon. Gentleman agree that it would be a pity if any of these reforms altered that balance for Scotland?

Ian Murray: I do agree, but I find it a little ironic that the hon. and learned Gentleman says from the Conservative Government Benches that everything should be designed to encourage people into work, when in fact the whole design of the tax credit system was to encourage people into work and the first aim of the Conservative Government seems to be to cut tax credits which would make it less attractive for people to be in work. There is a fine balance to be struck between supporting people into the

workplace and in the workplace and making sure work always pays. I think all Members would agree with that principle, but cutting tax credits is not the way to make sure work pays, because it will force people into choosing whether they are better-off out of work or in work. We must strive for much higher pay in order to reduce the welfare bill in tax credits, rather than cutting tax credits; that would be coming at it from the wrong angle.

I was talking about amendments 121 and 115. These are straightforward and common-sense amendments that grant greater autonomy to the Scottish Parliament in the way it provides support to the vulnerable and those at risk in Scotland. We have tabled a number of other amendments to this section of the Bill, including amendment 112 to clause 19 which removes the phrase “short-term” in regard to disability benefits, and amendment 111, which removes the reference to “occasional” financial assistance in clause 23.

Meanwhile, our amendments 12 and 13 to clauses 21 and clause 22 respectively would allow the provision of discretionary financial assistance in a reserved benefit. I do not believe any of these amendments are particularly controversial. Indeed they have garnered a broad cross-section of support from charities, including ENABLE Scotland, Inclusion Scotland, Learning Disability Alliance Scotland and the Scottish Council for Voluntary Organisations.

Andrew Gwynne: These amendments might not be controversial but does my hon. Friend agree that they send the important signal that a strong devolved Scottish Parliament should be able to determine the benefits for the Scottish people?

Ian Murray: That is right, because the commitment that was given to the Scottish people after the no vote at the referendum last September was that we would create one of the strongest devolved Parliaments in the world. In order to be able to do that, we have to give the necessary tools to the Scottish Parliament to determine not only its own direction in welfare and a host of other policy areas, but the finances it raises to pay for that. Accountability comes with that kind of financial responsibility and that is what, according to Smith, the Scottish Parliament was missing before the Scotland Act 2012 and the Scotland Bill before us today.

The Scottish Parliament needs to be given the ability to make its own decisions. Using terms such as “short-term”, “discretionary” and “on a short-term basis” do not give that flexibility. If someone were putting forward a new system of welfare in Scotland, it would be up to the electorate to decide whether they wanted that and wanted to pay for it.

I now come to arguably the most important amendment to this part of the Bill, new clause 31, which broadens the circumstances under which the Scottish Parliament can create new benefits, and brings it more into line with what I believe the Smith agreement intended. It has been co-signed by SNP Members and for that I am very grateful. Due to its significance we should be able to use it to transform this part of the Bill.

New clause 31 creates a new exception 9 in section F1 in part 2 of schedule 5 to the Scotland Act 1998—I know all Members will have read that and will know exactly what I am referring to—which allows for the creation of any benefit not currently in existence, payable

by or on behalf of a UK Minister of the Crown, or otherwise a reserved benefit. In essence, this would allow the Scottish Parliament to create any new benefit which is not in existence on the date on which this Act is passed. This, I believe, goes significantly further than what is currently in the Bill.

I will be grateful if the Minister responds specifically on why this, in his view, would not be desirable or practicable, because it ensures that the power to create new benefits in Scotland rests with the Scottish Parliament and therefore the Scottish people, and that it has the flexibility and autonomy to exercise this power free from unnecessary restraint, in keeping with the spirit and substance of the Smith agreement. Of course, there will have to be joint working between the Governments to ensure that it is deliverable, and that brings me to an important common theme that has run through these Committee debates so far: the need for both Governments to work much closer together in partnership for the benefit of Scotland. We cannot emphasise that enough. We must have a much more solid partnership working and relationship to make these provisions work.

Let me be absolutely clear on this point so that there is no ambiguity: I believe in the fundamental principle that the final say on the creation of new benefits, the type of benefit created, whom it is paid to, and how long and how often it is paid, should reside with the Scottish Parliament. That is my view, and that is the view of the Labour party across the UK.

Jim Fitzpatrick (Poplar and Limehouse) (Lab): On the exchange my hon. Friend had with the hon. and learned Member for North East Hertfordshire (Sir Oliver Heald) on the impact of the Government policy of cutting tax credits, which will hit people who are in work more than people who are simply on benefits, will these amendments, many of which have the support of the SNP, give any extra protection to the people in Scotland against the impact of cutting tax credits that will happen in England, or not?

Ian Murray: New clause 31 allows the Scottish Parliament to top up any reserved benefit in the UK and create any benefit in devolved areas, so there would be an ability to create a system that mitigates the reduction in tax credits. As I understand it, tax credits are not a benefit in terms of the system; they are done through the income tax system, so topping up tax credits would be outwith the scope of this arrangement, but there is no reason why under new clause 31 an additional benefit could not be put in place for people who are in work and have children, for example.

I am very pleased that we have managed to get cross-party support for new clause 31 and if the Government agree it, it would give the Scottish Parliament full autonomy on the welfare state, which I think is what the Scottish people and Scottish Parliament want. If the Government are going to support any amendment, I urge them to make it new clause 31, although I also recommend our other amendments.

Mr Graham Allen (Nottingham North) (Lab): This is an interesting debate and a wide range of points have been made on welfare and benefits in general. I will try to stick to the two detailed amendments I have tabled, but I cannot resist making the general point that I see this as Scotland pioneering many of the things that

[Mr Graham Allen]

should be commonplace throughout the Union. I hope that, if we are successful in proposing some of these amendments and progressive ideas, they will be available to everybody else in the Union.

This is the federal Parliament; this is the Parliament of all the four nations. The success of one nation within that Union should lead to the success of all. Those who wish to do this in Wales, Northern Ireland or parts of England should have that opportunity.

I hope we can tie this to the local government and devolution Bill currently in the other place. Its proposals will enable large parts of England—many of the constituent parts are actually larger than Scotland by combined authorities—through effective devolution from the massive, over-centralised state in Whitehall, or through regionally banding together to create their own units, to deploy some of the things that many found commonplace before 2010. I will remember the work programme put forward by my local city council. It was immensely successful but was then abolished by the incoming Government in 2010. I hope very much that places around the Union will be able to use these useful precedents of freedom and liberation at the lowest possible level—in this case at a national or even a sub-national level—to ensure the good welfare of people in their areas.

I have tabled amendments 129 and 132. Exception 6 in clause 22 requires those receiving discretionary housing payments to be also receiving housing benefit at the same time. Amendment 129 removes that prior requirement; it removes that restriction so that those people can receive discretionary housing payments without having first to claim housing benefit. What that does is quite simple: it allows people in the relevant place to make a judgment on this, rather than some “superbrain” in Whitehall. In this case, the Scottish Parliament would have the chance to work out its own manifesto commitments—Labour party manifesto commitments and Scottish National party manifesto commitments to scrap the bedroom tax. [Interruption.] Forgive me, but I think the important part of that sentence was “scrap the bedroom tax”, which we can probably agree on; I hope the SNP will agree with that.

I will not make this consensus fragile by referring to all those SNP Members who voted with the Conservatives last night. That would be to do something that has been pointed in my direction in the past, so I do not want to raise that sensitive issue. We are dealing with an issue—the bedroom tax—where people of good will throughout the Committee can rattle off examples in their own constituencies about how it has been an appalling thing visited on many of our constituents, with most of them being the most vulnerable and least able to look after themselves, and where some with chronic disability have been targeted. The phraseology we always hear—we heard it a little earlier—relates to the idea that people on benefits are scroungers. Never do we hear about the fact that most people on benefits are pensioners who have worked most of their lives to get their pension or are people who have suffered from the chronic nature of their disability and need help—in any civilised society, we would all expect to help each other. Anything, even the limited change I am proposing to mitigate the worst effects of the bedroom tax, will, I hope, be welcomed by all those parties.

Sir Oliver Heald: Will the hon. Gentleman give way?

Mr Allen: I will, although I must say, through the Chair, that if the hon. and learned Gentleman wants a debate on the broader concept of welfare, I will try to answer his questions but I may well be called to order.

Sir Oliver Heald: Does the hon. Gentleman agree that his amendment 132, like the SNP's amendment 117, undermines the sanctions regime, which is there to ensure that taxpayers' money paying for good advice to jobseekers is properly spent and that people turn up for their appointments? The sanctions regime is there for a purpose but he is undermining it—why?

Mr Allen: The hon. and learned Gentleman may be holding his amendment paper upside down, because it does not say that at all. I will now go on to explain this to him—I always help people, whether they have literacy problems or they are members of the Conservative party, to understand what my amendments mean. I think I know what my amendment means. Amendment 132 states that, if someone suffers financial hardship from having a benefit reduced or suspended, they can receive the discretionary housing payment again—that is in exception 6 in clause 22, and I say that just for the hon. and learned Gentleman. This potentially excludes people who have been sanctioned or had their benefits suspended due to perceived non-compliance with conditions attached to a reserved benefit and to accessing discretionary housing payments.

Sir Oliver Heald: On a point of order, Ms Engel. The hon. Gentleman described me as illiterate, but he is in fact describing an undermining of the sanctions regime, which is what I put to him. Is that in order?

The Second Deputy Chairman of Ways and Means (Natascha Engel): That is a point of debate, and we are slightly veering away from the amendment that the hon. Member for Nottingham North (Mr Allen) has tabled. I think we can move on now.

Mr Allen: I wish that it were a point of debate, but it is a point of accuracy and I am sorry that the hon. and learned Gentleman cannot accept when he has been inaccurate. I hope he will forgive me for keeping pointing that out to him.

1.15 pm

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): On whether or not people should suffer a further sanction, I want to ask the hon. Gentleman about circumstances encountered by one of my constituents. He was sanctioned for not turning up to an appointment with the Department for Work and Pensions, but his letter had been sent to the wrong street, albeit the same number, and he was not aware of the appointment. Does the hon. Gentleman agree that it is wrong to further impose a sanction after that?

Mr Allen: The whole sanction regime needs a proper and thorough review, and it should be based on evidence of the sort the hon. Gentleman brings, as I can, rather than on prejudice and electoral gain. Although it may, sadly, go down well in certain leafy suburbs, those of us

who have relatives who are pensioners or people with a disability, and those of us who represent people who are suffering because of the bedroom tax, have a slightly different perspective. I am trying to share it with some Government Members, but, sadly, this is with a mixed degree of success.

On amendment 132, exception 6 uses the example of non-compliance, but if someone's claim had been wrongly suspended—the point the hon. Gentleman makes and I fully support—they would be put in a worse position as they would also lose discretionary housing payments. If the rhetoric about trying to get people back into work and about making work pay is meant, making people suffer a double disbenefit flies in the face of trying to help individuals back into work. It is a catch-all and a broad brush, and it is insensitive.

One of the best ways to tackle those problems, which we all encounter in government, is to make government as close to people as is humanly possible. My suggestion in this case is that that should be within the province of the Scottish Parliament, but in other cases we may even be talking about a lower tier of government. I wish briefly to deal with the question of double devolution, which was raised from the Front Bench by my hon. Friend the Member for Edinburgh South (Ian Murray), but just to finish on amendment 132 let me say that it would remove the provisions and the possibility I have described altogether. In summary, it would give the Scottish Parliament the ability to pay the discretionary benefit when a person cannot be paid a reserved benefit such as housing benefit. That is relatively straightforward and I hope I have put it as succinctly as possible.

Ian Murray: My hon. Friend is making an incredibly important speech, and I just wanted to clarify something for him. The reason why we have not signed his amendment is that we had an amendment to devolve the entirety of housing benefit, which would of course take into account all those discretionary housing benefit levels. That is why we have not supported his amendment; it is purely because we have the overarching devolution amendment.

Mr Allen: I totally understood that and I see why my hon. Friend has done what he has done. I hope we will get a broader consensus in the Committee as a result.

I wish to make one final point on this couple of detailed amendments, and it relates to double devolution. Again, I am not trying to tread on any sensitivities. I am an irregular visitor to Scotland, but when I go there, as I did over the weekend, I often hear people talk about local government in Scotland being centralised, not, for once, to Whitehall, but to Holyrood. I hope that my good friends in the Scottish National party will be clear when they speak in this debate that they reject a centralisation of power from Whitehall to Holyrood. Such a centralisation would fly in the face of proper devolution.

I know that the SNP's long-term agenda is not devolution but separation of Scotland from the rest of the Union. Separation is the long-term goal of SNP Members. That time may never come, or it may come in some number of years. I do not know; none of us can predict. In the interim, I ask parties of all descriptions in Scotland to put themselves at the service of the Scottish people so that they can get the fullest possible benefit from the devolution proposals. Devolution should not

merely transfer the ability to tell people what to do from Whitehall—which I resent—to a Scottish Parliament that has accumulated power. Once power has been fought for, granted from the centre and taken down to the lowest level possible, all of us who believe in devolution must avoid the temptation to look at people on the ground and say, “I wonder what we could have from them? I wonder how we can tell them what to do?”

There are some wonderful precedents in Scotland for the other nations of the Union. I hope that all my friends of different political complexions in Scotland will fight as strongly as they fought for their own Parliament to push as much power down to the local level as is humanly possible. I think that we all agree about the need to be sensitive and help people, but it must be done by people as intimately connected with them as possible. That will be another step of progress.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): The Scottish National party has always spoken of powers for a purpose. The reason why we are having this debate is that we were promised, as were the people of Scotland, in the run-up to the referendum that we would have a new federalism that was as near to home rule as possible. I hope that the hon. Gentleman accepts that that is the position of the SNP and what the people of Scotland can expect. We want to grow our economy and bring some fairness to society right now, but the hon. Gentleman took to the Lobby with the Government to support further austerity for Scotland.

Mr Allen: Unlike the hon. Lady, I never mistake the interests of the Scottish people for the interests of the Scottish National party. Those of us who believe in devolution can unite with those who believe in the separation and break-up of the Union because we will all be better off if we put the interests of the Scottish people first and learn the lessons that they can teach the rest of the nations of the Union.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): I shall speak to amendments 115, 116, 117 and 131, tabled in my names and the names of my colleagues, and in support of amendments that have been jointly tabled by Labour and SNP Members, including amendment 48 and new clause 31. All the amendments would strengthen the provisions in relation to the benefits system and bring it more closely in line with the Smith commission recommendations. We should remember that those recommendations were agreed by all five main political parties in Scotland and reflect the democratic demand of our people for the power to make decisions in Scotland for Scotland.

The amendments would improve our social security system by ensuring that it is tailored to our needs and circumstances and fits our policy objectives. That in turn will enhance governance and strengthen democratic accountability in Scotland and make a real difference to the lives our citizens.

It is worth restating that paragraph 49 of the Smith agreement recommended that powers should be devolved on benefits for carers, disabled people and those who are sick—attendance allowance, carer's allowance, disability living allowance, personal independence payments, industrial injuries disablement allowance and severe disablement allowance. The agreement also recommended

[*Dr Eilidh Whiteford*]

devolution of the benefits that currently comprise the regulated social fund—cold weather payments, funeral payments, Sure Start maternity grants and winter fuel payments, as well as discretionary housing payments. It proposed that new arrangements for the Motability scheme in Scotland for DLA and PIP claimants should be agreed.

Sir Oliver Heald: I welcome what the hon. Lady is saying. Looking at amendment 117, is the SNP really turning its face against conditionality and the focus on work in the benefits system in favour of a system in which, even if someone does not turn up to see the adviser and is sanctioned, they still get the benefit? How can that be right?

Dr Whiteford: On the very last day of the last Parliament, if the hon. Gentleman remembers, the Work and Pensions Committee—with a majority of coalition Members—called for a root-and-branch review of the sanctions regime. The reason why it did that should be self-evident to every Member of the House. We have seen repeatedly how the most vulnerable people in our communities fall foul of that sanctions regime. People with mental health problems and single parents are being disproportionately sanctioned. Members of Parliament can turn up five minutes late to meetings all over this place and do not lose their pay, so why should the most vulnerable and the disabled be subject to sanctions? I agree with the Work and Pensions Committee, which twice in the last Parliament called for a root-and-branch review. We could do so much better in Scotland.

Sir Oliver Heald: Will the hon. Lady give way?

Dr Whiteford: I will not give way again because I want to make some progress.

Paragraph 51 of the Smith agreement was quite explicit that the Scottish Parliament should have

“complete autonomy in determining the structure and value of the benefits at paragraph 49 or any new benefits or services which might replace them. For these benefits, it would be for the Scottish Parliament whether to agree a delivery partnership with DWP or to set up separate Scottish arrangements.”

I come back to the point about amendment 117. It should be for the Scottish Government to tailor policies that suit our purposes and take cognisance of the circumstances in which we live and work.

Smith was also clear that there should be powers to create new benefits and to top up benefits in reserved areas, by making, as it says in paragraph 54,

“discretionary payments in any area of welfare without the need to obtain prior permission from DWP”.

The agreement says explicitly:

“Any new benefits or discretionary payments introduced by the Scottish Parliament must provide additional income for a recipient and not result in an automatic offsetting reduction in their entitlement to other benefits or post-tax earnings if in employment.”

When we compare these sections of the agreement with the Bill, we see all too clearly that it fails to live up to what was proposed. A number of the amendments in this group seek to rectify some of those shortcomings, and I hope that the Secretary of State will take that

seriously and accept some of the practical measures that would substantially improve and strengthen this Bill.

As it is currently worded, the Bill places restrictions on the ability of present or future Scottish Parliaments to provide appropriate support for sick and disabled claimants and those who provide them with unpaid care at home. We have already heard from the hon. Member for Edinburgh South (Ian Murray) that the definition of disability benefit in the Bill places limits on the types of support that the Scottish Government could introduce, and therefore we support the wider scope that amendment 128 would give to shape policy in Scotland—for example, by enabling those with long-term and temporary conditions to receive support. That is a pragmatic but potentially far-reaching improvement.

In a similar vein, amendment 48 would remove the definition of who can be considered a carer. It is important that the restrictions on carer’s allowance eligibility definitions be removed from the Bill. If the Scottish Government could vary the eligibility conditions, or indeed the amount of a new carer’s benefit in Scotland, we could do more for the 62,000 carers in Scotland currently in receipt of carer’s allowance and potentially, depending on the will of Parliament, look at long-standing issues such as how many hours a person can study while being a carer, or how much of someone’s earnings is counted in determining their eligibility.

Andrew Gwynne: Is not the important issue that for as long as they wish to remain within the United Kingdom, the Scottish people have the guarantee of the United Kingdom benefits system as the baseline, but through the democratic process of the ballot box, if the Scottish people seek to have a more generous and more compassionate welfare system north of the border, they should be able to have that through the Scottish Parliament?

1.30 pm

Dr Whiteford: I entirely agree. The democratic will of the Scottish people over the past few years from the 2011 elections and again more recently—just look around this Chamber—is very clear. They want an alternative to austerity and a fairer social security system.

I am keen to highlight new clause 31, which I hope we will have an opportunity to vote on later. If Labour do not press it to the vote, we will. It gives explicit power to create new benefits in devolved areas, giving effect to that Smith agreement recommendation, and it could be used to improve the support offered to carers. I am pleased that there is a great deal of consensus on the Opposition Benches about the need to move that forward.

Inclusion Scotland, one of the leading networks of disabled people’s organisations in Scotland, has expressed support for amendment 48, and Carers UK and Carers Scotland have said that they welcome

“the flexibility for the Scottish Government to define the terms of the new ‘Carers benefit’ as it provides the Scottish Government with an opportunity to improve carers’ benefits in Scotland.”

That is why there is that degree of consensus on the Opposition Benches. Carers are understandably concerned about the speculation on where the Chancellor’s £12 billion of social security cuts will fall. We know that carers and the disabled people they support are likely to see further squeezes on their already squeezed incomes. These amendments offer an opportunity to consider alternatives.

In Scotland we realised some years ago that carers are integral to meeting the long-term challenges we face in delivering health and community care. Unpaid and family carers are the backbone of the community care system and they are irreplaceable; they are part of the solution to meeting our social care challenges. Since the advent of devolution the Scottish Parliament has pioneered policies that have improved support for carers and those receiving care in the community, but when carers fail to get the support that they need to continue to care, the pressures on our public services become far less manageable.

It is worth pointing out that the positive policies for carers pursued in Scotland under existing devolved powers contrast sharply with what we have seen from Westminster over recent years. Particularly over the past few years, I have met carers under increasing strain because of the failures of the work capability assessment and the implementation problems that have accompanied the personal independence payment regime. One of the consequences of someone losing benefit because of inadequate assessment procedures is often a big knock-on financial impact on carers, who find themselves having to support their relative financially, as well as providing practical care. Also, in the absence of other support, the intensity of the care they have to provide often increases.

Julian Knight (Solihull) (Con): I find the hon. Lady's speech very illuminating, particularly on carers, an issue close to my heart and that of my constituents. However, a thought occurs to me: is not the real agenda to turn back the clock on benefit reform, effectively ending accountability for those claiming benefits and allowing a return to rampant welfarism, which destroys communities and keeps people trapped in dependency?

Dr Whiteford: The hon. Gentleman's intervention demonstrates that he has completely failed to understand my point—that carers are holding up our social care system. They are providers of care, not benefit recipients. They stop the state having to look after people who would otherwise require considerably more support from the NHS and from community care services. Let us not pretend that carers are a drain on our resources. They are a resource on which we are hugely dependent. Let us face it. The support that we give to carers in no way compensates for the care that they provide for free. *[Interruption.]*

When carers stop being able to care—often because their own health has been severely compromised—our local authorities and the NHS find themselves having to make—*[Interruption.]*

The Second Deputy Chairman of Ways and Means (Natascha Engel): Order. Let us have one debate at a time. If hon. Members wish to intervene, they should indicate that. Thank you.

Dr Whiteford: The point I was trying to make is that when carers' own health is compromised, that puts an enormous strain on our local authorities and our NHS. They have to make more crisis interventions, which are costly in human and in financial terms.

There is no doubt in my mind that we can and we must do better for sick people, disabled people and their carers, and that with more effective devolution we can align policy more closely with areas such as health and

social care that are already devolved and that are most relevant for carers. What this amendment, like others, really comes down to is who can be trusted to safeguard carers' interests: a Tory Government with one lonely Scottish Tory MP, or the Scottish Parliament which is democratically representative, accessible and accountable to the people it serves. A clear majority of the people of Scotland have indicated their support for substantial and meaningful delivery of those powers as they were set out in the Smith agreement, as have key stakeholder groups.

I know that the Secretary of State takes a personal interest in support for carers, and I urge him to listen and to accept these amendments that will move us a small step closer to what was promised, and will make a big difference in people's lives.

Amendments 116 and 117 relate to the proposed powers over discretionary housing payments, other discretionary payments and the sanctions regime. Our clear view is that the proposed powers over discretionary housing payments in clause 22 fail to deliver the Smith commission recommendation for autonomy because they are subject to various restrictions. As the Scottish Government said in their response to the Scottish Parliament's Devolution (Further Powers) Committee's interim report on the draft Scotland Bill clauses,

“the exclusion of the ability to make payments where the need arises from the impact of UK Government policies on conditionality and sanctions constrains the effectiveness of these powers in providing necessary support to key groups”.

Our amendments would remove some of these constraints, including those relating to sanctions, which we have already discussed, and bring the Bill into line with the Smith recommendations in relation to when discretionary housing payments and other discretionary payments and assistance can be made.

I very much welcome the support of Labour Members for amendment 115, which enables the provision of assistance in forms other than cash, for benefits related to maternity, funeral and heating expenses. That might seem quite a small thing, but I am sure that many Members will share my experience of people presenting themselves in the constituency office at half-past four on a Friday afternoon facing a weekend with no money and no electricity. Often they have spent the day battling bureaucracy and have come to the MP as a last-ditch attempt to get assistance when all else has failed. Often we can secure emergency food parcels through local church food banks, or access emergency power cards.

This amendment would enable non-cash provision such as power cards or, in the case of funeral payments when people's bank accounts can be frozen in the event of a sudden death, emergency support for people who are in a very difficult situation. Thanks to innovative technology there are now clever ways to deliver emergency support through mobile phones, which is particularly useful in rural areas such as mine, where there are ever fewer banks and post offices in villages, and those that remain keep ever more limited hours. If people can receive support on a mobile phone that can then be used in their local shop, it provides a lifeline to those most vulnerable and in need of emergency support.

Amendment 131 would amend clause 23 and extend the power of the Scottish Government to provide support in exceptional circumstances. This issue has been raised by the Child Poverty Action Group, which points out

[Dr Eilidh Whiteford]

that exception 8 is narrowly drafted and does not include families under exceptional pressure among the categories of those potentially eligible for

“occasional financial or other assistance”.

This group is currently eligible for community care grants under the interim Scottish welfare fund and was also eligible for the predecessor social fund administered by the DWP. Failure to reference this group in the Bill and put beyond doubt the protection of families under exceptional pressure as a priority group in their own right could put the health and wellbeing of some of the most vulnerable families at risk. I very much hope that the Secretary of State will look sympathetically at this amendment and accept it. I look forward to the Government’s response.

A letter in *The Herald* today signed by 12 leading third sector organisations in Scotland points to the concern among charities and civil Scotland about just how damaging the next round of welfare cuts will be. They are right to say that those least able to cope are likely to be hit the hardest. Today MPs have an opportunity to strengthen the Bill so that it lives up to the recommendations of the Smith commission. This would enable us to shape a fairer future for Scotland’s social security system and bring more of those welfare decisions and the levers to grow our economy into the hands of the Scottish Parliament.

This Tory Government have shown time and again that they cannot be trusted with social security. They seem utterly determined to press ahead with eye-watering further cuts of £12 billion. Scotland’s charities are making it clear today that the axe should not be falling on the least well-off in our society but should be shared more equitably.

At the general election the SNP received an unprecedented mandate to speak up for Scotland, and today I am asking Westminster to listen, to live up to the spirit and intent of the Smith commission with regard to welfare, and to deliver the powers we need to shape a social security system that supports and empowers people when hard times hit, rather than punishing them. These amendments take a step in the right direction, and I hope that the Government will accept them.

Sir Oliver Heald: I welcome the huge transfer of welfare and tax powers set out in the Bill, but I want to make one point about conditionality. Over the past 15 years or so one of the insights that has struck in the field of work and pensions and welfare is the idea that tackling poverty is not just about benefits; it is also about helping people into work, education and skills and removing barriers to work. Conditionality is part of that process, and it was introduced by Labour. It says to the taxpayer and benefit recipients, “Look, if we pay huge amounts of money to train a cadre of people in the jobcentres, if we hire expert companies to advise jobseekers and if we involve the disability groups in the process, as taxpayers we are making a big investment in trying to help people into work and end the dependency culture.”

Therefore, is it really right for somebody who has been offered an opportunity to go to the jobcentre for an advice session or training not to attend and not to explain why? When they are sanctioned, is it really right

for us to say, “Oh, that doesn’t matter, because the taxpayer can just pay the bill and there will be no consequences at all”? That would be the effect of the two amendments that would take out the guts of clauses 22 and 23 and remove conditionality.

Jim Fitzpatrick: Does the hon. and learned Gentleman not accept these two points? First, 55% of people in receipt of benefits are already working, so they do not need help into work. They are on benefits, doing the right thing and trying look after their families, but they are the people who will be hurt by the reductions that the Government are proposing. Secondly, although I accept that those in receipt of benefits have responsibilities, the Work and Pensions Committee has said on two occasions, as the hon. Member for Banff and Buchan (Dr Whiteford) mentioned, that the sanctions regime is too fierce and needs to be adjusted. Does he not accept the Select Committee’s findings?

Sir Oliver Heald: As the hon. Gentleman knows, I served on the Select Committee for many years. I accept that the sanctions regime needs to be reviewed and that it needs to work properly, but that is not the same as scrapping it. The amendments would undermine the regime so severely that it would be fatally damaged. I am not saying that there should not be a wide transfer of powers; I am simply asking Opposition Members to think about their taxpayers, about those people who are investing in services for jobseekers and all that help. Is it really right that there should be no conditionality?

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): During the election campaign I met a man in my constituency called Dave Grieve. He had found very little support at the jobcentre to help him get into employment, so he took the initiative of setting up his own Facebook page. He now has 11,000 followers. He advertises the jobs and promotes the opportunities that are not provided through the jobcentres.

Sir Oliver Heald: The Select Committee visited Scotland on occasion—[*Interruption.*] No, it is a UK-wide Committee, so we visited all parts of the United Kingdom. We found some excellent services. The hon. Gentleman might have a bad example, but overall across the United Kingdom, including Scotland, there are some excellent services that taxpayers are paying for. I think that these amendments would undermine the conditionality that is important to that.

1.45 pm

Kate Green: I am pleased to have the opportunity to contribute to this debate. It seems to me that the Secretary of State, when he responds, needs to be very precise about his objection to the amendments that have been tabled in relation to a number of key principles. He will first need to be explicit about whether he believes the proposals to be at odds with, and moving in the opposite direction from, the intention of Smith. I think that a number of the amendments would give better effect to Smith than would the Bill as currently drafted. Therefore, the argument is not about whether we share the same intention, but about whether the legislation is adequate for the task. I hope that he will bear that in mind when responding.

The second thing that some of the amendments that I and my hon. Friends have tabled seek to achieve, as indeed do some of the SNP amendments, is to simplify the legislation. It is a little too complicated and hedged about with who is in and who is out of the provision of certain exceptions, for example in relation to definitions of disability, or too narrow in relation to definitions of carers. I hope that the Secretary of State will be able to explain precisely what his objections are to the amendments that seek to make the legislation easier to give effect to and plainer in its intent.

The third thing, which I think is the substance of this debate, is to a degree a sideline debate. It is not specifically about the legislation; it is about our intentions for the welfare state. I think that the Secretary of State should acknowledge that we are talking about a welfare state that enables people. Where benefits enable people's full social participation—for example, carers' benefits and benefits that enable disabled people to live decent and independent lives—there is no case for decrying them on the basis that they create a dependency culture, because what they create is a culture of dignity and participation. I hope that he will be able to distinguish between the two.

Having said that, I do not think that there is a wish, certainly on the part of Labour Members, to say that there should not be a conditionality regime. Our party has always accepted that in a conditional system there must be a backstop of sanctions for people who wilfully refuse to comply. Of course, the vast majority do not wilfully refuse to comply; they get caught up in a completely baffling and increasingly unjust system. The hon. and learned Member for North East Hertfordshire (Sir Oliver Heald) has rightly accepted that that system now needs to be reviewed, because it is clearly well beyond what any reasonable conditionality and sanctions regime should look like. However, that is not really the purpose of this legislation or what this debate is about.

I want to make two or three specific points in support of some of the remarks that were made earlier. First, in relation to disability benefits, I think that the way clause 19 has been written will cause considerable confusion and dispute about who falls within the ambit of the benefits that the Scottish Government can create or top up. For example, does the fact that somebody needs to be suffering significant adverse effects and be unable to carry out day-to-day tasks exclude someone who suffers from double incontinence? Arguably, that person should be within the ambit of the legislation, but why do we need to have any doubt? Does "short-term" mean that someone suffering from a fatal illness that is likely to lead to fatality within three or four months will be within the ambit of the legislation? It seems to me that if we stuck to a much plainer description of disability benefits and of who is eligible, we would avoid a lot of unnecessary dispute and heartache, and we might enable the Scottish Parliament to prescribe much more simply that certain conditions or circumstances would automatically give rise to benefit entitlement, as is the case with the UK's legislation.

Wayne David (Caerphilly) (Lab): On that point, my hon. Friend will know that patients who are terminally ill with less than six months to live are automatically entitled to disability living allowance or personal independence payment. The contrast between that specificity and the vagueness before us today is very stark.

Kate Green: That is an extremely good example. Those with a terminal illness and less than six months to live are automatically routed through and fast-tracked to eligibility for PIP. We could also talk about those on dialysis and double amputees, who are automatically able to get the higher rate of mobility, as are those with severe sight impairment. It would be simpler if the Scottish Parliament could legislate to route some of those people through to benefits automatically, as is now the case in UK legislation.

Mrs Madeleine Moon (Bridgend) (Lab): Is my hon. Friend aware that the Motor Neurone Disease Association has cited cases in which people with six months left to live who have had the DS1500 assessment have actually been challenged by the Department for Work and Pensions, which is so insulting as to be mind-boggling? That is why we need very clear guidelines and definitions, which the Bill does not provide.

Kate Green: That is insulting, obviously very distressing and quite unjust. I hope that the Secretary of State will look at amendment 128, which seeks to bring clarity to the legislation in relation to entitlement to disability benefits, and, if he is not able to accept the amendment, that he will give us clear reasons why not.

On carers, I recognise that the definitions encompassed in the Bill mirror the current entitlement to carer's allowance. As I think the hon. Member for Banff and Buchan (Dr Whiteford) was trying to explain, carer's allowance is both a very useful benefit from the point of view of society as a whole and an enabling benefit to enable people to provide care for their family and loved ones. We should be very keen to extend those enabling benefits as far as possible and, as she rightly said, in alignment with the landscape of social care and support provided through our public services. If Conservative Members will forgive me, I do not think that it is creating a dependency culture to facilitate carers in their caring role. Indeed, from a UK perspective, I must say that I am rather envious of this opportunity to extend the definitions. I again hope that the Secretary of State, if he feels unable to accept amendment 48, will be able to explain clearly why not.

Finally, I want to pick up on amendment 129, tabled by my hon. Friend the Member for Nottingham North (Mr Allen), who is not in the Chamber at the moment. As I understand it, the effect of his amendment would not be to remove the provision from applying to someone who had been sanctioned, but would mean that someone who had fallen out of the ambit of entitlement to housing benefit altogether—including because the operation of the bedroom tax meant that they could no longer receive that payment—could none the less access a benefit that the Scottish Government might wish to introduce to deal with that situation.

As my hon. Friend the Member for Edinburgh South (Ian Murray) said, we intend to address that point in a later amendment that would devolve the whole of housing benefit. However, it is important to understand that amendment 129 is not about trying to subvert the sanctions regime or the conditionality regime, with all its current flaws, but is about trying to reopen access to support with housing costs to those who have fallen foul of a tax, the bedroom tax, which Opposition Members are united across parties in opposing. I hope that the Secretary of State will recognise that fact.

The Minister for Employment (Priti Patel): This has been a full debate on a range of important issues in which there is a great deal of interest from Members of this House, Members of the Scottish Parliament and people throughout Scotland. As my right hon. Friend the Secretary of State for Scotland has made clear on many occasions during the Bill's passage, the Government are committed to implementing the Smith commission agreement in full, and we believe the provisions of the Bill meet the spirit and substance of the agreement.

I will explain the Government's approach as I respond to the proposed amendments in turn. Before I do so, however, I want to reflect on the fact that the Bill will give the Scottish Parliament very extensive new powers on welfare. Benefits for which powers are being devolved accounted for £2.5 billion of spending last year, which is about a quarter of all welfare spending in Scotland outside the state pension.

The clauses on welfare provide tremendous opportunities for the Scottish Government and Scottish Parliament to design, implement and structure welfare in Scotland. Such a huge change should not be underestimated. If the Scottish Government and Scottish National party want to spend more on welfare, they will of course be able to do so. The consequence of the Smith agreement is that the UK and Scottish Governments will in future work together to provide welfare systems for people in Scotland, and we need to co-operate in doing that. Scotland's two Governments already work together well and achieve a great deal, and I am confident that that will continue as we seek to implement the devolution of these significant welfare powers.

Pete Wishart (Perth and North Perthshire) (SNP): This is now day three in Committee on the Scotland Bill, and thus far the Government have refused to accept any amendments. The Scottish Parliament's Devolution (Further Powers) Committee has said that the Bill does not meet Smith, and the House of Commons Library says that it does not meet Smith.

The Secretary of State for Scotland (David Mundell): It does not say that.

Pete Wishart: Will the Government now agree to accept some of the amendments? I tell the right hon. Lady that she had better not even be thinking of amending the Bill in the House of Lords, out of sight of democratic scrutiny by this House. Will she assure me today that the Government will not table amendments in the House of Lords, but will do so on the Floor of the House of Commons?

Priti Patel: As the hon. Gentleman will have heard the Secretary of State say, the Library simply does not say that at all. I will go through the specific amendments that we are debating, and it is important for the hon. Gentleman to hear the points I will make by way of clarification. We have only just started day three, and I think he should give the Government the benefit of the doubt and listen to the arguments that we will advance.

Amendments 128 and 112 relate to the disability benefits aspects of clause 19. The clause, and specifically the interpretation of what is meant by "disability benefit", is intended to allow the Scottish Parliament to legislate in areas currently covered by attendance allowance,

disability living allowance and personal independence payment. There are a number of common features to these disability benefits. The key ones are, first, that they are usually intended to contribute towards additional costs that people with physical or mental health conditions or disabilities can incur; secondly, that they should primarily be directed at people with long-term physical or mental health conditions or disabilities, rather than conditions of a transient nature; and, thirdly, that disability is by reference to the significant effects or needs arising, rather than the fact of being disabled.

I want to focus on the third aim. Clearly, disability and long-term health issues affect many people across the UK. In fact, they currently affect more than 12 million people under the Equality Act 2010 definition, and disability has an impact on each of those 12 million people in an individual and very specific way. We know that many disabled people can fully participate in society and can work, and that they have no or very modest additional costs, but we also know that others of course experience great barriers that some disabled people or non-disabled people simply do not have. Let us be clear: it is right that support through the social security system is targeted. That targeted support is there to help them, and it is provided by targeting needs and effects, rather than diagnoses or conditions primarily. That is the approach taken for all disability benefits.

It is in that context that the Government have approached their commitment to devolve disability benefits to the Scottish Parliament. By setting out the broad parameters to the benefits, we can confer legislative competence for a defined policy area in such a way that allows the Scottish Parliament to determine how it achieves that and does not tie it to using existing rules and criteria. In that spirit, our approach has not been to take the seemingly more obvious route of somehow mimicking the existing legislative provisions or providing a formulation that sets absolute boundaries; our view is that either of those approaches could place unnecessary restrictions on the Scottish Parliament. Our approach must reflect the benefits as they stand, including, importantly, the fact that they contain exceptions both to allow entitlement and to restrict payment where necessary. I emphasise that the Bill will provide ample flexibility and allow the Scottish Parliament to legislate for myriad outcomes for people who would not meet the more general requirements.

2 pm

Mark Durkan (Foyle) (SDLP): The Minister says that the Government do not want to place unnecessary restrictions on the Scottish Parliament. Which of the amendments that hon. Members have spoken to would do that?

Priti Patel: I am talking about the definition of a disability benefit, which we want to ensure provides ample flexibility for the Scottish Parliament to legislate for a range of outcomes for people who would not otherwise meet the requirements.

Amendment 48 relates to carers' benefits. As with disability benefits, our approach has been to describe the key features of the existing carer's allowance, but clause 19 will not restrict the Scottish Parliament to following all the detailed features of that allowance. For example, it will not be restricted to making a benefit

payment to only one carer in respect of each disabled person. Taken together with existing devolved powers in areas such as social care, the clause will ensure that the Scottish Parliament has powers to set out how support for carers is provided, including the rate at which it is paid and whether it is paid as a benefit or provided in some other way.

There is also a broad definition of a disabled person in respect of whom a carer's benefit can be paid. Amendment 48 would extend the Scottish Parliament's legislative competence still further, allowing it to provide a carer's benefit to children under 16, people in full-time education or those who are gainfully employed. I will take each category in turn and explain why we do not consider that there is a case for that expansion of competence.

It is a long-standing principle of the social security system that those under 16 are normally supported not by the benefits system but by guardians, local authorities or parents. With regard to those not gainfully employed, carer's allowance is designed to recognise those whose opportunities to work are limited because of the time that they dedicate to caring duties. There needs to be a threshold so that we can judge whether a claimant is in employment. The reference to gainful employment provides that threshold.

Those in full-time education are normally supported not by the benefits system but by the education maintenance system of loans and grants. Clause 19 will allow the Scottish Parliament to decide on the details of who carers' benefits are paid to, how much is paid and what the eligibility criteria should be. The parameters of the definition of "relevant carer" are appropriate and reflect long-standing principles about the purpose of carers' benefits.

Ian Murray: The Minister has explained the restricted definition of carers, but if the Scottish Parliament has full power to set up a new devolved benefit on top of a reserved benefit, why should it not be up to the Scottish Parliament to decide on its own definition of carers? That should not affect the provisions in the Bill.

Priti Patel: As I have said, the clause will allow the Scottish Parliament to decide on the details of who carers' benefits are paid to. I want to make progress now, because I need to come to many other points that have been made.

John Redwood (Wokingham) (Con): Will my right hon. Friend give way?

Priti Patel: I will briefly give way.

John Redwood: I am grateful to the Minister; I think there is some problem with Ministers getting to the House.

How will the block grant be adjusted to take into account both the extra welfare responsibilities and the extra revenues? That is a rather important point if we are to understand the significance of the clauses on benefits.

Priti Patel: That is subject to the discussions taking place on the fiscal framework.

Returning to carers, we recognise and appreciate, as everybody in the House will, the contribution of informal carers, who provide tremendous support to parents and other family members.

Amendment 115 relates to the powers being devolved on the provision of the regulated social fund. Clause 20 will give the Scottish Parliament legislative competence over support currently provided through a number of reserved benefits such as funeral payments and maternity grants, which some Members have briefly touched on today. As with our approach to disability benefits and carers' benefits, the clause devolves not simply the existing benefits but the subject matter of them. That will give the Scottish Parliament wide-ranging powers to make its own provision for the areas in question.

I wish to respond briefly to Members' points about amendments 132 and 117—the hon. Member for Nottingham North (Mr Allen), who is no longer in his place, spoke to the former. The Government have made significant changes to the clauses on discretionary payments since they were first published in draft in January, having listened to the views of the Scottish Government, the Scottish Parliament and key stakeholders. The Bill now includes new top-up provisions in clause 21, and we have removed some provisions on discretionary housing payments that people felt would unnecessarily constrain the powers being devolved. Together, clauses 21 to 23 will give the Scottish Parliament significant powers to legislate for discretionary payments to people in Scotland, whether by topping up a reserved benefit or by providing assistance to meet short-term needs. The Scottish Government will be able to provide people with money additional to that provided by the UK Government.

Some Members mentioned welfare reforms and tax credits. I should point out that my right hon. Friend the Chancellor will bring his Budget to the House next week, when further measures will be highlighted. The hon. Member for Banff and Buchan mentioned the letter in today's *Herald* and spoke about children, and I want to put it on the record that the proportion of children in poverty is at its lowest level since the mid-1980s.

There has been some discussion of welfare reform. The Government are absolutely committed not just to reforming welfare but to supporting families into work. The best route out of poverty is work, and I make no apology for all our efforts to raise incomes by expanding employment opportunities. We will of course have a debate about employment opportunities in a later group of amendments this afternoon, and because we are short of time I will not touch on that subject now.

Members mentioned sanctions and conditionality. Conditionality is an important feature of our welfare system, and I note that both the Labour party and the Scottish National party have always stated that they agree that there should be conditionality in the system. I put it on the record again that there has been an independent review of sanctions, the Oakley review. The Government have accepted all the recommendations highlighted in it and have already implemented a number of provisions, including improvements to the hardship payments process.

Kate Green: The Minister is right that the Oakley report made a number of recommendations about process, but Oakley was not asked to address the real concerns of the Select Committee on Work and Pensions, which

[Kate Green]

were about whether sanctions were being applied fairly and proportionately. What can the Minister say in response to the Select Committee's recommendations on the problems with the substance of how sanctions are operated?

Priti Patel: I am aware of the Select Committee's report, and the Department will put its views on the record. I urge Members, particularly SNP Members, who have previously mentioned sanctions cases in the House, to write to me directly with specific cases and the points that they wish to make.

Several hon. Members *rose*—

Priti Patel: I will not give way, because we are running out of time.

Members mentioned clause 23, on discretionary payments. I assure the Committee that the clause will not limit the Scottish Parliament's existing competence and will not prevent the making of discretionary payments to people in families under exceptional pressure.

Finally, I turn to new clause 31, which would insert a new exception into the social security reservation in the Scotland Act 1998, giving the Scottish Parliament the power to create new benefits. As set out on Second Reading and in our discussions with the Scottish Government, the Government agree with the principle in the Smith commission agreement that the Scottish Parliament should be able to create new benefits.

Wayne David: Will the Minister give way?

Priti Patel: No. I have taken interventions and I want to make my point. Time is running out.

Wayne David: On a point of order, Mr Crausby. The Minister has repeatedly said that she cannot respond to the House because time is short. We have until 7 o'clock.

Priti Patel: For the record, let me say that we have other groups of amendments to discuss this afternoon. I will happily have that discussion and I will come on to some of those other points in later discussions. There is no excuse.

Perhaps I may continue. We believe that the Scottish Parliament can already create new benefits under either existing powers or those devolved by the Bill. The Smith commission was clear about which welfare powers were to be devolved to the Scottish Parliament, and the Bill delivers those powers in a way that allows that Parliament to replace the benefits and payments for which powers are being devolved.

On areas of devolved responsibility outside welfare, we believe that the Scottish Parliament has the powers to provide financial assistance to people in devolved areas—it currently does so in some areas already. We do not consider that the social security reservation prevents the Scottish Parliament from providing such financial assistance. The proposed new exception would give the Scottish Parliament competence to legislate to create new benefits in any area other than those where reserved powers existed on 28 May 2015—the date on which the Bill was introduced. That would flip the social security reservation on its head. As such, that would not provide

a new power to create benefits in areas of devolved responsibility; rather, it would devolve further areas of responsibility to the Scottish Parliament, which is not what the Smith commission agreement called for.

Undermining the social security reservation in that way would simply limit the freedom of the UK Parliament when introducing new welfare benefits, or making changes to existing reserved benefits in the future. We will discuss many other clauses and groups of amendments this afternoon, and I will happily cover some of those points in those discussions. At this stage, however, I urge hon. Members to withdraw their amendments.

Ian Murray: I appreciate that the Minister has come to the Dispatch Box to respond to the amendments, but I am slightly disappointed that she has used the excuse of restricted time; we have another five hours left and only two more groups of amendments. As I said at the end of my initial contribution, if the Government are to accept any amendments at all it would be useful for them to accept new clause 31, as that would give the Scottish Parliament power to establish any new benefit in a devolved area and top up any benefit in the reserved area. That would give it a wide-ranging power to design a system of welfare in Scotland that fits the needs of the Scottish people, which is incredibly important. I will push new clause 31 to the vote later today, but in the meantime I will push amendments 128 and 48 to the vote.

Question put, That the amendment be made.

The House divided: Ayes 252, Noes 312.

Division No. 30]

[2.13 pm

AYES

| | |
|--------------------------|----------------------------|
| Abbott, Ms Diane | Campbell, rh Mr Alan |
| Ahmed-Sheikh, Ms Tasmina | Campbell, Mr Ronnie |
| Alexander, Heidi | Carmichael, rh Mr Alistair |
| Ali, Rushanara | Champion, Sarah |
| Allen, Mr Graham | Chapman, Douglas |
| Anderson, Mr David | Chapman, Jenny |
| Arkless, Richard | Cherry, Joanna |
| Ashworth, Jonathan | Clwyd, rh Ann |
| Austin, Ian | Coaker, Vernon |
| Bailey, Mr Adrian | Coffey, Ann |
| Bardell, Hannah | Cooper, Julie |
| Barron, rh Kevin | Cooper, Rosie |
| Benn, rh Hilary | Cooper, rh Yvette |
| Berger, Luciana | Corbyn, Jeremy |
| Betts, Mr Clive | Cowan, Ronnie |
| Black, Ms Mhairi | Cox, Jo |
| Blackford, Ian | Coyle, Neil |
| Blackman, Kirsty | Crawley, Angela |
| Blomfield, Paul | Creagh, Mary |
| Boswell, Philip | Cruddas, Jon |
| Brake, rh Tom | Cryer, John |
| Brennan, Kevin | Cummins, Judith |
| Brock, Deidre | Cunningham, Alex |
| Brown, Alan | Cunningham, Mr Jim |
| Brown, Lyn | Dakin, Nic |
| Brown, rh Mr Nicholas | David, Wayne |
| Bryant, Chris | Davies, Geraint |
| Buck, Ms Karen | Day, Martyn |
| Burden, Richard | De Piero, Gloria |
| Burgon, Richard | Debbonaire, Thangam |
| Burnham, rh Andy | Docherty, Martin John |
| Butler, Dawn | Donaldson, Stuart |
| Byrne, rh Liam | Doughty, Stephen |
| Cadbury, Ruth | Dowd, Jim |

Dowd, Peter
 Durkan, Mark
 Eagle, Maria
 Efford, Clive
 Ellman, Mrs Louise
 Esterson, Bill
 Evans, Chris
 Fellows, Marion
 Ferrier, Margaret
 Field, rh Frank
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flynn, Paul
 Fovargue, Yvonne
 Foxcroft, Vicky
 Gapes, Mike
 Gardiner, Barry
 Gethins, Stephen
 Gibson, Patricia
 Glass, Pat
 Glindon, Mary
 Goodman, Helen
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Green, Kate
 Greenwood, Lilian
 Greenwood, Margaret
 Griffith, Nia
 Gwynne, Andrew
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harman, rh Ms Harriet
 Harpham, Harry
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue
 Healey, rh John
 Hendry, Drew
 Hepburn, Mr Stephen
 Hillier, Meg
 Hodge, rh Margaret
 Hodgson, Mrs Sharon
 Hollern, Kate
 Hopkins, Kelvin
 Hosie, Stewart
 Howarth, rh Mr George
 Hunt, Tristram
 Huq, Dr Rupa
 Hussain, Imran
 Irranca-Davies, Huw
 Johnson, rh Alan
 Johnson, Diana
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Kane, Mike
 Kaufman, rh Sir Gerald
 Keeley, Barbara
 Kendall, Liz
 Kerevan, George
 Kerr, Calum
 Khan, rh Sadiq
 Kinnock, Stephen
 Kyle, Peter
 Lammy, rh Mr David
 Lavery, Ian
 Law, Chris
 Leslie, Chris

Lewell-Buck, Mrs Emma
 Lewis, Clive
 Lewis, Mr Ivan
 Long Bailey, Rebecca
 Lucas, Caroline
 Lucas, Ian C.
 Lynch, Holly
 MacNeil, Mr Angus Brendan
 Mactaggart, rh Fiona
 Madders, Justin
 Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Mr Gordon
 Maskell, Rachael
 Matheson, Christian
 Mc Nally, John
 McCabe, Steve
 McCarthy, Kerry
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart
 McDonald, Stuart C.
 McDonnell, John
 McGarry, Natalie
 McGovern, Alison
 McInnes, Liz
 McLaughlin, Anne
 Meale, Sir Alan
 Mearns, Ian
 Monaghan, Carol
 Monaghan, Dr Paul
 Moon, Mrs Madeleine
 Morden, Jessica
 Morris, Grahame M.
 Mullin, Roger
 Murray, Ian
 Newlands, Gavin
 O'Hara, Brendan
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Powell, Lucy
 Pugh, John
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Jamie
 Reed, Mr Steve
 Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, Angus
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Salmond, rh Alex
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Siddiq, Tulip
 Skinner, Mr Dennis
 Slaughter, Andy

Smith, rh Mr Andrew
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smith, Owen
 Smyth, Karin
 Spellar, rh Mr John
 Starmer, Keir
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Tami, Mark
 Thewliss, Alison
 Thomas-Symonds, Nick
 Thompson, Owen
 Thomson, Michelle
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl

Twigg, Derek
 Twigg, Stephen
 Umunna, Mr Chuka
 Vaz, Valerie
 Weir, Mike
 West, Catherine
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan
 Williams, Hywel
 Williams, Mr Mark
 Wilson, Corri
 Wilson, Phil
 Winnick, Mr David
 Winterton, rh Ms Rosie
 Wishart, Pete
 Woodcock, John
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Ayes:
Bridget Phillipson and
Susan Elan Jones

NOES

Adams, Nigel
 Aldous, Peter
 Allan, Lucy
 Andrew, Stuart
 Ansell, Caroline
 Argar, Edward
 Atkins, Victoria
 Bacon, Mr Richard
 Baker, Mr Steve
 Baldwin, Harriett
 Barclay, Stephen
 Baron, Mr John
 Barwell, Gavin
 Bebb, Guto
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Crispin
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Brokenshire, rh James
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burrowes, Mr David
 Burt, rh Alistair
 Cairns, Alun
 Carswell, Mr Douglas
 Cartledge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Choqe, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, James
 Davies, Mims
 Davies, Philip
 Davis, rh Mr David
 Dinenage, Caroline
 Djanogly, Mr Jonathan
 Donaldson, rh Mr Jeffrey M.
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 Duncan, rh Sir Alan
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Elliott, Tom
 Ellis, Michael
 Ellison, Jane
 Elphicke, Charlie
 Eustice, George
 Evans, Graham
 Evans, Mr Nigel
 Evennett, rh Mr David
 Fabricant, Michael
 Fallon, rh Michael
 Fernandes, Suella
 Field, rh Mark
 Foster, Kevin
 Fox, rh Dr Liam
 Francois, rh Mr Mark

Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Garnier, Mark
 Gauke, Mr David
 Ghani, Nusrat
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Greening, rh Justice
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, Ben
 Gymah, Mr Sam
 Halfon, rh Robert
 Hall, Luke
 Hammond, Stephen
 Hancock, rh Matthew
 Hands, rh Greg
 Harper, rh Mr Mark
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Heald, Sir Oliver
 Heappey, James
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Boris
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kinahan, Danny
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi

Lancaster, Mark
 Leadsom, Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McPartland, Stephen
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Nokes, Caroline
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Osborne, rh Mr George
 Paisley, Ian
 Parish, Neil
 Patel, rh Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prentis, Victoria
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic

Redwood, rh John
 Robertson, Mr Laurence
 Robinson, Gavin
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 Selous, Andrew
 Shannon, Jim
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swire, rh Mr Hugo
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie

Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Watkinson, Dame Angela
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggan, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:

Simon Kirby and
 Sarah Newton

Question accordingly negated.

Amendment proposed: 48, in clause 19, page 22, line 45, leave out sub-paragraph (a).—(*Ian Murray.*)

Question put, That the amendment be made.

The House divided: Ayes 258, Noes 314.

Division No. 31]

[2.26 pm

AYES

Abbott, Ms Diane
 Abrahams, Debbie
 Ahmed-Sheikh, Ms Tasmina
 Alexander, Heidi
 Ali, Rushanara
 Allen, Mr Graham
 Anderson, Mr David
 Arkless, Richard
 Ashworth, Jonathan
 Austin, Ian
 Bailey, Mr Adrian
 Bardell, Hannah
 Barron, rh Kevin
 Benn, rh Hilary
 Berger, Luciana
 Betts, Mr Clive
 Black, Ms Mhairi
 Blackford, Ian
 Blackman, Kirsty
 Blomfield, Paul
 Boswell, Philip

Brake, rh Tom
 Brennan, Kevin
 Brock, Deidre
 Brown, Alan
 Brown, Lyn
 Brown, rh Mr Nicholas
 Bryant, Chris
 Buck, Ms Karen
 Burden, Richard
 Burgon, Richard
 Burnham, rh Andy
 Butler, Dawn
 Byrne, rh Liam
 Cadbury, Ruth
 Cameron, Dr Lisa
 Campbell, rh Mr Alan
 Campbell, Mr Ronnie
 Carmichael, rh Mr Alistair
 Champion, Sarah
 Chapman, Douglas
 Chapman, Jenny

Cherry, Joanna
 Clwyd, rh Ann
 Coaker, Vernon
 Coffey, Ann
 Cooper, Julie
 Cooper, Rosie
 Cooper, rh Yvette
 Corbyn, Jeremy
 Cowan, Ronnie
 Cox, Jo
 Coyle, Neil
 Crawley, Angela
 Creagh, Mary
 Cruddas, Jon
 Cryer, John
 Cummins, Judith
 Cunningham, Alex
 Cunningham, Mr Jim
 Dakin, Nic
 David, Wayne
 Davies, Geraint
 Day, Martyn
 De Piero, Gloria
 Debbonaire, Thangam
 Docherty, Martin John
 Donaldson, Stuart
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Durkan, Mark
 Eagle, Maria
 Efford, Clive
 Ellman, Mrs Louise
 Esterson, Bill
 Evans, Chris
 Fellows, Marion
 Ferrier, Margaret
 Field, rh Frank
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flynn, Paul
 Fovargue, Yvonne
 Foxcroft, Vicky
 Gapes, Mike
 Gardiner, Barry
 Gethins, Stephen
 Gibson, Patricia
 Glass, Pat
 Glindon, Mary
 Goodman, Helen
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Green, Kate
 Greenwood, Lilian
 Greenwood, Margaret
 Griffith, Nia
 Gwynne, Andrew
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harman, rh Ms Harriet
 Harpham, Harry
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue
 Healey, rh John
 Hendry, Drew
 Hepburn, Mr Stephen
 Hillier, Meg
 Hodge, rh Margaret

Hodgson, Mrs Sharon
 Hollern, Kate
 Hopkins, Kelvin
 Hosie, Stewart
 Howarth, rh Mr George
 Hunt, Tristram
 Huq, Dr Rupa
 Hussain, Imran
 Irranca-Davies, Huw
 Jarvis, Dan
 Johnson, rh Alan
 Johnson, Diana
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Kane, Mike
 Kaufman, rh Sir Gerald
 Keeley, Barbara
 Kendall, Liz
 Kerevan, George
 Kerr, Calum
 Khan, rh Sadiq
 Kinnock, Stephen
 Kyle, Peter
 Lammy, rh Mr David
 Lavery, Ian
 Law, Chris
 Leslie, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Clive
 Lewis, Mr Ivan
 Long Bailey, Rebecca
 Lucas, Caroline
 Lucas, Ian C.
 Lynch, Holly
 MacNeil, Mr Angus Brendan
 Mactaggart, rh Fiona
 Madders, Justin
 Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Mr Gordon
 Maskell, Rachael
 Matheson, Christian
 Mc Nally, John
 McCabe, Steve
 McCaig, Callum
 McCarthy, Kerry
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart
 McDonald, Stuart C.
 McDonnell, John
 McFadden, rh Mr Pat
 McGarry, Natalie
 McGovern, Alison
 McInnes, Liz
 McLaughlin, Anne
 Meale, Sir Alan
 Mearns, Ian
 Monaghan, Carol
 Monaghan, Dr Paul
 Moon, Mrs Madeleine
 Morden, Jessica
 Morris, Grahame M.
 Mullin, Roger
 Murray, Ian
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan

Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Powell, Lucy
 Pugh, John
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Jamie
 Reed, Mr Steve
 Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, Angus
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Ryan, rh Joan
 Salmond, rh Alex
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Siddiq, Tulip
 Skinner, Mr Dennis
 Slaughter, Andy
 Smith, rh Mr Andrew
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smith, Owen
 Smyth, Karin

Spellar, rh Mr John
 Starmer, Keir
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Tami, Mark
 Thewliss, Alison
 Thomas-Symonds, Nick
 Thompson, Owen
 Thomson, Michelle
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Derek
 Twigg, Stephen
 Umunna, Mr Chuka
 Vaz, Valerie
 Weir, Mike
 West, Catherine
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan
 Williams, Hywel
 Williams, Mr Mark
 Wilson, Corri
 Wilson, Phil
 Winnick, Mr David
 Winterton, rh Ms Rosie
 Wishart, Pete
 Woodcock, John
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Ayes:
Bridget Phillipson and
Susan Elan Jones

NOES

Adams, Nigel
 Aldous, Peter
 Allan, Lucy
 Andrew, Stuart
 Ansell, Caroline
 Argar, Edward
 Atkins, Victoria
 Bacon, Mr Richard
 Baker, Mr Steve
 Baldwin, Harriett
 Barclay, Stephen
 Baron, Mr John
 Barwell, Gavin
 Bebb, Guto
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Crispin
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew

Brine, Steve
 Brokenshire, rh James
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burrowes, Mr David
 Burt, rh Alistair
 Cairns, Alun
 Carmichael, Neil
 Carswell, Mr Douglas
 Cartledge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn

Davies, James
 Davies, Mims
 Davies, Philip
 Davis, rh Mr David
 Dinenage, Caroline
 Djanogly, Mr Jonathan
 Donaldson, rh Mr Jeffrey M.
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 Duncan, rh Sir Alan
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Elliott, Tom
 Ellis, Michael
 Ellison, Jane
 Elphicke, Charlie
 Eustice, George
 Evans, Graham
 Evans, Mr Nigel
 Evennett, rh Mr David
 Fabricant, Michael
 Fallon, rh Michael
 Fernandes, Suella
 Field, rh Mark
 Foster, Kevin
 Fox, rh Dr Liam
 Francois, rh Mr Mark
 Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Garnier, Mark
 Gauke, Mr David
 Ghani, Nusrat
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Greening, rh Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, Ben
 Gyimah, Mr Sam
 Halfon, rh Robert
 Hall, Luke
 Hammond, Stephen
 Hancock, rh Matthew
 Hands, rh Greg
 Harper, rh Mr Mark
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Heald, Sir Oliver
 Heappey, James
 Heaton-Jones, Peter
 Henderson, Gordon

Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Boris
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kinahan, Danny
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Leadsom, Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McPartland, Stephen
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, James

Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Nokes, Caroline
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Osborne, rh Mr George
 Paisley, Ian
 Parish, Neil
 Patel, rh Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prentis, Victoria
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 Robinson, Gavin
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 Selous, Andrew
 Shannon, Jim
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna

Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swire, rh Mr Hugo
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Watkinson, Dame Angela
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:
Simon Kirby and
Sarah Newton

Question accordingly negated.

Clauses 19 to 23 ordered to stand part of the Bill.

Clause 24

UNIVERSAL CREDIT: COSTS OF CLAIMANTS WHO RENT
 ACCOMMODATION

Dr Eilidh Whiteford: I beg to move amendment 118, page 26, line 20, leave out from “unless” to end of line 25 and insert

“they have consulted the Secretary of State”

This amendment would remove the requirement for the Scottish Government to obtain consent from a UK Secretary of State in relation to Universal Credit and the costs of claimants who rent accommodation.

The Temporary Chair (Mr David Crausby): With this it will be convenient to discuss the following:

Amendment 5, page 26, line 23, leave out paragraph (b) and insert—

“(b) they have consulted the Secretary of State as to when any change made by the regulations is to start to have effect.”

Clause 24 stand part.

Amendment 119, in clause 25, page 26, line 45, leave out from “unless” to end of line 5 on page 27 and insert “they have consulted the Secretary of State”

This amendment would remove the requirement for the Scottish Government to obtain consent from a UK Secretary of State in relation to persons to whom, and time when, Universal Credit is paid.

Amendment 7, page 27, line 1, after second “of”, insert “the delivery mechanism for”

Amendment 6, page 27, line 3, leave out paragraph (b) and insert—

“(b) they have consulted the Secretary of State as to when any change made by the regulations is to start to have effect.”

Clause 25 stand part.

New clause 28—*Housing benefit*—

In Section F1 of Part 2 of Schedule 5 to the Scotland Act 1998, in the Exceptions, after exception 8 (see section 23 above) insert—

“Exception 9
Housing benefit.””

This New Clause provides for the full devolution of Housing Benefit, allowing Scottish Ministers to abolish the Spare Room Subsidy in Scotland, and to provide £1.8 billion of investment in housing in Scotland.

New clause 39—*National Insurance*—

“(1) Section F1 of Schedule 5 to the Scotland Act 1998 is amended as follows.

(2) In the illustrations, omit “National Insurance;”

(3) In the exceptions, at the beginning insert—
“National Insurance.”

This new clause would devolve National Insurance to the Scottish Parliament

New clause 40—*National Insurance: employers’ contributions*—

“(1) Section F1 of Schedule 5 to the Scotland Act 1998 is amended as follows.

(2) In the illustrations, omit “National Insurance;”

(3) In the Exceptions, after exception 11 (see section (Benefits relating to children)) insert—

“Exception 12

National Insurance so far as relating to contributions payable by employers.””

This new clause would devolve employers’ National Insurance contributions to the Scottish Parliament.

New clause 44—*Working age benefits*—

In Section F1 of Part 2 of Schedule 5 to the Scotland Act 1998, in the Exceptions, after exception 9 (see section 23A above) insert—

“Exception 10

Benefits entitlement to which, or the purposes of which, are the same as or similar to those of any of the following benefits—

- (a) universal credit under Part 1 of the Welfare Reform Act 2012,
- (b) jobseeker’s allowance (whether contributions-based or income-based) under the Jobseekers Act 1995,
- (c) employment and support allowance (whether contributory or income-related) under Part 1 of the Welfare Reform Act 2007,
- (d) income support under section 124 of the Social Security and Benefits Act 1992,
- (e) housing benefit under section 130 of that Act,
- (f) child tax credit and working tax credit under the Tax Credits Act 2002.

The benefits referred to in paragraphs (a) to (f) above are—

- (a) in the case of income-based jobseeker’s allowance and income-related employment support allowance, those benefits as they existed on 28 April 2013 (the day before their abolition),
- (b) in the case of the other benefits, those benefits as they existed on 28 May 2015 (the date of introduction into Parliament of the Bill for the Scotland Act 2015).”

This new clause would devolve working age benefits to the Scottish Parliament.

New clause 45—*Universal credit: powers to vary other elements*—

“(1) A function of making regulations to which this section applies, so far as it is exercisable by the Secretary of State in or as regards Scotland, is exercisable by the Scottish Ministers concurrently with the Secretary of State.

(2) This section applies to—

- (a) regulations under section 8(3)(a) of the Welfare Reform Act 2012 (amount in respect of earned income) so far relating to the work allowance (that is, the amount of a claimant’s earned income that is to be disregarded in calculating the amounts to be deducted from the maximum amount in accordance with section 8(3) of that Act),
- (b) regulations under section 10 of that Act (amount in respect of responsibility for children and young persons),
- (c) regulations under section 12 of that Act (amounts in respect of other particular needs or circumstances) so far as relating to—
 - (i) the needs or circumstances referred to in subsection (2)(c) of that section (caring responsibilities for a severely disabled person), or
 - (ii) needs or circumstances of a claimant in paid work relating to childcare costs,
- (d) regulations under any of sections 14 to 22, 24 and 25 of that Act (work-related requirements), and
- (e) regulations under any of sections 26 to 28 of that Act (sanctions).

(3) The Scottish Ministers may not exercise the function of making regulations to which this section applies unless they have consulted the Secretary of State.

(4) The Secretary of State may not exercise the function of making regulations to which this section applies in or as regards Scotland unless he or she has consulted the Scottish Ministers.

(5) Where regulations are made by the Scottish Ministers by virtue of subsection (1)—

- (a) section 43 of the Welfare Reform Act 2012 (regulations: procedure) does not apply, and
- (b) the regulations are subject to the negative procedure (see Part 2 of the Interpretation and Legislative Reform (Scotland) Act 2010).”

This new clause would give the Scottish Parliament greater flexibility to make changes in Universal Credit.

New clause 46—*Benefits relating to children*—

In Section F1 of Part 2 of Schedule 5 to the Scotland Act 1998, in the Exceptions, after exception 10 (see section (Working age benefits) above) insert—

“Exception 11

Benefits entitlement to which, or the purposes of which, are the same as or similar to those of any of the following benefits—

- (a) guardian’s allowance under section 77 of the Social Security Contributions and Benefits Act 1992,
- (b) child benefit under Part 9 of that Act.

The benefits referred to in paragraphs (a) and (b) are those benefits as they existed on 28 May 2015 (the date of introduction into Parliament of the Bill for the Scotland Act 2015).”

This new clause would devolve benefits relating to children to the Scottish Parliament.

New clause 53—*Childcare element of universal credit*—

In Section F1 of Part 2 of Schedule 5 to the Scotland Act 1998, in Exceptions, after exception 6 (see section 22 above) insert—

“Exception 7

The subject-matter of regulations 31 to 34 of the Universal Credit Regulations 2013.””

This will allow the Scottish Government to help parents and families in Scotland by devolving to the Scottish Parliament control over, and the power to vary, the childcare element of Universal Credit.

New clause 55—*Social security*—

In Part 2 of Schedule 5 to the Scotland Act 1998, leave out Head F (Social security).”

This new Clause would remove from the list of reserved matters in the 1998 Act (and so transfer to the Scottish Parliament) all social security schemes, including National Insurance and housing benefit, as well as child support, occupational and personal pensions and war pensions.

Dr Whiteford: I am pleased to move amendment 118 and to speak to our amendment 119 and new clauses 40, 44, 45 and 46, all of which relate to universal credit and further powers over social security.

Throughout the debate on the Scotland Bill, its failure to enact properly the recommendations of the Smith commission has been the key point of contention, and I am conscious that these shortcomings are nowhere more acutely evident than in this part of the Bill. The Smith agreement was crystal clear in paragraphs 43 to 48 that, although universal credit was to remain a reserved benefit, the Scotland Parliament should have specific powers and responsibilities, most notably the “power to change the frequency of UC payments, vary the existing plans for single household payments, and pay landlords direct for housing costs in Scotland.”

It also states:

“The Scottish Parliament will have the power to vary the housing cost elements of UC, including varying the under-occupancy charge and local housing allowance rates, eligible rent, and deductions for non-dependants.”

The dispute over whether the Bill delivers on the Smith agreement was well aired on Second Reading. Amendment 118, which I intend to push to a vote, and amendment 119 would put the issue to bed. They would remove from the Bill the requirement for the Scottish Government to obtain consent from a UK Secretary of State in relation to universal credit before exercising the new powers. New clause 44 would devolve all working-age benefits to the Scottish Parliament. New clause 45 would broaden the Scottish Parliament’s administrative flexibilities over universal credit. New clause 46 would devolve child benefit and responsibility for the conditionality and sanctions regime.

It is important that the House understands how the dispute is perceived in Scotland by elected parliamentarians and wider civil society. The Scottish Parliament’s cross-party Devolution (Further Powers) Committee, which considered the Bill, did not mince its words. In paragraph 318 of its interim report, it expressed concerns about a number of the welfare provisions. It states that

“the relevant clauses do not yet meet the spirit and substance of the Smith Commission’s recommendations and potentially pose challenges in any attempt to implement them.”

I hope Conservative Members realise that this was the view shared by their Conservative colleagues in the Scottish Parliament, who were properly represented on that committee.

The committee suggested that this issue and the form of words should be resolved between the two Governments before the Bill’s introduction, but that has not happened. The Scottish Government made proposals to the UK Government for alternative approaches to ensure effective intergovernmental working, but there has been no progress, and consequently this aspect of the Bill has not changed. It is therefore very important that we address the matter today, and that is what our amendments seek to do.

A number of key stakeholder organisations in Scotland have been outspoken in setting out their concerns about the current wording of the Bill and have helped to highlight exactly why we need those powers in Scotland and what we could do with them. The Wise Group, for example, has argued:

“The power to split Universal Credit payments within households, to increase the frequency of payments and to make housing element payments direct to landlords will allow the flexibility in benefit payments to fit with the needs of some of the most vulnerable groups in society.”

The Poverty Alliance has expressed disappointment over what it says is

“ultimately a veto given to the Secretary of State over any future changes to the devolved elements of Universal Credit by the Scottish Government.”

Inclusion Scotland has pointed out that the Bill, as it stands, could result in delays to the implementation of mitigation policies agreed by the Scottish Parliament. It also says that that

“may not be consistent with the spirit of the Smith Commission which implies that the devolved welfare powers can be exercised without the need to obtain prior permission from the DWP.”

2.45 pm

Citizens Advice Scotland has also concluded

“that the clauses do require the Scottish Government to consult the UK Government and to gain their agreement to the timing of any variance”.

It argues that

“enabling the UK Secretary of State to make regulations in an area which is devolved to the Scottish Parliament without its consent does not appear to be consistent with the Smith Commission agreement that the Sewel Convention should be put on a statutory footing.”

It also says:

“whilst the intention appears that the timing of any changes needs to be subject to negotiation on what it is practically possible to do, there is scope for wide interpretation of the circumstances it might be considered ‘reasonable’ for the Secretary of State to withhold their agreement to the Scottish Government utilising their devolved power to make regulations in this area.”

When I spoke earlier, I highlighted the letter in this morning's *Herald* from 12 of Scotland's leading third sector organisations timed to coincide with today's debate and ahead of the emergency Budget a week on Wednesday. It expresses grave concerns about the severe detrimental impact that the Government's austerity measures are having on low and middle-income households and highlights the threat to tax credits and other support that would fall within universal credit.

In Scotland, two thirds of the people in receipt of tax credits are in work, while most of the children living in poverty in Scotland have in-work parents, so our biggest challenge is tackling low pay. The powers in the Bill, without the veto, would enable us to tackle these long-term problems that hold back our economic growth and the development of our economy.

Simon Hoare: I am paying close attention to the hon. Lady's remarks. If, as the previous Government did, we start to rein back tax credits, which were effectively a sop to employers allowing them to pay lower wages and thereby depressed the wage market, employers would be forced in the court of public opinion to pay more. In that way, could we not solve the problem, but on the employers' side of the argument rather than the taxpayers'?

Dr Whiteford: If the hon. Gentleman is proposing that we start paying people a living wage and ensuring that people can actually live on the minimum wage, I could not agree with him more. Fundamentally, until we have living wages, those in low and middle-income families will always live below the breadline and struggle to make ends meet.

Those 12 organisations posed a fundamental challenge. As we begin defining the shape of Scotland's social security system, we need to understand how high the stakes are for people who have been struggling for years and seeing their incomes reduce in real terms.

Lyn Brown (West Ham) (Lab): I am impressed by the hon. Lady's speech and am obviously listening to it intently, but is it true that the SNP five times voted against making the living wage a requirement in public procurement legislation?

Dr Whiteford: The hon. Lady is mistaken. The procurement legislation was hampered by EU legislation. In recent public sector contracts, however, the Scottish Government have started to integrate living wage requirements from the outset. In fact, all the people for whom the Scottish Government are now responsible are on a living wage. There remain many challenges with contracted-out services, particularly at local authority level, but we are trying hard to move towards a living wage in all parts of the public sector. In recent months, we have also made real progress in making sure that private sector employers move towards a living wage. After all, most low-paid jobs are found in the private sector. We need the power to raise the minimum wage to a living wage. When people on low incomes have money in their pockets, they spend it, thereby boosting and strengthening the economy and creating jobs. We saw that when the minimum wage was introduced.

It is incumbent on everyone in the House to listen to the voices of people in Scotland who have put their heads above the parapet on this issue, because they are

some of Scotland's largest and most influential civil society organisations: Citizens Advice Scotland, Barnardo's Scotland, the Child Poverty Action Group Scotland, the Church of Scotland, Inclusion Scotland, One Parent Families Scotland, Oxfam Scotland, the Poverty Alliance, the Scottish Council for Voluntary Organisations, Shelter Scotland, the Scottish Federation of Housing Associations, the Trussell Trust and last, but by no means least, the Scottish Trades Union Congress. The veto in the Scotland Bill is a barrier to responsive and responsible governance in Scotland.

John Redwood: If the Scottish Government did have wider-ranging powers on welfare, as the hon. Lady would like, by how much would they need to put up benefits compared with UK levels to tackle the problems she has identified?

Dr Whiteford: The right hon. Gentleman raises an interesting point. It is worth pointing out that, over the past five years, Scotland has spent a lower proportion of its GDP on pensions and benefits than the UK as a whole. The question of what a social security system can afford is dependent on the success of the economy. That is why our amendments are all designed to bring into the ambit of the Scottish Government and the Scottish Parliament those powers that would enable us to grow our economy, run it more effectively and join up the existing devolved powers with the new powers that we propose. Frankly, getting powers over work and powers over benefits covered by universal credit is extremely important. The other really important point is that we protect the most disadvantaged people in our society from the onslaught of Tory cuts. Again and again, the people of Scotland have made it clear that they want an alternative to this austerity regime—and that is what we want to be in a position to deliver.

The Deputy First Minister, John Swinney has pointed out that it is not difficult to foresee that what might appear to be pretty innocuous requirements to consult the Secretary of State and secure his or her agreement could be translated into what is essentially a blocking power. All sorts of excuses could be used to prevent something from happening. As the Deputy First Minister put it, if the Secretary of State has a "reasonable explanation" for why he is acting in such a way, that passes the test as it currently exists in clause 24. In practice, the Bill gives the UK Government the ability to veto decisions made by the Scottish Government and Scottish Parliament. This is not a hypothetical scenario. The Deputy First Minister has pointed out how he spent two years trying to make progress on the block grant adjustment, and was stalled and delayed with more analysis at every turn by the UK Government.

For me, no issue illustrates the shortcomings of the Scotland Bill better than the restrictions it would place on the power of the Scottish Parliament to abolish the bedroom tax. As the Secretary of State knows only too well, this has been an issue close to my heart over the last few years, because of its punitive impact on disabled people in Scotland, its gross unfairness and the enormous pressure it puts on councils and other social housing providers. In Scotland, 80% of people affected by the bedroom tax are in homes with a disabled adult, and there is a chronic mismatch between the house size requirements of tenants and the available housing stock.

[*Dr Eilidh Whiteford*]

Back in April 2013, I led one of the SNP's very few Opposition day debates here in this Chamber during the previous Parliament on that very topic, and the Secretary of State knows that I questioned him on several occasions about the failure of the policy and its deep unpopularity right across the country.

The Scottish Government have mitigated the impact of the bedroom tax by providing discretionary housing payments to everyone affected, but it is important to recognise that we still cannot abolish that legislation, which remains on the statute book. Moreover, the money to mitigate its worst side-effects has had to be found from other devolved policy budgets—and, crucially, the legal liability remains with tenants. It is far from an ideal solution. In order to mitigate the bedroom tax by lifting the cap on discretionary housing payments, the Scottish Government first had to secure the permission of the UK Government, and the protracted and frustrating process they encountered in attempting to secure that permission illustrates, I think perfectly, why we need to lift this veto. It shows how a need for permission can be drawn out for months at a time.

David Mundell: I am familiar with the hon. Lady's point on this issue, but even the First Minister acknowledges that the point from which a request was made to increase the cap, to the legislation reaching the Privy Council, was achieved at a record rate—and it was achieved by the two Governments working very closely together, which can be done on so many occasions.

Dr Whiteford: The Secretary of State and I have a different perception of time frames and what they mean to people living on limited incomes. When the Scottish Government sought permission to raise the cap on DHPs, the UK Government used exactly the kind of blocking and delaying tactics that will be left open under the Scotland Bill. These are not theoretical, worst-case scenarios. I would like to refresh the Secretary of State's memory, as it was early in 2014 when the Scottish Government first sought the UK Government's permission to lift the cap on DHPs, and I raised the issue on more than one occasion in this Chamber subsequently. In fact, it took until May last year for the Government to grant permission—for something that could have been done overnight. Most of the public organisations I deal with in my capacity as an MP have a 21-day turnaround, yet the Government take months at a time. That is an awful long time for someone living on their uppers and struggling with their income.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): My hon. Friend is making a fantastic speech. Is it not amazing to hear the nanny-esque statements coming from the Conservative Front-Bench team about the Government giving the Parliament permission? That is the sort of thing that they would not tolerate themselves if the European Commission, the French or the German Government were involved, but they expect the Scottish Government to come cap in hand to Westminster when all they want is to do the decent thing for people. It is ridiculous.

Dr Whiteford: My hon. Friend makes a very pertinent point.

During the intervening months between the simple request and getting the permission we needed, some of our most disadvantaged citizens continued to accrue rent arrears or had to do without essentials in order to meet their liabilities. That is just one concrete example of how restrictions of this type currently act as a stalling mechanism and a barrier to progressive change, and they demonstrate why we need to get rid of the veto.

Other examples of things we could do with these provisions include the power to maintain direct payments of housing benefit to social landlords—something that I think is in everybody's interests—and the power to ensure that under universal credit claimants can receive individual payments, which potentially benefits women and children and protects their interests. Then there is the power to equalise the earnings disregard between the first and second earners in a household. Again, given the persistent pay gap in Scotland between women and men, that measure could predominantly benefit up to 70,000 women by up to £1,200 a year. By contrast, if we leave the Bill unamended, we curtail the powers of the Scottish Parliament to enact policies that are overwhelmingly in the interests of our citizens and are supported by them. We risk seeing such measures batted off into the long grass.

We also store up trouble down the line. It is fair to say that the Secretary of State got himself in a right kirk earlier this month on the "Scotland 2015" programme when he was asked directly about the veto. When the presenter put it to him that

"it could be used to block if there was a political will to do that because who would decide if the Secretary of State was unreasonably withholding consent?",

the Secretary of State said:

"Well, I would hope that it would never come to that, but because it's on the face of the legislation ultimately it might be the courts that would decide."

I fear that the Secretary of State has let the cat out of the bag; I suspect he was a lot more candid than he intended to be. I think we can infer from that very revealing remark that he knows that, in practice, this Bill's measures will act as a veto on the Scottish Parliament—pure and simple. I put it to the Committee that if the Scottish Parliament has to go to court to enforce the powers devolved in the Bill, it is not worth the paper it is written on.

Wayne David: Does the hon. Lady accept that there is a potential constitutional point, too, in that what is being suggested is, in effect, a breach of the Sewel convention, whereby power is given with one hand, but is possibly taken away with the other?

Dr Whiteford: That is an astute point. It shows that if we get ourselves into a muddle with the legislation and it is just a kirk, we are storing up trouble down the line. The legislation has to be future-proof as well as present-proof. We must prepare for every eventuality.

We can dance around the semantics of the current wording of the Bill all afternoon, but if Scottish Ministers have to obtain the agreement from UK Ministers on when their measures are to take effect, that is, in effect, handing the UK the ability to block or delay the implementation of policy, frustrating the legitimate democratic process and contravening both the letter and the spirit of the Smith agreement. If the Government

have to go to court to enforce these measures, it should be obvious that they are less than adequate. If the Secretary of State still maintains there is no veto, I challenge him to accept amendments 118 and 119, which make that explicit and beyond all doubt.

Mark Durkan *rose*—

Dr Whiteford: I am not giving way, as I am about to wind up my remarks.

This group of amendments comes down to respect—respect for the promises made to the people of Scotland; respect for our Parliament; respect for the democratic process; and, above all, respect for our citizens and our ability to make decisions in our own interests. That is, after all, what meaningful devolution is really all about.

John Redwood: I think that the Committee wants to implement the spirit and the letter of Smith, and I look forward to hearing the Secretary of State's response to the detailed arguments advanced by the hon. Member for Banff and Buchan (Dr Whiteford). I think, however, that when we are dealing with a matter as potentially wide-ranging as universal credit, we also need to think about the money, and about how far it is possible to operate a very different welfare system in different parts of a country such as the United Kingdom. What we have seen in the unfolding and dreadful Greek crisis is that, if a country belongs to a currency union but has not brought its benefits system into line, and if there is no proper system of sharing revenues and expenditures throughout the eurozone, that becomes extremely damaging, as it has for the poor Greeks.

3 pm

Mr MacNeil: I am sure the right hon. Gentleman is not suggesting that there is an in-line benefits system across Europe. The real problem is austerity. The Greeks were told five years ago that, if they followed austerity measures, their problems would end, but their problems have not ended. They have become worse, because austerity makes things worse. It is nothing to do with welfare; it is to do with austerity.

John Redwood: I think that welfare has quite a lot to do with austerity, and I think that we agree. I think that the policies that have been forced on Greece have been too austere. It is quite wrong to make the Greeks cut public spending when they cannot expand their money supply, expand credit or expand the private sector to create the jobs that they clearly need to create in order to make some success out of the cuts imposed on the public sector.

When, after 2010, we conducted policy as a coalition to bring about recovery in Britain—including Scotland—it worked very well, and it was private sector led. We were able to do that because we had a full range of powers over interest rates, money creation, credit and banking, which a nation that has joined a currency union does not have. That is the Greek tragedy. The Greeks are able to carry out only the public sector part of the EU fix, which is the bit that is austere. They are not able to carry out the private sector-led recovery.

Of course, we are not here to talk about Greece; we are here to talk about our currency union. However, I wanted to make that point because, whereas Greece is

having to move away from a position in which it shared only currency and is now discovering that it needs to share a great many other policies with the European Union in order to achieve success, in Scotland things are going in the opposite direction.

We have a currency union—a perfectly good currency union, which is supported on all sides. I believe that Members of the SNP are great fans of the currency union and do not wish Scotland to have an independent currency, but they need to consider this: if they do not want proper independence in the sense of having their own currency, and if the currency is to work in the way in which it has worked in the past, there will have to be some basic standards of welfare that are common across the country, and there will have to be agreed systems of transferring money from rich areas to poor ones. There are rich towns and cities in both Scotland and in England. The rule of our system is that those in areas of high income or relative success pay more tax, and those in, say, towns or counties with a lot of poverty benefit from big transfers.

Mr MacNeil: I almost feel sorry for interrupting the right hon. Gentleman when he is advancing a good argument for the redistribution of wealth through taxation, and has also admitted that austerity is not a good idea. However, I think that the mention of Greece is erroneous. If we are talking about an optimal currency zone, a better parallel would be Germany and the Netherlands. The independence that those countries have from each other is welcomed by SNP Members. I hope that the right hon. Gentleman will go a little further than the enlightened remarks that he has made so far, and will agree with us that Scotland and England should be as independent from each other as Germany and the Netherlands.

John Redwood: I am not prepared to go that far. I think that there can be problems in the euro currency zone between Germany and the Netherlands, because they do not have the full range of common policies that they may need. At present, it appears that the Dutch and German economies are sufficiently synchronised for the arrangement not to cause problems in the Netherlands, but that is clearly not true of Portugal, Spain, Ireland or Greece. The fact that there are more countries that it does not fit than countries that it does fit implies that there is something wrong with the fundamental architecture of the euro. That is why I am anxious for us to bear it in mind, when we are debating the issue of how much welfare discretion there should be, that a common welfare system is normally one of the characteristics of successful currency unions.

Yes, I do believe in redistribution. We all believe in redistribution. We believe that, in a civilised country such as ours, we should tax the rich more and give money to those who need support. We have arguments about how much the amounts should be and about the conditions, but we all believe in transfers, and we all believe that the balance must be right.

When I asked the hon. Member for Banff and Buchan to say how much more an enlightened Scottish Government would like to give, by means of welfare payments, to tackle immediate problems of low income or poverty, she was not able to tell me. That was a pity, because I took it that her intention, and the purpose of the amendments, was to give the Scottish Executive power

[John Redwood]

to increase benefit levels in comparison with the levels, or the range, of benefits currently on offer in the Union. I did not think that SNP Members were seeking these powers in order to be meaner than the Union Government are proposing to be, and I see them consenting to that. I feel that this debate would be richer and fuller if they shared with us the amount of extra money that they would like to spend.

Patrick Grady (Glasgow North) (SNP): Surely the point is that it is for the Scottish Government, whatever their colour, to decide how they want to use the powers. Perhaps one day a Government of the right hon. Gentleman's colour will be using them. However, no Government would be able to use any powers that had been vetoed by the Secretary of State.

John Redwood: That brings us back to an important and interesting question. At what point does the transfer of power become destabilising for the currency union and the common transfers that make up our common country? That, surely, is one of the issues that were examined in the referendum, when a majority of Scottish people felt that they wanted to remain in the United Kingdom and in the currency union. Having read and listened to what was said by those who were actively involved in the debate, I suspect that the currency union was rather central to the securing of that vote, and that it was when the parties of the Union said that Scotland should leave the currency as well as the UK, if that was the wish of the Scottish people, that the majority voted to stay in the Union.

Mr MacNeil: I should be fascinated to know the size of the changes in welfare spending that the right hon. Gentleman would find destabilising. The hon. Member for Gainsborough (Sir Edward Leigh) said yesterday:

"the Scottish Parliament spends £37 billion and raises £30 billion".— [Official Report, 29 June 2015; Vol. 597, c. 1234.]

He described that as "quite responsible". He also said that the UK raised staggeringly more—£648 billion, an amount that is about 20 times greater—but, of course, the UK also spent a great deal more, with a black hole of £732 billion. Given those figures, and given the difference between the sizes of the states of Scotland and the UK, in terms of both spending and raising powers, just what type of changes does the right hon. Gentleman think would have to hit welfare before it began to destabilise the Union? I suggest that it would be necessary to make a millionaire of each and every unemployed person before that point was reached.

John Redwood: I do not think that it would be necessary to go that far. At present, there is clearly a disproportion between the size of Scotland and that of the rest of the United Kingdom, and, as the hon. Gentleman's budget figures show, a lot more money is collected elsewhere than in Scotland. That, however, is not the point at issue. [Interruption.] I am not asserting anything; I am just asking a question. We are engaging in a crucial debate on how much welfare power should go to Scotland. I am one of those who agree that some welfare power should go to Scotland in accordance with Smith, but we have to ask how far it goes, and what the consequences might be.

If countries have a common work area and a free movement area, and if they share a language, a labour market and a currency, that arrangement can bring benefits when it has settled down, because it is backed by political union. When we start to unpick the political union, we must ask ourselves at what point that unpicking of that union, or the welfare transfer union, will become damaging. A point will be reached when it does become damaging, because one part of the country will be too attractive, or too unattractive, compared with another part. A single currency area as big as the United Kingdom can work only if there are fair systems for raising money from the rich, wherever they may be in that big area, and giving enough to the poor, wherever they may be.

Drew Hendry: Is the right hon. Gentleman aware that parts of the United Kingdom are already more unattractive because of decisions on welfare spending? The bedroom tax is one example. In the highlands, there are some 70 communities with no one or two-bedroom properties on the social register for people to move to. How can it possibly be fair for that principle to apply across the UK, when the people who live there are unable to cope with that heinous tax?

John Redwood: I fully understand the arguments against the spare room subsidy, or the bedroom tax. I understand the politics of it only too well. I do not want to go into my private views now, but it is a matter to be settled within the Union Parliament, and by the Government of the Union, under current powers. It does not make good law to say that if there is a particular benefit that people in Scotland do not like very much, that is the one that we should be able to fix. We need to come up with a settlement for a longer-term period which takes account of the principles.

It is for that reason that I am presuming to spend just a few minutes reminding colleagues that very big principles are involved in this instance. We need to secure the right balance, one that enables Scotland to feel that it can make enough of its own decisions to meet the mood of the majority, but falls short of giving it so much power that the Union's mechanisms for switching money around do not work. I find it very difficult to make decisions on this Bill without knowing what the financial settlement will be, because it will not work unless there is enough money to make it work, or if England does not think that it is fair to them. Scotland may well find that the financial settlement is not fair to them—I am sure our SNP colleagues will not be shy if that is the case—but England has delivered big majorities for me and many of my colleagues, so we have a mandate and a voice and we need to make sure that the financial settlement that emerges is fair to us. The range of powers that Scotland has will have a bearing on that settlement.

Mr MacNeil: I thank the right hon. Gentleman for giving way; he is being very kind. On welfare, we already share a common language with a country in the common travel area, namely the Republic of Ireland, where people can get up to €188 per week, with extra payable for those who have children. I am not saying that people are going from Liverpool or the north-east of England to a far more advantageous situation in the Republic of Ireland in the common travel area—which they could do—so I think that the right hon. Gentleman's

fears are misplaced. I would almost suggest that his fears are politically motivated and based on wanting to keep powers in Westminster and a deep psychological need for Westminster to over-control aspects of people's lives around the current UK.

John Redwood: I am afraid that that is a bad example, because it proves my case. Ireland broke from the pound, set up its own currency and then, unfortunately for Ireland, chose the euro, but that was Ireland's decision and it has had a bumpy ride ever since.

The big difference we need to remind ourselves about for the purposes of this welfare debate is that there is a common currency, so there have to be some limits to the amount of freedom appropriate for welfare benefits. If the SNP wishes to be truly independent and wants an independent currency, I fully understand its position and none of these arguments makes any sense.

I think I have made my point and I hope that Ministers will bear in mind that it is very difficult to come to a conclusion before we know what the financial settlement will be. It is also very important to remember that there is a common work, language and currency area, which means that there has to be some family resemblance in the benefits that are paid.

Mark Durkan: I want to follow on from some of the issues touched on by the right hon. Member for Wokingham (John Redwood), particularly his last point about a financial settlement. When debating the earlier group of amendments, he intervened on the Secretary of State to ask whether he would address how the Barnett formula might be adjusted.

In essence, I think that the right hon. Gentleman is corroborating some of the basic questions asked by the hon. Member for Banff and Buchan (Dr Whiteford) about clauses 24 and 25, which presume an awful lot and raise a lot of questions about what else should be in them and what is happening outside them. The clauses presume a standard of behaviour and courses of action and events in relation to how decisions will be made. For instance, the word "concurrently" is used, but if we look at the sequence of decisions and processes involved, we will see that they do not look very concurrent. There could be distended periods and a lot of dispute and difference. The most important gap in clauses 24 and 25—both Labour and the SNP have tabled amendments to address this—is that they do not say what will happen if Scottish Ministers and the Secretary of State do not concur on some of the issues.

If we as legislators are going to pass clauses that presume certain standards, the course of events and political behaviour, the question we need to ask is, "And what if not?" The Bill does not answer that question. If there is no agreement between Scottish Ministers and the Secretary of the State on the decisions, timelines, details and other implications, what will happen? We will be in difficulty and we will be told, "Well, the legislation faithfully followed Smith and we couldn't do any more than that," but it is clear that Smith is not of itself sufficient to address those questions, so we as legislators must address them. The Smith commission exercise was different from that for which we have responsibility as legislators. It is not good enough for us to say, "We're not going to answer those obvious questions, because Smith didn't address them."

3.15 pm

I speak from the experience of having been through the Northern Ireland process, during which we negotiated agreement after agreement and had lots of developments. Often, the Government—by which I mean both parties—would say, "We're faithfully implementing the agreement," but it was clear, and many of us said, that it was not adequate for its purpose and that more needed to be done. We were, of course, proved right, so I feel a lot of empathy for Scottish colleagues who are saying that it is not enough to say that the Bill faithfully implements Smith when it does not answer practical, basic fundamental questions.

It is not enough to say, "We'll see what happens," or, "We'll see who goes to the courts first," because that does not give a proper answer in constitutional terms. Neither would it be edifying to the public, in terms of giving politics any sort of good reputation, if politicians end up blaming each other for their own powerlessness or for the fact that they are delivering confusion.

Again, I speak from experience in Northern Ireland, where, as is the case with this Bill, particularly clauses 24 and 25, there is an image of dual control. There is a degree of devolution, but there is also a degree of control from Westminster and Whitehall. The idea is that it will all be done swimmingly and smoothly, but the fact is that when that does not happen, decisions are not taken and politicians of different parties say that they want to take certain decisions but cannot do so. That blame game does no credit to any of the political institutions or parties. I do not want to see the same sort of presumption being used in this Bill, because it could end up creating a crisis.

Not only are words such as "concurrently" used when the processes are not very concurrent; there is also the idea that the Secretary of State can give agreement and that such agreement will not be "unreasonably withheld." Who decides what is unreasonable? Whose judgment does that rely on? What is the real motive behind that? There are different views in Northern Ireland as to who is being reasonable and who is being unreasonable.

To return to the point raised by the right hon. Member for Wokingham about the financial settlement and the idea that there would have to be a test of whether it was fair to England, in Northern Ireland, what was supposed to be a devolved legislative decision on welfare has essentially been subject to a budget bullying exercise, not by the Secretary of State for Northern Ireland, but by the Treasury. This Bill is silent on the issue of the Treasury, so I think that an amendment will be needed on Report to address the Treasury's role.

I know that on paper the devolution of welfare to Northern Ireland is not the same as that proposed in this Bill, but the lesson is salient. The karaoke legislative power that the Northern Ireland Assembly has to pass legislation is such that it has to be delivered according to the words and music passed by this House. If not, the Treasury has told us, "We will claw back your money," by which it means not the welfare spending, but the devolved budget. The Treasury is interfering in what was meant to be the financial settlement under the Barnett formula.

The right hon. Member for Wokingham asked earlier what would happen in relation to the Barnett formula. He also asked a very good question when he said he

agreed with the findings of the Smith commission on devolving aspects of welfare. He pointed out that we had to ask the question: “How far does it go?” I believe that the amendments tabled by Labour and the Scottish National party are an attempt to clarify how far that devolution would go. They would make it clear from the start what paths were open to Scottish Ministers and to the Scottish Parliament. Incidentally, I would have preferred to see more emphasis on the Scottish Parliament in the Bill; all the references seem to be to Scottish Ministers. But that is another issue.

The right hon. Gentleman’s question—how far does it go?—will not be answered by clauses 24 and 25 or by the Government’s rejection of the amendments. Instead, the question will have to be answered on each and every occasion that the Secretary of State is asked how far Scottish Ministers and the Scottish Parliament can go in relation to the available discretion on welfare spending. We should not have to have that constant political checkpoint in place for the Scottish Parliament and Scottish Ministers, whereby it will fall to Ministers here to say how far the devolution of welfare should go on each separate decision. That will be recipe for permanent tension and contention. I thought that the purpose of the Smith commission and of this Bill was to ensure that we would be relieved of such contention, both here and in the Scottish Parliament.

The Scottish Parliament should be able to use its discretion to address the merits of the particular benefit changes and innovations that it wants to introduce. Those benefits might relate to cancer sufferers, for example. There could be a specific cancer support allowance that could effectively cut through a lot of the confusion that exists in relation to other benefits such as employment and support allowance. We should let the people in the Scottish Parliament address the question of how benefits can be made to work and to deal with the real problems that people have in Scotland. They could set a good example to the rest of us. They should be empowered and emancipated to concentrate on those issues by these devolutionary measures, instead of constantly having to deal with political crises and political fallout and to wonder what kind of political gamesmanship Ministers in London or in Scotland will be accused of playing in relation to a matter as fundamental as welfare.

Nothing scandalises the public more than the perception that an issue as fundamental as welfare—particularly for people with disabilities and long-term conditions—has become a political football. We have seen that sense of scandal in Northern Ireland, and I do not want to see it repeated anywhere else. That is why the Secretary of State needs to listen to the points raised in the amendments. This is not about political point scoring; it is about ensuring, in the spirit in which this devolution is meant to be extended, that the people in Scotland can address these issues and ideas without feeling that they are getting into serious political quicksand. They do not want to feel that their actions could trigger a demand for another referendum, for example. We must let them put to the Scottish Parliament their own ideas for the betterment of their people without feeling that they could get into an awkward situation.

That would result in the Scottish Parliament working better and in freeing this Parliament of arguments and contention that it does not need to bother itself with. It would also set a very good example to the rest of us

who need to sort out our own alignment on the devolution of welfare. I do not want to return to our own situation in Northern Ireland, however. I am not saying that the proposals in this Bill should automatically be translated into a Bill for Northern Ireland. I support most of the amendments that have been tabled, but I cannot pretend that all the new clauses would work in the context of, or be applicable to, Northern Ireland. There would obviously be differences, and I do not wish to presume anything in that regard. Let us get this devolution right, and let us give the Scottish Parliament the chance to get welfare right on its own terms. That would involve no risk or threat to this Parliament, and it would certainly set an example to the rest of us.

Sir Edward Leigh (Gainsborough) (Con): I should like to speak to new clause 55. The explanatory statement tells us:

“This new Clause would remove from the list of reserved matters in the 1998 Act (and so transfer to the Scottish Parliament) all social security schemes, including National Insurance and housing benefit, as well as child support, occupational and personal pensions and war pensions.”

These are complex matters, as I said yesterday, and I have tabled this probing amendment to elicit from those on the Government Front Bench their thoughts on this vital matter.

I shall start by making a controversial statement. I believe that, by dribbling out powers—that is not my own phrase, but one given to me by one of my Scottish friends; I still have one or two left—we are giving the Scottish National party a crowbar with which to blast the Union apart. This Parliament is giving the SNP just enough purchase on that crowbar by giving it just enough powers to feed a sense of grievance. If we were to give the Scottish Parliament full responsibility for social security, it would be difficult for it to feed on that grievance. It would have to be a responsible Parliament and take responsible decisions, and I am confident that it would do so.

My amendment would place all social security within Scotland, including pensions, in the hands of the Scottish Parliament. Scotland has a more ageing population than the UK as a whole, and immigration there is much lower—I never understand why, but apparently it is—so Scotland will need a needs-based formula to protect the pensions of Scottish people. That is precisely the argument I have been using in these debates. A needs-based formula that buttressed a Scottish Parliament with full fiscal autonomy would sustain the Union, and I would therefore replace the Barnett formula with such a needs-based formula to protect the pensions of Scotland’s ageing population. That is where I am coming from.

We are not very far into this Parliament, yet already I feel that I might be wearying my colleagues by making the same point over and again. However, it is an important point to make. There are not a huge number of my colleagues present in the Chamber today, but I recall from reading my history books that during the debates on what was to become the Government of India Act 1935, the House of Commons debated the Bill day after day. In those debates, people such as Brendan Bracken, Harold Macmillan and Winston Churchill made the point over and again that dribbling out powers to India would destroy the connection between India and the United Kingdom. Very few people listened to them.

I do not claim to be in the same league as them, but I believe that this debate is extremely important. It is important to understand that we could destroy the Union by not getting this right, and we must debate that contention.

Mr MacNeil: It is interesting to hear the hon. Gentleman talk about the angst over the connection with India that was palpable in the Chamber during those debates. Does he agree that the angst—admittedly, there is not much on the Labour and Tory Benches today, given how few of their Members are here—that will be created by the Government's voting against the wishes of the 95% of Scottish MPs who want to achieve x, y and z in the Scotland Bill will go away some day, when the powers go out from this place? At that time, English Members will need to worry only about matters that relate to England, rather than about those that relate to Scotland.

Sir Edward Leigh: I think we have to act responsibly and to remember that, unfortunately, only three Unionist MPs are left in Scotland. The SNP has won a notable victory in Scotland and needs to be listened to—we do not always have to agree, but we have to listen. Ultimately, I am as passionate a Unionist as anybody on these Benches, but I believe that there is a better route to maintaining the Union. If we dribble out these powers, we are making a grave mistake.

Let me deal with the point that if we have a single currency system we must have a common welfare system. That is a perfectly respectable point and I completely understand it. It was made by my hon. Friend the Member for North East Somerset (Mr Rees-Mogg) in the debates two weeks ago and has been made extremely well by my right hon. Friend the Member for Wokingham (John Redwood). I understand where they are coming from, and we are all very much aware of the Greek situation, but I would argue that the comparison is misplaced: the difference between Germany and Greece is infinitely greater than that between England and Scotland. In the United States, full fiscal autonomy for the states works because there is a common English language and full mobility of labour. When there are disparities in wealth, labour moves around the United States in a very vigorous way that is difficult to achieve in the European Union.

The comparison of Scotland and England with the Netherlands and Germany is much more apposite. We have a common language, a common border and very similar systems, albeit separate legal systems—although they are based on many of the same traditions. Members can understand the point that I am making. Of course, if the Scottish Parliament was to act completely irresponsibly and take control of its social security and just spend, spend, spend, the thing would break apart; I agree that the currency union would become unsustainable. But surely as parliamentarians, with confidence in our own Parliament and elected representatives, we should have the same confidence in our fellow countrymen and ladies who will be running the Scottish Parliament. I personally believe that if we gave them full responsibility, they would have to act responsibly if they wished to be re-elected.

3.30 pm

My hon. Friend the Member for North East Somerset and my right hon. Friend the Member for Wokingham have made a perfectly respectable point and the Minister

will want to deal with it. No doubt he will agree with them and make the point himself, but I think that if there are shared or similar traditions and there is a similarly incorrupt system, it is possible within a currency union to have different welfare systems.

Let us consider what has been given to Scotland. This is a bit of detail, but it is important. With its remit, the Scottish Parliament transformed social fund community care grants and crisis loans into the Scottish welfare fund, while council tax benefit was replaced with council tax reduction. There have already been some changes. In addition, Holyrood is in charge of discretionary housing payments within Scotland. My point is that all those benefits together amounted to just £422 million in 2013-14. That is less than 2.4% of all welfare spending in Scotland and, if my calculations are correct—I might be wrong—less than 0.21% of all welfare spending in Great Britain, such is the disparity between spending in Scotland and in the United Kingdom as a whole. It is inconceivable that decisions made in the Scottish Parliament would upset the balance of payments in the United Kingdom as a whole.

Of course, I welcome the Government's move to expand Scotland's control over its own benefits, as we all do. The debate now is about how much we should do it. I want to ask Ministers why we are not devolving the job lot of it. How can anyone effectively half-run welfare? It comes as a package. Is that not the point of universal credit? In fact, universal credit cannot stand alone, so we cannot start dribbling out powers and keep universal credit. I think we are making a mistake, but the point is arguable so the Minister might be able to knock down my arguments. I make them with a sense of humility.

One of the arguments for uniformity of benefits is that it supports a common social citizenship across the Union. That point was made by the hon. Member for Edinburgh South (Ian Murray), and it is perfectly fair. He says that we believe in a common social citizenship, and I accept that, but I believe that the argument has been broken in such important regards as tuition fees and prescription charges. I am not entirely sure why it is important to have a common social citizenship for welfare, for which the hon. Gentleman argued very well, but not for tuition fees.

There is also the argument that the social security system is so immeasurably complex and interconnected, with decisions in one area having vast implications and repercussions elsewhere, that devolving it would be virtually impossible or unachievable. If anything, I would have thought that would bolster the case for universal credit, but is it not possible that Scotland, in charge of social security for more than 5 million people, might innovate in its system—simplify it or even provide models for the rest of the United Kingdom? Do we not believe in competing social security systems throughout Europe? Does not Holland believe that it can have a competing social security system with Germany while maintaining its independence?

The proposals are a step in the right direction, but I do not believe that they go far enough. In 2013-14, expenditure in Scotland on the benefits that the Smith commission proposed to devolve totalled less than £2.6 billion out of the £16 billion to £17 billion spent on welfare in Scotland. It is true that that is more than the current £422 million, so we are making progress, but the Scottish Government do not believe it is enough and I

think they have a point. We should at least listen and argue about this and knock down their arguments if they are not sustainable. Given the very strong mandate the electorate have given to the SNP, we must listen to some of their arguments and deal with them in a constructive way.

Of course, as a Conservative I believe in evolution not revolution, but I also believe in learning from history and, as I have said before, we failed before because we were too afraid of taking the plunge and trusting people. Today we need to think of grand gestures, not just this benefit and that welfare payment. The way to secure Scotland's place in the Union is to grant her full fiscal autonomy, full fiscal responsibility and full home rule in a modern sense. I hope Ministers—all good Unionists, just as I am—will explain their thinking in not going down the route I propose. It is the way to keep our family of nations happy together; that is what my amendment seeks to move closer to achieving.

I fear we are trying to counter nationalism with fear and fudge, and that never works; we will counter nationalism only with hope and aspiration. In the United Kingdom as a whole, 70% of people support benefit reform. Universal credit, which I support, will make a difference, but given the overwhelming importance of welfare in a modern parliamentary system, no self-respecting Parliament worth the name cannot take full accountability for welfare payments. I hope and expect that the Scottish Parliament will keep universal credit if given the chance, but that should be a matter for it to decide. It is in that spirit that I move my new clause.

Ian Blackford (Ross, Skye and Lochaber) (SNP): I thank the hon. Member for Gainsborough (Sir Edward Leigh) for introducing his new clause. I want to pay credit to him: in both his speech this afternoon and his other contributions throughout the debate on the Scotland Bill we have heard many thoughtful and intelligent remarks on the future of Scotland and, from his perspective, the preservation of the Union. On our Benches, we come from a different position, but none the less I respect the position he has taken and the clear thought that has gone into the contributions he has made.

In the election campaign, those of us on the SNP Benches asked the people of Scotland to vote for us in order that we would come to this House to speak up for what we were promised by Gordon Brown: that we would get as close to federalism as possible. Much was said about delivering home rule in the spirit of Keir Hardie, too. It is on that basis that we can argue that, with our share of the popular vote and having won 56 of the 59 seats, we have a clearly expressed mandate from the Scottish people to get what was proclaimed: home rule for Scotland. It is in that context that I commend the amendment before us. It seems to understand the expectations of the Scottish people for the return of power to Holyrood, which has become much stronger in the recent past.

As I mentioned, the hon. Member for Gainsborough comes from a different perspective, in as far as he wants to protect the Union. We wish to see powers in the hands of the Scottish Parliament that allow it to deliver the sustainable economic growth which enables us to deliver on the social priorities that the people of Scotland expect. I say to the Secretary of State for Scotland and the Government that if they will not listen to the

Scottish people and their elected representatives here, they should listen to the wise counsel that in this case comes from their own Benches.

We respect the fact that the Government won the election in the UK—although that does not mean we like it. However, the Government should also respect that we won the election in Scotland. The Secretary of State is of course a lone Government voice, with only 14% of Scots voting for his party—the lowest level of support for a Tory Government in history. It is clear that the Scottish people want the Edinburgh Parliament to have greater control over welfare. I am reminded of the Charles Stewart Parnell quotation often mentioned by my right hon. Friend the Member for Gordon (Alex Salmond):

“no man has the right to fix the boundary to the march of a nation. No man has the right to say to his country, ‘Thus far shall thou go and no further.’”

Perhaps, whether on this amendment or on many others, the Government ought to reflect on that quotation.

The issues of fiscal autonomy and freedom to deliver on our aspirations for social security are intertwined. For us, fiscal autonomy is about hope and aspirations, something we heard about just recently. We need the full set of powers to deliver a new Scottish enlightenment that recognises that we need to create the circumstances that will drive up our investment, and deliver growth and productivity. That will result in a rise in real wages, generating the tax receipts that will allow us to deliver investment in social policy, particularly in social security.

That is why we are critical of the taxation powers on offer, which leave the Scottish Parliament in direct control over less than 30% of taxation and, crucially, fall way short on the range of tax powers that could see us incentivise the Scottish economy and deliver growth. This is critical, as the issue of sustainable growth is central to our desire to deliver the investment we need in welfare. Our desire is to invest and deliver a stronger economy, and, through doing so, create the resources that allow us to invest in social protection and, as part of that, to look after today's and tomorrow's pensioners.

With those remarks, I welcome the new clause tabled by the hon. Member for Gainsborough and the discussion we are now having. In just over a week, the Chancellor will rise and deliver his emergency Budget. I expect there is in some quarters a sense of anticipation as to what the Budget will deliver, but many SNP Members have a sense of dread, knowing what is coming. The last Government's failure to grow the economy and deliver tax receipts sees the poor and the disadvantaged of the UK having to pay the price of failure, with an expectation of an additional £12 billion of welfare cuts to come. The ongoing austerity regime will drive an increasing number of people into poverty, and that fact was central to our campaign—showing that there was and indeed is an alternative to austerity, and why we need powers in Scotland to protect our citizens from the most damaging aspects of the UK Government's welfare programme.

Through the limited powers we have today, to which reference has been made, the Scottish Government are providing £300 million of additional funds between 2013-14 and 2015-16 to mitigate the impact on families in Scotland of Westminster welfare cuts. Not only do we know that the pressure on many working families is going to increase, but we know that the UK Government wish to reassess the definition of “relative poverty” ,

a sure sign that they recognise that their policies are going to see a dramatic increase in the number of families pushed into poverty as a direct result of their measures.

We know from the analysis done by the Institute for Fiscal Studies, much commented on by the Child Poverty Action Group, that up to 100,000 more children in Scotland risk being pushed into poverty by 2020. For SNP Members, and for many in Scotland and, I expect, throughout the UK, it is unacceptable that anyone should be living in poverty in Scotland and in the UK. That, among other reasons, is why we need powers over welfare in Scotland. A principle important to many on our side, which we firmly believe in, is that society is as strong as its weakest link. That principle is in the mainstream of public opinion in Scotland, but the welfare cuts to come would lead us to the conclusion that it is not shared by all.

Let me turn to the issue of pensions, which was raised by the hon. Member for Gainsborough. One of our particular concerns is the increase in the age when pensioners will access their state pension; it is going up to 66 in 2020, and to 67 between 2034 and 2036, before increasing to 68 thereafter. That may be perfectly acceptable in the parts of the UK where life expectancy has been rising, but the disparity that exists between life expectancy north and south of the border suggests that we need a Scottish solution to our own circumstances. For example, life expectancy for a male child born today in Glasgow is 71.6 years, some seven years below the UK average of 78.2 years. The World Health Organisation has claimed that in the district of Calton in Glasgow, life expectancy for males is 54 years, substantially below the current UK pension age, never mind the increased pension age.

For a woman, the gap in life expectancy is also marked—78 years against a UK average of 82.3. It is little wonder that the state pension represents 11.9% of taxation income in Scotland but 12.1% in the UK. Quite simply, we are not living long enough to enjoy the fruits of the old age pension. If powers over pensions were devolved, our Parliament in Edinburgh could determine how we reflect on our own circumstances to ensure that our citizens can look forward to a comfortable and secure retirement.

3.45 pm

The amendment tabled by the hon. Member for Gainsborough would have the effect of devolving powers over all pensions, not just the state pension. We welcome that. It would allow us in Scotland to reflect on how we respond to the challenges for both defined contribution and defined benefit schemes. Defined benefit schemes are something of a rare breed these days, and we should reflect on the damage that we have done to the sustainability of such schemes as a consequence of the tax raid on pension schemes initiated when he was Chancellor of the Exchequer by the Member of Parliament for Kirkcaldy and Cowdenbeath.

Roger Mullin: Not this one.

Ian Blackford: No, not the current Member for Kirkcaldy and Cowdenbeath; my hon. Friend would not do anything so rash.

There is a crisis in the funding of such schemes and the tax treatment of dividends requires a fresh examination. Pension freedoms were initiated in the last Parliament.

While we broadly welcome the enhancement of consumer choice, SNP Members have gone on record as questioning the appropriateness of the advice that consumers receive and the risks of mis-selling. Those concerns have not been adequately addressed, and if pensions are devolved to Scotland, the Parliament in Edinburgh may want to look at it.

We welcome the amendment, especially in the light of the threatened attack on the most vulnerable in our society if the Government go ahead with their £12 billion-worth of cuts. We recognise that we can deliver only if we have fiscal responsibility as part of the equation. We recognise our responsibilities to look after the vulnerable in our society. We firmly believe that we need power over our economy to deliver sustainable economic growth and grow the tax base to generate the resources to create not only a wealthier but a fairer Scotland. Passing the amendment today at least gives us the power to intervene to ameliorate some of the pain that will be inflicted on so many of our people by the policies of the UK Government.

Patricia Gibson (North Ayrshire and Arran) (SNP): I am delighted to speak in favour of amendment 118 and new clause 45, which call for the removal of the requirement for the Scottish Government to obtain consent from the UK Secretary of State in relation to universal credit and the cost of claimants who rent accommodation.

In the light of our mandate from the Scottish people, and the lack of democratic mandate that the Conservatives—indeed, any of the other parties—have in Scotland, we urge all in the Committee to support the amendment. We set it out unequivocally in our manifesto that, as part of our welfare priorities, there should be an immediate scrapping of the bedroom tax and a halt to the roll-out of universal credit and PIP payments. We said that we would support an increase in the work allowance. Those policies were supported by both the people of Scotland and civic Scotland and we have a clear democratic mandate for that demand, given the result of the general election.

We are particularly concerned about the work allowance element of universal credit—the amount of income that a household can earn before their universal credit entitlement is reduced. We demand that the work allowance be devolved to the Scottish Government as part of new clause 45, and democratic integrity requires that that demand be met. We support increases in the personal tax allowance, but we also back an increase in the work allowance. In this, we are in keeping with a Resolution Foundation policy proposal paper, which pointed out:

“if we really want to help working families on low and middle incomes, boosting the Work Allowance would be more effective and better value for money than any tax cuts”.

For a lone parent with housing costs, for example, the work allowance is currently set at just over £3,000 per year. After that point benefits start to be withdrawn. For example, those on universal credit lose £65 of benefit for every £100 of post-allowance salary. Of course we need to put in place some sort of tapering system to make work pay, but the complexity of the system allows—indeed, encourages—the Government to focus on simpler measures, even if those simpler measures are far less effective. Take the personal allowance. People begin paying tax at 20% after earning £10,000 a

[Patricia Gibson]

year, but we pay less attention to the fact that a sole working parent faces a 65% deduction rate when they earn over £3,000 a year.

For people who receive universal credit and pay income tax, the Chancellor's £600 a year increase to their personal allowance is welcome. That would boost their income by £42, but the same increase in work allowance would increase their income by £390.

Even the Institute for Fiscal Studies has weighed into this debate, arguing:

"In-work benefits provide a more precise and cost-effective way of supporting low-earning working families than changes to direct taxes."

The freezing of work allowance is profoundly misguided and effectively cuts the benefits of workers on low incomes. What happened to making work pay? What we need is a work allowance to help to ensure that those in work have a better chance of lifting themselves and their families out of poverty. We need the power in Scotland to change work allowances in Scotland, so that we can help families to help themselves out of poverty as they go out every day to earn a living through increasingly difficult times.

Universal credit does not help some of our poorest households, but much could be done by increasing work allowance and making work pay. This could be one—only one—of the tools that could help to combat the scandal of those in work having to rely on food banks to put food on their tables and feed themselves and their families. Scotland needs powers over the work allowance element of universal credit—no ifs, no buts.

I draw the Committee's attention to the letter in *The Herald* today, which has already been mentioned by my hon. Friend the Member for Banff and Buchan (Dr Whiteford). It is a letter from the third sector in Scotland protesting against the socially divisive and damaging impact of the UK Government's cuts of a further £12 billion in social security spending—cuts which, despite attempts to rewrite history, the Labour party signed up to prior to the general election. [Interruption.] These cuts—[Interruption.] Let me put the cuts in context. In the pre-election debate the hon. Member for Leeds West (Rachel Reeves) said that the Labour party was not the party of people on benefits. I notice that there is no retort to that. These cuts first and foremost—

Kate Green: Will the hon. Lady give way?

Patricia Gibson: No, thank you. [Interruption.] I have already responded informally to the hon. Member for Edinburgh South (Ian Murray), who is on the Front Bench.

These cuts first and foremost will bear down on the most vulnerable and poorest in society. The whole of the third sector in Scotland supports the devolution of working-age benefits to Scotland because there is a recognition that the Scottish Government can and will do things better. They will set out a welfare system competently and with compassion. Make no mistake. Such devolution of welfare powers—

Sir Edward Leigh: Will the hon. Lady give way?

Patricia Gibson: I give way to the hon. Gentleman.

Sir Edward Leigh: I am listening with great care to the hon. Lady, as I hope are my right hon. Friend the Secretary of State and the shadow Secretary of State, because I maintain that she is making the same point that I was making, although from a different direction. If we dribble out powers, the SNP will constantly blame us for everything that goes wrong—"Cuts? They're responsible for the cuts." Give them the responsibility and they will have to take responsibility.

Patricia Gibson: We will be proud to take responsibility for investing in the growth of Scotland's economy, in our infrastructure and in the people of Scotland.

Make no mistake: the devolution of the welfare powers in the Bill is supported by Citizens Advice Scotland, Barnardo's Scotland, the Child Poverty Action Group, the Church of Scotland, Oxfam Scotland, the Poverty Alliance, the Scottish Trades Union Congress—I could go on, but I think I have made my point.

We on the SNP Benches are seeking to protect those we represent in Scotland from the worst excesses of this Government. We speak with the clear democratic mandate of the people of Scotland, and behind that we have the increasingly raised voices of Scotland's third sector and civic society. We must not balance the books on the backs of the poor. It is time that the Government listened to a valued and equal partner in this Union—Scotland—in the spirit of the respect agenda.

For the record, and for the avoidance of any doubt, the SNP set out unequivocally in our manifesto, as part of our welfare priorities, that there should be an immediate scrapping of the bedroom tax and a halt to the roll-out of universal credit and PIP payments. As far as working-age benefits go, the Bill does not meet what was set out in the Smith agreement.

The Secretary of State has argued that there is no effective UK Government veto over the powers in the Bill relating to welfare arrangements, limited as they are, yet there is a clear requirement for the Scottish Government to

"have consulted the Secretary of State about the practicability of implementing the regulations".

The Secretary of State would then have to give

"his or her agreement as to when any change made by the regulations is to start to have effect, such agreement not to be unreasonably withheld."

Is it likely that the current Secretary of State and the Scottish people would ever agree on a definition of what is unreasonable? For example, the people of Scotland believe that it is unreasonable that a party that has a far weaker mandate in Scotland than at any time during any of the years when it last led a majority Government now pontificates over what powers Scotland should have while reneging on the all-party agreements arrived at in Smith. The Secretary of State clearly thinks that this situation is entirely reasonable and presides over the Dispatch Box like a colossal Governor-General, with no shame, taking on the elected and legitimate representatives of the huge majority of the Scottish people.

For the sake of social justice in Scotland, for the sake of our most vulnerable, who are being crushed beneath the weight of the illogical and misguided attempts to

punish those who require assistance from the state, for the sake of what was promised in Smith, for the sake of Scotland's position as a "valued and equal partner" in this Union, for the sake of the wisdom of Scotland's civic society, and for the sake of the SNP's democratic mandate, I urge the Committee to support amendment 118 and new clause 45.

Tommy Sheppard (Edinburgh East) (SNP): We are considering a lot of amendments, and some of them cover quite technically detailed matters, but I think that the context of the debate is about big ideas; it is about big differences between this side of the House and the Government side of the House. I think that there can be no bigger difference than how we view our society with regard to welfare provision. On the Opposition Benches we see welfare as a means of social insurance whereby we work together to protect each other through periods of illness and disability and in old age, and also to protect people who are casualties of economic circumstances as they move from one period of employment to another. It is something we should do with kindness and generosity and in the spirit of co-operation. I fear that the attitude of Government Members is founded on prejudice and parsimony. It is about a welfare state that grudgingly gives to people as a means of last resort. It is because of that difference in opinion that this debate matters so much.

4 pm

We want to transfer these powers to the Scottish Government to begin the task of creating a welfare system in Scotland that reflects the priorities and ambition of the people who live in Scotland. I have no difficulty whatever in accepting that we remain part of the United Kingdom and that a minimum standard should apply for universal credit. I must say to the Government that they have not set the minimum standard bar too high, so it will not be too difficult to cross it.

In order to get beyond that, however, we will need to work together, and new clauses 45 and 46 provide a mechanism by which the Scottish and the UK Governments can work together to look at how universal credit can be implemented in Scotland and at how additional measures that the Scottish Government may choose to bring in can be implemented in that context. It offers an opportunity within the United Kingdom—within the settlement agreed in the referendum and post-Smith—for the Governments to work together and do something constructive that will meet the aspirations of the Scottish people.

That is important because we want to move away from what is happening to welfare in this country.

John Redwood: Will the hon. Gentleman give way?

Tommy Sheppard: I was just going to quote the right hon. Gentleman, but I will take his intervention.

John Redwood: I entirely agree with the hon. Gentleman's description of what we want from our welfare system, but by how much does he want pensions and universal credit to go up to meet his aspirations compared with what is on offer?

Tommy Sheppard: The right hon. Gentleman has on several occasions in this and previous debates talked about cost and about how much will be paid for certain welfare benefits. I have to say to him that he must not

assume that the cuts his Government are making in the welfare budget are cost free. There will be consequences as a result of what they are doing.

If the Government reduce the amount of money that poor people have and impoverish them even further, there will be consequences for the rest of society. It will increase the burden on our national health service as people become physically and mentally ill. It will drive people to drug dependency and petty crime, and put extra demands on our police service. Most of all, it will cost our economy in the lost opportunity of those wasted lives. Do not think for one minute that there are no consequences to what the Government are doing with the welfare budget.

John Redwood: Will the hon. Gentleman give way?

Tommy Sheppard: I am anxious not to get into a debate with the right hon. Gentleman, but I will take one more intervention.

John Redwood: This is a debate, and I am delighted that the hon. Gentleman is prepared to get into such a debate. I have no wish to take money away from people who need it; fortunately, we do not have to debate that today. What is the answer: how much more is needed to meet his aspirations for greater generosity than the Government have volunteered?

Tommy Sheppard: I am happy to have a debate; I just do not want to have it with the right hon. Gentleman by himself. It is a matter for assessment: we will have to sit down and work out exactly how much more will be required. The question here is: who should make the assessment—should it be the representatives of the people in the Scottish Government, or should it be someone else?

I want to talk about the bedroom tax, which has been mentioned several times. I will give one example of a human story, rather than the statistics that people have thrown around the Chamber. I have a 62-year-old constituent, who has lived in the area for 30 years in the same two-bedroom house. She has brought up her family, who have now left home. She now suffers from chronic angina and arthritis, and she can barely leave the house, never mind go into employment. She is probably not going to work again. The question is: what type of social protection do we offer someone in that position?

When I came across my constituent last year, she was running up against the spare bedroom subsidy regulations. She was told that she would either lose £14 a week off her benefit, or she would have to move house. Not having £14 to lose, she inquired about where she should move to. The only options given to her were five miles away, in an estate with a number of social problems that hers did not have, with no support from family or friends and no ability to continue the life she had. She was almost terrorised when I came across her: she was at the point of distraction and was making herself ill. I am glad to say that, because of the actions of the Scottish Government, we have now been able to help that woman and others in her situation, but I fear for people throughout the rest of the United Kingdom who are in that terrible situation.

[Tommy Sheppard]

Another example of parsimony is the sanctions regime, which has been mentioned several times. Let us not kid ourselves that officials in the DWP are using sanctions as a last resort. In many cases, they are being used as a first resort. We all know of cases in which people have been sanctioned for the most petty of breaches.

Stewart McDonald (Glasgow South) (SNP): During the last Parliament and the election campaign, Tory Members chuntered on about the Labour party apparently wishing to weaponise the national health service. From the assessment that my hon. Friend gives, I am sure he agrees that the Tories have weaponised the social security system and are terrorising people across the country with it.

Tommy Sheppard: My hon. Friend makes an excellent point. It is because of the iniquity of the current system, and the prospect that is being held out of worse things to come, that we seek a change. We seek to be able to take control of our welfare system in Scotland and shape it so that it meets the aspirations of the people. The hon. Member for Nottingham North (Mr Allen) said earlier that Scotland could perhaps be an example of what might happen in the rest of the United Kingdom, and I very much hope that will be the case.

Wayne David: I congratulate the hon. Gentleman on the tone of his contribution. It is important that he recognises that the problems that he is lucidly describing apply to many working-class people throughout the United Kingdom, including in my constituency. We hope that the new powers will do something to help people in Scotland, but I ask him to remember that people throughout the United Kingdom are affected.

Tommy Sheppard: I absolutely understand that. If we get a chance in the years ahead, while welfare remains the responsibility of the UK Parliament, to join the Labour party in voting to apply the measures that we will introduce in Scotland to the hon. Gentleman's constituents, I will be happy to take the opportunity to do so.

I turn to the Secretary of State's veto, which has been mentioned. I know he will deny that it is a veto, but everyone else who has looked at the provisions thinks it is a veto, including most third sector organisations in Scotland. It will allow the Secretary of State to object to regulations that the Scottish Parliament might introduce to improve the welfare system in Scotland. How can it be right that a power is devolved yet not devolved, and that the Secretary of State will retain authority to govern such decisions? In an earlier stage of the debates on the Bill, one Conservative Member said that we should all trust each other and that life would be an awful lot better. Could the Secretary of State not find it in his heart to trust the Scottish Government to make regulations? After all, there are fairly closely defined parameters for those regulations, so why on earth burden everyone with the requirement that the Scottish Government have to seek the Secretary of State's consent? It is absolutely ridiculous.

If there is one way in which Secretary of State could indicate that he is listening to Scotland, it is by saying, "Fair enough—if the Scottish Government take a decision, we will let them get on with it, because we have transferred

authority. We do not have to keep looking over their shoulder and checking their homework." I hope that he will take that on board.

The crux of the whole argument is political authority. We are now halfway through the fourth day of debates on the Bill, and the Government and the Secretary of State have yet to suggest that they will make any substantive change to it. The Minister for Employment suggested earlier that the clauses we were discussing were in line with the spirit and substance of the Smith agreement, but it is strange that everyone else disagrees, including the Scottish Parliament's devolution committee, on which the Conservative party is represented. That all-party group said that the clauses as drafted did not represent the spirit or substance of the Smith agreement. Something has got to give, unless we are going to rename the Secretary of State the governor-general and accept that we will not have government with the consent of the people in Scotland. I hope that he will listen to the people and accept some amendments.

When I quizzed the Secretary of State yesterday, he leapt to his feet and said that he was listening, and that he was in fact in conversation with the Scottish Government. He cited conversations with my colleague the Deputy First Minister, John Swinney. That caused John Swinney to write to the Secretary of State to say that he considers that his name has almost been taken in vain. He states:

"you cited our 'productive discussion'...There will have to be clear movement by the UK Government, otherwise it is becoming harder to justify that description."

Today the Secretary of State has the opportunity to make some minor concessions to show that he is willing to listen to the people who were elected in Scotland—I am not talking just about the 56 SNP MPs; I think we can safely say that 58 out of 59 MPs from Scotland do not want the Secretary of State to have a veto over powers that this Parliament might devolve to the Scottish Government. I hope that he will reflect on that and give some ground in his concluding remarks to show that he is listening.

Ian Murray: I pay tribute to the hon. Member for Edinburgh East (Tommy Sheppard), and he was right to point out that we need a welfare system that shows compassion to those who have fallen on hard times, whether through illness, disability, economic circumstances or old age. He told the story of a 62-year-old constituent who was affected by the bedroom tax, and I am sure that all Members can recall similar stories from their surgeries of the most vulnerable being hit the hardest by what is probably the most pernicious tax that any Government have ever bestowed on people. It is right that the Scottish Government have been able to mitigate the bedroom tax in Scotland, and this evening we will vote on new clause 31 that would give the Scottish Parliament the power to consider such matters. The hon. Gentleman is right to have given that description of the social security system. That is the fourth time we have agreed today and I hope we will continue in that spirit.

I will speak to amendments 5, 6, 7 and new clauses 28 and 53 in my name and those of my hon. Friends. Amendments 5, 6 and 7 are different from the SNP's amendments 118 and 119, but if the SNP presses its amendments to the vote we will support it and withdraw our amendments. Clause 24 gives Scottish Ministers

regulation-making powers on the housing costs element of universal credit for claimants who rent their homes. The Secretary of State would also retain regulation-making powers, meaning that both the Scottish and UK Governments would have powers in that area and be able to exercise them independently.

Clause 25 gives Scottish Ministers regulation-making powers in Scotland to provide for alternative payment arrangements for universal credit, including “the person to whom, or the time when, universal credit is to be paid”.

That will allow universal credit payments to be split between household members, and for payments to be made more frequently than under the UK Government’s current monthly plan. Although I am sure that we all welcome the devolution of those powers, that part of the Bill has caused considerable controversy by affording UK Ministers what some have interpreted as a veto over the Scottish Government’s regulation-making powers. That relates to the requirement in clauses 24 and 25 that, before exercising their regulation-making powers, Scottish Ministers consult the Secretary of State on the practicability of implementing proposed changes to universal credit, and obtain his agreement on when those changes are to happen. It is worth examining whether that amounts to an effective veto.

The Deputy First Minister John Swinney—he has just been mentioned by the hon. Member for Edinburgh East—has detected in what he calls those “pretty innocuous requirements” a sinister intent on behalf of the UK Government to exercise “a blocking power” that would act to

“prevent the Scottish Government from doing something”.

What does the UK Government seek to do with these provisions? I do not believe that the current provision is intended as a veto, but it could be more clearly worded to remove any ambiguity.

As I said on Second Reading, the Government have an opportunity to clear up any ambiguity, and if they are intent on saying that there is no effective veto in the Bill, they should remove that ambiguity once and for all. Amendments 5, 6 and 7 seek to allay the concerns of the Deputy First Minister and the charitable organisations that have been mentioned, by clarifying that Scottish Ministers need only “consult” the Secretary of State about the timing and—crucially—the delivery mechanisms of any new regulations.

4.15 pm

I understand and fully appreciate that if a discretionary housing payment is made by the Scottish Government to those liable for the bedroom tax, if I may use that particular example, they have a delivery mechanism. A pot of money can be given to local authorities so that they can distribute that discretionary payment. If there is an addition to universal credit and the Scottish Government have the power to alter universal credit, the implications for the delivery mechanism are crucial, because the Scottish Government may have to use the Department for Work and Pensions or another reserved delivery mechanism that is part of the UK Government. If the veto is a veto in the sense that the Secretary of State needs to approve the delivery mechanism, he must consider redrafting the clauses to make that clear. If a discretionary payment were to be made on a reserved benefit or a top-up benefit that is currently paid through

the complicated system of the DWP, we would need some discussion of how that would operate. I would appreciate it if the Secretary of State—or the new governor-general of Scotland, as he has been termed this afternoon—responded to those points about the veto.

New clause 28 proposes the full devolution of housing benefit to the Scottish Parliament. This is another new clause, on a serious issue, that has attracted significant support from across the third sector, including from the Scottish Council for Voluntary Organisations. There are a number of compelling reasons why we believe housing benefit should be devolved, including the joint report today to the UN by the four UK Children’s Commissioners, which warns that child poverty levels in the UK are unacceptably high and rising—their main concern being the housing element.

Andrew Gwynne: Is not another compelling reason for the effective devolution of housing benefit to the Scottish Parliament that housing policy is already devolved? It would allow the Scottish Government to have a fully integrated housing policy, using those resources much more smartly and, effectively, being able to abolish the bedroom tax.

Ian Murray: I have a touch of *déjà vu*, as that is twice my hon. Friend has intervened with the next sentence of my speech—*[Interruption.]* Yes, I should stop sharing it around. He is right, and that is exactly what we said in our submission to the Smith commission. Perhaps he has read it—if he has any trouble sleeping, I highly recommend it to him. We want to increase the powers of the Scottish Parliament in areas that are closely related to devolved services, especially if that allows us to address and eliminate anomalies in the administration and delivery of vital public services. Housing policy is one such anomaly.

Most aspects of housing policy, specifically those relating to social housing, are already devolved to Scotland, including—most recently—discretionary housing payments. Social housing and housing benefit are inextricably linked: it therefore does not make sense for a devolved legislature to have control over one and not the other. That view is shared by the Institute for Public Policy Research. Devolving housing benefit to Scotland would allow for a more holistic approach to housing policy in Scotland, affording the Scottish Parliament and, crucially, local authorities far greater autonomy to tailor delivery to suit local and regional needs and circumstances. It would also transfer to the Scottish Parliament significant new resources with which to deal with the ongoing crisis in social housing.

At present, demand for social housing in Scotland, as across much of the UK, is greatly outstripping supply. Indeed, Scotland is facing its biggest housing crisis since the second world war with nearly 180,000 people in Scotland on social housing waiting lists, including 23,000 in Edinburgh alone. Earlier this year, Audit Scotland estimated that Scotland will need more than 500,000 new homes in the next 25 years. Under this Government, we have the lowest number of houses being built since 1947, and our public housing stock is decreasing drastically. The number of new social homes being built each year is down by more than 20%. Generation Rent is overlooked by the Government: Those in Scotland’s growing private rented sector face

[*Ian Murray*]

rising rents and being forced to move house too often. An individual living in social rented housing has the same address for an average of only 2.6 years, and families make up nearly half of the people who are moving around in less than that average.

In the past 10 years, the number of people living in the private rented sector has doubled to 368,000; the number of households in poverty in the private rented sector has also doubled in the past decade, to 120,000. In 2014, almost 1 million households, or 2 million individuals, were living in fuel poverty, an increase of almost 300,000 on the previous year. That all relates to policies and their impact on people living in inadequate private housing. We will continue to fight for a better deal for the private rented sector.

Shelter Scotland, the much-respected charity, identified the negative effect of homelessness and temporary housing on children's education and health. It researched the impact, particularly on children and on families with children, of living in inadequate housing in the private rented sector, as well as of homelessness, the inability to get into social housing and being stuck in temporary housing for too long. I will pick out just one or two points.

The research states that homeless children are two or three times more likely to be absent from school than other children due to the disruption caused by moving into, and between, temporary accommodation. I see that in my own constituency, where the situation is drastic. My constituency must have one of the most acute social housing shortages in the country. Many families end up either stuck in temporary accommodation or moved around temporary accommodation regularly. Homeless children are three or four times more likely to have mental health problems—a fairly obvious conclusion because of such instability. Some 90% of respondents to a Shelter survey said that their children had suffered from living in temporary accommodation. The longer families live in temporary accommodation, the more likely they are to attribute to it their worsening health.

It is important that we should be able to deal with those issues, but there is no doubt that housing benefit and the ability to access housing benefit resources are inextricably linked with building more social homes and the whole of social housing policy within the Scottish Parliament. Karen Campbell, the director of policy and operations at Homes for Scotland, stated:

“Scotland's housing crisis affects all tenures, whether for social/private rent or sale. This is having a severe impact on the lives of Scots across the whole country, particularly young people and growing families. No other sector impacts such a wide range of policy issues yet the number of new homes being built has fallen to its lowest level in some 70 years, threatening Scotland's social and economic well-being.”

From the results of the Shelter survey, we can see that the social wellbeing of many families, and particularly the children in those families, is a real issue.

Devolving housing benefit to Scotland would afford the Scottish Parliament substantial additional funds to address the shortfall. It would unlock up to £1.8 billion of resources, the largest spend on a single benefit in Scotland after the old age state pension. That could, over time, be invested in the provision of new housing stock in Scotland. I appreciate that that cannot happen

overnight, because there would have to be some mechanism to allow the fund to be accessed—potentially through prudential borrowing, which local authorities could use to reduce housing benefit and build more houses. That would not only serve to alleviate the pressure on social housing, but create jobs and help to depress housing costs across the private rented sector. As the Joseph Rowntree Foundation noted,

“investing in affordable supply will place downward pressure on rents and subsequently reduce the burden of housing costs upon the budgets of low income households living in the private rented sector in Scotland.”

That point is hugely important. The Government have tried to come down incredibly hard on the housing benefit bill, but it has doubled in the past decade or so—they have not been able to deal with the supply and demand issue. The number of my constituents who end up in the much more expensive private rented sector—almost double the rent of social or affordable housing—clearly pushes up the housing benefit bill. Before the Secretary of State, or the governor of Scotland, jumps to his feet and tells us that the housing benefit bill is going up because of worklessness, let me state the reality: nearly 70% of my constituents in receipt of housing benefit are actually in work. This is a huge issue not just in terms of social impact, but in getting the housing benefit bill down. We have to get people into much more affordable housing.

As an added and not insignificant bonus, devolving housing benefit would, as we have discussed, allow the Scottish Parliament to put an end to one of the cruellest and most iniquitous policies of recent years—the bedroom tax. We need to consider double devolution, a point made regularly in these debates, as the Scottish Parliament is very centralist. We need to devolve power down to the communities best able to use them. For example, housing benefit should be administered at the local authority level because each local authority has its own housing needs and demands—for example, in respect of key workers and specific demographics. I hope that these strong arguments will convince the Government and hon. Members to support our new clause 28.

The Bill could also be enhanced on the provision of childcare, which Labour's new clause 53 would do by devolving the childcare element of universal credit to the Scottish Parliament. The childcare element is closely linked to the provision of employment support programmes, and devolving it would increase the capacity of the Scottish Parliament and local authorities to help parents obtain and remain in employment by assisting them with the rapidly escalating cost of childcare—the cost of childcare in Scotland has risen much higher than in the rest of the UK. It is one of the main obstacles to parents entering and remaining in the labour market. Devolving the childcare element would afford the Scottish Parliament a valuable new mechanism for removing that obstacle and allowing parents to enter the jobs market.

Dr McCormick, the Scotland adviser to the Joseph Rowntree Foundation and a member of the Social Security Advisory Committee, stated in response to the Smith commission proposals that

“the costs of childcare in Scotland are high by international standards and rise much faster than inflation... Childcare is a clear example where both closer alignment with the Scottish Government's childcare offer and stronger incentives to invest are

needed. The Bill should empower the Scottish Government to vary childcare allowances via Universal Credit, on the same basis as housing allowances.”

New clause 53 would provide for the power to be devolved to the Scottish Government so that they can do precisely that, and I hope that the Government and hon. Members across the House see the value of supporting it.

I wish to turn briefly to other amendments, chiefly to new clauses 39, 40, 44 and 46, in the name of the SNP, and to new clause 55, in the name of the SNP’s favourite Conservative, the hon. Member for Gainsborough (Sir Edward Leigh). As I said, there is no fundamental problem with the devolution of the entire social security system—or, indeed, of the entire income tax system or any of these other policies. They do, however, have one thing in common. New clause 55 would end the UK-wide welfare state, and we do not wish to see an end to it—that will not come as a surprise to the House. We completely reject anything that would end the UK-wide welfare state. In the context of keeping the UK-wide welfare state together, it would not be desirable to devolve to the Scottish Parliament powers that the Smith agreement stipulated should remain reserved—for example, around Jobcentre Plus, national insurance contributions and child benefit.

Andrew Gwynne: In the past, my hon. Friend has spoken passionately about the need to pool resources and risks across the whole UK. Does he share my concern that the effective ending of a UK-wide national insurance system would also end the pooling of those risks and responsibilities for a UK-wide welfare state?

Ian Murray: My hon. Friend must have brilliant eyesight. I am not sure whether it is the glasses, whether he is just insightful or whether he can read minds, but, believe it or not, I am about to come to that. Perhaps we are on the same wavelength.

I shall examine some of those issues now. I am a little confused, because I am not sure whether the hon. Member for Banff and Buchan (Dr Whiteford) moved new clauses 39 and 40 on the devolution of national insurance contributions. [*Interruption.*] She might be moving them later. I know she spoke to them, but I am unaware that she moved them. For the record, we would oppose the devolution of national insurance contributions, for the very reason that my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) just set out. The pooling of risks and resources is explicit in national insurance contributions. The UK national insurance system is the largest insurance scheme of all and secures benefits to all through the widest possible risk pool.

The SNP’s new clauses seek to devolve national insurance in a manner that betrays a basic lack of understanding about the highly integrated and interlocking nature of the social security system, and they would mean having to deal with a huge array of complex issues. Even if we went beyond the principle of the pooling and sharing of resources, there would have to be a separate Scottish national insurance fund to receive all future national insurance contributions from Scottish taxpayers; all existing contributory benefits accumulated up to the vested date would have to be honoured by the UK national insurance fund; and transfers from the Scottish to the UK national insurance fund would have to follow Scottish taxpayers moving elsewhere in the UK.

Some issues were mentioned by the hon. Member for Gainsborough in speaking to his new clause 3, which related to the first part of the Bill. In talking about full fiscal autonomy, he mentioned that there would have to be significant redress to the UK national insurance fund. He raised issues about survivors’ benefits and where the people affected were living. As well as the principle of not devolving national insurance, there is also the matter of how to deal with the complex issues that would be raised across the United Kingdom.

4.30 pm

At this point, I would like to look at the supporting evidence and testimony of the Scottish Council for Voluntary Organisations, which has been superb in providing briefings on some amendments and commenting on aspects of the Bill. In a briefing, which I am sure Members have read, it made astute observations about why devolving national insurance is fundamentally not the best idea for either the UK or Scotland. It said:

“National insurance is used to calculate entitlements to the second state pension and entitlement to some of the old forms of JSA and ESA that are still reserved through Universal Credit. Indeed, many people will have topped-up their NI contributions in order to secure their pension. SCVO does not support the devolution of pensions, and therefore, due to the potential confusion and unintended consequences that may arise, we also do not support the devolution of National Insurance.”

A plethora of other organisations would warn against the matrix of national insurance being devolved—including the Institute for Fiscal Studies, which has been quoted positively on a number of occasions by SNP Members this afternoon only 12 hours or so after they completely trashed the organisation for its analysis of full fiscal autonomy. I am glad that there has been a conversion and they now support the impartial and independent Institute for Fiscal Studies—alternatively, if I may be so bold, it could be that it suits the SNP to quote it on some occasions, but not on others.

I have laid out the Labour party’s position on devolution. We will support the SNP’s amendments 118 and 119 if they wish to press them, and we will withdraw ours as we are not voting on the same principle of removing the vetoes. I hope that the Secretary of State will give us some positive news—that we might not have to vote at all. Would not that be a wonderful thing for this Committee? We could get away early this evening if the Secretary of State came to the Dispatch Box and spent 90 seconds saying, “Everyone is absolutely right, and I am wrong. I am going to accept all these amendments, so Scotland can flourish with the welfare state that it deserves and wants to design.”

I finish where I started—with the Labour party as the guardians of the welfare state across the United Kingdom. There is a significant difference between what we believe and what the SNP believes about breaking up that welfare state. These are broad principles; neither is right or wrong. We believe that there should be pooling and sharing across the UK—a principle that we have shared and that has provided a thread running through all our amendments. What we wish to see is a Bill that responds to the Smith agreement and goes further than it in allowing the Scottish Parliament and, indeed, the Scottish people, to design something in the best interests of a welfare state that fits not just Scotland, but Scotland’s communities.

David Mundell: On this occasion, I am afraid I will disappoint the hon. Member for Edinburgh South (Ian Murray) because I am going to speak for more than 90 seconds. I have enjoyed hearing the full contribution rather than just interventions from the hon. Member for Ross, Skye and Lochaber (Ian Blackford), although the length was probably not that different. The hon. Member for North Ayrshire and Arran (Patricia Gibson) gave a spirited contribution, although I did not recognise myself in her description. As for the hon. Member for Edinburgh East (Tommy Sheppard), we are in agreement on so many things; it is only bits in his contribution that spoil it. I do trust the Scottish Parliament and I want it to make significant decisions on welfare unimpeded by the views of the UK Government. I shall say more about clause 25(3) later, but there is no restriction on the policy decisions of the Scottish Government and Parliament in relation to those provisions. The issue is about timing.

Let me make some wider comments about what was said by the hon. Gentleman. As I have said throughout, I am reflecting on points that have been made during all our discussions. I have given that undertaking not just to Parliament but to the Devolution (Further Powers) Committee, and, indeed, to the Scottish Government. If Members want selective quotations from Mr Swinney's letter, I will give them one that I think sums up the situation.

"When we met on 25 June we agreed on a programme of work to be undertaken before Report stage with a view to producing a Bill that reflected the Smith commission, the concerns of stakeholders and the views of the Scottish Parliament."

That is absolutely my position, and I am committed to working with the Deputy First Minister in that regard.

Tommy Sheppard: Does the Secretary of State not accept that, if we read further in the letter, we find that the Deputy First Minister fears that that process is not going to take place? We, too, are marvelling at the fact that after four days of debate, the Secretary of State still refuses to accept one single line of one single amendment that has been put to him.

David Mundell: I think that the hon. Gentleman has got the order of the statements in the letter wrong. Mr Swinney says that if the process did not take place, the undertaking would obviously not be valid. That is of course correct, but my approach to the Bill is to proceed with it on the basis that it fully reflects the Smith commission proposals, and that it takes account of the issues and concerns that have been raised.

SNP Members have tabled a number of amendments with which I do not agree, but which I think might be described as Smith-plus. We are listening to the points being made about the amendments, but we are also listening to what everyone is saying about the Bill in its current form and how it reflects Smith. I have appeared before the Devolution (Further Powers) Committee, and we have had a lengthy discussion about the clauses that we have debated today. I expect to have further discussions with the Committee, and there will, of course, be further parliamentary debate.

Much of what is being said is predicated on the view that the Scottish Government and the United Kingdom Government are always at odds. That is simply not the case, and it should not be given common currency.

On 90% of issues, the two Governments work together very closely for the benefit of the people of Scotland. They are working together closely on very serious ongoing issues at this moment, and there are absolutely no problems and no need to resort to external review processes. The Smith process established a shared response for welfare, and I think that it shows that we must adopt a new mindset. That, to me, is what the spirit of the Smith commission is about: working together in a shared space. A commitment to doing that is as important as anything in the Bill.

The hon. Member for Banff and Buchan (Dr Whiteford) is always extremely passionate about these issues. I generally consider her to be a reasonable person until she stands up to speak in the Chamber. The way she has portrayed the relationship between the two Governments is simply not correct. We have established a joint ministerial working group on welfare, and last Thursday I met Alex Neil—no doubt there will be a letter about that meeting—to discuss the transitional arrangements and the next meeting of the joint ministerial group. Our discussions have been very productive and have led to a great deal of good work on the transition of powers and the establishment of processes in Scotland. I see no reason to believe that that cannot continue. That is what people in Scotland want: they want the two Parliaments and Governments to work together. They do not want to see constant bickering and I am making a determined effort to ensure that that does not happen and that we can deliver a process.

I am conscious of, and respect and take into account, the views of charities and voluntary organisations.

Neil Gray (Airdrie and Shotts) (SNP): If the Secretary of State is listening to civic Scotland, third sector organisations, the Scottish Government and SNP Members, which of the amendments tabled by us and Labour will he accept?

David Mundell: I will repeat what I said earlier: I have agreed a programme of work to be undertaken before Report, with a view to producing a Bill that reflects the Smith commission, the concerns of stakeholders and the views of the Scottish Parliament. I will reflect on the amendments and the case that has been made for them.

I am listening to what has been said about clause 25(3)(b), which is a sensible consultation requirement about timing, not policy. Good governance in Scotland will require that decisions taken by the Scottish Government about new powers can be implemented in a timely way. That is what it is about—respect in a shared space and working together on welfare.

Ian Murray: Could the Secretary of State give a practical example of a policy that the Scottish Government may introduce whose delivery mechanism comes through the Department for Work and Pensions, so that we can be clear and trust that what he is saying is correct and that there is no veto?

David Mundell: I do not yet know what proposals the Scottish Government will make. I have made it clear that I would like to know what they will be, because we have heard significant criticisms of UK Government policy. That is, of course, legitimate in this Parliament and, indeed, the Scottish Parliament, but we need to

know the detail. The joint ministerial group on welfare wants to understand where the Scottish Government want to go with specific programmes, so that we can help and facilitate the transitional arrangements and deliver what they want to do.

I want the Scottish Government to be held to account. I do not want the continuation of the current situation, whereby people stand up in Parliament and make grand statements for which they are not held accountable and without explaining where the money will come from or how the system will work in practice. A lot of us who live in Scotland know that what the Scottish Government say does not always—shock, horror—happen in reality. I want a system for which the Scottish Government will be held accountable and under which they will have welfare powers and will have to set out for the people of Scotland how much their policies will cost and where the money will come from.

I said in a previous debate that my hon. Friend the Member for Gainsborough (Sir Edward Leigh) was the 57th SNP Member, and today he has proved that by tabling new clause 55, which is an even stronger proposal than what the SNP says is its policy. It is a fact that no Scottish MP has tabled an amendment to devolve UK pensions, and that speaks volumes. It tells us that even the supporters of independence accept that there are parts of welfare where it makes sense to share resources and risk with the rest of the UK. It is clear that pensions are safer and more affordable if we work with everyone else in the UK and that it would be wrong to devolve UK pensions.

MPs have to respect the referendum result, at which people in Scotland voted to remain part of a United Kingdom and hold on to the benefits of being part of it. Looking after the people of Scotland who are retired, unwell or out of work is now a shared space in which the UK Government and the Scottish Government need to work together. This is about getting the right balance and having the best of both worlds. Sometimes it will be right for people in Cumbernauld to know that they have exactly the same protection and support as people in Cardiff or Carlisle. On other occasions, the Scottish Parliament might want to offer different help for people in Scotland, using the taxes that have been raised in Scotland.

4.45 pm

The hon. Member for Edinburgh South spoke to various amendments. I do not share his views, and I do not believe that he made a case for the proposals on childcare. I shall comment in more detail, however, on what he said about new clause 28, which covers an issue that has been raised before. The Scottish Government already have competence to work with all housing sectors in Scotland to support and encourage new builds. Indeed, they have been very active in heralding their affordable housing supply programme, which ranges across all types of tenure.

The Scottish Government also have the ability to regulate the private rental market, and I believe they have been active in that area. The Housing (Scotland) Act 2014 included a number of provisions to deal with what might be classed as standards of housing in the private sector, such as powers for local authorities to tackle disrepair in the sector. As regards funding, hon. Members will no doubt realise that housing benefit is paid to claimants for the express purpose of meeting an

individual's housing costs when the eligibility rules are met. Because it covers rent at a specific point in time, there would be no margin from which to create a house building investment fund from housing benefit.

However, we have already heard how the powers in the Bill will give Scottish Ministers flexibility over housing costs within universal credit. That flexibility could be used to reduce housing costs for renters, and if Scottish Ministers wished to spend in other areas in order to generate funding, they could do so. There is no need for housing benefit to be devolved to allow for that. Establishing such a fund would also require appropriate powers to be put in place.

It was interesting to hear hon. Members' assumptions about the amount of money they would have available for investment in housing. The figure of £1.8 billion was mentioned. That equates to the total amount of housing benefit expenditure in Scotland, which appears to suggest that hon. Members are saying that housing benefit should be abolished in Scotland. I am assuming that that is not really their intention, but the amendment could still have serious consequences for Scottish landlords in the social and private sectors. Hon. Members need to think carefully about the implications for the business viability of housing associations and private landlords. Housing benefit is a payment towards the rental liabilities of people on benefits. It is not intended to fund the expansion of housing stock.

Ian Murray: I am grateful to the Secretary of State for that explanation, but the point that he is missing is that there is no incentive for either local government or the Scottish Government to build new affordable homes, because the housing benefit bill comes from a different Government—the UK Government. Devolving responsibility for housing benefit would devolve the responsibility to build more affordable and social homes and the accountability for so doing.

David Mundell: This is a matter for the hon. Gentleman's and my colleagues to raise in the Scottish Parliament. They need to hold the Scottish Government to account for their housing policies.

The hon. Gentleman's amendment would also carry a significant cost, and although it appears to be a simple proposition, that is in fact far from being the case. On that basis, I am unable to recommend acceptance of the proposal. As I have said, however, I am reflecting on all the amendments that have been tabled. My intention is to move as quickly as possible to achieve the devolution of these significant welfare powers to the Scottish Parliament, so that we can move on and have a proper, mature debate in Scotland about how the powers should be used and who is going to pay the cost of any additional benefits that might be proposed by a future Scottish Government.

Dr Eilidh Whiteford: We have had an interesting and wide-ranging debate on the amendments this afternoon, perhaps more wide-ranging than I could ever have envisaged. I am not sure how we managed to get sidetracked into Greece so early in the afternoon's debate, and the comparison between Greece and Scotland did seem rather ill-conceived. It was, of course, refuted ably and comprehensively by the hon. Friend of the right hon. Member for Wokingham (John Redwood), the hon. Member for Gainsborough (Sir Edward Leigh).

[*Dr Eilidh Whiteford*]

However different Scotland and Greece might be in cultural, economic and climatic terms—

John Redwood *rose*—

Dr Whiteford: I will not give way just at the moment, because I think we have talked quite enough about Greece. I want to make a couple of substantive points about the issues that were raised, however.

Whatever differences Scotland and Greece have, what we have in common, apart from our patron saint, is the fact that people in Scotland will feel great sympathy for their fellow European citizens in Greece and will have a sense of solidarity about the level of deprivation they are having to undergo. My hon. Friend the Member for Na h-Eileanan an Iar (Mr MacNeil), who is not in the Chamber at the moment, made the important point that the real morality tale from the Greek situation that is relevant to our discussions today is that austerity does not work and that we need the power to create alternatives to it.

The other salutary tale we heard this afternoon came from the hon. Member for Foyle (Mark Durkan) who, with his usual eloquence, drew on his experiences in Northern Ireland to warn of the difficulties ahead if we fail to legislate clearly. He also warned of the dangers of what has been termed “karaoke legislation” in Northern Ireland, in which people have powers but not the power to enforce those powers.

My hon. Friend the Member for Ross, Skye and Lochaber (Ian Blackford) made a powerful speech that highlighted some of the real differences between the challenges we face with welfare and pensions in Scotland and those in other parts of the UK, pointing out the low life expectancy and the poor value that Scottish pensioners get. Indeed, we have some of the lowest pensions in Europe and Scottish pensioners end up about £10,000 each worse off because of our pension arrangements. My hon. Friend the Member for North Ayrshire and Arran (Patricia Gibson) drew attention to the issues with the work allowance, which is a really good example of what we might do with these powers to improve the support we give to lower paid workers.

Above all, we need to talk about the veto. My hon. Friend the Member for Edinburgh East (Tommy Sheppard), who is quickly becoming one of the stars of this Parliament, set out how new clauses 45 and 46 would enable constructive working between the UK and Scottish Governments. That means not just fine words about constructive working but fine working.

To move on to those who spoke from the Front Benches, I welcome the support from the hon. Member for Edinburgh South (Ian Murray) for our lead amendment and for amendment 119. I listened very carefully to the Secretary of State’s conclusion to the debate. I fully accept that there are constructive relationships through the joint ministerial working group and many other parts of the Scottish and UK Governments, but when there are genuine differences of opinion and of ideological direction as well as different policies and different circumstances, we need the mechanisms and the legislation that enables us to deal with them effectively. That is what we still do not see on the face of the Bill.

The problem is that the Bill, in its current form, does not cut the mustard. The Secretary of State’s position on this could probably be summed up by the old saying, “They’re aw oot o’ step but oor Jock.” There is a consensus in Scotland, among all the other Scottish MPs, among MSPs, including MSPs from the Secretary of State’s own party, and among civil society that the veto needs to be taken out of the Bill. I urge the Secretary of State to listen. Part of the problem in Scotland for too long has been that people have not listened, but the voices of the people of Scotland will not be silenced. If the Secretary of State thinks that these issues will go away, I can tell him that they will not. We have heard salutary lessons about why we need to have the legislation pinned down and secure.

Earlier in the debate, I should also have stated my intention to move new clauses 39 and 40 and I am grateful to the hon. Member for Edinburgh South for flagging up that omission. We will press—

Ian Murray: Will the hon. Lady give way?

Dr Whiteford: I am just summing up. We will press new clause 39 to a vote later, and in the meantime we also want to vote on amendment 118.

Question put, That the amendment be made.

The Committee divided: Ayes 261, Noes 313.

Division No. 32]

[4.54 pm

AYES

| | |
|----------------------------|-----------------------|
| Abbott, Ms Diane | Champion, Sarah |
| Abrahams, Debbie | Chapman, Douglas |
| Ahmed-Sheikh, Ms Tasmina | Chapman, Jenny |
| Alexander, Heidi | Cherry, Joanna |
| Ali, Rushanara | Clwyd, rh Ann |
| Allen, Mr Graham | Coaker, Vernon |
| Anderson, Mr David | Coffey, Ann |
| Arkless, Richard | Cooper, Julie |
| Ashworth, Jonathan | Cooper, Rosie |
| Austin, Ian | Cooper, rh Yvette |
| Bailey, Mr Adrian | Corbyn, Jeremy |
| Bardell, Hannah | Cowan, Ronnie |
| Barron, rh Kevin | Cox, Jo |
| Beckett, rh Margaret | Coyle, Neil |
| Benn, rh Hilary | Crawley, Angela |
| Berger, Luciana | Creagh, Mary |
| Betts, Mr Clive | Creasy, Stella |
| Black, Ms Mhairi | Cruddas, Jon |
| Blackford, Ian | Cryer, John |
| Blackman, Kirsty | Cummins, Judith |
| Blomfield, Paul | Cunningham, Alex |
| Boswell, Philip | Cunningham, Mr Jim |
| Brake, rh Tom | Dakin, Nic |
| Brennan, Kevin | Danczuk, Simon |
| Brock, Deidre | David, Wayne |
| Brown, Alan | Davies, Geraint |
| Brown, Lyn | Day, Martyn |
| Brown, rh Mr Nicholas | De Piero, Gloria |
| Bryant, Chris | Docherty, Martin John |
| Buck, Ms Karen | Donaldson, Stuart |
| Burden, Richard | Doughty, Stephen |
| Burgon, Richard | Dowd, Jim |
| Byrne, rh Liam | Dowd, Peter |
| Cadbury, Ruth | Dromey, Jack |
| Cameron, Dr Lisa | Durkan, Mark |
| Campbell, rh Mr Alan | Eagle, Maria |
| Campbell, Mr Ronnie | Efford, Clive |
| Carmichael, rh Mr Alistair | Elliott, Julie |

Ellman, Mrs Louise
 Esterson, Bill
 Evans, Chris
 Farrelly, Paul
 Fellows, Marion
 Ferrier, Margaret
 Field, rh Frank
 Fitzpatrick, Jim
 Fello, Robert
 Fletcher, Colleen
 Fovargue, Yvonne
 Foxcroft, Vicky
 Gapes, Mike
 Gardiner, Barry
 Gethins, Stephen
 Gibson, Patricia
 Glass, Pat
 Glindon, Mary
 Goodman, Helen
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Green, Kate
 Greenwood, Lilian
 Greenwood, Margaret
 Griffith, Nia
 Gwynne, Andrew
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harman, rh Ms Harriet
 Harpham, Harry
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue
 Healey, rh John
 Hendrick, Mr Mark
 Hendry, Drew
 Hepburn, Mr Stephen
 Hillier, Meg
 Hodge, rh Margaret
 Hodgson, Mrs Sharon
 Hollern, Kate
 Hopkins, Kelvin
 Hosie, Stewart
 Howarth, rh Mr George
 Hunt, Tristram
 Huq, Dr Rupa
 Hussain, Imran
 Irranca-Davies, Huw
 Jarvis, Dan
 Johnson, rh Alan
 Johnson, Diana
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Kaufman, rh Sir Gerald
 Keeley, Barbara
 Kendall, Liz
 Kerevan, George
 Kerr, Calum
 Khan, rh Sadiq
 Kinnock, Stephen
 Kyle, Peter
 Lamb, rh Norman
 Lammy, rh Mr David
 Lavery, Ian
 Law, Chris
 Leslie, Chris

Lewell-Buck, Mrs Emma
 Lewis, Clive
 Long Bailey, Rebecca
 Lucas, Ian C.
 Lynch, Holly
 MacNeil, Mr Angus Brendan
 Mactaggart, rh Fiona
 Madders, Justin
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Mr Gordon
 Maskell, Rachael
 Matheson, Christian
 Mc Nally, John
 McCabe, Steve
 McCaig, Callum
 McCarthy, Kerry
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart
 McDonald, Stuart C.
 McDonnell, John
 McFadden, rh Mr Pat
 McGarry, Natalie
 McGovern, Alison
 McInnes, Liz
 McLaughlin, Anne
 Meale, Sir Alan
 Mearns, Ian
 Monaghan, Carol
 Monaghan, Dr Paul
 Moon, Mrs Madeleine
 Morden, Jessica
 Morris, Grahame M.
 Mullin, Roger
 Murray, Ian
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Phillipson, Bridget
 Powell, Lucy
 Pugh, John
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Jamie
 Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, Angus
 Robinson, Mr Geoffrey
 Rotheram, Steve
 Salmond, rh Alex
 Shah, Naz
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Siddiq, Tulip

Skinner, Mr Dennis
 Slaughter, Andy
 Smith, rh Mr Andrew
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Spellar, rh Mr John
 Starmer, Keir
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Tami, Mark
 Thewliss, Alison
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thompson, Owen
 Thomson, Michelle
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon

Turley, Anna
 Turner, Karl
 Twigg, Derek
 Twigg, Stephen
 Umunna, Mr Chuka
 Vaz, Valerie
 Weir, Mike
 West, Catherine
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan
 Williams, Mr Mark
 Wilson, Corri
 Wilson, Phil
 Winnick, Mr David
 Winterton, rh Ms Rosie
 Wishart, Pete
 Woodcock, John
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Ayes:
Liz Saville Roberts and
Hywel Williams

NOES

Adams, Nigel
 Afriyie, Adam
 Aldous, Peter
 Allan, Lucy
 Andrew, Stuart
 Ansell, Caroline
 Argar, Edward
 Atkins, Victoria
 Bacon, Mr Richard
 Baker, Mr Steve
 Baldwin, Harriett
 Barclay, Stephen
 Baron, Mr John
 Barwell, Gavin
 Bebb, Guto
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Crispin
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Brokenshire, rh James
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burrowes, Mr David
 Burt, rh Alistair
 Cairns, Alun
 Cameron, rh Mr David
 Carmichael, Neil
 Cartledge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex

Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, James
 Davies, Mims
 Davies, Philip
 Davis, rh Mr David
 Dinenage, Caroline
 Djanogly, Mr Jonathan
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 Duncan, rh Sir Alan
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Ellis, Michael
 Ellison, Jane
 Elphicke, Charlie
 Eustice, George
 Evans, Graham
 Evans, Mr Nigel
 Evnnett, rh Mr David
 Fabricant, Michael
 Fallon, rh Michael
 Fernandes, Suella
 Field, rh Mark
 Foster, Kevin
 Fox, rh Dr Liam
 Francois, rh Mr Mark

Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Garnier, Mark
 Gauke, Mr David
 Ghani, Nusrat
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Greening, rh Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, Ben
 Gymah, Mr Sam
 Halfon, rh Robert
 Hall, Luke
 Hammond, Stephen
 Hancock, rh Matthew
 Hands, rh Greg
 Harper, rh Mr Mark
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Heald, Sir Oliver
 Heappey, James
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Boris
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark

Leadsom, Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 McPartland, Stephen
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Parish, Neil
 Patel, rh Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prentis, Victoria
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy

Quince, Will
 Raab, Mr Dominic
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swire, rh Mr Hugo
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie

Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Watkinson, Dame Angela
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:

Simon Kirby and
 Sarah Newton

Question accordingly negated.

Clause 24 ordered to stand part of the Bill.

Clause 25 ordered to stand part of the Bill.

Clause 26

EMPLOYMENT SUPPORT

Hannah Bardell (Livingston) (SNP): I beg to move amendment 120, page 27, line 22, leave out from beginning to “for” in line 23 and insert “Arrangements”.

Amendments 120, 121 and 122 make provision for the Scottish Parliament to have power to legislate on arrangements for employment support programmes.

The Temporary Chair (Sir David Amess): With this it will be convenient to discuss the following:

Amendment 121, page 27, leave out lines 27 to 29 and insert—

“(b) assisting persons (including persons claiming reserved benefits) who are unemployed or at risk of long-term unemployment to select, obtain and retain employment”.

Amendments 120, 121 and 122 make provision for the Scottish Parliament to have power to legislate on arrangements for employment support programmes.

Amendment 113, page 27, line 29, leave out “where the assistance is for at least a year”.

This would allow the provision of employment programmes where assistance is for less than a year. The Scottish Government could develop support programmes for those who repeatedly move in and out of short periods of work, or admit people to the Work Programme early.

Amendment 122, page 27, line 34, leave out “another person” and insert
“a person other than the person making the arrangements”.

Amendments 120, 121 and 122 make provision for the Scottish Parliament to have power to legislate on arrangements for employment support programmes.

Amendment 9, page 27, line 36, after “person”, insert
“in conjunction with the local authority”.

Amendment 114, page 27, line 39, at end insert—

“(b) provision of support for disabled persons in the form of non-repayable payments to enable them to access employment, remain in employment, or move into self-employment or start a business.”

This amendment provides for the devolution of the Access-to-work scheme.

Amendment 10, page 27, line 41, at end insert “and

(d) temporary jobs paid at least the national minimum wage providing a route back into further work.”

Clauses 26 to 30 stand part.

New clause 43—*Job search and support*—

In Part 2 of Schedule 5 to the Scotland Act 1998, omit Section H3 (job search and support).”

This new clause would devolve employment support programmes to the Scottish Parliament.

Hannah Bardell: It is a pleasure to serve under your chairmanship, Mr Amess. I am delighted that we have support for the amendments from our friends in the Labour party. As the SNP spokesperson on fair work and employment, I rise to speak up for the many who will look to the Scotland Bill to deliver on Smith and give the Scottish Parliament the tangible new powers so trumpeted by those on the Government Benches.

We on the SNP Benches find the powers on offer today sadly lacking, and I am disappointed to see the lack of willingness to accept any SNP amendments. Smith was clear on the devolution of employment programmes. He said:

““The Scottish Parliament will have all powers over support for unemployed people through the employment programmes currently contracted by DWP (which are presently delivered mainly, but not exclusively, through the Work Programme and Work Choice) on expiry of the current commercial arrangements. The Scottish Parliament will have the power to decide how it operates these core employment support services. Funding for these services will be transferred from the UK Parliament in line with the principles set out in paragraph 95.”

However, the Scottish Parliament Devolution (Further Powers) Committee, in its interim report on the draft Scotland Bill clauses, considered at paragraph 335 that “the clauses as currently drafted do not fully implement the Smith Commission recommendations. The Committee considers that the Smith Commission intended that all employment programmes currently contracted by DWP should be devolved. Therefore, the Committee recommends that any future Bill should not place any restriction on the type of person receiving support or in regard to the length of unemployment any person has experienced. The Committee considers that this should include the devolution of the Access to Work Programme.”

At paragraph 337 the Committee recommended that “the principles which will govern the operation of inter-governmental relations with regard to welfare, including employment support, should be placed in any future Bill devolving power in this area.”

The Committee expected that that would include the principles by which the Scottish and UK Parliaments could

“maintain scrutiny and oversight of the inter-governmental machinery with regard to welfare and employment support.”

The employment support clause, clause 26, as introduced, does not have any changes from the draft clauses. The UK Government have not, therefore, followed the views of the all-party Scottish Parliament Committee, on which there were Conservative members, and the Bill, as it stands, does not deliver on Smith.

There is no evidence of the respect agenda in the Bill. It is vital that the employment powers give Scotland the power to give Scottish solutions to Scottish challenges. It is not good enough to promise one thing in the Smith commission and then to come to this House with a Bill that does not live up to the promises made. Furthermore, the overwhelming mandate that the Scottish people have given the SNP indicates that they expect this Parliament to deliver beyond Smith. Smith is not the floor or the ceiling of our aspirations for the people of Scotland.

Andrew Gwynne: The hon. Lady makes a compelling case for employment support to be devolved to Scotland, but does she agree that it needs to be devolved still further within Scotland so that local authorities in Scotland can develop work programmes to suit their needs? The needs of Glasgow, for example, are very different from the needs of the highlands.

Hannah Bardell: The hon. Gentleman makes a fair point and I agree with him to some extent. We have had significant success with our Opportunities for All programme. He obviously has some insight into what I was going to say. I will come on to that later in my speech.

The people of Scotland deserve better. We need a streamlined system that looks holistically at how we support people back to work and what kind of employment they are offered, rather than the random approach that seems to take place much of the time at present. We need to look at people’s skill sets and expertise and what potential they have to offer. We hear much talk of aspiration from the Government Benches, yet the stream of people I have had through my door at constituency surgeries in Livingston in the past few weeks, concerned about benefit cuts and sanctions, suggests that the concept of aspiration and opportunity certainly did not make its way into this part of the Bill. If we are truly to give the unemployed opportunities through these programmes, the Scottish Parliament must have the powers it needs at its disposal, to tailor these programmes for those most in need.

As the devolution committee pointed out at paragraph 303, the original Scotland Act 1998 reserved employment policy. That included job search and support, with the exception of careers services and training for employment. Draft clause 22, which became clause 26 in the published Bill, set out further exceptions to the reservation in the 1998 Act: assisting disabled persons to select, obtain and retain employment, and assisting persons claiming reserved benefits who are at risk of long-term unemployment to select, obtain and retain employment, where the assistance is for at least a year.

[Hannah Bardell]

However, a range of organisations expressed a view on whether the suggested clause delivered on the Smith agreement. At paragraph 306 Inclusion Scotland is quoted as saying in its written evidence:

“The Smith Commission proposes that ‘The Scottish Parliament will have all powers over support for unemployed people through the employment programmes currently contracted by DWP.’ However, both the narrative and draft clauses appear to restrict this power to employment support schemes that last over a year. It is not clear why this restriction has been included and it appears to be a direct contradiction of the Smith Commission proposal.”

Inclusion Scotland argued that

“the most effective employment support schemes are short term schemes designed to identify the barriers preventing someone gaining employment and providing support, training and assistance to overcome these. If a scheme lasts for more than a year without supporting someone into employment, surely it has failed?”

Inclusion Scotland also pointed out that the UK Government also appear to have arbitrarily applied the reference to conditionality and sanctioning for universal credit to devolved employment support schemes, including the use of mandatory placements. It states:

“It is not clear how this is compatible with the Scottish Parliament having all powers over support for unemployed people through the employment programme, for example if the Scottish Parliament determines that participation in such schemes should be voluntary.”

5.15 pm

The Scottish Government’s view, presented to the devolution committee, was that the proposed clause fell short of implementing the Smith commission’s recommendations and that the Scottish Parliament should have all powers over support for unemployed people through the employment programmes currently contracted by the Department for Work and Pensions. In a follow-up letter after giving evidence to the Committee, Deputy First Minister John Swinney stated:

“We strongly agree with the concerns about employment raised in evidence to the Committee. The main effect of Clause 22”—now clause 26—

“of the draft Scotland Bill suggested by UK Government is that it would devolve Work Programme and Work Choice only. We believe that devolution of employment support on this basis is inconsistent with both the letter and spirit of paragraph 57 of the Smith Commission report”.

The relationship between devolved and reserved powers and the two Governments is particularly important in relation to employment programmes. The importance of devolving those powers was highlighted by Jim McCormick of the Social Security Advisory Committee when he stated in evidence to the devolution committee:

“It strikes me that a revised work programme could help people at risk of long-term unemployment and disabled people into work and could support them in staying in work. Under the proposals, we might end up in a situation in which future public service providers in Scotland—which might be third sector providers—would be accountable to the Scottish Parliament for their financial performance and their programme performance but would still have to apply a conditionality system and a sanctions regime to those programmes.

As well as creating problems for claimants, that would create strange incentives for providers—it would create incentives for gaming and false reporting. That is a particularly jagged edge, because one thing that we know about the current social security system and the welfare reforms is that a tougher sanctions system has caused a great deal of difficulty for some of the most vulnerable people in our society. That jagged edge around

conditionality is a particular cause for concern.”—[*Scottish Parliament Official Report, Devolution (Further Powers) Committee*, 19 February 2015; c. 15.]

In paragraph 311 of its report the devolution committee explored the interaction between reserved and devolved programmes

“particularly with regard to the DWP conditionality and sanctions regime remaining reserved”.

The report stated that that

“has been of particular concern to some of our witnesses.”

For example, John Dickie told the Committee that

“as far as working-age benefits are concerned, the current reserved conditionality and sanctions regime, which is undermining people’s attempts to move into work and towards the labour market, will still apply. That comes back to Jim McCormick’s point about the jagged edge between what we in Scotland might want to do differently in devolved employment programmes and the requirement for those programmes to work within a reserved benefits regime that too often imposes arbitrary conditions or conditions that are not helpful in supporting people to move into work and which imposes damaging sanctions on them when they fail to meet those conditions.”

That has been discussed widely today. John also stated that he hoped that we could

“reduce the number of inappropriate or arbitrary tasks that people have to undertake to meet the benefit requirements. However, there will be a limit to that, because the benefits regime will be as it is now—unless, of course, we manage to get it changed in the way that we want.”

If the Conservative Government continue to vote as they have done, we will certainly not get what we want and people will continue to be sanctioned in the most iniquitous way. We in the SNP want an end to the punitive and iniquitous benefit sanctions that disproportionately affect women and vulnerable people and often those with mental health problems. In a modern society such as ours, how can we justify, or indeed explain, nearly 150,000 sanctions being applied in Scotland, affecting nearly 85,000 individuals, including nearly 3,000 disabled people, between the end of 2012 and September 2014? If we want to help people to find a job, how is making them hungry and unable to pay Bills and increasing their debt supporting them to do that?

Professor David Webster has highlighted that the number of sanctions resulting from the Work programme is, sadly, considerably higher than the number of people obtaining jobs from it. In Scotland, 46,265 sanctions were applied between June 2011 and March 2014 because claimants failed to participate in the Work programme. During the same period, 26,740 job outcomes resulted from the Work programme. That is rather ironic and very sad.

Dame Anne Begg, the former Chair of the Work and Pensions Committee, has said:

“Benefit sanctions are controversial because they withhold subsistence-level benefits from people who may have little or no other income. We agree that benefit conditionality is necessary but it is essential that policy is based on clear evidence of what works in terms of encouraging people to take up the support which is available to help them get back into work. The policy must then be applied fairly and proportionately. The system must also be capable of identifying and protecting vulnerable people, including those with mental health problems and learning disabilities.”

Turning to the Access to Work programme and the lack of clarity in this area, John Swinney said:

“In respect of Access to Work, we have asked the UK Government to clarify whether Access to Work will be devolved under clause 22”—now clause 26—

“and they have made clear their expectation that as this programme is a JobCentre Plus service to customers and not a contracted employment programme it will remain reserved.”

In response, the Secretary of State for Work and Pensions explained that there were two different definitions because “claimants need different types of support to enter the job market and that, in the early stages, some of this comes from Jobcentre Plus, which remains a reserved issue. In the longer-term, claimants are referred onto Work Programme or Work Choice and the aspects of the provisions to be devolved.”

In their response to the Devolution (Further Powers) Committee report, the Scottish Government made their view clear:

“Clause 26 of the Scotland Bill is inconsistent with the letter and spirit of paragraph 57 of the Smith Commission Heads Of Agreement”.

Scottish Ministers think the relevant clause of the Bill “contains limitations” that mean it does not deliver on Smith in full. Those limitations are that support can only be provided to, first, those at risk of long-term unemployment; secondly, those claiming reserved benefits; or, thirdly, for assistance lasting for at least one year.

The key policy point is that the way to tackle long-term unemployment is to intervene early. Indeed, one of our main criticisms of the current Work programme is the time people have to be unemployed before the programme is open to them. We wait until people are long-term unemployed—nine months for those up to 24, and 12 months thereafter—before acting, when we should act to support them into employment before they become long-term unemployed.

Ian Murray: The hon. Lady is making a marvellous speech about the devolution of the Work programme. I had a private Member’s Bill last year to devolve the Work programme not just to the Scottish Parliament but to the local authorities that are delivering many of the programmes. Would she go further and agree with double devolution down to local authorities?

Hannah Bardell: I would certainly be interested in taking a closer look at that and discussing it with my colleagues. I welcome the hon. Gentleman’s intervention.

To deal with youth unemployment, that approach is supported by the EU. We are keen for the powers that we were promised to be delivered to Scotland. Delivery of those powers and agreement on our proposals today would help to create a more joined-up approach to employment service provision for disabled people, as well as for the many others who have been mentioned, and more integrated support for these vulnerable groups.

Although it is demand-led, the current DWP spend on Access to Work in Scotland is disproportionately low. The Scottish Government have previously stated that the programme should be devolved to allow us to promote a more equitable share of spend in Scotland and to get more disabled people into sustained employment.

In summary, it is not just the SNP that sees significant flaws in the Bill. Citizens Advice Scotland notes:

“The Smith Commission Report...provided that the Scottish Parliament should have powers over all employment programmes currently contracted by the DWP. However, Clause 26 of the Bill restricts the powers devolved to employment support programmes that last at least a year. It is unclear why this restriction has been included; the Bill as drafted would appear to only devolve the Work Programme and Work Choice; which is inconsistent with Smith. Clause 26 as currently drafted does not clearly devolve powers over the Access to Work Scheme.”

Both the Scottish Council for Voluntary Organisations and the Scottish Association for Mental Health support the amendments, which serve to devolve all employment powers and functions to Scotland covering Access to Work, devolution of services and Jobcentre Plus.

In Scotland, with the limited powers we have, we have proven that we can make a difference to people’s lives. The SNP Scottish Government have done their best to mitigate the damage done by Westminster cuts to date, but time is running out. If we do not gain the powers that were promised, we cannot continue to protect the vulnerable and grow our economy.

We have an excellent track record on apprenticeships and training for young people. In 2007, just 15,000 people started modern apprenticeships. We are now delivering more than 25,000 of them, and we will increase the number to 30,000 by 2020. To reply to the hon. Member for Denton and Reddish (Andrew Gwynne), the Scottish Government’s Opportunities for All programme has also been a significant success, with more than 90% of young people going on to positive destinations. In my own county of West Lothian, the figure stands at more than 96%. We are glad to announce today that the Scottish Government has got its 250th business, a nursery in West Lothian, to sign up to the living wage.

The opportunity to work is one that the vast majority of people in Scotland seek. The SNP wants dignity in work for all, and I commend our proposals to the Committee.

Kate Green: I will speak particularly to amendments 113, 9, 114 and 10, and much of what I will say will echo what the hon. Member for Livingston (Hannah Bardell) said about the devolution of employment programmes.

It is clear that there are different labour markets not just between England, Scotland and Wales but within those nations. That is why I echo the point that my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) made about the opportunity that our amendments and the SNP amendments offer not just for devolution to Scotland but for double devolution of labour market programmes within Scotland.

Andrew Gwynne: As a Greater Manchester MP like myself, my hon. Friend will know that as part of the cities and devolution package, Greater Manchester will be invited to bid for the next phase of the Work programme. Does that not suggest that, as my hon. Friend the Member for Edinburgh South (Ian Murray) said, double devolution is needed in Scotland so that communities can develop work programmes that are specific to them rather than centralised in Holyrood?

Kate Green: I agree. The intention stated in the Labour manifesto was to devolve labour market programmes to what we described as a combined authority footprint. That would enable recognition of the fact that local labour markets differ and recognition of the different industrial history and characteristics of people in particular parts of the country. Importantly, it would allow close alignment with the skills and industrial opportunities in particular communities. We want to see that opportunity for the devolution of labour market programmes to a sensible, localised level; I doubt whether it would be the whole of Scotland, because labour markets differ significantly within Scotland. There are considerable differences between the highlands and the central belt conurbations, for example.

Mike Weir (Angus) (SNP): I am listening carefully to what the hon. Lady is saying, but does she not recognise the difficulties for an area such as my own, where unemployment is low but so are wages, and in which there are fairly prosperous parts as well as parts that are not prosperous? It is difficult to say that a local authority area is suitable for devolving responsibility down to.

Kate Green: I readily accept that a local authority area may be too small. What is important is to get the geography right, and the whole of Scotland might not be right. We want the opportunity to explore the right geography for devolution rather than assuming that centralising responsibility in Holyrood will necessarily be the best way of meeting the needs of labour markets across Scotland.

It is also important to recognise that devolving programmes only if they will last longer than a year misses the point for a lot of people who suffer poor employment outcomes. Our amendment 113 specifically addresses that point. Contrary to popular prejudice, it is extremely rare for people never to have worked. People who experience poor labour market outcomes have mostly been in and out of poor-quality, poorly paid work for many decades. That has often been true of many generations of their family. If we devolve the opportunity to develop labour market programmes to the Scottish Parliament at an earlier stage, we can break into that cycle not of worklessness but of moving in and out of poor-quality work. Interventions could be developed that would enable people to sustain work and progress in it, which the Work programme has not succeeded in doing.

Neil Gray: Is it not better for people to find the right job for them than to find just any job?

Kate Green: There is certainly good and long-standing evidence, for example from the United States, that if more time is invested in equipping people with the skills and qualifications they need to move into better jobs with better pay, they are more likely to get into sustainable employment that means they will escape poverty. A shocking characteristic of our labour economy is that people often move into work but do not escape poverty, thereby contributing to the very high levels of in-work poverty in this country today.

5.30 pm

We would like earlier intervention and the opportunity to devolve programmes over a shorter period than 12 months. Amendment 10 would offer a replication of the successful future jobs fund that Labour introduced in the wake of the financial crash. The DWP's own evaluation showed that fund to have been extremely effective, not just in rescuing people at that time of crisis when unemployment rose sharply, but because the long-term employment outcomes of those who went through that programme are significantly better than for those who were not offered that opportunity. The amendment offers the chance for the devolution and development of programmes such as the future jobs fund that the Scottish Parliament may be interested in developing.

I echo the comments of the hon. Member for Livingston (Hannah Bardell) on the Access to Work programme. It is integral to the labour market chances of disabled people that they have the financial support afforded by

that programme to enable any adjustments that may be necessary to allow them to participate in the workplace. That spans all levels of employment from entry-level to extremely senior jobs, and it is important that the Scottish Parliament has the opportunity to make the most of that fund.

Chris Stephens (Glasgow South West) (SNP): I was a Unison activist and I found that the Access to Work programme not only helps people get into work, but helps existing employees who develop a visual impairment, for example, to continue in employment. It is a device that helps people to stay in work, not just get into work.

Kate Green: The hon. Gentleman is right. The Access to Work programme is a device to help people enter, stay in and progress in work, and it supports very senior people in highly qualified positions. It would be regrettable if changes to the programme were to put that at risk.

There could be real advantage to devolving Access to Work or similar programmes because the decision-making and administration processes might be swifter and more attuned to the needs of the local labour market and workforce with that level of devolution. Given the problems that we know are being experienced with the national programme—which appears quite inflexible in the way it deals with people—perhaps the measure could be devolved as part of this package.

Ian Murray: Perhaps I should sit down and allow my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) to guess what might be in my speech—he could also give us Saturday's lottery numbers while he is at it.

Andrew Gwynne: I'm not that good.

Ian Murray: He might not be that good. If he had won the lottery he would not be wearing that suit—I can be nasty to my own side, as well as to the SNP.

Clauses 26 to 30 are largely concerned with minor and technical changes to existing legislation. Amendment 113 would allow the provision of employment programmes where assistance is for less than one year. The reasoning behind that does not require much explanation, other than to point out that many people move jobs several times a year, especially in the current highly fluid labour market in which there is a dearth of long-term secure employment. Indeed, the labour market seems short-term and insecure with poorly paid work. Many people in part-time jobs are looking for full-time work, and many people are on zero-hours contracts.

The Smith agreement states that the Scottish Parliament “will have all powers over support for unemployed people through the employment programmes currently contracted to DWP”.

However, clause 26 currently restricts the powers devolved to employment support programmes that last at least a year. Amendment 113 would remove that restriction to allow the development of programmes to support those who move in and out of work within one year.

Amendment 9 emphasises that employment support programmes in Scotland must be developed in close conjunction with local authorities. That will ensure that service delivery is tailored to the needs and circumstances of local communities and is responsive to the local jobs market. In that regard, we are happy to support

amendments 120, 121 and 122, which provide for the creation of new employment programmes in Scotland, on the understanding that they are developed and run in close conjunction with local authorities.

Mike Weir: Can the hon. Gentleman expand on the position of local authorities? I made the point to the hon. Member for Stretford and Urmston (Kate Green) about the nature of many local authorities in Scotland, which would make it slightly more difficult to devolve the issue to local authority level than in certain other areas.

Ian Murray: I agree to a certain extent. In the area the hon. Gentleman represents, many of the local authorities are either incredibly small in population terms or incredibly large in geographical terms, and that would have its challenges. But many local authorities work together on many aspects of Scottish local government life. For example, Edinburgh works closely with Midlothian, a local authority that is smaller than my constituency. East Lothian, West Lothian and Fife also tend to work together on many issues. While we would like to see double devolution to local authorities, it does not necessarily mean to one individual authority. Many authorities would probably work together to try to make the best use of work programmes and job opportunities.

Andrew Gwynne: Will my hon. Friend give way?

Ian Murray: I will give way to my hon. Friend, who will probably tell me what I am about to say.

Andrew Gwynne: I can tell him that the bonus ball will be 32.

The issue of local authorities is important. Of course, the Manchester example is not one single local authority: it is a combined authority of 10 metropolitan borough councils. It would also be possible in Scotland and other parts of the UK for local authorities to come together to bid for the work programmes.

Ian Murray: I hope the bonus ball this week is not 32, otherwise we will be in trouble.

My hon. Friend is right: it is about local authorities working together. There is nothing wrong with saying that the Scottish Parliament has been a centralist Government—that is what happened as a result of the policies that were pursued. That is a legitimate choice for a Government to make. All we are suggesting is that perhaps some of the work programmes that would be best delivered by local authorities are sent to them. I know that my own local authority, Edinburgh, runs several highly successful programmes, such as the JET programme for young people and other programmes to get disabled people and others into work, and we should trust them to do that.

Dr Eilidh Whiteford: Does the hon. Gentleman agree that the Opportunities for All programme, which was mentioned earlier, is a good example of a policy area in which the Scottish Government are working closely with local authorities to deliver services and opportunities for young people? Similarly, the Scottish welfare fund is another good example of a scheme administered and delivered by local authorities. When the hon. Gentleman

talks about a centralist Government, he needs to remember that 90% of ring-fenced funding has been devolved to local authorities by the Scottish Government. He might want to take a look at Wales, where the Labour Government seem to want to abolish local authorities all together.

Ian Murray: I did not want to turn this into a political argument: I merely wanted to point out that work programmes are best delivered by local authorities. If the Welsh Government have made the decision that they are best delivered in a different way, it is up to them. The hon. Lady highlights, however, that devolution across the UK provides an array of ways to deliver services, and I hope that the Scottish Government take note of this debate and consider whether we should have double devolution. The principle of subsidiarity across the European Union and the UK, which my hon. Friend the Member for Nottingham North (Mr Allen) promoted in his new clause, should sit happily and firmly with the Scottish Government and their relationship with local government.

Local government and the Convention of Scottish Local Authorities have said clearly that local authorities across Scotland feel that they have been strangled, and we need to address that important point.

Mike Weir: I am not trying to be difficult, but it seems to me that the hon. Gentleman's amendment would provide that the Scottish Parliament "must" devolve the power to local authorities. It would not always be appropriate for a local authority—or even a group of local authorities—to have that power. If he wants to pursue devolution of such powers, more flexibility would be needed, and the amendment is flawed in that regard.

Ian Murray: In all the time I have known him, the hon. Gentleman has never been difficult. We are debating a Bill that we feel does not go far enough in spirit or substance. We want the Scottish Parliament to have more power. The hon. Gentleman, the Scottish National party Chief Whip, wants to hold on to that power with both hands. He does not want to release any of it but wants to keep it in Edinburgh and Holyrood, so he can build an ivory tower for Scotland. He does not want to give it to local authorities.

Mike Weir *rose*—

Ian Murray: I am delighted that I have been able to give the hon. Gentleman a little exercise by making him bounce up and down.

Mike Weir: The hon. Gentleman and I have crossed swords on many Bills. He is misrepresenting what I said—not deliberately, I am sure. As I read it, if the amendment is agreed to, that would mean an obligation to devolve to each individual local authority. That is not what he is saying now about a conglomeration of local authorities. The amendment is flawed; the idea behind it is not so flawed, but the way it is written is.

Ian Murray: We are in trouble: I cannot even persuade the people who agree with the broad principle, and I am trying to persuade the Government to accept the amendment. It may be badly drafted, but the hon. Gentleman knows how this place works. We table our

[*Ian Murray*]

amendments in Committee to press the Government to do something about a particular piece of legislation, and the Government ultimately reject them. Of the 87 amendments that I tabled to the Enterprise and Regulatory Reform Bill, 87 were rejected, although I was delighted that four or five came back as the Government's own ideas on Report. That is essentially what will happen. The Secretary of State said he would go away and reflect, and I am sure he will do just that—go away and reflect on the amendments he may be able to claim as his own, and those he will ultimately reject on Report.

I have a lot of time for the hon. Member for Angus (Mike Weir). I put on the record that we agreed on most things when we crossed swords in other Committees, particularly with regard to the privatisation of Royal Mail and the Postal Services Bill. We do not always disagree.

The broad principle of double devolution—transferring powers from Holyrood to local communities—is one we should all support to ensure that we have powerhouse local authorities in Scotland and to place power closer to the people we seek to represent. It is a fairly obvious thing to say, but local authorities know their local jobs markets better than anyone else. The landscape of a jobs market in one local authority, or one conglomerate of local authorities, will be very different from others.

We should be looking to tailor employment support programmes not just to individual needs and individual community needs, but to areas where there will be a greater need for a certain skill set than in other areas. For example, my city is at the forefront of financial services and academia. Rural constituencies will be completely different. Local authorities would be able to tailor those programmes. Crucially, something we tend not to talk about in this House is not just transferring power but transferring the resources that go with it. Local authorities in Scotland are being completely starved of the resources they require to do the job we want them to do.

The hon. Member for Livingston (Hannah Bardell) made a great speech. She said many things we would absolutely agree with. One glaring omission, however, was anything on retraining, education, further education and reskilling. Further education is not just the mechanism for young people to go back into education, or to be retrained or reskilled; it is the place where many people get a second chance. They are able to go back to something they perhaps failed at many years ago, or to retrain after having a family. Scotland is suffering from having 144,000 fewer college places than we did in 2007. That is hampering those second chances.

If the devolution of the Work programme does end up at the Scottish Parliament, I hope it ultimately ends up with local authorities.

Mike Weir *indicated dissent.*

Ian Murray: The hon. Gentleman is shaking his head, so it must be true. We would then be able to resolve the issue of the college places that have been lost.

Amendment 114 would provide for the devolution of the Access to Work scheme to the Scottish Parliament. Access to Work provides practical advice and support

to disabled people, and their employers, to help them to overcome work-related obstacles resulting from disability. It is an incredibly powerful and important programme. A close friend of mine, Mark Cooper, who has cerebral palsy, has been on it for some time. He took a job that covered maternity leave in Glasgow, 45 miles away, and was able to work with the employer and the programme to travel to Glasgow and secure an adapted workplace.

5.45 pm

None the less, Mark drifts in and out of employment because of his disability. The obstacles facing people with disabilities have to be overcome, and the devolution of the programme to local authorities would certainly allow it to be better tailored to local needs. Access to work is closely aligned with employment support, and several charities, including Inclusion Scotland and the Wise Group, are in favour of its devolution to Scotland.

Finally, amendment 10 would allow for the introduction of a jobs guarantee providing a temporary job paying at least the minimum wage to provide a route back into employment for young people or people who have been out of work for more than two years. It is similar to the jobs guarantee in our manifesto at the general election, and would allow us to devolve some of the responsibilities for getting young people back into long-term employment. Again, local authorities would be best placed to deliver that, despite the fact that the hon. Member for Angus thinks it a bad idea.

I hope the Government will reflect on some of these issues, as the Secretary of State said he would do, and, if they disagree to them today, come back on Report not just with the proper devolution of employment, disability and access to work schemes to the Scottish Parliament but with mechanisms to get them out of the hands of Edinburgh and into those of local authorities.

Priti Patel: I begin by commending the contributions not just on this group but throughout the day. It has been said that the Government are not doing as the Smith commission said we should. We are clear that the commission recommended that the UK Government devolve all powers specifically in relation to contracted employment programmes, but the amendments go well beyond that remit and would include the powers to operate support through Jobcentre Plus.

Beyond that, there are key reasons why the amendments do not work. First, there would be no clear demarcation of responsibilities between the Scottish and UK Governments around the provision of employment support. The UK Government would retain the Executive competence under existing legislation and could continue to operate employment programmes and Jobcentre Plus. This would create a confusing, disjointed and misaligned landscape of support that could hinder employment support as much as it helps move people back to work.

Clause 26 manages that risk by creating clear lines of accountability between those claimants for whom Scottish Ministers can create employment programmes and those who will continue to be supported through the Jobcentre Plus structure. In particular, it makes it clear that the Scottish Parliament can only provide employment support for claimants at risk of long-term unemployment where the assistance lasts at least a year and for disabled claimants likely to need greater support. It thereby draws a line between such schemes and the core functions

of Jobcentre Plus, enabling a smooth delivery of an integrated welfare and benefits system and, importantly, resulting in a better service for claimants.

In the debate around the devolution of contracted employment programmes, there have been extensive discussions through the joint ministerial working group on welfare, which has played a key role in ensuring a seamless transfer of responsibility. As my right hon. Friend the Secretary of State said, these are ongoing discussions, and, importantly, officials are working to set up the right framework and ways of working. On the Work programme, our officials have had many meetings with Scottish Government officials on a range of aspects relating to the delivery of contracted employment support programmes. That engagement is good. It is concerned with how we can work together to develop integrated local support and the issue of Skills Development Scotland in jobcentres, which of course is going strong today.

I would like to touch on some of the other points raised in this debate. The hon. Member for Livingston (Hannah Bardell) spoke about the current system for employment. The Government are delivering on the current system for welfare reform and it is working in Scotland, too, as demonstrated by record levels of men and women in employment. Importantly, they are providing more support for getting lone parents back to work. In Scotland, benefits reform has seen 2 million people back in work and employment continuing to rise. That is to be commended and supported. For our ongoing discussions at official and ministerial level, it is at the heart of what we are trying to achieve.

Amendment 113 applies to the matters that clause 26 will except from reservation for job search and support. Clause 26 delivers on the Smith commission agreement to give the Scottish Parliament the legislative competence to establish employment programmes that support disabled people and that offer long-term support to benefit claimants at the risk of long-term unemployment. I have no doubt that that is welcomed by all hon. Members. The amendments to clause 26 would have changed the scope of the legislative competence of the Scottish Parliament to allow for the provision of employment programmes for those at risk of long-term unemployment where assistance, as I have said, has been ongoing for less than one year.

We want to ensure that the employment landscape in Scotland is not confusing when it comes to the support structure in Scotland. Importantly, we want to ensure that Jobcentre Plus continues to deliver effectively for claimants, while also giving employers greater continuity in respect of the overall landscape.

I shall speak now to amendments 9, 10 and 114 collectively and show how clause 26 already covers many of the points raised by them. Amendment 9 is designed to add to the illustrative list of the ways in which the power to make arrangements for employer support might be used. Members will be pleased to hear that the list provided in the clause is purely illustrative and that it would be possible for the Scottish Government to work with local authorities and other partners and stakeholders to design and deliver employment programmes. The same applies to amendment 10, which is designed to add to the illustrative forms of the assistance that Scottish Ministers might provide under clause 26.

On the point about the devolution of the Access to Work programme, which is the subject of amendment 114, we have not sought unreasonably to limit the legislative

competence of the Scottish Parliament. Non-repayable awards such as those provided through the Access to Work scheme are already covered in clause 26. As such, the Scottish Government can choose to introduce a similar form of support for disabled people additional to that provided by the Access to Work programme, should they wish to do so. Given that Access to Work is an integral element of the support we offer, let me be clear that this Government intend to continue the Access to Work provision in Scotland and will retain the associated funding.

I hope that my response has assured hon. Members that clause 26 fully enables the Scottish Parliament to make the provisions covered in amendments 9, 10 and 114 and has set out a clear rationale as to why the Access to Work programme will remain a reserved programme.

Hannah Bardell: We have had a fascinating debate, and it has been a pleasure to participate in it. It seems to me that there is much agreement across the Benches on this side of the House. The hon. Member for Stretford and Urmston (Kate Green) made some important points about tailoring work programmes in de-industrialised areas, and I certainly agree with much of what she said about West Lothian. Although Livingston is its name, it does not fully take into consideration the many former mining towns in my constituency. I well know the impact of de-industrialisation and the need for tailored work programmes there.

The hon. Member for Edinburgh South (Ian Murray) touched on the future jobs fund, and I would certainly be interested in looking further at how we can work together on that. The hon. Member for Stretford and Urmston highlighted the importance she placed on it, and made it clear that she saw the importance of devolution.

My hon. Friend the Member for Glasgow South West (Chris Stephens) spoke about his experience as a Unison representative, the importance of access to work for those with disabilities and how those who were already in work could be helped to find further employment if they developed a disability. My hon. Friend the Member for Banff and Buchan (Dr Whiteford) spoke passionately—as she has throughout the debate—about Opportunities for All. That initiative has been a huge success in Scotland, and it is a very good example of how local authorities can work closely with the Government. I think that my hon. Friend the Member for Angus (Mike Weir) and I are still stuck on the point made by the hon. Member for Edinburgh South about the detail of the devolution of those powers to local authorities, given that, as was pointed out by my hon. Friend the Member for Banff and Buchan, 90% of ring-fencing has been abolished.

The hon. Member for Edinburgh South also referred to college funding. He may have missed my comments about the increase in the number of modern apprenticeships, and the investment that has been made by the SNP Government. We are clearly investing more in colleges than Labour ever did. College resource budgets increased to £526 million in 2015-16, which is well above Labour's highest level of £510 million in 2006-07, in cash terms. The number of full-time students aged under 25 has increased by more than 15%, and the number of those aged over 25 has also risen.

[Hannah Bardell]

The Minister talked a great deal about Access to Work, and why it should not be devolved. He spoke of the success of the current system, and said that it might become disjointed if further powers were devolved. We would argue that there is already a significantly disjointed approach, given the number of problems caused by benefit sanctions. I know that many of our constituents come to our surgeries, and walk through the doors of our constituency offices, with harrowing and desperate stories about sanctions, and citizens advice bureaux have informed us of a number of such cases.

A CAB in the south of Scotland reported that a client had been sanctioned for the second time for failing to log into Universal Jobmatch. The client's local library had been closed for refurbishment, and there was no other access to public computers in the local area. The sanction was upheld following a mandatory reconsideration request, and the client produced a letter from his doctor stating that his mental health had declined as a direct result. He was also building up council tax debts, and his home telephone had been disconnected.

We must remember that we are not just debating statistics today; we are debating real people's lives, and real situations. We are talking about people left in desperate circumstances as a result of benefit sanctions. If we do not change the system, people in Scotland and throughout the United Kingdom will continue to suffer.

Question put, That the amendment be made.

The Committee divided: Ayes 260, Noes 316.

Division No. 33]

[5.58 pm

AYES

| | |
|--------------------------|----------------------------|
| Abbott, Ms Diane | Cameron, Dr Lisa |
| Abrahams, Debbie | Campbell, rh Mr Alan |
| Ahmed-Sheikh, Ms Tasmina | Campbell, Mr Ronnie |
| Alexander, Heidi | Carmichael, rh Mr Alistair |
| Ali, Rushanara | Champion, Sarah |
| Allen, Mr Graham | Chapman, Douglas |
| Anderson, Mr David | Chapman, Jenny |
| Arkless, Richard | Cherry, Joanna |
| Ashworth, Jonathan | Clwyd, rh Ann |
| Austin, Ian | Coaker, Vernon |
| Bailey, Mr Adrian | Coffey, Ann |
| Bardell, Hannah | Cooper, Julie |
| Barron, rh Kevin | Cooper, Rosie |
| Beckett, rh Margaret | Cowan, Ronnie |
| Benn, rh Hilary | Cox, Jo |
| Berger, Luciana | Coyle, Neil |
| Betts, Mr Clive | Crawley, Angela |
| Black, Ms Mhairi | Creagh, Mary |
| Blackford, Ian | Creasy, Stella |
| Blackman, Kirsty | Cruddas, Jon |
| Blomfield, Paul | Cryer, John |
| Boswell, Philip | Cummins, Judith |
| Bradshaw, rh Mr Ben | Cunningham, Alex |
| Brake, rh Tom | Cunningham, Mr Jim |
| Brennan, Kevin | Dakin, Nic |
| Brock, Deidre | Danczuk, Simon |
| Brown, Alan | David, Wayne |
| Brown, Lyn | Davies, Geraint |
| Brown, rh Mr Nicholas | Day, Martyn |
| Bryant, Chris | De Piero, Gloria |
| Buck, Ms Karen | Docherty, Martin John |
| Burden, Richard | Donaldson, Stuart |
| Burgon, Richard | Doughty, Stephen |
| Cadbury, Ruth | Dowd, Jim |

| | |
|------------------------|---------------------------|
| Dowd, Peter | Kyle, Peter |
| Dromey, Jack | Lamb, rh Norman |
| Durkan, Mark | Lavery, Ian |
| Eagle, Ms Angela | Law, Chris |
| Eagle, Maria | Leslie, Chris |
| Efford, Clive | Lewell-Buck, Mrs Emma |
| Elliott, Julie | Lewis, Clive |
| Ellman, Mrs Louise | Lewis, Mr Ivan |
| Esterson, Bill | Long Bailey, Rebecca |
| Evans, Chris | Lucas, Ian C. |
| Ferrier, Margaret | Lynch, Holly |
| Field, rh Frank | MacNeil, Mr Angus Brendan |
| Fitzpatrick, Jim | Mactaggart, rh Fiona |
| Flello, Robert | Madders, Justin |
| Fletcher, Colleen | Mahmood, Mr Khalid |
| Flynn, Paul | Mahmood, Shabana |
| Fovargue, Yvonne | Malhotra, Seema |
| Foxcroft, Vicky | Mann, John |
| Gapes, Mike | Marris, Rob |
| Gardiner, Barry | Marsden, Mr Gordon |
| Gethins, Stephen | Maskell, Rachael |
| Gibson, Patricia | Matheson, Christian |
| Glass, Pat | Mc Nally, John |
| Glindon, Mary | McCabe, Steve |
| Goodman, Helen | McCaig, Callum |
| Grady, Patrick | McCarthy, Kerry |
| Grant, Peter | McDonagh, Siobhain |
| Gray, Neil | McDonald, Andy |
| Green, Kate | McDonald, Stewart |
| Greenwood, Lillian | McDonald, Stuart C. |
| Greenwood, Margaret | McDonnell, Dr Alasdair |
| Griffith, Nia | McDonnell, John |
| Gwynne, Andrew | McFadden, rh Mr Pat |
| Haigh, Louise | McGarry, Natalie |
| Hamilton, Fabian | McGovern, Alison |
| Hanson, rh Mr David | McInnes, Liz |
| Harman, rh Ms Harriet | McLaughlin, Anne |
| Harpham, Harry | Meacher, rh Mr Michael |
| Harris, Carolyn | Meale, Sir Alan |
| Hayes, Helen | Mearns, Ian |
| Hayman, Sue | Monaghan, Carol |
| Healey, rh John | Monaghan, Dr Paul |
| Hendrick, Mr Mark | Moon, Mrs Madeleine |
| Hendry, Drew | Morden, Jessica |
| Hepburn, Mr Stephen | Morris, Grahame M. |
| Hillier, Meg | Mullin, Roger |
| Hodge, rh Margaret | Murray, Ian |
| Hodgson, Mrs Sharon | Newlands, Gavin |
| Hoey, Kate | Nicolson, John |
| Hollern, Kate | O'Hara, Brendan |
| Hosie, Stewart | Onn, Melanie |
| Howarth, rh Mr George | Onwurah, Chi |
| Hunt, Tristram | Osamor, Kate |
| Huq, Dr Rupa | Oswald, Kirsten |
| Hussain, Imran | Paterson, Steven |
| Irranca-Davies, Huw | Pearce, Teresa |
| Jarvis, Dan | Pennycook, Matthew |
| Johnson, rh Alan | Perkins, Toby |
| Johnson, Diana | Phillips, Jess |
| Jones, Gerald | Phillipson, Bridget |
| Jones, Graham | Pound, Stephen |
| Jones, Helen | Powell, Lucy |
| Jones, Mr Kevan | Pugh, John |
| Jones, Susan Elan | Qureshi, Yasmin |
| Kane, Mike | Rayner, Angela |
| Kaufman, rh Sir Gerald | Rees, Christina |
| Keeley, Barbara | Reynolds, Emma |
| Kendall, Liz | Reynolds, Jonathan |
| Kerevan, George | Rimmer, Marie |
| Kerr, Calum | Ritchie, Ms Margaret |
| Khan, rh Sadiq | Robertson, Angus |
| Kinnock, Stephen | Robinson, Mr Geoffrey |

Salmond, rh Alex
 Saville Roberts, Liz
 Shah, Naz
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Siddiq, Tulip
 Skinner, Mr Dennis
 Slaughter, Andy
 Smith, rh Mr Andrew
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Spellar, rh Mr John
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Tami, Mark
 Thewliss, Alison
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thomson, Michelle
 Thornberry, Emily

Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Turner, Karl
 Twigg, Derek
 Twigg, Stephen
 Umunna, Mr Chuka
 Vaz, Valerie
 Weir, Mike
 West, Catherine
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan
 Williams, Hywel
 Williams, Mr Mark
 Wilson, Corri
 Wilson, Phil
 Winnick, Mr David
 Winterton, rh Ms Rosie
 Wishart, Pete
 Woodcock, John
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Ayes:
Marion Fellows and
Owen Thompson

NOES

Adams, Nigel
 Afriyie, Adam
 Aldous, Peter
 Allan, Lucy
 Andrew, Stuart
 Ansell, Caroline
 Argar, Edward
 Atkins, Victoria
 Bacon, Mr Richard
 Baker, Mr Steve
 Baldwin, Harriett
 Barclay, Stephen
 Barwell, Gavin
 Bebb, Guto
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Crispin
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Brokenshire, rh James
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burrowes, Mr David
 Burt, rh Alistair
 Cairns, Alun
 Carmichael, Neil
 Cartlidge, James
 Cash, Sir William

Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, James
 Davies, Mims
 Davies, Philip
 Dinanage, Caroline
 Djanogly, Mr Jonathan
 Dodds, rh Mr Nigel
 Donaldson, rh Mr Jeffrey M.
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 Duncan, rh Sir Alan
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Ellis, Michael
 Ellison, Jane
 Elphicke, Charlie
 Eustice, George
 Evans, Graham
 Evans, Mr Nigel
 Evennett, rh Mr David

Fabricant, Michael
 Fallon, rh Michael
 Fernandes, Suella
 Field, rh Mark
 Foster, Kevin
 Fox, rh Dr Liam
 Francois, rh Mr Mark
 Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Garnier, Mark
 Gauke, Mr David
 Ghani, Nusrat
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goldsmith, Zac
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Chris
 Greening, rh Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, Ben
 Gyimah, Mr Sam
 Halfon, rh Robert
 Hall, Luke
 Hammond, Stephen
 Hancock, rh Matthew
 Hands, rh Greg
 Harper, rh Mr Mark
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, Sir Oliver
 Heapey, James
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hermon, Lady
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Boris
 Johnson, Gareth
 Johnson, Joseph

Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kinahan, Danny
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Leadsom, Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 McPartland, Stephen
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Parish, Neil
 Patel, rh Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen

Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prentis, Victoria
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 Sturdy, Julian

Sunak, Rishi
 Swire, rh Mr Hugo
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Watkinson, Dame Angela
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:

Sarah Newton and
 Simon Kirby

Anderson, Mr David
 Arkless, Richard
 Ashworth, Jonathan
 Austin, Ian
 Bailey, Mr Adrian
 Bardell, Hannah
 Barron, rh Kevin
 Beckett, rh Margaret
 Benn, rh Hilary
 Berger, Luciana
 Betts, Mr Clive
 Black, Ms Mhairi
 Blackford, Ian
 Blackman, Kirsty
 Blomfield, Paul
 Boswell, Philip
 Bradshaw, rh Mr Ben
 Brennan, Kevin
 Brock, Deidre
 Brown, Alan
 Brown, Lyn
 Brown, rh Mr Nicholas
 Bryant, Chris
 Buck, Ms Karen
 Burden, Richard
 Burgon, Richard
 Cadbury, Ruth
 Cameron, Dr Lisa
 Campbell, rh Mr Alan
 Campbell, Mr Ronnie
 Carmichael, rh Mr Alistair
 Champion, Sarah
 Chapman, Douglas
 Chapman, Jenny
 Cherry, Joanna
 Clwyd, rh Ann
 Coaker, Vernon
 Coffey, Ann
 Cooper, Julie
 Cooper, Rosie
 Cowan, Ronnie
 Cox, Jo
 Coyle, Neil
 Crawley, Angela
 Creagh, Mary
 Creasy, Stella
 Cruddas, Jon
 Cryer, John
 Cummins, Judith
 Cunningham, Alex
 Cunningham, Mr Jim
 Dakin, Nic
 Danczuk, Simon
 David, Wayne
 Davies, Geraint
 Day, Martyn
 De Piero, Gloria
 Docherty, Martin John
 Donaldson, Stuart
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Dromey, Jack
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Efford, Clive
 Elliott, Julie
 Ellman, Mrs Louise
 Esterson, Bill
 Evans, Chris
 Fellows, Marion

Ferrier, Margaret
 Field, rh Frank
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flynn, Paul
 Fovargue, Yvonne
 Foxcroft, Vicky
 Gapes, Mike
 Gardiner, Barry
 Gethins, Stephen
 Gibson, Patricia
 Glass, Pat
 Glindon, Mary
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Green, Kate
 Greenwood, Lilian
 Greenwood, Margaret
 Griffith, Nia
 Gwynne, Andrew
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harman, rh Ms Harriet
 Harpham, Harry
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue
 Healey, rh John
 Hendrick, Mr Mark
 Hendry, Drew
 Hepburn, Mr Stephen
 Hillier, Meg
 Hodge, rh Margaret
 Hodgson, Mrs Sharon
 Hoey, Kate
 Hollern, Kate
 Hosie, Stewart
 Howarth, rh Mr George
 Hunt, Tristram
 Huq, Dr Rupa
 Hussain, Imran
 Irranca-Davies, Huw
 Jarvis, Dan
 Johnson, rh Alan
 Johnson, Diana
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Kaufman, rh Sir Gerald
 Keeley, Barbara
 Kendall, Liz
 Kerevan, George
 Kerr, Calum
 Khan, rh Sadiq
 Kinnock, Stephen
 Kyle, Peter
 Lamb, rh Norman
 Lavery, Ian
 Law, Chris
 Leslie, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Clive
 Lewis, Mr Ivan
 Long Bailey, Rebecca
 Lucas, Ian C.
 Lynch, Holly

Question accordingly negated.

Clauses 26 to 30 ordered to stand part of the Bill.

New Clause 28

HOUSING BENEFIT

“In Section F1 of Part 2 of Schedule 5 to the Scotland Act 1998, in the Exceptions, after exception 8 (see section 23 above) insert—

“Exception 9

Housing benefit.”—(*Ian Murray.*)

This New Clause provides for the full devolution of Housing Benefit, allowing Scottish Ministers to abolish the Spare Room Subsidy in Scotland, and to provide £1.8 billion of investment in housing in Scotland.

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 259, Noes 317.

Division No. 34]

[6.12 pm

AYES

Abbott, Ms Diane
 Abrahams, Debbie
 Ahmed-Sheikh, Ms Tasmina
 Alexander, Heidi
 Ali, Rushanara
 Allen, Mr Graham

MacNeil, Mr Angus Brendan
 Mactaggart, rh Fiona
 Madders, Justin
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Mr Gordon
 Maskell, Rachael
 Matheson, Christian
 Mc Nally, John
 McCabe, Steve
 McCaig, Callum
 McCarthy, Kerry
 McDonagh, Siobhain
 McDonald, Andy
 McDonald, Stewart
 McDonald, Stuart C.
 McDonnell, Dr Alasdair
 McDonnell, John
 McFadden, rh Mr Pat
 McGarry, Natalie
 McGovern, Alison
 McInnes, Liz
 McLaughlin, Anne
 Meacher, rh Mr Michael
 Meale, Sir Alan
 Mearns, Ian
 Monaghan, Carol
 Monaghan, Dr Paul
 Moon, Mrs Madeleine
 Morden, Jessica
 Morris, Grahame M.
 Mullin, Roger
 Murray, Ian
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Pound, Stephen
 Powell, Lucy
 Pugh, John
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Jamie
 Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan

Rimmer, Marie
 Ritchie, Ms Margaret
 Robertson, Angus
 Robinson, Mr Geoffrey
 Salmond, rh Alex
 Saville Roberts, Liz
 Shah, Naz
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Siddiq, Tulip
 Skinner, Mr Dennis
 Slaughter, Andy
 Smith, rh Mr Andrew
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Spellar, rh Mr John
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Tami, Mark
 Thewliss, Alison
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thompson, Owen
 Thomson, Michelle
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Twigg, Derek
 Twigg, Stephen
 Umunna, Mr Chuka
 Vaz, Valerie
 Weir, Mike
 West, Catherine
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan
 Williams, Hywel
 Williams, Mr Mark
 Wilson, Corri
 Wilson, Phil
 Winnick, Mr David
 Winterton, rh Ms Rosie
 Wishart, Pete
 Woodcock, John
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Ayes:
Karl Turner and
Bridget Phillipson

NOES

Adams, Nigel
 Afriyie, Adam
 Aldous, Peter
 Allan, Lucy
 Andrew, Stuart
 Ansell, Caroline
 Argar, Edward
 Atkins, Victoria
 Bacon, Mr Richard
 Baker, Mr Steve
 Baldwin, Harriett
 Barclay, Stephen

Barwell, Gavin
 Bebb, Guto
 Bellingham, Mr Henry
 Beryon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Crispin
 Boles, Nick

Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Brokenshire, rh James
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burrowes, Mr David
 Burt, rh Alistair
 Cairns, Alun
 Carmichael, Neil
 Cartledge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colvile, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, James
 Davies, Mims
 Davies, Philip
 Dinenage, Caroline
 Djanogly, Mr Jonathan
 Dodds, rh Mr Nigel
 Donaldson, rh Mr Jeffrey M.
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 Duncan, rh Sir Alan
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Ellis, Michael
 Ellison, Jane
 Elphicke, Charlie
 Eustice, George
 Evans, Graham
 Evans, Mr Nigel
 Evennett, rh Mr David
 Fabricant, Michael
 Fallon, rh Michael
 Fernandes, Suella
 Field, rh Mark
 Foster, Kevin
 Fox, rh Dr Liam
 Francois, rh Mr Mark
 Frazer, Lucy
 Freeman, George
 Freer, Mike

Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Garnier, Mark
 Gauke, Mr David
 Ghani, Nusrat
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goldsmith, Zac
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Greening, rh Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, Ben
 Gyimah, Mr Sam
 Halfon, rh Robert
 Hall, Luke
 Hammond, Stephen
 Hancock, rh Matthew
 Hands, rh Greg
 Harper, rh Mr Mark
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, Sir Oliver
 Heapey, James
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hermon, Lady
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, Boris
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kinahan, Danny
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi

Lancaster, Mark
 Leadsom, Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 McPartland, Stephen
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Parish, Neil
 Patel, rh Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prentis, Victoria
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom

Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swire, rh Mr Hugo
 Syms, Mr Robert
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Watkinson, Dame Angela
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob

Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy

Zahawi, Nadhim

Tellers for the Noes:
 Sarah Newton and
 Simon Kirby

Question accordingly negated.

New Clause 31

NEW BENEFITS

In Section F1 of Part 2 of Schedule 5 to the Scotland Act 1998, in the Exceptions, after exception 8 (see section 23 above) insert—
 “Exception 9

A benefit not in existence at the relevant date provided entitlement to or the purpose of the benefit is different from entitlement to or the purpose of any benefit that is—

- (a) in existence at the relevant date,
- (b) payable by or on behalf of a Minister of the Crown, and
- (c) otherwise a reserved benefit.

For the purpose of this exception—

“the relevant date” means the date of introduction into Parliament of the Bill that becomes the Scotland Act 2015;

“reserved benefit” means a benefit which is to any extent a reserved matter.”

This New Clause broadens the circumstances under which the Scottish Parliament can create new benefits, as recommended by the Smith Commission.—(Ian Murray.)

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 258, Noes 317.

Division No. 35]

[6.25 pm

AYES

| | |
|--------------------------|----------------------------|
| Abbott, Ms Diane | Cadbury, Ruth |
| Abrahams, Debbie | Cameron, Dr Lisa |
| Ahmed-Sheikh, Ms Tasmina | Campbell, rh Mr Alan |
| Alexander, Heidi | Campbell, Mr Ronnie |
| Ali, Rushanara | Carmichael, rh Mr Alistair |
| Allen, Mr Graham | Champion, Sarah |
| Anderson, Mr David | Chapman, Douglas |
| Arkless, Richard | Chapman, Jenny |
| Ashworth, Jonathan | Cherry, Joanna |
| Austin, Ian | Clwyd, rh Ann |
| Bailey, Mr Adrian | Coaker, Vernon |
| Bardell, Hannah | Coffey, Ann |
| Barron, rh Kevin | Cooper, Julie |
| Beckett, rh Margaret | Cooper, Rosie |
| Benn, rh Hilary | Corbyn, Jeremy |
| Berger, Luciana | Cowan, Ronnie |
| Betts, Mr Clive | Cox, Jo |
| Black, Ms Mhairi | Coyle, Neil |
| Blackford, Ian | Crawley, Angela |
| Blackman, Kirsty | Creagh, Mary |
| Blomfield, Paul | Creasy, Stella |
| Boswell, Philip | Cruddas, Jon |
| Bradshaw, rh Mr Ben | Cryer, John |
| Brennan, Kevin | Cummins, Judith |
| Brock, Deidre | Cunningham, Alex |
| Brown, Alan | Cunningham, Mr Jim |
| Brown, Lyn | Dakin, Nic |
| Brown, rh Mr Nicholas | Danczuk, Simon |
| Bryant, Chris | David, Wayne |
| Buck, Ms Karen | Davies, Geraint |
| Burden, Richard | Day, Martyn |
| Burton, Richard | De Piero, Gloria |

Docherty, Martin John
 Donaldson, Stuart
 Doughty, Stephen
 Dowd, Jim
 Dowd, Peter
 Dromey, Jack
 Durkan, Mark
 Eagle, Ms Angela
 Eagle, Maria
 Efford, Clive
 Elliott, Julie
 Ellman, Mrs Louise
 Esterson, Bill
 Evans, Chris
 Fellows, Marion
 Ferrier, Margaret
 Field, rh Frank
 Fitzpatrick, Jim
 Ffello, Robert
 Fletcher, Colleen
 Flynn, Paul
 Fovargue, Yvonne
 Foxcroft, Vicky
 Gapes, Mike
 Gardiner, Barry
 Gethins, Stephen
 Gibson, Patricia
 Glass, Pat
 Glindon, Mary
 Grady, Patrick
 Grant, Peter
 Gray, Neil
 Green, Kate
 Greenwood, Lilian
 Greenwood, Margaret
 Griffith, Nia
 Gwynne, Andrew
 Haigh, Louise
 Hamilton, Fabian
 Hanson, rh Mr David
 Harman, rh Ms Harriet
 Harpham, Harry
 Harris, Carolyn
 Hayes, Helen
 Hayman, Sue
 Healey, rh John
 Hendrick, Mr Mark
 Hendry, Drew
 Hepburn, Mr Stephen
 Hillier, Meg
 Hodge, rh Margaret
 Hodgson, Mrs Sharon
 Hoey, Kate
 Hollern, Kate
 Hosie, Stewart
 Howarth, rh Mr George
 Hunt, Tristram
 Huq, Dr Rupa
 Hussain, Imran
 Irranca-Davies, Huw
 Jarvis, Dan
 Johnson, rh Alan
 Johnson, Diana
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Susan Elan
 Kane, Mike
 Kaufman, rh Sir Gerald
 Keeley, Barbara
 Kendall, Liz

Kerevan, George
 Kerr, Calum
 Khan, rh Sadiq
 Kinnock, Stephen
 Kyle, Peter
 Lavery, Ian
 Law, Chris
 Leslie, Chris
 Lewell-Buck, Mrs Emma
 Lewis, Clive
 Lewis, Mr Ivan
 Long Bailey, Rebecca
 Lucas, Ian C.
 Lynch, Holly
 MacNeil, Mr Angus Brendan
 Mactaggart, rh Fiona
 Madders, Justin
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Malhotra, Seema
 Mann, John
 Marris, Rob
 Marsden, Mr Gordon
 Maskell, Rachael
 Matheson, Christian
 Mc Nally, John
 McCabe, Steve
 McCaig, Callum
 McCarthy, Kerry
 McDonald, Andy
 McDonald, Stewart
 McDonald, Stuart C.
 McDonnell, Dr Alasdair
 McDonnell, John
 McFadden, rh Mr Pat
 McGarry, Natalie
 McGovern, Alison
 McInnes, Liz
 McLaughlin, Anne
 Meacher, rh Mr Michael
 Meale, Sir Alan
 Mearns, Ian
 Monaghan, Carol
 Monaghan, Dr Paul
 Moon, Mrs Madeleine
 Morden, Jessica
 Morris, Grahame M.
 Mullin, Roger
 Murray, Ian
 Newlands, Gavin
 Nicolson, John
 O'Hara, Brendan
 Onn, Melanie
 Onwurah, Chi
 Osamor, Kate
 Oswald, Kirsten
 Paterson, Steven
 Pearce, Teresa
 Pennycook, Matthew
 Perkins, Toby
 Phillips, Jess
 Pound, Stephen
 Powell, Lucy
 Pugh, John
 Qureshi, Yasmin
 Rayner, Angela
 Reed, Mr Jamie
 Rees, Christina
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Ritchie, Ms Margaret

Robertson, Angus
 Robinson, Mr Geoffrey
 Salmond, rh Alex
 Saville Roberts, Liz
 Shah, Naz
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Sheppard, Tommy
 Sherriff, Paula
 Siddiq, Tulip
 Skinner, Mr Dennis
 Slaughter, Andy
 Smith, rh Mr Andrew
 Smith, Cat
 Smith, Jeff
 Smith, Nick
 Smyth, Karin
 Spellar, rh Mr John
 Stephens, Chris
 Stevens, Jo
 Streeting, Wes
 Stringer, Graham
 Tami, Mark
 Thewliss, Alison
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thompson, Owen

Thomson, Michelle
 Thornberry, Emily
 Timms, rh Stephen
 Trickett, Jon
 Turley, Anna
 Twigg, Derek
 Twigg, Stephen
 Umunna, Mr Chuka
 Vaz, Valerie
 Weir, Mike
 West, Catherine
 Whiteford, Dr Eilidh
 Whitehead, Dr Alan
 Williams, Hywel
 Williams, Mr Mark
 Wilson, Corri
 Wilson, Phil
 Winnick, Mr David
 Winterton, rh Ms Rosie
 Wishart, Pete
 Woodcock, John
 Wright, Mr Iain
 Zeichner, Daniel

Tellers for the Ayes:

**Karl Turner and
 Bridget Phillipson**

NOES

Adams, Nigel
 Afriyie, Adam
 Aldous, Peter
 Allan, Lucy
 Andrew, Stuart
 Ansell, Caroline
 Argar, Edward
 Atkins, Victoria
 Bacon, Mr Richard
 Baker, Mr Steve
 Baldwin, Harriett
 Barclay, Stephen
 Barwell, Gavin
 Bebb, Guto
 Bellingham, Mr Henry
 Benyon, Richard
 Beresford, Sir Paul
 Berry, Jake
 Berry, James
 Bingham, Andrew
 Blackman, Bob
 Blackwood, Nicola
 Blunt, Crispin
 Boles, Nick
 Bone, Mr Peter
 Borwick, Victoria
 Bottomley, Sir Peter
 Bradley, Karen
 Brady, Mr Graham
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Brokenshire, rh James
 Bruce, Fiona
 Buckland, Robert
 Burns, Conor
 Burns, rh Sir Simon
 Burrowes, Mr David
 Burt, rh Alistair
 Cairns, Alun
 Carmichael, Neil
 Cartledge, James
 Cash, Sir William
 Caulfield, Maria
 Chalk, Alex
 Chishti, Rehman
 Chope, Mr Christopher
 Churchill, Jo
 Clark, rh Greg
 Cleverly, James
 Clifton-Brown, Geoffrey
 Coffey, Dr Thérèse
 Collins, Damian
 Colville, Oliver
 Costa, Alberto
 Cox, Mr Geoffrey
 Crabb, rh Stephen
 Davies, Byron
 Davies, Chris
 Davies, David T. C.
 Davies, Glyn
 Davies, James
 Davies, Mims
 Davies, Philip
 Dinenage, Caroline
 Djanogly, Mr Jonathan
 Dodds, rh Mr Nigel
 Donaldson, rh Mr Jeffrey M.
 Donelan, Michelle
 Dorries, Nadine
 Double, Steve
 Dowden, Oliver
 Doyle-Price, Jackie
 Drax, Richard
 Drummond, Mrs Flick
 Duddridge, James
 Duncan, rh Sir Alan
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Ellis, Michael
 Ellison, Jane
 Elphicke, Charlie
 Eustice, George
 Evans, Graham

Evans, Mr Nigel
 Evennett, rh Mr David
 Fabricant, Michael
 Fallon, rh Michael
 Fernandes, Suella
 Field, rh Mark
 Foster, Kevin
 Fox, rh Dr Liam
 Francois, rh Mr Mark
 Frazer, Lucy
 Freeman, George
 Freer, Mike
 Fuller, Richard
 Fysh, Marcus
 Gale, Sir Roger
 Garnier, rh Sir Edward
 Garnier, Mark
 Gauke, Mr David
 Ghani, Nusrat
 Gibb, Mr Nick
 Gillan, rh Mrs Cheryl
 Glen, John
 Goldsmith, Zac
 Goodwill, Mr Robert
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Chris
 Green, rh Damian
 Greening, rh Justine
 Grieve, rh Mr Dominic
 Griffiths, Andrew
 Gummer, Ben
 Gyimah, Mr Sam
 Halfon, rh Robert
 Hall, Luke
 Hammond, Stephen
 Hancock, rh Matthew
 Hands, rh Greg
 Harper, rh Mr Mark
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, rh Mr John
 Heald, Sir Oliver
 Heappey, James
 Heaton-Jones, Peter
 Henderson, Gordon
 Herbert, rh Nick
 Hermon, Lady
 Hinds, Damian
 Hoare, Simon
 Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Hopkins, Kris
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert

Johnson, Boris
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Mr Marcus
 Kawczynski, Daniel
 Kennedy, Seema
 Kinahan, Danny
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Lancaster, Mark
 Leadsom, Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Mackinlay, Craig
 Mackintosh, David
 Main, Mrs Anne
 Mak, Alan
 Malthouse, Kit
 Mann, Scott
 Mathias, Dr Tania
 May, rh Mrs Theresa
 Maynard, Paul
 McCartney, Jason
 McCartney, Karl
 McLoughlin, rh Mr Patrick
 McPartland, Stephen
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Mordaunt, Penny
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, James
 Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Opperman, Guy
 Parish, Neil
 Patel, rh Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Penning, rh Mike
 Penrose, John

Percy, Andrew
 Perry, Claire
 Phillips, Stephen
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pow, Rebecca
 Prentis, Victoria
 Prisk, Mr Mark
 Pritchard, Mark
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Raab, Mr Dominic
 Redwood, rh John
 Rees-Mogg, Mr Jacob
 Robertson, Mr Laurence
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 Selous, Andrew
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, rh Mr Keith
 Skidmore, Chris
 Smith, Chloe
 Smith, Henry
 Smith, Julian
 Smith, Royston
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevenson, John
 Stewart, Bob
 Stewart, Iain
 Stewart, Rory
 Streeter, Mr Gary
 Stride, Mel
 Stuart, Graham

Sturdy, Julian
 Sunak, Rishi
 Swire, rh Mr Hugo
 Syms, Mr Robert
 Pickles, rh Sir Eric
 Thomas, Derek
 Throup, Maggie
 Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turner, Mr Andrew
 Tyrie, rh Mr Andrew
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Watkinson, Dame Angela
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggins, Bill
 Williams, Craig
 Williamson, rh Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wood, Mike
 Wragg, William
 Wright, rh Jeremy
 Zahawi, Nadhim

Tellers for the Noes:
 Sarah Newton and
 Simon Kirby

Question accordingly negated.

New Clause 39

NATIONAL INSURANCE

‘(1) Section F1 of Schedule 5 to the Scotland Act 1998 is amended as follows.

(2) In the illustrations, omit “National Insurance;”

(3) In the exceptions, at the beginning insert—
 “National Insurance.”.—(*Dr Whiteford.*)

This new clause would devolve National Insurance to the Scottish Parliament.

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The Committee divided: Ayes 58, Noes 515.

Division No. 36]

[6.39 pm

AYES

| | |
|--------------------------|------------------|
| Ahmed-Sheikh, Ms Tasmina | Blackford, Ian |
| Arkless, Richard | Blackman, Kirsty |
| Bardell, Hannah | Boswell, Philip |
| Black, Ms Mhairi | Brock, Deidre |

Brown, Alan
Cameron, Dr Lisa
Chapman, Douglas
Cherry, Joanna
Cowan, Ronnie
Crawley, Angela
Day, Martyn
Docherty, Martin John
Donaldson, Stuart
Durkan, Mark
Fellows, Marion
Ferrier, Margaret
Gethins, Stephen
Gibson, Patricia
Grady, Patrick
Grant, Peter
Gray, Neil
Hendry, Drew
Hosie, Stewart
Kerevan, George
Kerr, Calum
Law, Chris
MacNeil, Mr Angus
Mc Nally, John
McCaig, Callum
McDonald, Stewart
McDonald, Stuart C.

McDonnell, Dr Alasdair
McGarry, Natalie
McLaughlin, Anne
Monaghan, Carol
Monaghan, Dr Paul
Mullin, Roger
Newlands, Gavin
Nicolson, John
O'Hara, Brendan
Oswald, Kirsten
Paterson, Steven
Ritchie, Ms Margaret
Robertson, Angus
Salmond, rh Alex
Sheppard, Tommy
Stephens, Chris
Thewliss, Alison
Thompson, Owen
Thomson, Michelle
Weir, Mike
Whiteford, Dr Eilidh
Wilson, Corri
Wishart, Pete

Tellers for the Ayes:
Hywel Williams and
Liz Saville Roberts

NOES

Abbott, Ms Diane
Abrahams, Debbie
Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, Heidi
Ali, Rushanara
Allan, Lucy
Allen, Mr Graham
Anderson, Mr David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Ashworth, Jonathan
Atkins, Victoria
Austin, Ian
Bacon, Mr Richard
Bailey, Mr Adrian
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Barron, rh Kevin
Barwell, Gavin
Bebb, Guto
Beckett, rh Margaret
Bellingham, Mr Henry
Benn, rh Hilary
Benyon, Richard
Beresford, Sir Paul
Berger, Luciana
Berry, Jake
Berry, James
Betts, Mr Clive
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Blomfield, Paul
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter

Bradley, Karen
Bradshaw, rh Mr Ben
Brady, Mr Graham
Brazier, Mr Julian
Brennan, Kevin
Bridgen, Andrew
Brine, Steve
Brokenshire, rh James
Brown, Lyn
Brown, rh Mr Nicholas
Bruce, Fiona
Bryant, Chris
Buck, Ms Karen
Buckland, Robert
Burden, Richard
Burgon, Richard
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cadbury, Ruth
Cairns, Alun
Campbell, rh Mr Alan
Campbell, Mr Ronnie
Carmichael, rh Mr Alistair
Carmichael, Neil
Cartlidge, James
Caulfield, Maria
Chalk, Alex
Champion, Sarah
Chapman, Jenny
Chishty, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Cleverly, James
Clifton-Brown, Geoffrey
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Coffey, Dr Thérèse
Collins, Damian

Colville, Oliver
Cooper, Julie
Cooper, Rosie
Corbyn, Jeremy
Costa, Alberto
Cox, Mr Geoffrey
Cox, Jo
Coyle, Neil
Crabb, rh Stephen
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic
Danczuk, Simon
David, Wayne
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Geraint
Davies, Glyn
Davies, James
Davies, Mims
Davies, Philip
De Piero, Gloria
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donelan, Michelle
Dorries, Nadine
Double, Steve
Doughty, Stephen
Dowd, Jim
Dowd, Peter
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Dromey, Jack
Drummond, Mrs Flick
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellis, Michael
Ellison, Jane
Ellman, Mrs Louise
Elphicke, Charlie
Esterson, Bill
Eustice, George
Evans, Chris
Evans, Graham
Evans, Mr Nigel
Evennett, rh Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Field, rh Frank
Field, rh Mark
Fitzpatrick, Jim
Ffello, Robert
Fletcher, Colleen
Flynn, Paul
Foster, Kevin
Fovargue, Yvonne

Fox, rh Dr Liam
Foxcroft, Vicky
Francois, rh Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Gapes, Mike
Gardiner, Barry
Garnier, rh Sir Edward
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glass, Pat
Glen, John
Glendon, Mary
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Green, Kate
Greening, rh Justine
Greenwood, Lilian
Greenwood, Margaret
Grieve, rh Mr Dominic
Griffith, Nia
Griffiths, Andrew
Gummer, Ben
Gwynne, Andrew
Gyimah, Mr Sam
Haigh, Louise
Halfon, rh Robert
Hall, Luke
Hamilton, Fabian
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Hanson, rh Mr David
Harman, rh Ms Harriet
Harper, rh Mr Mark
Harpham, Harry
Harris, Carolyn
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, Helen
Hayes, rh Mr John
Hayman, Sue
Heald, Sir Oliver
Healey, rh John
Heapey, James
Heaton-Jones, Peter
Henderson, Gordon
Hendrick, Mr Mark
Hepburn, Mr Stephen
Herbert, rh Nick
Hermon, Lady
Hillier, Meg
Hinds, Damian
Hoare, Simon
Hodgson, Mrs Sharon
Hoey, Kate
Hollern, Kate

Hollingbery, George
 Hollinrake, Kevin
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Hopkins, Kris
 Howarth, rh Mr George
 Howarth, Sir Gerald
 Howell, John
 Howlett, Ben
 Huddleston, Nigel
 Hunt, rh Mr Jeremy
 Hunt, Tristram
 Huq, Dr Rupa
 Hussain, Imran
 Irranca-Davies, Huw
 Jackson, Mr Stewart
 James, Margot
 Jarvis, Dan
 Javid, rh Sajid
 Jayawardena, Mr Ranil
 Jenkin, Mr Bernard
 Jenkyns, Andrea
 Jenrick, Robert
 Johnson, rh Alan
 Johnson, Boris
 Johnson, Diana
 Johnson, Gareth
 Johnson, Joseph
 Jones, Andrew
 Jones, rh Mr David
 Jones, Gerald
 Jones, Graham
 Jones, Helen
 Jones, Mr Kevan
 Jones, Mr Marcus
 Jones, Susan Elan
 Kane, Mike
 Kaufman, rh Sir Gerald
 Kawczynski, Daniel
 Keeley, Barbara
 Kendall, Liz
 Kennedy, Seema
 Kinahan, Danny
 Kinnock, Stephen
 Knight, rh Sir Greg
 Knight, Julian
 Kwarteng, Kwasi
 Kyle, Peter
 Lammy, rh Mr David
 Lancaster, Mark
 Lavery, Ian
 Leadsom, Andrea
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leigh, Sir Edward
 Leslie, Charlotte
 Leslie, Chris
 Letwin, rh Mr Oliver
 Lewell-Buck, Mrs Emma
 Lewis, Brandon
 Lewis, Clive
 Lewis, Mr Ivan
 Lewis, rh Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Long Bailey, Rebecca
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lucas, Ian C.
 Lumley, Karen

Lynch, Holly
 Mackinlay, Craig
 Mackintosh, David
 Mactaggart, rh Fiona
 Madders, Justin
 Mahmood, Mr Khalid
 Mahmood, Shabana
 Main, Mrs Anne
 Mak, Alan
 Malhotra, Seema
 Malthouse, Kit
 Mann, John
 Mann, Scott
 Marris, Rob
 Marsden, Mr Gordon
 Maskell, Rachael
 Matheson, Christian
 Mathias, Dr Tania
 Maynard, Paul
 McCabe, Steve
 McCarthy, Kerry
 McCartney, Jason
 McCartney, Karl
 McDonagh, Siobhain
 McDonald, Andy
 McDonnell, John
 McFadden, rh Mr Pat
 McGovern, Alison
 McInnes, Liz
 McLoughlin, rh Mr Patrick
 McPartland, Stephen
 Meacher, rh Mr Michael
 Meale, Sir Alan
 Mearns, Ian
 Menzies, Mark
 Mercer, Johnny
 Merriman, Huw
 Metcalfe, Stephen
 Miller, rh Mrs Maria
 Milling, Amanda
 Mills, Nigel
 Milton, rh Anne
 Mitchell, rh Mr Andrew
 Moon, Mrs Madeleine
 Mordaunt, Penny
 Morden, Jessica
 Morgan, rh Nicky
 Morris, Anne Marie
 Morris, David
 Morris, Grahame M.
 Morris, James
 Morton, Wendy
 Mowat, David
 Mundell, rh David
 Murray, Ian
 Murray, Mrs Sheryll
 Murrison, Dr Andrew
 Neill, Robert
 Nokes, Caroline
 Norman, Jesse
 Nuttall, Mr David
 Offord, Dr Matthew
 Onn, Melanie
 Onwurah, Chi
 Opperman, Guy
 Osamor, Kate
 Parish, Neil
 Patel, rh Priti
 Paterson, rh Mr Owen
 Pawsey, Mark
 Pearce, Teresa
 Pennycook, Matthew

Penrose, John
 Percy, Andrew
 Perkins, Toby
 Perry, Claire
 Phillips, Jess
 Phillips, Stephen
 Phillipson, Bridget
 Philp, Chris
 Pickles, rh Sir Eric
 Pincher, Christopher
 Poulter, Dr Daniel
 Pound, Stephen
 Pow, Rebecca
 Powell, Lucy
 Prentis, Victoria
 Prisk, Mr Mark
 Pritchard, Mark
 Pugh, John
 Pursglove, Tom
 Quin, Jeremy
 Quince, Will
 Qureshi, Yasmin
 Raab, Mr Dominic
 Rayner, Angela
 Redwood, rh John
 Reed, Mr Jamie
 Rees, Christina
 Rees-Mogg, Mr Jacob
 Reynolds, Emma
 Reynolds, Jonathan
 Rimmer, Marie
 Robertson, Mr Laurence
 Robinson, Mr Geoffrey
 Robinson, Mary
 Rosindell, Andrew
 Rudd, rh Amber
 Rutley, David
 Sandbach, Antoinette
 Scully, Paul
 Selous, Andrew
 Shah, Naz
 Shapps, rh Grant
 Sharma, Alok
 Sharma, Mr Virendra
 Sheerman, Mr Barry
 Shelbrooke, Alec
 Sherriff, Paula
 Siddiq, Tulip
 Simpson, rh Mr Keith
 Skidmore, Chris
 Skinner, Mr Dennis
 Slaughter, Andy
 Smith, rh Mr Andrew
 Smith, Cat
 Smith, Chloe
 Smith, Henry
 Smith, Jeff
 Smith, Julian
 Smith, Nick
 Smith, Royston
 Smyth, Karin
 Soames, rh Sir Nicholas
 Solloway, Amanda
 Soubry, rh Anna
 Spellar, rh Mr John
 Spelman, rh Mrs Caroline
 Spencer, Mark
 Stephenson, Andrew
 Stevens, Jo
 Stevenson, John
 Stewart, Bob
 Stewart, Iain

Stewart, Rory
 Streeter, Mr Gary
 Streeting, Wes
 Stride, Mel
 Stringer, Graham
 Stuart, Graham
 Sturdy, Julian
 Sunak, Rishi
 Swire, rh Mr Hugo
 Syms, Mr Robert
 Tami, Mark
 Thomas, Derek
 Thomas, Mr Gareth
 Thomas-Symonds, Nick
 Thornberry, Emily
 Throup, Maggie
 Timms, rh Stephen
 Timpson, Edward
 Tolhurst, Kelly
 Tomlinson, Justin
 Tomlinson, Michael
 Tracey, Craig
 Tredinnick, David
 Trevelyan, Mrs Anne-Marie
 Trickett, Jon
 Truss, rh Elizabeth
 Tugendhat, Tom
 Turley, Anna
 Turner, Mr Andrew
 Turner, Karl
 Twigg, Derek
 Twigg, Stephen
 Tyrie, rh Mr Andrew
 Umunna, Mr Chuka
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vaz, Valerie
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Warburton, David
 Warman, Matt
 Watkinson, Dame Angela
 West, Catherine
 Wharton, James
 Whately, Helen
 Wheeler, Heather
 White, Chris
 Whitehead, Dr Alan
 Whittaker, Craig
 Whittingdale, rh Mr John
 Wiggin, Bill
 Williams, Craig
 Williams, Mr Mark
 Williamson, rh Gavin
 Wilson, Phil
 Wilson, Mr Rob
 Winnick, Mr David
 Winterton, rh Ms Rosie
 Wollaston, Dr Sarah
 Wood, Mike
 Woodcock, John
 Wragg, William
 Wright, Mr Iain
 Wright, rh Jeremy
 Zahawi, Nadhim
 Zeichner, Daniel

Tellers for the Noes:
 Simon Kirby and
 Sarah Newton

Question accordingly negatived.

To report progress and ask leave to sit again.—(*Stephen Barclay.*)

The Deputy Speaker resumed the Chair.

Progress reported; Committee to sit again tomorrow.

Ian Murray: On a point of order, Mr Deputy Speaker. I do not normally make points of order, but I wonder whether you can confirm that we have just voted on new clause 39, on the fundamental principle of the devolution of national insurance, without having had any debate on it.

Mr Deputy Speaker (Mr Lindsay Hoyle): As the hon. Gentleman well knows, that is not a point of order. I know he would not question the Chair as the decision was taken earlier.

City Deal Funding (Aberdeen)

Motion made, and Question proposed, That this House do now adjourn.—(Stephen Barclay.)

6.57 pm

Kirsty Blackman (Aberdeen North) (SNP): I very much appreciate the opportunity of an Adjournment debate on the Aberdeen city region deal. The coalition Government announced in the Budget earlier this year that they would enter negotiations with Aberdeen city and shire on a possible city region deal for the area. I appreciate the Minister's presence to reply to the debate and I am grateful that my hon. Friend the Member for Aberdeen South (Callum McCaig) and I will have a little longer to address the issue.

Since the 1970s, Aberdeen has been one of the major economic powerhouses of the UK. Our local city and shire economies created 42,200 jobs between 2000 and 2012, a rate of growth double the Scottish average. Aberdeen is ranked fourth among 64 cities in terms of the number of patents per head of population. In 2011-12, the oil and gas industry paid 16.4% of all corporation tax collected in the UK.

Although the oil industry has made a significant contribution to the economy of these islands, many in our city feel that deserved improvements have passed us by. The Government's "UK Oil and Gas" industrial strategy, published in 2013, summed up the situation. It stated:

"While the strengths of the sector are UK wide, Aberdeen has established itself as a global hub for oil and gas expertise. This has happened in spite of, not because of its infrastructure. From a small airport through to traffic congestion and limited housing stock, Aberdeen has struggled to keep up with the demands of the oil and gas sector."

Major infrastructure projects, which have been in the pipeline since the 1940s, are only just beginning to come through for my residents. The Haudagain roundabout improvement scheme, the western peripheral route and the third Don crossing have been long-awaited by people throughout Aberdeen, but it is only now that these are progressing.

7 pm

Motion lapsed (Standing Order No. 9(3)).

Motion made, and Question proposed, That this House do now adjourn.—(Kris Hopkins.)

Kirsty Blackman *rose—*

Stuart Donaldson (West Aberdeenshire and Kincardine) (SNP): Does my hon. Friend agree that it is great to see the councils of both Aberdeenshire and Aberdeen city working together to secure this deal, which will benefit both the people in my constituency and hers?

Kirsty Blackman: I will come on to the point my hon. Friend raises in a few moments.

Our city's transport connectivity is regularly flagged up as concerning. There is a heavy reliance on cars and high vehicle ownership, as the infrastructure and connectivity are sadly lacking at the moment. The city deal proposal highlights an opportunity for change to be made. Increasing the transport links will allow public transport in the city to become more fit for purpose and

[Kirsty Blackman]

to encourage a reduction in car use. Aberdeen's Union Street has degenerated over the years, as private companies have bought up properties and shirked their responsibilities in terms of maintenance and upkeep. I hope and believe that the city deal and the level of collaboration between organisations can ensure that agreement is forged on a way forward for our city centre. We want the local population to be drawn into the centre, to share experiences in a pleasant, welcoming environment, and to feel proud to live and work in our beautiful city.

Increasing the ability of companies to attract talent to our region will increase our economic output. I am so pleased that Aberdeen City Council, Aberdeenshire Council, Robert Gordon University, Aberdeen University, the local business community, the Scottish Government and the UK Government are working together to progress this proposal.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): I had the pleasure of working with Aberdeen as part of the Scottish Cities Alliance. Many of the organisations my hon. Friend mentions have been critical in pulling together the project for Aberdeen. As a representative of the other most northerly city in Scotland, Inverness, the links between Inverness and Aberdeen are very clear. The generation of employment and our ability to retain and encourage young people into new careers are vital. That work together was best demonstrated in the work of the Highland Council at the advanced stage, before the election was called, with the Scottish Government, the Scottish Cities Alliance, the universities and other groups involved in pulling together the campus and sports hub for young people. Does my hon. Friend agree—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I am trying to be as generous as I can. They are interventions, not speeches. My quick advice would be: if you have a long intervention, do it in two stages.

Kirsty Blackman: I agree with my hon. Friend. Although there are local issues, both Aberdeen and Inverness have the same concerns regarding the current lack of connectivity with the rest of the country. Anything that improves our access to the rest of the UK will improve economic opportunities for those living in our city regions.

Drew Hendry: Thank you for your advice, Mr Deputy Speaker. Does my hon. Friend agree that this is an opportunity for the UK Government to demonstrate a commitment to the cities and regions in our area, which is the most northerly part of Scotland and the UK?

Kirsty Blackman: Absolutely. That is very important. As I said, there has been a level of concern from some of our residents that we are a bit forgotten about, because we are so far away. We need to work to change that.

The city deal for Aberdeen is a truly excellent example of joint working, not just between the two Governments, where relations have occasionally been strained, but between the two councils, where this level of joint working simply has not been seen before.

One of the most difficult problems for those living in Aberdeen city and shire is the cost of housing. There is a lack of affordable accommodation, and our councils and NHS are finding it difficult to keep key workers. In recent years, we have struggled to recruit and retain teachers, social workers and nurses. With high land values in Aberdeen, it is really difficult for social landlords to fund the building of new social housing. For years, the city's social housing stock has been reducing, and there are thousands of families on the council's housing waiting list. Despite some recent new builds, many are still stranded in inappropriate accommodation or forced to consider moving to other parts of the region or country.

The city deal proposal includes a £350 million ring-fenced loan guarantee facility from Infrastructure UK for housing in Aberdeen city and Aberdeenshire. It also proposes a significant increase in the number of homes available for lease from both councils. As I mentioned in my maiden speech, the lack of suitable affordable housing is a huge problem for my constituents, and the issue is exacerbated by the success of the oil and gas sector. I really cannot overstate the importance of this issue to people living in Aberdeen.

Alex Salmond (Gordon) (SNP): My hon. Friend makes a crucial point about social housing in Aberdeen, but does she also accept that the investment in the Inverness-Aberdeen railway line will make realistic commuting possibilities available to a range of people across the community? Does she agree about the importance of that investment and our working together to maximise the opportunity?

Kirsty Blackman: I absolutely agree with my right hon. Friend. The infrastructure system in London is so far away from our system. We do not have two railway lines beside each other, meaning that trains can only pass at certain points.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): You've got trains?

Kirsty Blackman: Yes, we do have trains, unlike in some parts of northern Scotland. We are very lucky. The upgrades to the line, however, will make a significant difference to commuters. A huge number of people commute already, particularly from regions in the north-east, and if we can improve the railway line, particularly by dualling it in places so that more trains can pass, that will only improve our connectivity.

We need to ensure that our population continues to live and work successfully in the area. In Aberdeen, we have low unemployment, at just 2.3%, but 25% of our working age population earn under £15,000 a year. Large salaries are pushing up the cost of land and the price of housing, however, so we need to ensure that those on lower wages have access to affordable or social housing, both of which have been sadly lacking in Aberdeen throughout the past 20 years. Lower housing costs increase people's and families' disposable incomes, which boosts the local economy by increasing spending.

In order to sustain the oil and gas industry and unlock future opportunities, we must act now to ensure that Aberdeen continues to be a competitive region and a global centre of excellence. With the challenges of a

mature field and a low oil price, we need to get very good very quickly at performing in this new environment. Aberdeen and Aberdeenshire need to become world leaders at things such as decommissioning—we have the talent and skills locally and the ability to export those skills as other fields across the world reach the end of production. We have the export infrastructure—we are very good at it and we do it a lot—but we need to be doing the same for things such as decommissioning. We can be world leaders in this. We also have a huge pool of talented engineers, scientists and industry experts in technology, which means that Aberdeen is uniquely placed to take the lead for the UK in renewable technologies as well.

I look forward to hearing the Minister's views on the Aberdeen city region deal. I am keen to hear whether he can provide us with more information on the timeline going forward. This is a long overdue and positive initiative for our wonderful city.

7.8 pm

Callum McCaig (Aberdeen South) (SNP): I thank my hon. Friend the Member for Aberdeen North (Kirsty Blackman) for securing this debate and echo her words of gratitude to the Minister for generously allowing me to contribute.

This is a hugely important matter for Aberdeen and north-east Scotland. Following the collapse in the oil price, Aberdeen City Council hosted a summit of key industry and Government figures attended by local government, the Scottish Government and the UK Government. At that conference, Malcolm Webb, the former chief executive of Oil and Gas UK, said:

“Currently I am afraid Aberdeen is part of the cost and efficiency problem whereas, with the right investment in its infrastructure, it can be an important part of the solution.”

The oil and gas industry clearly has a job of work to do to reduce its own cost base, but when someone so key in the industry suggests that the very infrastructure and nature of the city and region that host that infrastructure, are part of the blockage and cost difficulty, everyone with a vested interest in seeing Aberdeen flourish—this Chamber as a whole—needs to listen.

Dr Whiteford: My hon. Friend is making an important point about infrastructure. Nowhere are the infrastructure challenges more acute than in the very north of Aberdeenshire, particularly in the parts that I represent. The city deal offers great opportunities for the city and the shire, but I am concerned to ensure that the rest of Aberdeenshire that will not be affected by the city deals does not fall further behind. Will my hon. Friend agree to make sure that that does not happen as we go forward?

Callum McCaig: I welcome that intervention. It may not have been heard by those in the Chamber, but while my hon. Friend the Member for Aberdeen North was talking my hon. Friend the Member for Banff and Buchan (Dr Whiteford) pointed out that her constituency is perhaps unique for a mainland constituency in not having a single mile of railtrack. That is quite remarkable, and I know that Aberdeenshire City Council is working in partnership with Nestrans on this issue for the future. It is something that could be developed through this process.

Councillor Jenny Laing, a Labour member and leader of Aberdeen City Council said:

“The proposals we have outlined will ensure the prosperity of our city and NE Scotland for decades to come by anchoring an economy of global significance for the benefit of the UK as a whole.”

This has the backing of Labour party in Aberdeen, and indeed of all parties in Aberdeen, and I think it has unanimous support in Aberdeenshire as well. This is a cross-party issue, although as a result of the success of the Scottish National party, only SNP Members from the north-east of Scotland are here to back it. If other parties were present, I am sure they would be adding to the calls for this, such is the importance of it to our region.

The oil and gas industry is critical to Aberdeen and the north-east of Scotland, but Aberdeen and our region is far more than oil and gas. There are proposals, subject to legal challenge by a certain presidential candidate, for a wind farm in Aberdeen bay to test the new and innovative technologies in offshore wind. I hope that that will go ahead, as there are huge benefits to be gained from it.

Aberdeen is also leading the way in the development of hydrogen technology. We now have the largest fleet of hydrogen buses anywhere in Europe, thanks to the support of my right hon. Friend the Member for Gordon (Alex Salmond) and the efforts of the Scottish Government, the European Union and Aberdeen City Council. It is a team effort.

Yes, we are an energy city and an energy region—but we are certainly more than just energy. Life sciences and food and drink are absolutely world class in the corner of the world that we call home. They, too, stand to benefit from significant investment in the infrastructure—physical and digital, and in the housing that my hon. Friend the Member for Aberdeen North talked about—and, above all, in the skills we require from our universities to build the capacity to allow these industries to flourish.

Stewart McDonald (Glasgow South) (SNP): My hon. Friend makes an important point about infrastructure. One concern that I and my Glasgow colleagues have is about the devolution of powers to cities such as Manchester. That is, of course, to be welcomed, but it presents us with significant challenges. Does he agree that one way to help us meet those challenges would be for the Government to say unequivocally that HS2 will come to Scotland?

Callum McCaig: Aberdeen stands to lose out to a degree when it comes to HS2, but as part of team Scotland, I would say that there is a requirement to bring it to the central belt of Scotland. If that is to happen, there needs to be protection for Aberdeen—and, I am sure, for Inverness—given the potential for them to lose out. That would come in the form of landing slots and access to hub airports. It will never be economical to put high-speed rail up to the north-east of Scotland or the highlands, but we need connectivity to London and to the wider world through our airports.

Beyond the city deal and the physical infrastructure is the investment in skills and the utilisation of our world-class universities. Aberdeen University is a proud and ancient seat of learning, and Robert Gordon University is equally proud, if slightly younger. The two of them

[Callum McCaig]

together make an immense contribution. We have some of the brightest and most talented young people from across the globe coming to study in our universities because of the contribution they make and the expertise they have. As I mentioned, it is not just in oil and gas; the bio-science and medical sciences provided in our universities are absolutely leading in terms of world-class research.

There are proposals for university enterprise zones elsewhere in the country. Part of the deal would be to allow that to happen through the combination of Aberdeen University and Robert Gordon University and by bringing business and the universities closer together, giving businesses incentives to invest in the research and development in which our universities can take part. That is an exciting development which will allow our universities to make a far greater contribution to the economy than the significant contribution that they already make.

Throughout my lifetime, Aberdeen has prided itself on being Europe's oil and gas capital, and that has contributed immensely to the wealth of our city. The investment that it should, perhaps, have attracted in previous decades was absent, but let us be forward-looking. Aberdeen has a great future as an oil and gas city—indeed, as a global energy hub. Renewable energy will play a part, as, I hope, will hydrogen, but, above all, we will remain a key hub for oil and gas.

Much of the work that is done in Aberdeen now has little relevance to the North sea. The city is home to engineers who assess projects from the gulf of Mexico to Brazil, and from the coast of Africa to Kazakhstan and the South China sea. It is truly a global hub. The clusters of expertise, experience and knowledge that exist in our city and our region are absolutely world class. But—and there is a but—there is no guarantee that we will continue in that role. We need investment now, because otherwise we may face the prospect of losing the goose that lays the golden eggs.

Internationalisation is a key element. We need support for our exports, and support to enable our industries to find new markets. Many have done so already, but a huge number of smaller companies that could save huge amounts of money, in terms of oil and gas production, need to be helped to take their innovative products to further markets overseas. Investment in broadband is important in that context. The technology that handles seismic data, or project plans, that are produced from offices in Aberdeen is incredibly data-hungry. Huge band widths are required to allow information of such a size to be communicated to markets throughout the world. That investment will potentially provide far greater work for companies based in Aberdeen and the surrounding region.

The mood music that we hear from both councils, and from the Scottish and United Kingdom Governments, is very welcome. Clearly there is a job to be done, but I hope that convincing the Minister of the importance of the deal will help that work to be achieved. We realise that negotiation between the councils will be necessary at various levels, but it is incumbent on us, as representatives of the area, to press the case. The deal is vital to our region and vital to the economy, and it has the potential to deliver huge dividends not just to our area, but to the United Kingdom as a whole.

7.18 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (James Wharton): I congratulate the hon. Members for Aberdeen North (Kirsty Blackman) and for Aberdeen South (Callum McCaig) on their speeches. I noted the tone of their contributions with great interest. The hon. Member for Aberdeen North said that she sometimes felt that her area had been forgotten by Westminster, and I understand what she means. As a Teesside Member of Parliament, I sometimes felt the same in years gone by, although, thankfully, not under the present Administration.

I am aware of Aberdeen's valuable role. Durham Tees Valley airport, half of which is in my constituency, has been partly sustained by regular flights to Aberdeen because of the economic links between the hon. Lady's constituency, that of her hon. Friend the Member for Aberdeen South, and my own. The hon. Lady has sent a message to someone who is receptive to it, if I may put it that way, and I commend her for the tone in which she has done so.

I have always found that, while there are matters on which we disagree across the House—no doubt more will surface as time progresses—there are also areas of commonality. It is in all our interests to enable every part of our economy to achieve its potential. My experience may be limited in comparison with the experience of others—I look at the right hon. Member for Gordon (Alex Salmond) as I make that comment—but so far I have found that a positive approach which, while recognising the challenges faced by our constituencies, trumpets the opportunities that they present, the great things that they do, and the fact that they are wonderful places that we are fortunate to represent in the House, produces the best reaction from those whom we want to persuade that our own particular constituencies deserve investment and support.

The Government's economic ambition is to create a fairer and more balanced economy by supporting policies that enable it to grow. We recognise the challenges and opportunities that exist within local economies right across the United Kingdom, and we have been clear that a one-size-fits-all solution from Whitehall will not work: every part of our economy needs to fulfil its potential. That is why we are devolving powers to cities, towns and counties, and allowing local people to take control of the economic levers in their areas. That work started in the previous Parliament, in no small part with the city deals.

The Government recognised that, to improve the performance of our cities, new solutions were needed. Through bespoke city deals, we have seen the right of initiation pass from Whitehall to town hall. It is a fundamental shift in the way in which Whitehall works. City deals were originally negotiated back in 2012 with the eight core cities in England, and that has been followed by a further wave of city deals across the UK.

In August 2014, the Government, alongside the Scottish Government and the Glasgow and Clyde valley local authorities, extended that model up to Glasgow and the Clyde valley. That deal is one of the largest ever agreed, and local partners anticipate that it will create 29,000 jobs and lever in more than £3 billion of private sector investment. That is an example of what can be achieved when all levels of Government, business, universities and the voluntary and community sectors work together to promote economic growth.

City deals are an important part of the Government's approach to improving economic growth locally, but we should also remember that they are only one part of the entire package. The Scotland Bill, which is being discussed at some length in this place, will make the Scottish Parliament one of the most powerful devolved Parliaments in the world. It will increase the financial accountability of the Scottish Parliament through devolution of the rates and bands of income tax, air passenger duty and the assignment of VAT revenues; increase responsibility for welfare policy and delivery in Scotland; increase the scope for scrutiny by the Scottish Government of a whole range of public bodies; and give significant new responsibility for areas such as roads, speed limits, onshore oil and gas extraction and consumer advocacy and advice. The Bill honours the commitment made to Scottish people before the independence referendum to transfer significant new powers to the Scottish Parliament.

Alex Salmond: The Minister has said that under the proposals the Scottish Parliament will be one of the most powerful devolved Parliaments in the world, but the Command Paper said that it would be almost as powerful, in financial terms, as a Swiss canton. Would it be possible to aspire to be more powerful than a Swiss canton in financial terms?

James Wharton: I have no doubt that the right hon. Gentleman has grand aspirations and that it is possible for him to hold them, but my contention is that what this Government are delivering is very significant indeed and meets the obligations and promises that were made in the referendum campaign.

I have provided the context, but what about the city deals themselves and where we are going? City deals are very important because our cities can be drivers for growth. UK cities account for 74% of our population and 78% of all jobs, and it is in the interests of everyone in the UK that cities are able to achieve their potential. Economic growth itself does not just happen—it happens in specific places.

Ensuring that our cities are globally successful is not going to be easy, but I believe that it can be done through active collaboration between Whitehall, the Scottish Government and local authorities that recognise its value.

Stewart McDonald: Last Friday I had a meeting with the Glasgow chamber of commerce. Investment that we would have thought would come to Glasgow is already being picked off by cities such as Manchester, following the promise to deliver more powers to them. That is a great concern to me as a Glasgow MP and to other colleagues. The chamber of commerce believes that we could meet that challenge if we got a solid commitment that High Speed 2 will come to Scotland and perhaps even start there. Will the Minister at least endeavour to look at that in more detail? I appreciate—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Perhaps I can help, because I am frightened that we are going away from Aberdeen. Of course, I am very interested in Manchester myself, but this debate is not about High Speed 2 to Glasgow. I can see the connectivity, but we need to keep the Minister on subject of the debate, which is funding for Aberdeen.

James Wharton: Thank you, Mr Deputy Speaker. The hon. Gentleman's comments have been heard loud and clear. They will be recorded as part of the debate and no doubt properly taken into account. I appreciate that he intends to be a consistent advocate on this matter, and I suspect that this is an issue that we will discuss again.

I very much agree with the hon. Members for Aberdeen North and for Aberdeen South on the important role that Aberdeen plays in supporting the UK economy. We are determined to make the most of that, which is why the Chancellor announced in the Budget in March that we would begin negotiations with both Aberdeen and Aberdeenshire on a potential city deal. Those conversations are ongoing and my officials are continuing to have a constructive dialogue on the potential deal with officials from the two local authorities and with the Scottish Government. As I have set out, a key feature of any potential city deal is that it should be bottom up. This is about places putting forward proposals that will drive their economy forward and about recognising that different places need different things.

Kirsty Blackman: Does the Minister agree that this is a really good opportunity for joint working, and does he have any more information on the timeline for any agreements and for when the negotiations will reach a conclusion?

James Wharton: The hon. Lady's intervention brings me neatly to my next point, in which I want to spell out clearly that each agreement must be a genuine deal, with offers and asks on both sides, and that the onus remains on Aberdeen and its partners to develop a credible proposal. This is something that we want to see delivered, but there is a process that needs to be gone through in order to deliver it, to ensure that any deal is robust, that it offers value for money for taxpayers and local people and that it delivers what it is supposed to for the people and the economy of Aberdeen. I am happy to confirm that my colleague, the Under-Secretary of State for Scotland, will be happy to meet the hon. Lady and her colleague to discuss this matter further, and I look forward to my officials working with those on the ground who want to deliver this city deal, so that we can all benefit from its ultimate success.

Question put and agreed to.

7.26 pm

House adjourned.

Westminster Hall

Tuesday 30 June 2015

[MR GEORGE HOWARTH *in the Chair*]

Shale Gas

9.30 am

Kevin Hollinrake (Thirsk and Malton) (Con): I beg to move,

That this House has considered shale gas.

It is a pleasure to serve under your chairmanship, Mr Howarth.

Is shale gas exploration right for the UK, right now, and right for the constituency I represent? The benefits of shale gas exploration are clear. Greater energy independence and security at a time of significant international uncertainty is a compelling proposition, as is the prospect of a prosperous new industry that can provide new jobs, business opportunities and direct financial benefit to local communities. The economy is important, but no economic benefit, vested interest or party political pressure could ever lead me to support something that I believed would have a detrimental effect on our countryside or the health of local residents. Over the last 10 months, I have met parties on either side of the fracking debate in an attempt to get a clearer understanding of the issues.

Shale gas exploitation will produce harmful greenhouse gases. The natural gas produced is a fossil fuel, and many object to its production because when burned it produces carbon dioxide, a greenhouse gas. Some say we should instead focus on renewables, such as wind farms, solar and producing energy from household waste, but most reasonable observers would accept that we are a long way from green energy being able to meet all our needs. Natural gas produces 50% less greenhouse gas emissions than coal and can help us to meet our climate change targets more quickly and cheaply. Although renewable energy production is increasing, in 2014 it delivered only 7% of our total energy needs. We need a mixed, and ideally domestic, solution to our energy requirements.

On Saturday morning, I visited the village of Kirby Misperton in my constituency, where an application to drill for shale gas has recently been submitted. Of about 50 people in attendance, 44 were against fracking and six had an open mind; none was in favour. These people are not professional campaigners: they are decent local people, desperately worried that fracking will change their lives forever, and not for better. Their concerns mainly centre on safety—the potential for contamination of water supplies and air pollution—during production and after the producer has made their money and left; the spoiling of countryside by drilling rigs, noise and light pollution and lorry movements; and, at the end of the day, who cleans up and who pays up if things go wrong.

First, on safety, the fact that other Administrations—France, Germany, New York state and so on—have banned fracking is a major worry to many. So too is the “Shale Gas: Rural Economy Impacts” report from the

Department for Environment, Food and Rural Affairs, which had 63 redactions within 13 pages, including of a whole section on the impact on house prices. The Government’s position that

“There is a strong public interest in withholding the information” did little to ease anxieties. It leads many members of the public to feel that they are being deceived, patronised or treated with contempt. We have only one chance: we need to get it right and to be seen to get it right.

The Environment Agency, Department of Energy and Climate Change, the mineral protections authority and the Health and Safety Executive regulate operations. Having met the Environment Agency, I am confident that our regulations are strong. Fracking will be allowed only outside groundwater source protection areas. According to one representative of the agency, chances of contamination are entering the “realms of fantasy”, but I would like to see a clearer, more robust and independent monitoring regime for the regulations. The Environment Agency is already stretched and cannot be reasonably expected to carry out truly independent checks on the producers’ operations and any consequential effects on the environment.

A 2012 International Energy Agency report on unconventional gas exploration includes in its golden rules:

“Recognise the case for independent evaluation and verification of environmental performance”.

Our current regulations require the producer to instruct a chartered independent contractor to take baseline checks before drilling and to monitor water and air quality before, during and after production. Concerned local residents do not feel that those checks would be truly independent, as there is a clear commercial relationship between the producer and the contractor. Would it not make sense for the Environment Agency to instruct the relevant chartered environmental engineers, with the bill reimbursed by the producer?

The Royal Society’s 2012 report states:

“The operator commissions and pays for the services of the well examiner... This might be someone employed by the well operator’s organisation. It is important that those carrying out examination work have appropriate levels of impartiality and independence from pressures, especially of a financial nature. Promotion, pay and reward systems should not compromise professional judgement.... The independence of the scheme must not be compromised.”

Evidence provided to the House of Lords Economic Affairs Committee in 2013-14 states:

“the weakest point of the regulatory process concerns the Environment Agency”,

which appears to have

“insufficient in-house expertise.”

The Committee stated that the agency

“should make it much clearer to the industry and the public exactly how and when they would inspect well sites.”

Many are also concerned about the amount of water required and whether it can be safely decontaminated and recycled, and whether contaminants can be disposed of, particularly on the scale proposed.

The spoiling of countryside is another major concern. I would be first in a long line of local residents who would fight tooth and nail to prevent any attempt to produce shale gas in my area in a way that industrialises the landscape. Traditionally, the fracking process involves

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a high number of lorry movements and unsightly infrastructure that could be a real blot on the landscape. Just one of the companies, Third Energy, has stated that it might drill 950 wells in less than a third of my constituency, which would require hundreds of thousands of lorry movements, all in one of the country's most beautiful counties, with an economy heavily dependent on agriculture and tourism. North Yorkshire County Council, which would handle any application, has to take into account the impact on other parts of the economy, particularly tourism, and the suitability of our roads to handle additional traffic. The beauty of our countryside is North Yorkshire's main asset and we must protect this at all costs.

A 2012 "World Energy Outlook" report on unconventional gas stated that production is

"an intensive industrial process",

which

"can have major implications for local communities, land use and water resources... Improperly addressed, these concerns threaten to curb, if not halt, the development of unconventional resources."

I propose clear planning guidance that there must be buffer zones, with a minimum distance between sites of, say, six miles. We do not want the images of a fracked industrial landscape from North Dakota to become a reality here. The 2012 Royal Society report recommends recycling and reuse of waste water and that water disposal options should be planned from the outset, thereby reducing traffic and the impact on local communities.

Who cleans up and who pays up if things go wrong? We need to make sure that our green fields are not turned into brown fields. Appropriate regulation and supervision may reduce the chances of things going wrong, but we also need to understand and provide for a situation where it does. Although groundwater source protection zones are excluded from fracking activities, what protections are in place for boreholes and artesian wells? According to United Kingdom Onshore Oil and Gas, the body that represents the industry,

"if a company causes damage, harm or pollution to the environment, they can be required under these regimes to remediate the effects and prevent further damage or pollution.... Environmental regulators and planning authorities have the power to require upfront financial bonds to address these risks. The industry does not wish to leave this to the taxpayer or the landowner. As a less expensive alternative to upfront bonds, UKOOG is working with Government on the development of an industry scheme that will step in and pay for liabilities."

The Royal Society report states:

"Arrangements for monitoring abandoned wells need to be developed. Funding of this monitoring and any remediation work needs further consideration."

What if the producer has gone bust? Who compensates those who have lost out?

As far as the jewels in the crown are concerned—namely, areas of outstanding natural beauty, national parks, ancient woodlands and sites of special scientific interest—we need to state unequivocally that production will not take place in such areas. We must ensure that people do not feel that the Government agenda is being directed by big business. Many members of the general public do not trust business and also feel, perhaps unfairly, that too often politicians will support business at their

expense. We need to take it one step at a time and ensure that people see that the process and facts are being properly monitored, assessed and reviewed.

All energy sources have impacts. As Members of Parliament, we have constituents who might be against onshore wind, solar farms, nuclear power or energy from waste. Twenty years ago in my constituency, many had similar fears when proposals were announced to carry out conventional gas exploration. Protests took place, views were heard and compromises were reached. Gas has been produced in the area ever since, with many residents unaware of its existence. Many members of the public have an open mind on fracking; others have genuine safety concerns. Whatever their viewpoint, it is critical that we keep the public informed and that local communities are consulted on the case for fracking, the potential benefits, the environmental risks and the proposed safeguards. We need to reassure the public that we are prepared to stop if fracking is significantly affecting lives and livelihoods, just as we did in 2011 when it caused earthquakes at Preese Hall in Blackpool.

In summary, we need: truly independent monitoring and publicly available analysis; a defined minimum radius between production sites; a clear solution on water recycling and disposal to reduce traffic; additional blight compensation for any person or community directly impacted; the release of an unredacted version of the DEFRA report; a clear willingness to stop if lives and livelihoods are affected to unacceptable levels; and, a clear answer to the question of who cleans up and who pays if the worst happens. We need to take the public with us, consult, provide expert scientific information and ensure that people do not feel they are being pushed or manipulated.

Cat Smith (Lancaster and Fleetwood) (Lab): I congratulate the hon. Gentleman on securing the debate, and I thank him for his reference to Preesall in my constituency. Is he aware that yesterday, Lancashire councillors overwhelmingly voted to reject fracking in the county? The result was very clear: nine voted against and three voted in favour, which broadly reflects opposition to fracking across Lancashire—two thirds of people are in opposition, and the figure might be similar for his constituents over in Yorkshire. We had 300 local businesses write to the council, urging it to reject fracking. Those businesses included farmers, bed and breakfasts, media companies, the retail sector and many others. Does he agree that opposition to fracking runs across many different parts of our communities?

Mr George Howarth (in the Chair): Order. It might be of assistance to remind those hoping to take part in the debate that interventions should be short and to a single point. I think the hon. Lady made a mini-speech there, and I will not tolerate that in any future contributions.

Kevin Hollinrake: I absolutely accept that many local residents have real concerns, and we need to take those concerns into account before taking the next steps.

Mark Menzies (Fylde) (Con): As a point of correction, the hon. Member for Lancaster and Fleetwood (Cat Smith) mentioned Preesall in her constituency. For the record, my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) was actually referring to Preese Hall, which is a fracking well in my constituency.

Kevin Hollinrake: I am grateful for the lesson in geography. It is not a part of the world I am all that familiar with, but I am very familiar with the geography of the beautiful parts of North Yorkshire, and I am strongly keen to ensure that they remain that way.

As the IEA report recommends, we need to:

“Integrate engagement with local communities, residents and other stakeholders into each phase of a development starting prior to exploration; provide sufficient opportunity for comment on plans, operations and performance; listen to concerns and respond appropriately and promptly.”

The public deserves precise answers to those questions.

Julian Knight (Solihull) (Con): I congratulate my hon. Friend on securing this debate. Does he acknowledge that although the United States and Canada initially saw a transformative economic effect from shale gas, there has been a slowdown since 2014? Some gas fields are running at a loss. Does that not show that we need to ensure that there is an economically viable case in all instances of exploration?

Kevin Hollinrake: There is clearly an opportunity here. The volatility of oil and gas prices is not within my remit, but there is commercial pressure to exploit shale gas for future domestic security. I understand that; it is why we need to get it right.

The public deserve precise answers to their questions via every means possible, including a comprehensive series of community meetings conducted by real experts with real answers. It would be all too easy to join the chorus of political voices who oppose fracking in North Yorkshire, but I do not believe that politics should be about doing what is convenient or being swayed by a vocal minority; it is about doing what is right. At this stage, we need to look at the issues and solutions more closely and find those solutions that reassure the public that we have their interests at heart and that allow us to realise the benefits of low-carbon, low-cost energy independence.

9.47 am

Dr Alan Whitehead (Southampton, Test) (Lab): I congratulate the hon. Member for Thirsk and Malton (Kevin Hollinrake) on obtaining this debate. It is important because it goes to the heart of the distinction between what it is to drill an exploratory well and what it is to have a fracking industry in any particular part of the country. He clearly set out the safeguards that are needed as an absolute baseline for any fracking at all to take place, as well as the cumulative effects of fracking and the extraction of shale gas on particular areas and what impact that has on the community in the longer term, as well as the impact on the consequential things needed to keep that industry in place—whether that is the disposal of wastewater, consideration of the intensity of various fracking pads, or a range of other issues.

I shall concentrate for a moment on thinking about what fracking as an industry might look like in this country, as opposed to what an occasional exploratory well might look like. The proposition in front of us is not for occasional bits of exploration; it is “Go for it. Let’s have a substantial fracking industry. Let’s change the nature of how we obtain our gas supplies.” The argument in favour of fracking is that it is a substantial

addition to our national security. Some of the further reaches of the argument relate to bringing prices down, but that is quite wrong and misunderstands the nature of gas trading in Europe. There would not actually be any great difference in gas prices unless the whole of Europe decided that it would frack everywhere in Europe.

The argument that a substantial fracking industry might be good for national security is the main argument put forward for it.

David Mowat (Warrington South) (Con): It is true that there is no reason to believe that prices in Europe will come down by a factor of four, as they have in the United States, but it is also true that if we have more of something, the price is likely to come down. Increasingly, our strategy is to buy gas from Russia and liquefied natural gas from Qatar. That is not a viable way forward.

Dr Whitehead: The hon. Gentleman is right to say that we buy some LNG from Qatar, but only about 0.5% of the UK supply comes directly from Russia. Buying gas from Russia is really not an issue for this country, although it is for some other parts of Europe. My point was that the international trading arrangements for gas have three nodes across the world—the far east node, the north American node and the European node—and gas is traded and pipelined within those nodes. The product of shale gas in this country would simply go into one of those nodes and be traded across them, and the price would even out. That is my point about whether a shale gas industry would mean a substantial reduction in price.

I want to concentrate on what a shale gas industry in this country would look like. We have only one serious document sponsored by the Department of Energy and Climate Change that looks at the consequences of a serious industry. My concern is that that document, a strategic assessment produced by AMEC a little while ago, estimates the output from shale gas wells to be 3.2 billion cubic feet per well over 20 years. As an average output for wells in the UK, that would equate to the best level ever obtained in any well in north America. Conditions for shale gas in the UK are very different from those in the United States, and the likelihood is that the output per well would be far lower than the very best output in the US. On top of that, the current average US well output is about 0.8 billion cubic feet—far lower than the best ever output—and, more to the point, there is a rapid rate of depletion per well.

In fact, a shale gas industry in the UK would see relatively low gas output per well, with a fairly rapid depletion rate and the necessity for re-fracking, probably once every seven or eight years, were the well to be retained in production over 20 years. It is not a question of a well pad being drilled and then the equivalent of “nodding donkeys”, such as we have at Wytch Farm, nodding away quietly in the countryside. The process of trucks, waste water and re-fracking would have to be repeated every few years on that well pad in order to keep it going. Even then, the depletion rate is more rapid after the second re-fracking, after which the well goes out of business.

George Kerevan (East Lothian) (SNP): Given the multiplicity of wells that would have to be drilled, does the hon. Gentleman agree that the UK would require a

[George Kerevan]

massive pipeline system and investment in a massive gas storage system? That would affect a large number of constituencies, not just where the drilling originally was.

Dr Whitehead: The hon. Gentleman is absolutely right: the location of various wells would require either that the gas was stored in tanks near the well and then transported or that new pipelines be constructed to take it away. A pipeline could not be organised in the same way as for the North sea.

On the basis of the scenario I have outlined for what a shale gas industry would look like in this country, the estimates are that, in order to divert, let us say, 10% of our gas supply from conventional gas into shale gas and remove part of the need to have gas from Qatar or Russia—10% is a modest diversion—we would need to drill somewhere between 10,000 and 18,000 wells, and they would have to be re-drilled over a period. Of course, those wells would not be evenly distributed throughout the country—Members would not have around two wells per constituency; wells would be concentrated in the two areas of the UK where there are reasonable shale plays. Those shale plays are geologically faulted and difficult to get at; nevertheless, they are the main areas: Bowland shale in the north-east of England and across the weald in the south.

We are looking at 10,000 to 18,000 wells concentrated in two parts of the country. As the hon. Member for Thirsk and Malton said, that would probably result in the very intensive geographical concentration of fracking in those areas, with a substantial geographical concentration of take-off facilities and of the need to remove waste water, 7 million gallons of which per well will have to be removed and disposed of fairly safely as hazardous waste. We do not currently have the ability to do that in this country. We can do it for the occasional well, but we would not be able to do it very easily without substantial new facilities for such a concentration of hazardous waste, which would be repeated as the wells were re-fracked.

We need to ask whether all that is a realistic prospect compared with the gain that might come from extracting the additional gas. It seems to me that, if that is what we want for our energy strategy, there will be a very high price to pay throughout the country for a marginal gain. Are we really, seriously committing ourselves to that? Recent events in Lancashire demonstrate that it is rather difficult to get two wells into the ground, let alone 18,000 over a longer period. I am worried that we are setting ourselves up by assuming that some of our future energy supplies are going to be pencilled in for this particular route, when either there are unacceptable costs to reaching that goal or, to make the industry work, we will have to build a whole lot of infrastructure on the back of what we already have.

Having looked at how a UK shale gas industry might look, it might be interesting to look briefly at an alternative industry: green gas, which is the production of gas by anaerobic digestion plants and associated methods. It has been projected that, by using most of the available feedstock that could go into anaerobic digestion plants, we could probably divert between 5% and 10% of our domestic gas supply requirements. When I say divert, I mean literally divert, because green gas AD plants can now inject gas directly into the mains.

There are eight green gas plants currently operating in the UK. I recently visited one in Poundbury, which, at certain times of the year, injects gas into the mains grid. People living between, roughly speaking, Lyndhurst and Weymouth will receive green gas from the Poundbury anaerobic digestion plant at various times of the year. There is direct substitution of the existing gas going into the mains. An AD plant would probably produce some 6 million cubic metres over 20 years. A well could produce rather more at some 20 million cubic metres, but it would have to be re-fracked several times. After that, the well would be capped and the operators would walk away. Because plants and animals continue to produce feedstock, AD green gas plants would simply continue. If we are considering changing from gas imports to domestic production for national security purposes, it might be a better idea to build a large number of AD plants and have one at the end of every lane.

David Mowat: I support green gas and anaerobic digestion. The hon. Gentleman said that the gas could be injected directly into the mains gas system. Is he implying that the characteristics of shale gas or other unconventional gas mean that they cannot be put directly into the grid? I do not follow.

Dr Whitehead: I am sorry if I unintentionally misled the hon. Gentleman. Shale gas can of course be injected directly into the grid. AD-produced gas has a slightly different calorific value, but with minimal treatment it can actually go directly into the grid in the same way as shale gas, so there is a direct comparison in production and in end use between the two processes. I suggest that if we want an industry that diverts substantial amounts of gas from import, building up AD plants and injecting green gas into the system might be a more environmentally sound and less intrusive way of doing so which might be more acceptable to the communities affected by any potential intensive fracking.

I appreciate that a farm AD plant at the end of a lane is not exactly the prettiest sight in the world, but it produces gas at a near zero overall net carbon cost, because it simply recycles what has captured carbon in the first place, and produces a different pattern of use. In the long term, it is potentially—

Mr George Howarth (in the Chair): Order. I am sorry to interrupt the hon. Gentleman, but 11 further speakers are hoping to catch my eye. I shall have to impose a time limit, but the extent of that limit is in the hon. Gentleman's hands.

Dr Whitehead: This hon. Gentleman was actually just about to finish.

Considering the industry as a whole, I suggest that AD is a rather sounder route in the long term than imposing 18,000 wells across the country with all the consequences that the hon. Member for Thirsk and Malton outlined. I heartily concur with his concerns, but there is an alternative and it should be seriously considered.

10.3 am

Seema Kennedy (South Ribble) (Con): I thank my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) for securing this debate. I will keep my remarks short.

The decisions taken at county hall in Preston yesterday and last Thursday directly affect my constituency. Lancashire County Council's planning committee has rejected Cuadrilla's applications to frack at Roseacre Wood and Little Plumpton, both of which are in the constituency of my hon. Friend the Member for Fylde (Mark Menzies). Those two sites are on the north side of the River Ribble, just a few miles away from a site at Hesketh Bank in South Ribble, where Cuadrilla was given a licence to frack in 2008. That licence was suspended, along with all others, in 2011.

Most of my constituents accept that we need to explore this new form of energy as it will help national self-sufficiency in energy. Too often, however, those with legitimate concerns about fracking are dismissed as luddites or nimbys, but many of my constituents' worries have not yet been adequately addressed by Government or the energy companies. The main worries are about safety, specifically water contamination, the lack of adequate infrastructure to support a new industry and the details of the compensation framework.

South Ribble is the floodplain of the River Ribble and is known as the salad bowl of England. Grade 1 agricultural land makes up 32% of my constituency, which puts it in the top 10 of such constituencies in the country, and 41% of my constituency is grade 1 or grade 2 agricultural land. The neighbouring constituency of West Lancashire has the highest proportion of grade 1 agricultural land in the country, and many of the farmers and growers in my constituency have fields that cross constituency boundaries. The industry employs many thousands of people and contributes to our nation's food security.

The quality of the products grown relies on their growing in pristine soil that must be free from water-borne contaminants, which is the growers' No. 1 concern. Fracking involves injecting water, sand and chemicals into the ground, but what is the composition of those chemicals? We are told that drilling takes place well under the water table, but my constituents are looking for further reassurance from Government and the energy companies that there will be no seepage into the water table and that the pipes will not develop fissures. They also have certain concerns about residual flowback fluid.

The site at Hesketh Bank is down a long country lane. The villages of Tarleton and Hesketh Bank are already clogged up with wagons transporting salad and vegetables to market. I am already working with local campaigners to put pressure on the council to build the "Green Lane Link" because the road system is not even adequate for our primary industry of agriculture. Were a new industry to be introduced, local people would expect the energy companies to contribute towards new infrastructure. They would not want it all to come out of their council tax.

Finally, let me turn to the compensation framework. Research from the US is conflicting on whether house prices are affected by having wells nearby. There needs to be robust compensation for those whose homes and livelihoods are affected. We need statute to set down the framework, which should include obligations to provide infrastructure such as roads and schools, rather than leaving it to local council planning authorities. Furthermore, the news on jobs is unclear. Are they the sort of high-skilled, long-term jobs that we want in Lancashire? DEFRA's

report from March 2014, "Shale Gas: Rural Economy Impacts", states that jobs will be available for locals "on the availability of skills and experience in the local labour market."

My constituents want more reassurance that energy companies will train local apprentices and employ local people for the long term.

Kit Malthouse (North West Hampshire) (Con): My hon. Friend rightly highlights the local impact of the industry, which generates significant concern in my constituency. Given the Government's statement last week that local communities should have the final say on wind energy, does she agree that there should be special rules for fracking—I see in the paper today that the industry is calling for a change in the legislation—requiring applications to go through the normal planning process, like in every other industry? Local communities would therefore get a say about what the industry looks like in their area—if it appears at all.

Seema Kennedy: We have all accepted that local communities need to have total buy-in, and I am talking about what the energy companies do as well. National Government need to lay down such obligations. The companies need to be seen to be engaging fully with young people, providing apprenticeships and local jobs.

My constituents are not nimbys, but they want reassurance that fracking will not affect the quality of their land. They want concrete reassurances that their communities will be adequately compensated for any risks that they might face.

Mr George Howarth (in the Chair): Before I call Graham Stringer, I will have to impose a five-minute limit on speeches. It is unfortunate that I have to do so, but it is the only way that I can contemplate getting everyone in.

10.10 am

Graham Stringer (Blackley and Broughton) (Lab): I congratulate the hon. Member for Thirsk and Malton (Kevin Hollinrake) on an extremely well balanced speech. All discussion about the energy industry is fraught, because it tends to deal not only with the detail, but with people's particular ideological positions.

In the time available, I will make two major points. The first is that this country is at a particularly critical moment in its economic history. The energy policy that we have had for the past seven or eight years—putting up the price of energy by moving to intermittent renewable sources, which has increased people's bills—has had two unfortunate consequences: not only the price going up, but the deindustrialisation of the country, as industry has moved elsewhere in the world. As a result, although the policy objective is to reduce carbon dioxide emissions, the overall carbon footprint of the country has increased. The policy has been a mistake. We now have a big decision to make on runway capacity in the south-east—which I will not talk about, Mr Howarth—as well as on fracking. All those decisions are critical for our country's future wealth.

On fracking, there are two intellectually coherent arguments. I understand people from the green lobby who say—this often invades the discussion without

[Graham Stringer]

being explicitly stated—that we should leave all fossil fuels in the ground forever, because we have already taken enough out. I do not agree, but it is intellectually coherent for people to say that. The argument that I support is that we need to look at every possible energy source for this country's energy future. I agree with my hon. Friend the Member for Southampton, Test (Dr Whitehead) that we should look at green gas, and we should also put more money into research, because at the moment renewables cannot compete with the energy-intensity available from fossil fuels.

In the meantime, we also need to be developing shale gas. There is a case against and a case for, but there is not a case for pretending that we do not know or for simply kicking the can down the road and saying, “Oh, we'll have a moratorium,” as some of the candidates in the competition for the leadership of the Labour party are doing. We have to make a decision about such things, and I think we should go for shale gas. More than 1 million wells have been drilled in north America. All those wells that have complied with the safety regulations—which are not as tough as the regulations that this country will have—have been drilled without any problems. The scare films are often about areas where the issues might not be to do with fracking, as it turns out, or where, if fracking is involved, the rules have not been followed. We have to go for it.

We have heard from two Conservative Members about the normal planning concerns that one gets—about the amount of road usage and what will happen to an area. Those are obviously genuine local concerns, but as a country we have to decide on the balance between those people with genuine local concerns and what is part of the national infrastructure plan. There is nothing unusual about that: when the country was cabled, the amount of local cabling decisions that could be taken were reduced. Shale gas is of such importance that we should have a national infrastructure plan.

I will finish with the final point made by the hon. Member for Thirsk and Malton. Rumours are sometimes put about wilfully by those who are ideologically opposed to fracking, so the worst thing that any Government can do, whether a Conservative or Labour one, or a coalition, is to hide information. We need to get as much information out there as possible, because fracking is safe and water will not travel through half a mile of rock. People need to be reassured about that and, by reassuring them, we are much more likely to get the economic benefits of a real shale gas industry.

10.15 am

Jeremy Quin (Horsham) (Con): I congratulate my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) on securing this debate.

The benefits of unconventional drilling have been well flagged. While bridging to a low-carbon future, it might provide the UK with a secure source of energy. However, the Government have only one opportunity to get things right, as my hon. Friend said. We are routinely told about the economic value associated with extraction, so in that context it is critical that people, especially those living near extraction sites, have cast-iron confidence that proper and sufficient investment is being made to ensure their safety during and after the drilling

period. My constituency has seen exploratory drilling conducted near Balcombe under a licence granted in 2013 to Cuadrilla. The concerns of many residents were far from being assuaged and, if the resource is to be exploited, public acceptance and support are critical. The Government must ensure that the public have complete confidence that their overriding concern remains the safety of their citizens around the sites.

There are advantages to a country in being a second mover. The hon. Member for Blackley and Broughton (Graham Stringer) referred to the US experience, which is clearly useful to learn from. I am sure that the Minister will place on the record her Department's continuing monitoring of the US experience. We have much to learn from it and, given the far higher concentration of population in the UK, it is essential that we do so. However, I have constituents who are concerned that the Minister's Department, having in large measure set out a safety regime, will cease to focus as much on the US experience. I would like a reassurance that that is not the case, not only in the Minister's response today, but, more critically, in how the Department responds to the stories that emerge from the US in the coming months and years.

I also support my hon. Friend the Member for Thirsk and Malton in calling for the monitoring of fracking activities not only to be independent, but in every respect to be seen to be independent. It would be damaging for the industry if a perception were to emerge that those being paid to monitor activities had a vested interest in those activities being ongoing.

Antoinette Sandbach (Eddisbury) (Con): Does my hon. Friend agree that environmental impact assessments are key, in providing information to local communities before planning applications and looking at possible consequences, so that they may be taken into account and dealt with early in the planning processes?

Jeremy Quin: I agree with my hon. Friend in every respect. Other hon. Members have referred to the importance of getting information out there to reassure the public, and that is one example of us doing exactly that.

Water contamination is one example where reassurance might be required, as was referred to earlier. The construction of wells is key to this, with sufficient casing and cementing being essential to prevent groundwater contamination and manage the flowback fluid. As we have seen in Pennsylvania, there is inevitably a failure rate in certain new wells. Will the Minister provide a reassurance that the regulatory regime on well construction is sufficient to prevent substances from leaking? Monitoring of groundwater for contaminants is essential, not on the basis of an investigation every three years, but as a regular, routine undertaking during and after drilling. I appreciate that the Infrastructure Act 2015 specified that

“hydraulic fracturing will not take place within protected groundwater source areas”.

A lot may hang on the exact definition of what “groundwater source areas” comprise, so I look forward to that being clarified.

Lastly, under the Environment Agency's recent consultation, flow testing could be covered by a standard permit granted to the explorer. The Minister will appreciate

that, at this early stage of unconventional drilling in the UK, particularly in the context of early flow testing, anything that suggests a standard approach without particular consideration and monitoring will cause concern. We look forward to that being clarified in due course.

I have no doubt that the Minister will act with her usual boldness and determination in pushing this agenda forward. I simply ask that, in doing so, she uses the same determination—I have every conviction that she will—to ensure that the safety regime is not only highly effective, but capable of assuaging the concerns of people living close to drilling operations.

10.20 am

John Mc Nally (Falkirk) (SNP): I thank the hon. Member for Thirsk and Malton (Kevin Hollinrake) for securing this debate on a subject that is close to most people's hearts, of that I am quite sure.

I will be brief, but first let me say, by way of background, that I am speaking today because Falkirk, the area I represent, is at the heart of fracking operations, with test bore drills already in place. INEOS has planning permission to build shale gas tanks, and it has to be said that that is a hugely significant investment.

On 19 May last year, I attended a fracking conference at the Mermaid theatre in London on behalf of Falkirk Council, of which I was a member at the time. I assume that many Members present have attended similar conferences. After about an hour, I was thinking to myself, "Why do we keep being told that our regulations are the best and safest in the world?" It reminded me of an anecdote about Sir Alex Ferguson, who when looking at a player he was interested in was told that there was no truth in the rumour that the player had injury problems; the first thing he thought was that he needed to look at the player in a great deal more detail. I took that methodology back to my constituency: more analysis is required.

Martyn Day (Linlithgow and East Falkirk) (SNP): Does my hon. Friend agree that perception is reality, and that even if fracking were technically proven to be safe, the public concerns surrounding it would also need to be addressed, or else it could still be damaging to our economy in terms of our water production, the reputation of our food and drink industry, and house prices?

John Mc Nally: I agree totally with my hon. Friend. Perception is everything. The hon. Member for South Ribble (Seema Kennedy) referred to the salad bowl. If Mr Birdseye thinks that water contamination is going to affect his product in any way, he will withdraw and people will not buy the product. I am convinced of that; there is no second-guessing there.

The delegates at the conference I attended went on to listen to various utopian and dystopian presentations. That ignited for me the other reason we are here today. Last Thursday I asked the Secretary of State to produce a detailed health and environmental impact assessment for the conference in Paris this year. She answered that safety would always be a priority and that this country has a safe environmental working record. I eagerly await the presentation of the findings on the health and environmental impacts.

Medact, a registered public health charity with over 1,000 public health clinicians and the like as members, has produced a report on fracking. The report concludes that fracking poses significant public health risks and calls for an immediate moratorium, to allow for the completion of a full and comprehensive health impact assessment. I agree totally with that position.

In Scotland, there is what we call the WOW factor—wind, oil and water. There is currently a moratorium, as the Scottish Government have listened to concerned communities not just in Falkirk but across Scotland. We have a worldwide reputation for the purity of our water; our vast food and drink industries require that that reputation is not tarnished in any way, shape or form. Under the Smith commission's proposals, licensing of fracking will be devolved to Scotland, which makes absolute and total sense. We need to tread warily on this huge issue, which affects all our communities.

I intend to write to the Secretary of State to ask her to share with the Scottish Government the report she will present on fracking to this House and to the Paris conference. I cannot help but note that the Prime Minister's comment about going "all out" for shale gas in the UK was a little premature. It could involve huge financial costs for companies that have invested in fracking, such as INEOS, as I sincerely hope that fracking does not take place in this country.

10.25 am

Neil Parish (Tiverton and Honiton) (Con): It is a pleasure to serve under your chairmanship, Mr Howarth. I thank my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) for securing this debate and for the balanced way in which he presented his case, as others have noted.

If I put my national hat on—and given that I am a Member of Parliament for Tiverton and Honiton down in Devon, where at the moment there is no notion that there will be fracking—it is easy for me to say that it is good for the country to have a great gas supply, so we must make sure that we get on with fracking. From the national perspective, that is absolutely right, but as a Government, we are keen on taking local people with us, and—dare I say it—at the moment we do not seem to be doing terribly well on that. All the locals are turning fracking down. We are going to have to rethink our approach to all this. We have to make sure that we do not simply talk about a sovereign fund that might help local people. We must be much more up front. How does an industry like fracking help local people? They have to see something tangible before they buy into it.

If I put on the hat of Chair of the Environment, Food and Rural Affairs Committee, we of course are concerned about our land, food production and groundwater. In the previous Parliament, the Committee was assured that when fracking takes place the water used is well beneath groundwater sources and the area from which we extract water to purify for drinking water—but is that the case? I agree with my hon. Friend the Member for Horsham (Jeremy Quin) that we cannot simply have a blanket licence from the Environment Agency; each case has to be looked at individually.

Putting my Conservative hat on, I want to make sure that we are competitive and have an efficient industry. In this case, we must have an industry that extracts the

[Neil Parish]

gas—that is absolutely right. We still use an awful lot of gas and will still do so in future; if we do not use Russian gas, someone else will, so the gas we can extract for home consumption has to be good, but that gas should not be brought out of the ground at any price. If we need to put in more pipelines, reduce lorry movements and improve roads in villages and other areas where there are proposals for help with infrastructure, we have to do so. I was a Member of the European Parliament for 10 years, so everything in Europe is my fault—I just put that on the record. I look at the French: now, I do not always agree with the French, but I acknowledge that when it comes to exploiting resources, they put in all the infrastructure necessary for local people's lives to be enhanced.

I say to the Minister, who is a very good Minister, that we must make sure that local people buy into fracking much more than they are doing at the moment. If we are going to stick to our principle that local people decide—I think we should—we are going to have to reassure them a great deal more about environmental safety, especially on water, and make sure that fracking is properly monitored. In evidence to our Committee, the Environment Agency said it had the capability to do that, but people need to be reassured that that is the case and that the agency will not be overstretched.

Another problem is that, while all of us can be experts beforehand on whether the gas will or will not come out, we cannot know until we have a number of wells in place whether the ground will actually give up the gas. We know the gas is there, but we are not certain that it can be got out. We may not, in the end, be able to produce the gas we expect, although we may be able to produce a lot more, which is very exciting.

There must be a balance: as we move forward, we must take local people with us, reassure them about the environmental position and reduce the number of lorry movements by piping more gas, however expensive that may be. In that way, the local population will, in the end, be able to buy into these projects, and our green and pleasant countryside will remain green and pleasant. We have a large population, and we want to keep our green spaces and our food production.

Rachael Maskell (York Central) (Lab/Co-op): Is not the problem that we are taking a piecemeal approach to licensing exploration, as opposed to a strategic approach that looks at the real impact the industry will have across our land?

Neil Parish: The hon. Lady makes a good point, which I am sure the Minister will address.

I will leave my comments there, because others want to speak, and it is right that everybody has a chance to debate this issue. Again, I thank my hon. Friend the Member for Thirsk and Malton.

10.31 am

Tom Elliott (Fermanagh and South Tyrone) (UUP): I too thank the hon. Member for Thirsk and Malton (Kevin Hollinrake), and I congratulate him on securing a debate on this important national issue. I was interested to hear the hon. Member for Tiverton and Honiton

(Neil Parish) take all the blame for what has gone wrong in Europe. I am pleased, at long last, somebody has done that.

My position on this issue is clear, definite and unambiguous: I will not be in favour of hydraulic fracturing, or fracking, while there is any reasonable suspicion that it has a negative impact on the environment and public health. There is still a lot of work to be carried out on that. The Government have progressed the matter too quickly.

It is easy to say that fracking in the bigger states of America is positive and produces a massive supply of energy. We need to compare those states with some of the areas we have heard about today and with my constituency, where there is cross-border exploration between Northern Ireland—in other words, the United Kingdom—and the Republic of Ireland. It is clear that we cannot compare a small, densely populated area such as mine with the vast, sparsely populated areas in America that are carrying out fracking. There is no comparison at all, but the Government have not taken that on board.

In Fermanagh and South Tyrone, we set up a group to investigate fracking. Anyone who wants a report that is positive about fracking can find one, while anyone who wants a report that is directly opposed to it can find one too, so we set up our own group to look at the issue. The group, which contained someone from the medical profession, solicitors, business people and farmers, came up with three recommendations, which I fully support.

The first is that we cannot progress with fracking unless there is a full, independent—I stress “independent”—environmental impact assessment that demonstrates that there will be no negative environmental impact. Secondly, there must be a full, independent public health impact assessment. Members have talked about public health, but it is not always given the importance it should have, and it is sometimes overlooked. We must therefore have confirmation that there will be no negative public health impact. Thirdly, there needs to be an economic appraisal of how good fracking is not only for the UK, but for local people. What will they get out of it economically? Will their land simply be taken off them and vested in someone else? Will trucks drive through their areas? Will they have monstrous structures on their back doorsteps? Will they get a reduction in their rates or council tax? Will there be a direct economic benefit for them, or will the big companies come in and take all the benefits? That is something people will not comprehend.

The hon. Member for Tiverton and Honiton indicated that we have not been good at taking people with us. That will not happen unless the three points I mentioned are dealt with and it is shown that fracking is not harmful to the environment or public health and that it provides an economic benefit to local people. That is the position of the Ulster Unionist party. I should make it clear again that the Government have moved on too quickly.

Several hon. Members *rose*—

Mr George Howarth (in the Chair): Order. I am afraid I have to allow time for the two Front-Bench speakers, and the spokesman for the Scottish National party also has to take part. I will have to restrict the remaining Back-Bench speech to three minutes. I call David Mowat.

10.36 am

David Mowat (Warrington South) (Con): In my three minutes, I shall make just a couple of quick points.

Although I support fracking, I agree with the three points made by the hon. Member for Fermanagh and South Tyrone (Tom Elliott): there can be no issue with public health, we should have done more to bring local benefits to the fore, and the environment cannot, of course, be damaged. In the end, those things will have to be assessed by people who are independent and have the confidence of the local community. As my hon. Friend the Member for Tiverton and Honiton (Neil Parish) said, it is clear that, whatever else we take from the debate, we must accept that we have not brought local people with us on fracking. However, every form of energy has issues, whether it is solar, wind or nuclear, which is still by far and away the dominant form of decarbonised energy in the world. Fracking also has issues, and we have to work through that to decide whether fracking is worth it. Members have said that fracking may not be cost-effective, and if it is not, it will not be done, so that problem goes away.

I want to talk a little about the three elements of UK energy policy: low-cost energy, sustainable energy and energy security. Gas has a major role to play in all those, but the fact is that our own gas is running out. Output from the North sea is 70% of what it was 10 years ago. Some 85% of the energy used in this country still comes from fossil fuels, with coal and oil making up by far and away the majority. If we could replace all the coal being used in the world with gas, that would reduce global carbon emissions by the same amount as a fivefold increase in renewables. That is something we should be going after, and parties that believe in a low-carbon future should embrace it. There are, therefore, environmental advantages to fracking.

We have talked about cost, and it has been said that fracking in the UK may not transform the economy, as it has in America. In the United States, there is massively lower fuel poverty—I have not heard those words today. We may well not succeed in reducing our gas bills by a factor of four, with the same transformative impact that has been seen in American manufacturing. Manufacturing is relocating from parts of the UK.

Peter Grant (Glenrothes) (SNP): Does the hon. Gentleman not accept that the reduction in gas prices in the United States of America simply will not happen in the United Kingdom, so it is not appropriate to talk about fracking being a game changer in terms of reducing fuel poverty?

David Mowat: In an intervention I said I thought it unlikely that gas prices would be reduced by a factor of four. I also think it unlikely that if we have more gas in Europe there will not be a reduction in gas prices, with a knock-on impact on fuel poverty and on the competitiveness of our chemicals industry, what is left of our steel industry, and our aluminium industry. Those industries have to a large extent left our country, not only for south-east Asia but for other parts of Europe with lower energy prices than ours where coal continues to be burned.

The issue before us is the fact that we produce roughly 80 GW of electricity in this country, and 24 of them will be turned off by the end of the decade. We already

have a 2% capacity margin for 2017. Members in this Chamber—not just those on the Front Benches—must be accountable on the question of the lights going out. Shale gas is not a panacea and I do not argue that it is, but we should explore it responsibly and take into account the environmental issues raised today. However, we should not fail to understand that our country is not infinitely rich. The resources in the North Sea that kept large parts of our country going for a long time are running out. We import more and more of our gas from Qatar and increasingly, potentially, from Russia. Parliamentarians all have a role, and a responsibility for the UK as a whole to take those issues seriously.

10.40 am

Callum McCaig (Aberdeen South) (SNP): I thank the hon. Member for Thirsk and Malton (Kevin Hollinrake) and congratulate him on obtaining the debate, and on his impeccable timing, given the news on the decision in Lancashire. Time is clearly of the essence, so I shall crack on.

Five themes have been brought out in the debate, and alignment between them is needed if fracking is to be a viable part of the energy mix: safety, public support, climate change, how that fits in with the total energy mix, and economic viability. Dealing with this is to be devolved to Scotland. Scottish Ministers have suggested a moratorium while concerns are explored. That is welcome and it will go a long way towards ensuring that discussions on the food and drink and tourism industries, which my hon. Friend the Member for Falkirk (John Mc Nally) mentioned, are not put in jeopardy by fracking.

There is a question about whether new licences will be issued while the process is going on—it has been suggested that they will not—and there is also a question about licences that have been granted, and how they will be considered when things are devolved. I think there are issues about the economics. If we are to have a truly safe regime it needs to be gold-plated, but that is likely to be more expensive, and I understand that it will be more expensive in the UK than it would be in the United States. Doing things more safely than they are done in the United States, from a more expensive cost base at the start, with gas prices considerably lower than those of a number of years ago, brings the economics into question. I take the point that if shale gas extraction is not economic it will not happen, but we need to consider that when time is spent on exploring.

Perhaps the biggest issue is not economic viability or whether shale gas will change our dependence on fossil fuels, but whether it would be the best use of this country's resources, from the carbon dioxide point of view, and whether we are going to meet our objectives on reducing carbon emissions. Shale gas will produce more.

Antoinette Sandbach: Will the hon. Gentleman give way?

Mr George Howarth (in the Chair): Order. Time will not be added on for this intervention.

Callum McCaig: Perhaps the hon. Lady will be brief.

Antoinette Sandbach: Does the hon. Gentleman accept that burning coal is more deleterious than shale gas, which has a lower carbon footprint?

Callum McCaig: I certainly do, but it has been pointed out that other technologies could be better. In the context of carbon, when we extract more resources we need to make sure that we get the best ones and the biggest bang for our buck. As I represent Aberdeen, and given the continuing potential of the North sea, I wonder what effect investigating new onshore gas will have on the well established offshore industry, which makes an immense contribution. That needs to be considered along with the entire energy mix that we are considering.

10.44 am

Julie Elliott (Sunderland Central) (Lab): It is a pleasure to serve under your chairmanship, Mr Howarth. I thank the hon. Member for Thirsk and Malton (Kevin Hollinrake) for securing the debate. That fact that 18 Members from four parties have taken part shows how important and pressing the subject is for many parties. I know the Thirsk and Malton area well and acknowledge its beauty. My train stops there on the way down to London and on the way back, although I have another hour to go then.

This is the first debate I have participated in from the Front Bench on the subject of shale gas. Before the election my former colleague Tom Greatrex, who was the Member for Rutherglen and Hamilton West, looked after this area of policy. His expertise on energy policy was recognised on both sides of the House and I am sure that Parliament will miss his knowledge and good humour.

Our position on shale gas was formally set out in debates on the Infrastructure Act 2015. We made it clear that there should be no shale gas extraction without a framework of robust regulation and comprehensive inspection. Regrettably, the Government have consistently sidelined our legitimate environmental concerns, and those of the public, in a headlong dash for gas. Speeches from different parties today supported that view. With 80% of homes in Britain still reliant on gas for heating, shale gas may have a role to play in displacing some of the gas that we currently import, boosting our energy security; but I want to make it clear that that potential worthwhile benefit must not come at the expense of robust environmental protection, or our climate change commitments.

During the passage of the Infrastructure Act 2015, we were clear about what changes were needed. The Government initially accepted Labour's amendment to overhaul the regulatory regime for shale gas by introducing 13 vital measures before extraction could occur. That was a huge Government U-turn and a great victory for the protection of Britain's environment. However, in the House of Lords the Government watered down five of those crucial commitments.

The Government watered down regulations to prevent fracking under drinking water aquifers, ignoring the existing definition of such areas and insisting on the need for a new definition—thus scope was opened up for the weakening of the measure through leaving some areas out. They weakened regulations to prevent fracking under protected areas such as national parks, dropping our proposal to prevent fracking “within or under” protected areas. Instead, they indicated that they would block fracking only “within” them, creating the prospect

that protected areas such as areas of outstanding natural beauty and national parks could be ringed by operators fracking underneath them. They dropped requirements for operators to notify all residents individually of potential developments, and to monitor all fugitive emissions—not just methane. Finally, they weakened regulations requiring an environmental impact assessment at all sites.

We tabled an amendment to reverse those changes, but were denied a vote. There should be no shale gas developments in the UK unless those protections are re-introduced. It is right that individual applications should be decided at local level, as has been outlined this week. It is not the place of central Government to become involved and to trump local democracy. That is the Eric Pickles way of doing business. It is not mine, nor that of my right hon. Friend the Member for Don Valley (Caroline Flint). However, the decisions made in Lancashire in the past few days and people's concerns reflect the fact that the Government have repeatedly ignored genuine and legitimate public concern in a dash for shale gas at all costs.

Does the Minister accept that the continued public concern over shale gas extraction might be caused, at least in part, by the Government's refusal to address their legitimate concerns? Does she agree with me that the best approach would be to accept, as they have once before, the amendment that Labour tabled to the Infrastructure Act 2015, which would ensure there was a robust regulatory framework? Without that, people will not have the confidence they need and to which they are entitled. I look forward to the Minister's reply to those concerns and to the crucial questions of many colleagues. There is public concern across the country, as yesterday's events in Lancashire showed. I hope she will address those things directly, so that the public can be fully informed of the issues in this important debate about how we can safely and most cost-effectively meet our energy needs and our climate change commitments.

10.49 am

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): It is a great pleasure to be here today, Mr Howarth. This has been an incredibly valuable and timely debate on the potential of shale gas. My hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) was exactly correct to say that to take advantage of the huge potential offered by shale, we need to get it right, and as the new Minister for energy, I can assure him that making sure we get it right is a key focus for me.

My hon. Friend the Member for South Ribble (Seema Kennedy) mentioned that often, the people who object to shale are called nimbys or luddites, and she is also exactly right. I would never call those with local, very well founded concerns nimbys or luddites. Plenty of people in my constituency have concerns about all manner of things, ranging from HS2 to wind farms, to anaerobic digestion plants. They are not nimbys or luddites, but local communities who need to understand better. My priority will be to reassure them and, yes, to use an element of persuasion. As my hon. Friend the Member for Tiverton and Honiton (Neil Parish) pointed out, we need to take local people with us, so that will be my absolute focus.

Julian Sturdy (York Outer) (Con): The Minister is absolutely right about taking local people with us. The whole debate about fracking is ultimately about trust, as has come out loud and clear in this morning's debate, but sadly, findings of the Government's "Shale Gas: Rural Economy Impacts" report were redacted. That does not fill people with trust, so will she encourage the relevant Minister in the Department for Environment, Food and Rural Affairs to publish that report as soon as possible?

Andrea Leadsom: The report is going to be published. The timing is up to DEFRA, but I share my hon. Friend's concern that it should be made available to the public, so that they can draw their own conclusions.

I want to mention that my hon. Friend the Member for Fylde (Mark Menzies) was keen to speak up for his constituents, but sadly, there was not the time. My hon. Friend the Member for Warrington South (David Mowat) rightly pointed out that keeping the lights on is a key and critical role of Government, and that shale has the potential to contribute to that. We need home-grown energy more than ever before, so we in this Government remain committed to renewables, which now provide 15% of our electricity. We are also committed to energy efficiency and, vitally, to affordability. Shale gas could be a pragmatic, home-grown solution to help meet those needs.

Gas is the cleanest fossil fuel. It still provides a third of our energy demand and we will need it for many years to come. Around 70% of the gas Britain uses is for heating, and many people in businesses will need to keep using gas for heating while we develop and deploy renewable heat sources. We are likely to continue relying on gas to provide much of our heat, as well as to generate electricity into the 2030s, but even with our projected doubling of renewable capacity by 2022 and the planned creation of additional nuclear-fuelled generation in the 2020s, increases in gas-fuelled generation will be needed, as we phase out unabated coal. Flexible electricity generation, such as that fuelled by gas, is also needed to help balance the electricity grid as our policies bring forward relatively inflexible and intermittent low-carbon generation.

We used to be net gas exporters, but that is no longer the case as North sea gas declines. By 2025 we expect to be importing over half the gas we consume. Meanwhile, events around the world show us how volatile energy supplies can be. Developing shale gas could make us less reliant on imports from abroad while providing more jobs and creating a whole new British industry. It is therefore vital that we seize the opportunity to at least explore the UK's shale gas potential while maintaining the very highest safety and environmental standards, which we have established as world leaders in extracting oil and gas over decades.

I fully appreciate, of course, that many people are worried by the stories they have heard about fracking, so I want to address, as a key point in my remarks, the most important and overriding concern of shale gas exploration, which is safety. Reports by the Royal Society, the Royal Academy of Engineering and Public Health England have considered a wide range of evidence on hydraulic fracturing in a UK context, concluding that risks can be well managed if the industry follows best

practice, enforced through regulation. We have one of the world's most developed oil and gas industries in the North sea basin and some of the world's most experienced and highly regarded regulators. We have been successfully regulating the gas and oil industry in the UK for over 50 years. Our regulatory system is robust and we are proven world leaders in well regulated, safe and environmentally sound oil and gas developments. We have strict requirements for on-site safety to prevent water contamination and air pollution and to mitigate seismic activity.

The health and safety and environmental regulators are independent, highly specialised and well trained and will enable the development of shale gas in a safe and environmentally sound manner. Regulators simply will not allow unsafe or environmentally unsound operations. They are able to suspend and revoke permits immediately, and if necessary, impose criminal sanctions, including prosecution.

Mark Menzies: As the Member of Parliament for Fylde, I am very reassured to hear what the Minister is saying. However, will she assure me that as well as the planned inspections, some will be unannounced?

Andrea Leadsom: I can give my hon. Friend that reassurance. It is certainly intended that there will be regular visits from health and safety and Environment Agency staff, and that there will be unannounced visits.

John Mc Nally: Will the Minister give way?

Andrea Leadsom: No, I am sorry. We are really short of time—I apologise.

The Environment Agency assesses the hazards presented by fracking fluid chemicals on a case-by-case basis. They will not permit the use of hazardous chemicals where they may enter groundwater and cause pollution. The Health and Safety Executive scrutinises well design and requires week-by-week written updates on drilling progress. DECC has implemented a thorough system of rigorous checks before any drilling or fracking, as well as a live traffic-light system during the actual operations to ensure that earthquakes will not occur.

To reinforce the regulations further, the Infrastructure Act 2015 introduced a range of further requirements if an operator is to carry out hydraulic fracturing. They include a mandatory environmental impact assessment, which is absolutely vital. There was a misunderstanding that fracking would not require an environmental impact assessment, but that is not the case and DECC has tried to remedy that misunderstanding. Any hydraulic fracturing will require separate independent environmental impact assessments. Additionally, unlike in the United States, in this country disclosure of all chemicals used in the fracking process and 12 months of baseline groundwater monitoring will be required. There will be specific community benefits to be paid and the complete exclusion of protected areas. We already require everything that has been recommended by the European Commission.

To summarise on safety, we have among the best and most experienced regulators in the world and a 50-year track record on safe oil and gas exploration. Our regulatory environment for shale is the toughest in the world, but it is also important to discuss the enormous potential

[*Andrea Leadsom*]

benefits of a successful shale gas industry, not just in energy security, as I have said, but in direct benefits to jobs, growth and community investment.

Ernst and Young has estimated that a thriving shale industry could mean 64,500 jobs nationally or over 100 jobs per year at a typical site. The value of the supply chain for the industry has been estimated at £33 billion between 2016 and 2032. This is an incredible opportunity. We are at a pre-beginning phase, but there is a huge amount to play for. British engineering is at the forefront of the world and we have the opportunity to showcase that further by developing for ourselves a safe and environmentally sound shale gas industry. In November, we announced a new national network of colleges for onshore oil and gas to train the next generation of specialists to help the UK seize those opportunities.

The final, very important, point I want to address is the position of local communities. We believe that every community hosting shale should share in the benefits, so we have committed to setting up a sovereign wealth fund to ensure that revenues are shared fairly. We welcome industry's commitment to putting £100,000 per fractured exploration well to local communities and then a minimum of 1% of any subsequent production revenues. That could be worth as much as £5 million to £10 million over the life cycle of the well. Wider communities will also benefit, as local councils will retain 100% of the business rates that they collect from productive shale gas developments.

I sincerely thank all Members for participating in this debate. It is important that we have the opportunity to discuss such a key issue for our future energy mix. As the UK's Committee on Climate Change said of shale gas in 2013

“the UK will continue to use considerable, albeit declining, amounts of gas well into the 2030s”,

and

“if anything using well-regulated UK shale gas...could lead to lower overall...greenhouse gas emissions than continuing to import” gas.

Question put and agreed to.

Resolved,

That this House has considered shale gas.

Amphill Primary Care (Parking)

10.59 am

Nadine Dorries (Mid Bedfordshire) (Con): I beg to move,

That this House has considered Amphill primary care and parking.

It is a pleasure to bring this debate here under your chairmanship, Mr Howarth. I spend many hours sitting in the Chair that you are in at the moment, so it is a pleasure and delight to be on the other side, representing Amphill residents and GP surgeries. It is also a delight to have this Minister—my friend and constituency neighbour—answering the debate. It is worth putting it on record that he is not only one of the nicest and kindest MPs in Parliament, but someone who is absolutely deserving of his position. It is an honour to present this debate to him.

I would like to begin by discussing Amphill. I hope that I will not disclose anything that I should not here, but my right hon. Friend and I have bumped into each other in my constituency on more than one occasion, not least when he was checking out the new Waitrose store opposite the area that I am about to discuss. I would like to set the scene by talking about the Amphill surgeries and the problem we have, before I go on to some of the finer points.

Just off Oliver Street in Amphill is about an acre of land, on which sit three GP surgeries, a fire station and a nursery and playschool. It is an incredibly busy area. Unfortunately, only a few months ago, for reasons that I do not fully understand, a car left one of the car park places and went through the windows of the GP surgery into the waiting room. There is a constant feeling of panic, anger and fear in the car parks. I myself have witnessed on a number of occasions cars not only mounting the kerbs, but mounting the kerbs—it is a very narrow kerb; there is limited kerb—where elderly people are walking. I was myself the subject of a road rage attack at the GP practice just a few months ago. There is nowhere for people to park when they visit the doctor, so people become very distressed. Many drive away, which leaves the GP appointments unfulfilled. Many just abandon their cars to get into the doctor's practice, which causes chaos. Many people become very stressed and agitated, and start shouting not only at the receptionist, whose fault it is not that there are no car parking spaces, but at each other out in the car park.

At 9 o'clock in the morning, there is a stream of cars arriving to drop children off at the nursery and playschool. Around the outside of this area of land are the doctors' practices, with their allocated car parking, but in the middle of this very congested area is the shabby prefabricated building that is the playschool. A constant stream of traffic is coming in to drop children off and going out again, leaving people with appointments from 9 am in a desperate state as they try to get to the surgery.

During the general election campaign, I was visiting my doctor's surgery with a member of my family. I could not park, so I dropped my mother off to go in and was hovering around trying to get a place when a couple knocked on my car window and begged me to do something about the car parking. Then I was driving along and someone else did exactly the same thing. The fact is that I had already tried to do something. I had

brought the situation to the attention of the local Central Bedfordshire Council. I set up a petition in the GP surgeries and was astonished that within no time thousands of people had signed the petition, which I will present to Parliament. People are desperately concerned that something very serious is about to happen in that car park area.

I ask the Minister whether, as part of the solution that I will come to, he will come with me to see the area so that he can understand what I am talking about, because I think it has to be seen to be understood. It has to be seen to be believed—how bad it is. He could talk to some of the reception staff, who are on the end of patients' anger, upset and stress and have to answer to the doctors as to why people cannot get in for their appointments or blood tests—because they simply cannot get out of their cars.

The situation is exacerbated because the doctors' surgeries in Amphill are so good. The doctors are excellent; the reception staff are too. We all know the gatekeepers from hell who usually have those jobs in a doctor's surgery. We do not have that in Amphill surgeries; we have compassionate, understanding and extremely helpful staff in those surgeries. I think it would be good for the Minister to meet those staff and hear their story as well, because I will need his support to find a solution.

In their wisdom, SEPT—South Essex Partnership University NHS Foundation Trust—decided earlier this year to reallocate 20 district nurses to this incredibly congested area, so that it would be used as a base by those nurses, with their cars, even though there was nowhere for them to go. So an already very tense situation was made 20 times worse by 20 more cars turning up daily in the area. People are already afraid and an accident has already occurred, so for that to happen as well is exasperating for everyone concerned, staff and patients alike.

Some action has to happen, and soon. The status quo is not acceptable. I wanted this debate today because I wanted to put this on the record. I want it on the record, if something does occur in this area, that the problem had been noticed and people had been notified and that, on behalf of the doctors, staff and patients, I, Central Bedfordshire Council and others were trying to reach a solution to ensure that something did not occur.

There are a number of options. I will describe what would be the best scenario for this area, because the GP practices are not in the best condition. They are in shoddily erected, prefabricated buildings. People will know the kind of thing I am talking about; when a town is growing, infrastructure is hastily put in place. They are not the best facilities. The ideal solution would be for us to have a polyclinic—a new, purpose-built facility. We could amalgamate the three surgeries and have one new facility that provides enhanced services compared with what we have now. A number of patients, such as those needing INR—international normalised ratio—testing and other testing, have to travel to Bedford for services that, in this day and age, should be available at their GP practice.

The ideal solution would be a brand-new, off-site, purpose-built GP practice. That is what I would like to push for, because it is what Amphill needs, and it needs it because it is growing. New houses are being built. It is a very popular, central destination in Mid Bedfordshire.

It is very close to Flitwick train station. Interestingly, the patients who attend Amphill surgeries come from areas in a 20-mile radius. They come from as far away as Wootton, Toddington, Flitwick and Barton-le-Clay. Patients from all over the area attend Amphill surgeries. In fact, one of the people who are leading the campaign and part of the patient representative group is a patient who lives in Wootton. Because of the excellence of the GP practices, they attract patients from a wide area. The ideal scenario is for us to recognise what a good GP, primary care situation we have there, and to take that and move it to a purpose-built building.

Another scenario would be to demolish the shabby prefabricated building that is the playschool and move the playschool somewhere within Amphill where there is not the constant congestion and traffic fumes all day long around the facility or the enhanced danger that comes from such dense traffic going in and out of the area. That is another solution—to move the children away. There are buildings in Amphill that could be used in any of those situations.

The solutions are not easy, but no solution ever is. I have found, as an MP and in other aspects of life, that whenever anyone proposes an obvious solution to a problem, someone will always come along with 100 reasons why it cannot happen. Too often, people who would otherwise be required to put a great deal of imagination and effort into finding a solution simply say, "We can't do that." We must dispense with the words "We can't do that, because" and look for ways we can do this. We need to come up with imaginative proposals, knock down a few barriers, chuck a few of the excuses out of the window and find a solution. I am concerned about the fact that too many people are treading water. Instead of meeting their responsibility to find a solution, they are finding excuses for continuing with the current untenable situation.

If anybody suggests as a reason for inaction that there is no popular support, I have a petition with the signatures of thousands of people, all of whom expect action. Amphill residents expect something to happen. There has been extensive new development in Amphill, from Fallowfield to Amphill Heights, but most of the section 106 money from those developments went into education. I do not decry that fact; I simply point out that in Amphill not everybody has children, but everybody needs to use the NHS facilities. The elderly do not have young children, but they are some of the biggest users of NHS surgeries. The GP receptionist told me that many people ask for late evening appointments so that they can avoid the pre-school traffic, because they think that parking will be less congested. Unfortunately, the situation is quite bad at that time of night, because that is when everybody comes out of work and wants a GP appointment.

The local feeling is that we need to find a solution, and a polyclinic would be an ideal one. More than anything, however, we need money. I know that NHS England has money from section 106 allocations that belongs to Amphill residents. That money is sitting in NHS England. I am not sure exactly how much it is, but I have been told various amounts, from £8,000 upwards. It belongs in Amphill, and it should be spent on primary care in Amphill. There is no better cause to spend it on than the parking situation at the Amphill surgeries.

[*Nadine Dorries*]

Other people have to come to the table, including Central Bedfordshire Council and the GP practices. As fundholders, they should bring their allocation. The whole thing should not rest on the shoulders of the GP practices, Central Bedfordshire Council or NHS England, however; we need partnership working to find a solution. I have asked my right hon. Friend the Minister whether he would come and visit the surgery. What I would prefer is a meeting, with him, the fundholders, Central Bedfordshire Council and NHS England, and me, so that we can all work together to thrash out the solution we need for Amphill, to make visiting the GP practice—something that nobody ever does willingly or happily—a less stressful, tense and sometimes turbulent affair. We must do that soon. I hope my right hon. Friend will agree to that, and I hope he agrees with me that it is a good way forward.

I also hope that my right hon. Friend might have some ideas of his own, and that he might be able to bring to the table something that will reassure the fundholders, the patients, the doctors, the receptionists and the councillors. I pay tribute to the councillors in Amphill, who have done their bit to try to sort out the problems. I spoke to Mike Blair and Paul Duckett about the matter only recently, and I know that they have tried to do their bit, but they keep meeting a brick wall of: “We can’t do this, because—”. I hope the Minister will help me to bash down that brick wall and find a solution, so that we can work in partnership to resolve this difficult situation. Let us hope that if we do that, we can prevent a tragic and disastrous scenario of the sort that may result if we tread water for much longer.

11.15 am

The Minister for Community and Social Care (Alistair Burt): It is a great pleasure to serve under your chairmanship, Mr Howarth. Some years ago, I canvassed for the Conservative party in your by-election. I have many happy memories of that time, not least because I had the opportunity to meet regularly almost all the Conservative voters in the constituency, none of whom prevented you from being here.

I thank my hon. Friend the Member for Mid Bedfordshire (Nadine Dorries) warmly for her kind remarks, and I congratulate her on securing this important debate. She was right about a number of things, including my knowledge of Amphill, where I have indeed bumped into her. She has been an excellent colleague and partner in a variety of matters that affect Bedfordshire, and our two constituencies abut each other. I know Amphill well because I regularly run in the park and use the tidy tip. The significance of that is that the main street to the tidy tip from my home in Wootton is, of course, Oliver Street, so I know it extremely well. In the world of the future, new technology will make it possible for viewers of our debates to see maps of areas that we are discussing. It would be easy to project a map into a televised debate such as this. However, as we are in a Chamber full of words rather than pictures, I can merely allude to that idea.

My hon. Friend is absolutely correct in her description of Oliver Street. It is a tight street, which is closely parked. Whichever direction they travel along the street,

drivers will at some stage have to stop behind parked cars and allow traffic from the other direction to pass. In the area surrounding the surgeries, there is a cluster of buildings and some car parking arrangements that my hon. Friend has described well. I emphasise that I know the street well, and I shall be happy to respond later to her comments on the car parking problems.

I shall start by talking about GP services. My hon. Friend referred in a recent blog post to the growth taking place in Amphill. She has described the primary care group as “the Cinderella of Amphill” and said that it has had none of the recent investment or money associated with that growth. I want to address the issue of GP care being a Cinderella service and the question of investment in Amphill. I pay a particularly warm tribute to all who work in primary care, not least in Amphill, and in general practice: the GPs, the practice nurses and all others who work for patients. Primary care is the bedrock of the NHS, and although we are all familiar with what happens in hospitals, too often we seem to take for granted the service that patients receive from primary care.

My hon. Friend spoke about primary care in the widest sense, and I echo that. Primary care is much wider than general practice; it is all the day-to-day healthcare provided by healthcare professionals, and thus it includes such professions as district nurses, pharmacies, dentists and other ancillary occupations. Accordingly, as my hon. Friend has said, the trend is for the expansion of primary care facilities to be more than simply GP surgeries, and the Government have recognised that. Recently, in his first speech about general practice during this Government, my right hon. Friend the Secretary of State reaffirmed the Government’s commitment to the primary care infrastructure fund. That is a fund of about £750 million spread over the next four years, which offers practices the opportunity to seek investment in premises for development and the like. Such investment is sought by way of a competitive bid, and that is being taken forward in various waves. If the practices involved have not put in a bid, it is a matter for them. Clearly, £750 million spread across the country will not solve everyone’s problems, but it recognises the need for some practices to seek to grow and for their premises to have the sorts of ancillary functions that we will all start to take for granted as, hopefully, fewer people go to acute hospitals for treatment that can be carried out elsewhere. The modern practices of the future will do that.

Easy access has to be part of that future. There is no point in seeking to do minor ops at the various ancillary services provided in the community if people cannot park. My hon. Friend spoke about the wide range of places from which these practices draw their patients. Amphill has a population of about 6,000, but the practices have a total of some 20,000 patients, so the majority of those patients will clearly not be walking but coming by car. It is therefore necessary to ensure that adequate facilities are available. Ensuring adequate parking will be important for the premises of the future.

Primary care probably has the widest scope in healthcare, and it includes patients of all ages, from every socioeconomic and geographic origin and with all manner of acute and chronic physical, mental and social health issues, including multiple chronic diseases. Consequently, a primary care practitioner must possess a wide breadth of knowledge

in many areas. Some 90% of all NHS patient contacts take place in general practice, which is why it is important to ensure that modern general practices, and the practices described by my hon. Friend, have everything they require. What many of us think of first when we think about the primary care profession in this country over recent years is that it has developed a wide skill base and body of knowledge. GPs provide a complete spectrum of care within their local community for problems that combine physical, psychological and social components. They attend patients in surgery and primary care emergency centres, if clinically necessary, and they visit patients' homes. GPs must be aware and take account of all factors when looking after patients.

In his recent speech, the Secretary of State made it clear that he recognises that GPs need to call on an extensive knowledge of medical conditions to be able to assess a problem and decide on the appropriate course of action. They must know how and when to intervene through treatment, prevention and education to promote the health of patients and their families. Recently, the Commonwealth Fund, an independent institute based in the United States, declared that the NHS is the best healthcare system in the world. Although many people assume that to be because of our acute hospital care, the bedrock for the research on which that determination was based turned out to be family care and general practice, which is a further reason for addressing the needs of general practice—in the widest possible sense, from availability to ease of access—as my hon. Friend has done.

Most GPs are independent contractors to the NHS. That independence means that, in most cases, they are responsible for providing adequate premises from which to practise and for employing their own staff. As we have heard from my hon. Friend, GPs are determined to do the right thing in relation to parking. It is noticeable that the three surgeries that serve Amphill's population of 6,000, and patients from the wider area, are located within yards of each other in the middle of town. There is already parking for staff and patients, and there is a bus service with a bus stop nearby. Oliver Street is a main through-route in Amphill. It is busy and narrow, and the presence of a fire station, an ambulance station, a nursery and a school in the vicinity all contribute to heavy traffic, particularly at certain times of the day.

Nadine Dorries: I missed out a point that I want to put on the record. A fire engine was recently prevented from leaving the fire station because of congestion caused by cars coming in and out of the pre-school off Oliver Street, which is near the practices. A fire engine being trapped and unable to leave a fire station owing to traffic density is not good.

Alistair Burt: There are things that we are able to do and things that we are not able to do. The general traffic issues in the town are, of course, a matter for other authorities beyond the Department of Health, but my hon. Friend makes a perfectly fair point.

In the Houghton Close area, there is pressure on parking for both practice staff and patients. GP practices, as independent contractors, are responsible for providing adequate premises and for employing their own staff. In passing, I want to say a word about the way in which such practices look after their patients, which is entirely

relevant. Good things are happening in primary care and in Amphill. The key test of that is the GP patient survey, which gives patients a chance to comment on the performance of the practice where they are registered. Patients say that the three Amphill practices—the Oliver Street, Houghton Close and Greensand surgeries—have a good story to tell. Overall, across all measures, the three practices are averaging around 90% satisfaction. Most of us would love to have that degree of satisfaction, although, Mr Howarth, you have that in your constituency, as indeed does my hon. Friend. No score of the practices is below 84%, and the scores are much higher in many domains. For example, all of Greensand's scores are 90% or above, with 96% reporting satisfaction with their overall experience of the surgery. It is therefore clear that today's debate concerns what patients agree are good, all-round, high-performing practices. While addressing their needs, I congratulate each practice on its commitment to providing the best service to patients, of which, to a degree, the subject of this debate is an element.

There is pressure on parking in the Amphill area, which is why there have been recent moves, encouraged by my hon. Friend, to consider what can be done about it. In matters such as land purchases that affect the public sector, it is often advisable to take advice from the district valuer. The Amphill practices have had discussions with the town council about purchasing a grassed area next to the fire station which they hope to convert to additional parking. NHS England is prepared to contribute part of the cost. However, the decision on whether to buy or sell the land is not for me or anyone in Whitehall; it properly belongs to the prospective purchasers and the landowners.

The town council has made a request to NHS England to fund the purchase and set up a car park to increase parking capacity in the area. The land, once purchased, would not be for the sole use of the practices but would be open to all users. The estimated cost of the land is between £8,000 and £9,000. NHS England has agreed to fund some 25% of the cost, which is believed to be a fair portion of the practices' proposed usage of the area, with no commitment to recurring costs. NHS England was also asked to provide funding for maintenance of the parking facility. Although NHS England is prepared to contribute to the purchase cost, it is not prepared to fund the maintenance costs because it will not be the dominant or exclusive user.

My hon. Friend made a fair point about the recent addition of some 20 practice nurses in the practices at the request of NHS England, which carries a certain amount of obligation. I therefore hope that we will be able to go back and see what more can be done. In February 2015 the town council's planning committee considered the matter and advised the practices to discuss it directly with the fire service's landowners. I will therefore encourage the continuation of that process. We have discussed the matter further with NHS England, which is prepared to think again about the costs involved. Following this debate and the representations we have made, the way is open for my hon. Friend to further discuss the situation directly with NHS England, the town council and Central Bedfordshire Council. I am grateful for the advice of the leader of Central Bedfordshire Council, James Jamieson, to whom I spoke last night. I am pleased to accept the invitation to visit the area

[*Alistair Burt*]

more formally, which will give me a great opportunity to speak to the practices involved, to see the situation on the ground and to consider whether there is anything further we can do.

Although this matter is not fundamentally the responsibility of the Department of Health, I acknowledge our interest in ensuring that these practices have what they need to provide what is obviously an excellent service to constituents, to consider the opportunity for purchasing proper parking facilities and to help and liaise in some of the discussions that will take place under other people's auspices. Finally, I will have a chance to see the situation on the ground, rather than passing through on the way to the tidy tip or another run in glorious Ampthill Park.

I thank my hon. Friend for bringing this matter to the House today. Thank you for your chairmanship, Mr Howarth.

Question put and agreed to.

11.29 am

Sitting suspended.

Human Rights Act

[*MR CLIVE BETTS in the Chair*]

2.40 pm

Mr Alistair Carmichael (Orkney and Shetland) (LD): I beg to move,

That this House has considered the future of the Human Rights Act 1998.

I am delighted to welcome you to the Chair, Mr Betts, and to see that we have a healthy turnout of Members and non-Members here today. I am grateful to the organisations that provided briefings ahead of today's debate. I should particularly like to place on the record my appreciation of the efforts of Liberty, Amnesty International, and the Equality and Human Rights Commission.

The Gracious Speech included a commitment by Her Majesty's Government to introduce proposals for a British Bill of Rights. I was pleased that it was framed in such terms for two reasons. First, it is still apparently the policy of Her Majesty's Government that it should be approached at least on a British, if not UK-wide, basis. Secondly, I was pleased that they are seeking to bring forward proposals and not, as in respect of other commitments in the Gracious Speech, legislation. I take it from that that we are in a place where there is still a debate to be had and where thinking is still going on within government, and I welcome that. I hope that today's debate is an early part of the debate that will be conducted elsewhere, within the Chamber and the Select Committees in this House and the other place, and even within the various all-party groups. I also hope that this debate will, as befits a subject of this magnitude, be conducted in a thoughtful way and one that accepts good faith and differences on all sides.

The Minister has a significant background in the area of human rights and I do not question his good faith in this matter. I would probably disagree with him both on the definition of the rights and also on the way in which they might be perfected, but I certainly accept his background and his good faith. I hope that the debate in government will not take as its starting point the paper published last year by the former Lord Chancellor, the right hon. Member for Epsom and Ewell (Chris Grayling), which was entitled "British Bill of Rights and Responsibilities".

The right hon. and learned Member for Beaconsfield (Mr Grieve), whom I am pleased to see in his place today, said that that paper contained a number of howlers which are quite simply factually inaccurate. Those who have known the right hon. and learned Gentleman for as long as I have will know that for him such language borders on the intemperate. Those within government who are considering how to proceed in this way would do well to listen to his words. I expressed that view at the time as a Cabinet Minister. I felt that that contribution to the debate failed to take proper account of the way in which the Human Rights Act had become part of the constitutional architecture of the United Kingdom.

The right hon. and learned Member for Beaconsfield also asked the question that goes to the nub of the issue: what are we seeking to achieve here? Having seen recent

pronouncements within government, that remains the question. To answer that question, however, we first need an answer to a much more fundamental question: what is the Government's intention in relation to the European convention on human rights? Is it that we should remain party to the convention, or will the Government at some future stage, if they are unable to achieve their stated aims, countenance withdrawal from it?

It is worth reminding ourselves of exactly what the Human Rights Act does and the change that it wrought after its implementation. In a dry legal sense, it allows access to convention rights through our domestic courts. Section 2 of the Act says that in reaching judgment our UK domestic courts must take account of the European Court of Human Rights judgments. Whether this was to be extended to make it a binding precedent was considered in the other place during the passage of the Bill and was expressly excluded, so I think the ambit and the extent of the operation of section 2 is an important part that is often misunderstood or just ignored.

The Human Rights Act has brought much more than dry jurisprudence to our legal system and to our constituents. It has offered many of our fellow citizens a basic, fundamental right to respect and dignity in their dealings with government and other public bodies. To take a few instances, it has allowed people with mental health problems the opportunity to retain some rights and some control over their own lives when dealing with the national health service; it has allowed victims of crime to insist on proper investigation of the crimes from which they have suffered; and it has allowed families to be kept together in circumstances in which the operation of the state might otherwise have kept them apart. At its most basic, it has in one instance ensured the right to life. In one case that was offered by way of a working example, a patient suffering from dementia was on a ward where he had been subject to a "do not resuscitate" order. On investigation, it was found that the doctor in charge of the ward had imposed such an order in respect of everybody on the ward without discrimination. At its most fundamental, the Human Rights Act protected the patient's right to life.

I suspect that such cases are the easy cases. If we dealt only with the easy cases, we probably would not be here today. There is no denying that the application of the Human Rights Act has produced a number of controversial cases. The cases of Abu Qatada and those relating to the right of prisoners to vote are two that spring most readily to mind. This goes to the heart of the matter for me. Human rights are not just there for the nice people. If we are to defend human rights in a meaningful and worthwhile way, we have to be prepared to defend the rights of the unworthy individual from a legitimate authority, or the right of an unpopular minority against the popular majority. Perhaps I should declare an interest: as a Liberal Democrat, I know what it is to be part of an unpopular minority.

For such reasons, the Human Rights Act is inevitably going to be unpopular in government, because it stops Ministers doing what they might otherwise wish to do and what they might otherwise find it expedient to do. That is why, if the protections are to be meaningful, they must be overseen by the judiciary, and not by Parliament or by the Executive, who are insulated from

the mood of public opinion at any given time. That brings us back to the question posed by the right hon. and learned Member for Beaconsfield: what are we hoping to achieve here? In truth, the Abu Qatada case and the right of prisoners to vote are cases that, before the Human Rights Act, would have got to Strasbourg. Those are exactly the sorts of cases that we saw going from this country over the years.

The question that then arises is if we are trying to get round these cases by somehow seeking to repatriate jurisdiction, what does that mean for the United Kingdom's future as a contracting party to the European convention on human rights? When the Minister responds to the debate, I hope he will answer this question: what is the Government's position in relation to our continued future as a contracting party to the convention on human rights? Are there circumstances in which the Government would be prepared to leave the convention? Doing so would put us in rather select company: it would be us and Belarus, and that is not the company I envisaged the United Kingdom finding itself in. In previous Parliaments, I worked with Amnesty International and other organisations on the worldwide abolition of the death penalty. I campaigned with various groups in the United States, South Korea, Japan and elsewhere. The UK has tremendous standing on human rights across the world. We would lose a lot if we walked away from the convention and put ourselves in the company of Belarus. We should be doing what we can to bring Belarus within the convention; we should not be seeking to join it outside.

I want briefly to consider the constitutional architecture of which the Human Rights Act is now such an important part. For example, it is hardwired into the devolution settlements in Scotland, Wales and Northern Ireland.

Fiona Mactaggart (Slough) (Lab): Before the hon. Gentleman gets to that issue, he has just been dealing with UK jurisdiction delivered by the 1998 Act. Is he aware of the appalling delays that existed before the Human Rights Act? For example, in the case of Abdulaziz, Balkandali and Cabales, which I was involved in when director of the Joint Council for the Welfare of Immigrants, women were separated from their husbands for seven years before getting a judgment that proved that the then British immigration rules breached their human rights.

Mr Carmichael: Indeed; the time it took to get such cases to court—and the need to have the means to do so—was a glaring injustice, and that situation was affected by the introduction of the Human Rights Act. People needed money, or somebody behind them with the means, to get access to human rights. We should not return to that.

On the devolution settlements, the Scottish Parliament and the Welsh Assembly both have the Human Rights Act hardwired into them: their Acts must be compatible with it. It has already been established that if this is to change, at least for the Scottish Parliament a legislative consent motion would be required in accordance with the Sewel convention. Given recent votes in that Parliament, I do not see how that is going to happen.

[Mr Alistair Carmichael]

The situation in Northern Ireland is even more acute, because there the Human Rights Act is the subject of part of the Good Friday agreement. The second part of the “Rights, Safeguards and Equality of Opportunity” section of the agreement states:

“The British Government will complete incorporation into Northern Ireland law of the European Convention on Human Rights (ECHR), with direct access to the courts, and remedies for breach of the Convention, including power for the courts to overrule Assembly legislation on grounds of inconsistency.”

The creation of the Police Service of Northern Ireland and the body overseeing it, the Northern Ireland Policing Board, have given effect to that.

Ms Margaret Ritchie (South Down) (SDLP): The right hon. Gentleman makes compelling points about the need for the Human Rights Act to be retained. In relation to the devolved settlement in Northern Ireland, the Good Friday agreement was enshrined in the Northern Ireland Act 1998, with a direct coincidence of human rights provisions. Is the right hon. Gentleman aware that the Northern Ireland Committee on the Administration of Justice recently stated unequivocally that any breach of human rights legislation, or any plan to withdraw it, would be a breach of the provisions of the Good Friday agreement and of the Northern Ireland Act 1998?

Mr Carmichael: Indeed. That illustrates perfectly what I say about the Human Rights Act being hardwired into these agreements, including that settlement. Underpinning that, we should remember that many parties on both sides—in both communities—in Northern Ireland took a massive leap of faith when entering into the Good Friday agreement in the first place. Many of them were prepared to take that leap of faith because of the assurances given by the Government about protecting human rights. Let us not forget that the roots of the civil rights movement are to be found in that conflict; for many people, human rights have always been at the heart of that movement. We should also not forget that the peace process remains a very delicate animal, as was made apparent just before Christmas. We should never take its continuation for granted.

Let me return to the question: what are we seeking to achieve here? If there is a risk to the stability and sustainability of the Northern Ireland peace process, is it worth it? Either there is a UK Bill of Rights with the widest possible operation or we will end up with different standards of human rights protection applying in different parts of this—I use the term advisedly—United Kingdom. That is not what my party, and other parties represented in this Chamber, campaigned for last September. Human rights protection should be uniform across the whole United Kingdom.

I fear that in introducing this proposal the Government have created more problems for themselves than they have realised. I offer the Minister one piece of assistance before I conclude. My learned noble friend Lord Lester of Herne Hill recently delivered a lecture entitled “Do we need a new Magna Carta?” in which he spoke about how human rights can be protected by a British Bill of Rights. I will happily send the Minister a copy, if he needs it.

If we are to move beyond the Human Rights Act, it can only be done in a way that improves, not diminishes, the protection that is available to our citizens.

Mr Clive Betts (in the Chair): We are going to struggle for time, so I am putting a five-minute time limit on speeches. I hope that everyone keeps to that, or makes shorter speeches if they can, to help us through.

2.57 pm

Mr Dominic Grieve (Beaconsfield) (Con): It is a great pleasure to follow the right hon. Member for Orkney and Shetland (Mr Carmichael), whom I congratulate on securing the debate.

I will not repeat points made by the right hon. Gentleman, particularly his survey of the benefits of incorporating the European convention into our own law through the Human Rights Act. I will concentrate on what I understand the broad thrust of the Government’s proposals to be, because only by doing that can one start a proper analysis of whether benefits might flow from the proposals that outweigh some of the costs—particularly the costs he identified of problems relating to the devolved institutions and Governments—that are undoubtedly present.

It is worth bearing in mind, of course, that there was talk before we created the Human Rights Act of a British Bill of Rights, which was much trawled over by the Labour party and the Liberal Democrats during the early 1990s. The project was not pursued because there was a realisation, as time went by, that it was a highly controversial proposal that inevitably sought to bring into one place all sorts of suggestions about rights that might be included in it. Indeed, it is noticeable that as a result of the renewal of this debate, prompted by the Government’s approach, lots of interesting papers are being produced on the possibility of having a Bill of Rights—I was reading one the day by Geoffrey Robertson QC—not all of which are likely to commend themselves to the Secretary of State for Justice, because of their content.

It was because of that realisation that the then Labour Government in 1998 adopted what was in many ways a very conservative—with a small “c”—proposal in respect of simply bringing about incorporation and preserving the principle of parliamentary sovereignty, tweaking the text in one place to emphasise that, where there was competition between freedom of expression and anything else, freedom of expression should be given a high priority; but otherwise simply allowing the law, through the convention’s incorporation, to be interpreted in our courts. I have to say that I entirely agree with what the right hon. Member for Orkney and Shetland said. While there are areas where I have criticisms—I think they are well known—broadly speaking, I think the Act has conferred huge benefits on this country in terms of the accessibility of rights.

It is right that the proposals remain opaque. I do not criticise the Government for that; in so far as they are going away from the proposals published in October, that seems to show a high level of common sense. The question then still arises: what benefits will we get from having a Bill of Rights? I accept that if we wish to have a Bill of Rights that includes rights not protected by the European convention on human rights, such as the

right to trial by jury or some practices that might be different in different parts of the United Kingdom, there might be some merit in it; but as long as we remain adherent to the convention, the wriggle room for the Government regarding the convention and its text will be extremely limited—so limited that the ideas prevalent in the *Daily Mail* that the Bill of Rights would lead to some seismic change in the diminution of rights is simply misleading. We are on dangerous ground indeed if we start to peddle that as a notion to those who seem to be infuriated by the existing rights we have at present.

I was greatly reassured by the Prime Minister's comments that he had no intention of pulling out of the convention. It would be so contrary to every Conservative philosophical principle of building an international regime for the rule of law and the promotion of rights that I cannot conceive of any mainstream political party embarking on such a course. I was delighted when he confirmed that recently, and I think the Minister may be able to confirm it again this afternoon.

Where does that leave us? The answer is that it leaves us embarking on a project that I am happy to help the Minister with, but one that I think will prove in reality to be extremely difficult, for the reasons given by the right hon. Member for Orkney and Shetland, and that, at the end of the day, will deliver extremely limited benefits—indeed, so limited that I begin to wonder whether the project is worth pursuing at all.

With those thoughts in mind—I keep them general at the moment—I simply wish to assure the Minister that I am more than happy to continue to engage with him and others from the Department in which he serves on this issue. I have all sorts of ideas that I am happy to put forward, but it is important that we get some idea at the outset of what we are trying to achieve. Without that, we are in serious danger of taking a wrong turn.

3.2 pm

Jeremy Corbyn (Islington North) (Lab): I commend the right hon. Member for Orkney and Shetland (Mr Carmichael) on securing this debate. It is timely and important, and I concur with all the points made by the right hon. and learned Member for Beaconsfield (Mr Grieve) on how we approach this subject. We have to be aware that we are all concerned about human rights. Some of us have spent a great deal of time trying to defend the human rights of the most vulnerable people in this country and other parts of the world. I regularly attend the UN Human Rights Council, for example, and see the importance there of having a forum where those rights can be defended, difficult though it may be. It at least gives the rest of the world an opportunity to say to an authoritarian Government, “You are in breach of the universal declaration of human rights of 1948, and there will be consequences if you persist.”

The European convention on human rights, which was drafted by the Tory Sir David Maxwell Fyfe, gives serious levels of protection to an awful lot of people—the right to family life and a number of other things which are frequently quoted against it in relation to immigration law and other matters. I urge those who decided to go down a tabloid road of saying, “All that matters is to get rid of the controversial Human Rights Act,” to be

specific about what they want and what they mean by that. It seems to me that the agenda behind it is to walk away from the convention on the basis that it somehow interferes with our laws and rights. Well, at one level, any time any Government or Parliament anywhere signs a treaty, of course to some extent it reduces their powers and their unfettered ability to do something. That is the whole point of a treaty. By signing up to a convention that covers the whole of Europe, it means that we support a basic level of human rights for people across Europe.

Alex Chalk (Cheltenham) (Con): Is it not important to draw a distinction between the convention and section 2 of the Human Rights Act? The point made about the Human Rights Act is that it incorporates the convention into English law. There were convention rights in the United Kingdom and in particular in England before the Human Rights Act. Section 2, which requires that the courts “must take into account” the acts of convention bodies, could be repealed without coming out of the convention. It is important to draw that distinction.

Jeremy Corbyn: That is an interesting point, but I am not sure the hon. Gentleman is correct. My right hon. Friend the Member for Tooting (Sadiq Khan) is about to correct me to correct him.

Sadiq Khan (Tooting) (Lab): To clarify the apparent misunderstanding among Government Members, section 2 of the Human Rights Act is quite clear. The former Attorney General, the right hon. and learned Member for Beaconsfield (Mr Grieve), was careful to remind the House of the careful steps that the Government went through before 2000. Section 2 says that UK courts and tribunals should take account of Strasbourg case law. It is not that they have to do so; it is possible for a UK court to consider and then ignore the jurisprudence. The understanding is that it is about taking account of, rather than blindly following the jurisprudence.

Jeremy Corbyn: It says “take into account”, and that is what it means. In forming the judgment, the court “must take into account” the convention. The court might decide—it sometimes does—

Alex Chalk *indicated dissent.*

Jeremy Corbyn: Shake your head as much as you like, you will still have your head on your body.

Mr Clive Betts (in the Chair): Order. My head and my body are not a subject of discussion at this stage, so the words “you” and “your” are not appropriate.

Jeremy Corbyn: Thank you, Mr Betts. May we get back to the question of the Human Rights Act and what it says? It incorporates the convention into British law and requires courts to take account of the contents of the convention and the rights within it. The Conservative party's love affair with the tabloids before the last election was all about walking away from this controversial thing because it interfered with British law. Interestingly, the Government, in the person of the Foreign Secretary, now say that we will not leave the convention, but that we might not operate within the purview of the European Court of Human Rights in the future. I am not sure

[Jeremy Corbyn]

how those two things can be put together. The Foreign Secretary said he will restore rights to British courts, but the rights of British courts have never actually been taken away; they have been asked to take into account an important convention.

The politics are simple. If Britain withdraws from the European convention on human rights and sets up a British Bill of Rights that is outwith that convention and may have all kinds of things within it—good, bad, indifferent, appalling or wonderful—it sends a message to every other country in Europe. Those countries thinking about withdrawing from the European convention because they have been criticised for their treatment of Travellers, for their treatment of gay, lesbian or transgender people, for suppressing popular protest or for closing down internet sites and suppressing newspapers would be a little bit happier if one country withdrew. If Britain—one of the original authors of the document—withdraws, I suspect that many others will withdraw, and the human rights of the whole continent will be significantly damaged as a result. I urge the Government to think carefully about this issue before they go any further.

The Prime Minister was quick to quote Magna Carta, but then bizarrely went to Runnymede to make a speech saying, in a sense, that he would ignore Magna Carta and withdraw from the European convention. He did not seem to realise that most of Magna Carta has been overturned by subsequent legislation anyway, and I think it is only the section on the right to trial by jury that remains. There was also a fundamental misunderstanding about Magna Carta defending the rights of free people. Unfortunately, the statutes of the time defined free people as those who had been given their freedom by the King. The vast majority of the population—the peasantry—was not given any rights at all.

In St Stephen's, there is a wonderful painting of King John reluctantly putting his seal to Magna Carta. All the barons are saying, "Do it," but a peasant is lying on the ground saying, "There is nothing in this for me. This is between the barons and the King." The principles set out in Magna Carta—I would urge people to visit the Magna Carta exhibition at the British Library—descended through the law in many other ways, on the basis that irrational Government should be held to account for what they do and that everybody should be given rights to stand up for what they believe in, with the rest of society being required to allow them to do so.

I do not know what will be in this British Bill of Rights, if it comes about, but I am pretty horrified by the mood music surrounding it, which is about damaging our civil liberties and rights.

Sadiq Khan: Does my hon. Friend agree that, just as judges often made decisions that did not please all the tabloid media before the Human Rights Act was passed, it is possible that judges will make decisions that some newspapers do not find to their liking even after a Conservative Bill of Rights has been introduced?

Jeremy Corbyn: It is part of the balance in our constitutional process that Parliament is independent of the Executive and that the judiciary is independent of Parliament. Sometimes, the judiciary makes perverse

decisions, and sometimes its decisions upset Ministers and lots of other people. That is the point of having an independent judicial system and of referring to the basic principles in the European convention on human rights—the right to assembly, the right to free speech, the right to know and the right not to be discriminated against.

I urge the Government not to go down this road, but to accept that the contribution made in the aftermath of the horrors of the second world war by the European convention on human rights and the wonderful document that is the universal declaration of human rights, with the work that Eleanor Roosevelt put into it, is part of a narrative of giving rights to everybody around the world, whatever their station. If this country, which prides itself on being the longest continuous democracy and having the longest lasting parliamentary system of government and judicial system, walks away from the European convention, every dictator and every person who is annoyed by international conventions will be a bit happier, and it will be a sad day for those who are standing up bravely for human rights against the most oppressive regimes in the world. Please don't do it!

3.11 pm

Robert Neill (Bromley and Chislehurst) (Con): It is a pleasure to serve under your chairmanship, Mr Betts. I welcome the Minister to his place in what is the Justice Department's first debate in Westminster Hall.

At the risk of offending both sides, may I suggest that we need to be a bit less theological? I have much sympathy for the points made by the right hon. Member for Orkney and Shetland (Mr Carmichael) in opening the debate, and by my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve), who is a distinguished lawyer. However, I suspect that the truth is somewhere in the middle.

There were human rights protections before the Human Rights Act came into force. The United Kingdom was a signatory to the European convention, and it is worth observing that although Sir David Maxwell Fyfe, in his subsequent career, was not noted for being on the liberal wing of the Conservative party, he none the less thought that the convention was a good and desirable thing. There were protections in the convention that the British courts took account of. It is fair to say that there were also sometimes practical issues about access and implementation, and we should not lose sight of that. The thought, therefore, that the Human Rights Act is a sort of holy grail is probably misleading, and we should not be afraid to think of looking at it again and reforming it. Equally, we should not assume that the convention is a permanent intrusion on the rights of British courts, because that would be wrong too. Let us try to find a way through the middle.

I serve on the Council of Europe's Parliamentary Assembly and legal affairs committee. Perhaps rather horrifyingly to some people, I also serve on a committee that appoints the judges to the European Court—the idea that a committee of politicians appoints judges may seem odd to us, and that is perhaps an issue we have to look at. The quality of the current Court is, frankly, variable: we have some very good people, and we have some people whose independence does not come from the tradition that we are used to, if I can put it that way. On the other hand, the United Kingdom

generally does not have an issue in terms of being at variance with the Strasbourg Court—we have one of the highest rates of compliance with its judgments—so, again, a bit of perspective might be required.

It is perhaps ironic that the Human Rights Act did not seek to create a binding precedent, but the approach taken by our domestic judiciary has frequently got fairly close to that. That is not an issue that withdrawal from the convention, of itself, would address, so we have to be realistic about what can be achieved. In any event, Strasbourg judgments would be regarded as being at least of persuasive value in arguments before our Supreme Court. Simply repealing the Act will not, therefore, make some of the controversy go away, and we have to be realistic about what can be achieved.

On the other hand, bizarre consequences sometimes stem from the Act's operation, and we perhaps need to look carefully at that. I do not take the view that that would be a signal that we have turned our back on human rights. Britain's compliance with the convention is rather better than, for example, Russia's—I do not think we have invaded any of our neighbours recently—so let us put our disagreements with the convention into a bit of perspective.

I hope the Minister will give us a little more assistance on how we go forward. We are committed to a consultation, which is right. In fairness, the Government have committed themselves to a much more significant consultation than that which happened before the Human Rights Act. I would like to know more details of the consultation's timetable and what form the consultation will take.

Mr Grieve: Does my hon. Friend agree that there is one thing we need to look at? In the past, where we have found difficulties, we have legislated in separate legislation—we did that with the Immigration Act 2014. Changing the text of the Human Rights Act may not be the best course of action. If there are areas of difficulty, we can see whether there is separate legislation that is still compatible with the convention that we can introduce.

Robert Neill: My right hon. and learned Friend makes a very fair point. I hope the Government will include that as part of the consultation. Some of the things that cause offence to many of our constituents might be remedied more easily in a more appropriate fashion. That is an important point.

The Government are committed to basing a British Bill of Rights on the convention, but we need a little more detail about what “basing” means. For example, are there any rights in the convention that it would not be proposed to include in the Bill? That is critical, because people would be concerned about a diminution of protections. On the other hand, are there areas where the current protections might be enhanced? We need that spelled out at an early stage.

What is the timetable? What is the proposed scope and level of detail of the prelegislative scrutiny? The Justice Committee, which I chair, will be most anxious to be involved in that scrutiny, but other parts of the House will also rightly have to have an input. We also need carefully to address the impact across the whole United Kingdom, because the United Kingdom was a signatory to the convention, and the Human Rights Act was a United Kingdom piece of legislation. It is important that we reflect on all those matters.

I am not perhaps as pessimistic about the prospects for constructive change as my right hon. and learned Friend. Perhaps that is because I am a West Ham supporter, so optimism must come naturally to me—something that you, as a Sheffield Wednesday supporter, will understand very well, Mr Betts.

Victoria Prentis (Banbury) (Con): I am glad my right hon. and learned Friend is an optimist—he may need to be in the present circumstances. One subject we may be able to address in making any changes is extraterritoriality, under article 1, particularly with regard to the military. My right hon. and learned Friend the Member for Beaconsfield (Mr Grieve) may have touched on that when he talked about the possibility of other legislation being the way forward.

Robert Neill: I am grateful to my hon. Friend for that promotion, which is unexpected and undeserved on both counts. I always look forward to the future with optimism as far as those two matters are concerned. Extraterritoriality is an important issue. It has exercised those involved in a number of recent Court judgments, and it is precisely the sort of area where we might find a proportionate and sensible way forward.

I hope we will engage with the profession on these issues, because there is a great deal of knowledge and understanding about this issue. We tend to regard what happens in the Strasbourg Court as a bit of a sideshow, and that would be a mistake, whatever side of the argument we are on.

Sadiq Khan: I congratulate the hon. Gentleman on his election as Chair of the Select Committee, and I wish him well. He talked about potential reform of the Human Rights Act. Does he envisage, and is he optimistic about, there being additional rights, or does he think the Government intend to take away rights that are in the Act?

Robert Neill: That is the question the Government need to answer. The phrase “based on the convention” is important. I do not say that every bit of the convention's wording is absolutely perfect in modern terms, but I think most of us would say that we want the principles that underpin the convention to be incorporated in any proposals. For what it is worth, my early urging to the Government is that the closer they stick to the convention's wording in anything incorporated into British law, the better, because that would give us great clarity and security. Then we must look at the point raised by my right hon. and learned Friend the Member for Beaconsfield and my hon. Friend the Member for Banbury (Victoria Prentis) about the unintended consequences that were not always seen through in the Act, to do with extraterritoriality and related matters. I hope we will get assurances from the Minister on that point.

Mr Clive Betts (in the Chair): I am reducing the time for speeches to four minutes, to try to get everyone in.

3.20 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to speak on this matter. I congratulate the right hon. Member for Orkney and Shetland (Mr Carmichael) on bringing it forward.

[*Jim Shannon*]

It is my belief that we are elected to this place to do the best for our constituents. The best may not always translate as the most popular, but these are the choices that must be made by Members of this House. I cannot say that no good has come from the Human Rights Act—this would be an untruth—but I can, and as an MP I should, question whether it is the best form of rights protection. My conclusion may not please everyone in the House, but it is something that my party and I have deeply considered. We do not believe that it is the best way of protecting rights.

The Democratic Unionist party has long been critical of the Human Rights Act and the way in which it has been interpreted by the European Court of Human Rights. The Act has been abused by criminals and terrorists, who have used spurious challenges to avoid deportation. It has failed to protect the rights of innocent victims adequately. We want laws that assist victims to secure justice rather than enabling perpetrators to avoid it. We support, as a minimum, the reform of the Human Rights Act, to remove the “right to family life” defence against deportation upon conviction for a serious criminal offence.

Ms Margaret Ritchie (South Down) (SDLP): Does the hon. Gentleman agree that his party is part of the institutions? His party leader is the First Minister in Northern Ireland and he is part of those institutions, as is his party. That is deeply enshrined with the Human Rights Act and the Good Friday agreement. Both are co-related; one cannot exist without the other, and central to all of that is human rights.

Jim Shannon: Obviously I would not agree with that. We certainly do not adhere to or support the Belfast agreement. We have no affinity with it whatsoever—I will speak about later, if I can.

Whereas the Human Rights Act in principle was a good thing, once lawyers became involved it changed. A researcher in my office has a BA in law and I understand that she and I agree about this. I sometimes feel when I hear of European judgements that the status of our own judiciary is perpetually challenged by cases in courts where some of those presiding have questionable experience and make questionable rulings. How often do we hear of a European ruling and ask, “How can this be?” Many is the time I ask this, and others do as well. The ruling on the Abu Qatada case has been mentioned, and it has been revealed that seven out of the 11 top judges at the Court have little or no judicial experience. Our British judges have to go through all the years of professional experience before they get to that position, yet some of the other judges making those decisions do not have the necessary experience or qualifications. How can we accept judicial rulings by those who are not in a position to do their job? That is one of my major reasons for opposing the enforcement of the Human Rights Act over our own law and rulings.

Robert Neill: Will the hon. Gentleman give way?

Jim Shannon: Mr Betts, I am conscious that others want to speak, and I want to give them the chance.

Four-hundred and twenty-five foreign national prisoners won their appeals against deportation “primarily on the grounds of Article 8”.

I have some concerns about article 8; perhaps the Minister will give us his thoughts about that.

In response to those who say that any amendment of the Act would be a breach of the Belfast agreement, my answer is short and clear—I am sure that the hon. Member for South Down (Ms Ritchie) will listen carefully to this. The DUP did not support the Belfast agreement and has no affinity with it whatsoever. In fact, it has long argued that the United Kingdom should have a Bill of Rights that recognises and respects the diversity of the devolved arrangements across the country. The more pressing challenges that face the devolved institutions in Northern Ireland relate to the £2 million per week penalties being incurred because Sinn Fein has reneged on the Stormont Castle agreement—an agreement, incidentally, that the party of the hon. Member for South Down has adhered to as well. Yet she tells us off for not supporting the Act, when she and her party have not acted on what they signed up to in the Stormont Castle agreement, depriving us of £2 million that could be used to employ more nurses and teachers.

The DUP is fully committed to creating a society in which people are safe, secure and protected. We are also working to tilt the balance away from the criminals and towards the innocent victims of crime. That is where our focus will be. For too long people have felt as though the forces of law and order are not fully on their side. We are working to change that. Whether the hindrance lies at a local, national or European level, we want it tackled. It is for that reason that the DUP and I firmly believe that the Human Rights Act cannot continue as it is.

3.25 pm

Sir Edward Garnier (Harborough) (Con): I congratulate the right hon. Member for Orkney and Shetland (Mr Carmichael) on obtaining the debate. Were he, my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve) and I sitting as a three-man court of appeal, I should simply say, “I agree with my brothers and have nothing further to add,” but since we are not and I have a few minutes to say something, I think I shall.

First, the political reality is that there is no majority in this House, and there certainly is not in the other place, for a repeal of the Human Rights Act—still less for our removal from the European convention. The second point to think about was touched on by my hon. Friend the Member for Cheltenham (Alex Chalk), although perhaps the speed with which he spoke slightly confused things: there is a world of difference between attempting to repeal or amend an Act of Parliament and resiling or removing ourselves from an international treaty. That comes back to the point made by the right hon. Member for Orkney and Shetland about the Good Friday agreement and other devolved questions. In so far as those are matters of treaty, there is not much that we can sensibly do in the House of Commons, apart from talking about it, to amend them or remove ourselves from them; but it strikes me that that feeds into the political reality. We are not going to unpick the devolution settlement at the behest of a tabloid newspaper that finds the word “Europe” disobliging.

There are several things that we need to think about, which I have discussed before, in relation to the problem. The question is a mixture of politics and law. I truly confess that there are plenty of lawyers who do not like politicians because they find them thoughtless, intemperate and political; and plenty of politicians who have not condescended yet to read the Human Rights Act, still less the convention. There is therefore a gap between people's state of knowledge and their prejudices. Politicians need to arbitrate that difference.

Perhaps the most important question that we need to ask is what the point of the exercise is. Is it necessary, and what will it achieve? Well, it will achieve an awful lot of political angst, a split in the Conservative party and a disagreement across the Chamber to little effect. At some point we will have to work out whether it is all worth the candle. Yes, of course there are things that one can do to tinker with an Act of Parliament. One should pay more attention to section 2; one should understand the point made by my hon. Friend the Member for Banbury (Victoria Prentis) a moment ago about the human rights regime and our armed services. There are all sorts of sensible things that we could talk about, but we do not need to waste the next four and a half years of this Parliament banging our heads against an impenetrable brick wall to no effect.

Thank goodness we have my hon. Friend the Parliamentary Secretary here to handle the flaming cauldron, and carry it carefully, like—mixing my metaphors—a delicate Ming vase all the way to the next election, where he can quietly lock it in a cupboard and forget about it.

3.28 pm

Angela Crawley (Lanark and Hamilton East) (SNP): I thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for bringing this debate to the Chamber. It is important to recognise the significant journey that human rights law has made in recent years, but such developments speak volumes about the necessity to ensure that all protections are given to individuals in society.

It speaks volumes about the Government's priorities that they would rather unravel the substantial and important progress that has been made than protect and enhance people's rights. They would rather ignore the voices echoing from the Opposition Benches on austerity, tackling poverty and building a fairer society, and instead focus on a narrowly defined British Bill of Rights. Meanwhile, those of us elected to champion the voices of our constituents are faced with ensuring that individuals can face a challenging job market that rewards big business while the poorest in our society struggle to put food on their table to feed their children. Is this really the priority of a Government faced with real challenges here in the UK?

It is true that one of the most important roles of any Government is to ensure the safety of their citizens, but where do we draw the line between security and the infringement of people's liberty and rights? Although I concede A. V. Dicey's principle of sovereignty that suggests that Parliament may

"make or unmake any law",

perhaps we could imagine for a second that even Dicey might call into question the balance of the rights of citizens and that it ought not to be undermined by the

belief that a currently undefined British Bill of Rights could provide any more guarantees or protections of the rights of citizens than the Human Rights Act.

We ought to focus on enhancing and improving the existing Act to ensure that the rights and responsibilities of citizens are not neglected but respected. A British Bill of Rights raises serious concerns and costs, which the right hon. Member for Orkney and Shetland has already raised. Such a Bill would inevitably weaken the existing human rights safeguards and protections, most likely affecting the most vulnerable citizens in our society.

It is easy to take for granted the European convention on human rights and the crucial protections that it has guaranteed thus far, but we must remember the important role played by the 1998 Act and the rights that it has guaranteed. Victims of domestic abuse have received better protection. Victims of rape have been given proper police investigations. Disabled individuals who have been affected by the welfare reforms imposed by the Government have the right to challenge legislation that they deem unfit and unfair—most notably the bedroom tax. Social housing tenants have the opportunity to challenge decisions that affect their right to safe and secure housing. Members of the LGBTI community have overcome discrimination. Families of military personnel killed on active service have been given recourse for the supply of the out-of-date equipment that has cost lives and affected the loved ones left behind.

For all the reasons I have outlined, we must protect the European convention on human rights. We must strive and continue to be a tolerant, compassionate and equal nation, with a progressive and outward vision in a global context.

3.32 pm

Mr Christopher Chope (Christchurch) (Con): I look forward to having a British Bill of Rights on the statute book. That was in our manifesto, and it would only increase cynicism in politics if we abandoned such a clear manifesto commitment.

When the Bill is introduced, I hope it will include the word "responsibilities". One thing that really annoys constituents is that the principle of equity, which runs right through English law like a golden thread, is not applied in very many human rights cases. People want a sense of fairness. They particularly want to ensure that those who come before the courts do so with clean hands, and that if they do not, they cannot expect to be treated in the same way as those who do.

The issue is not compliance with the strict words of the European convention on human rights—they are not an issue, because we all agree with them. The only reason that one country in Europe is currently not a member of the Council of Europe is that Belarus refuses to disapply the death penalty. That is a fundamental breach of the legislation.

More difficult is the judicial interpretation of the original words of the convention, which now extend into what is effectively judge-made law, over which Parliament and the people have no control. We are all familiar with the issue of voting rights for prisoners and how it was specifically excluded in the discussions leading up to the signing of the protocol. The sentence of life imprisonment was clearly introduced as a substitute for the death penalty, but even that is now being undermined

[Mr Christopher Chope]

by the European Court of Human Rights saying that there should be the opportunity for a review, rather than life meaning life.

Sir Edward Garnier: Will my hon. Friend give way?

Mr Chope: I am not going to take any interventions, because even if I get an extra minute it will mean others will lose out.

Article 31.1 of the Vienna convention on the law of treaties makes it clear that

“a treaty shall be interpreted in good faith in accordance with the ordinary meaning to be given to the terms of the treaty in their context and in the light of its objects and purpose”.

If the European Court of Human Rights was doing that, there would not be a problem.

The UK Government are in close contact with the thinking of the European Court of Justice. In its opinion earlier this year, the European Court of Justice said that the EU could not join the European convention on human rights because of concerns that the interpretation of human rights law in Europe would then rest with the European convention on human rights rather than the European Court of Justice. We are in exactly the same position in this country: we want our own Supreme Court to interpret the treaty, rather than to leave it to an external body.

The Government are on the right course and should not be deterred by the siren words we have heard from so many people this afternoon.

Several hon. Members *rose*—

Mr Clive Betts (in the Chair): Order. We have time for only two more speeches before we go to the Front-Bench speakers. I am sorry that I cannot call everyone who wants to speak, but I will call everyone who asked in advance. That should be a helpful tip for Members in future.

3.36 pm

John Pugh (Southport) (LD): I congratulate my right hon. Friend the Member for Orkney and Shetland (Mr Carmichael) on initiating this debate and introducing it so thoughtfully.

I hesitate to give any opinion in such an eminent gathering as this, but it seems to me that this debate is not between those who support human rights and those who do not—the lovers of free speech and defenders of liberty and the right to trial on one side and the torturers, summary executioners and deniers of basic freedoms on the other. It is not that sort of debate; it is simply about the place in national law of human rights and the related conventions. It is about the place of basic standards of morality and legality in public life, lawmaking and social action, and the fundamental principles by which those things can be judged.

Not everyone believes in human rights functioning in a fundamentalist way. I do not know how many Members read Matthew Parris’s article in *The Times*, but he described human rights as desiderata. John Stuart Mill and the utilitarians, who are practically saints in liberal circles, described human rights as “nonsense upon stilts”.

Reading the *Daily Mail*, it is sometimes quite easy to see why people say such things. The catalogue of human rights varies and grows. Sometimes the frivolous demands of vexatious people are expressed as though they were human rights. Even when there is agreement on the wording, there is often difference over how the words are to be interpreted: more or less every nation on the planet has signed up to the United Nations declaration of human rights, but they interpret them in their own idiosyncratic ways.

Crucially, it is very hard to sort out cases where laws and actions to protect one basic human right conflict with or impact detrimentally on another. It is hard to weigh and prioritise such matters. All the important difficult issues have been of that nature—for example, weighing up the right to family life against national security, or the right to public participation through voting against the justifiable expectation that prisoners will be punished and forfeit something.

It appears to me that the European convention on human rights is grounded in a time when things were a lot clearer than they are now. The previous theory inherited something from the natural law theory of the middle ages and then disposed of it, but when we got to the end of the second world war, there was a clear expectation that minimal standards had to be set, against which to benchmark any nation’s behaviour, even if it was validated by the nation’s own law. At that time, the rule of law on the continent had effectively been the rule of terror. I cannot see anything in the convention that lays down a social blueprint for any nation; it simply defines the conditions for a just society. Some of the rules are uncontentious—almost formal—and some are more arguable and substantive, but no one has questioned today the idea of such benchmarking. No one in the entire debate has suggested that it does not play an important role in encouraging a civilised and tolerant society.

Having recognised that, on which there seems to be consensus, the next questions are how it should be policed, who does it and who enforces it. We would all agree that it could not be nations themselves as they would in effect be marking their own homework. As some have suggested, it could be a national judiciary that carries out that role, with or without further appeal, but that assumes a universal cultural independence from Government and that judiciaries are the same across Europe, both of which cannot be assumed. It would also defeat the purpose of international validation of what an individual country is doing, and it fails to apply effective pressure on rogue states and their behaviour.

3.40 pm

Neil Carmichael (Stroud) (Con): It is a pleasure to serve under your chairmanship, Mr Betts, and to salute the right hon. Member for Orkney and Shetland (Mr Carmichael), the former Secretary of State for Scotland, for initiating and leading this debate. He dealt with the devolution issue extraordinarily well and none of us disagreed with his fundamental point that to unravel devolution agreements by challenging the Human Rights Act would not be wise.

I ask the Minister for his interpretation of “taking into account”. We need clarification of that, following the exchanges of this debate. When I tell someone that I

am taking their views into account, I am usually saying, “I heard, but I’m not going to do it.” We need to recognise that that is really what the phrase means. That is why it is probably unwise of the Government to be quite so controversial in their proposals.

The other issue to consider is what a Bill of Rights looks like. Without giving a history lesson, we already have a Bill of Rights. It was passed in 1689, but it did not actually do the job that the Government will have in mind for any future such Bill. The danger is that once rights start to be defined they can be restricted. Calibrating or describing rights is not as easy as it first appears. The risk is that a Bill of Rights could be too tight or too loose. It is important that we see what the Bill of Rights might look like.

Fiona Mactaggart: Does the hon. Gentleman agree that the problem with the rights debate in Britain has been that, unlike countries such as South Africa, we have failed to debate what to do when rights clash? For example, the right to private and family life and the right to protest clash, and we in Britain have not debated how to deal with those clashes.

Neil Carmichael: My way at looking at things in terms of English law is that I prefer to assume that I have a right unless Parliament has told me that I do not. That is how we should be operating.

Doing something different from what we have done in the past also has international implications. As we have already heard, the architect of the European Court of Human Rights was a former Conservative Home Secretary who was not a libertarian in the true sense of the word. Leaving the Court would be to depart from that tradition and would risk our international reputation while making it harder still for other nations to think in terms of their own aspirations for rights, and might not discourage others in their intention not to give rights. The issue is not only legal, but one of foreign policy.

In short, we must consider the matter carefully. I would prefer to have legislation that improves what we already have, rather than undermining and changing the structure that we have become used to.

Mr Clive Betts (in the Chair): Order. Joanna Cherry, the SNP spokesperson, will now have four minutes before I call the shadow Minister and then the Minister to speak for 10 minutes each.

3.45 pm

Joanna Cherry (Edinburgh South West) (SNP): It is a pleasure to serve under your chairmanship, Mr Betts. I thank the right hon. Member for Orkney and Shetland (Mr Carmichael) for securing this debate on an important topic. He rightly said that human rights are part of the UK’s constitutional architecture, he touched on their significance for the devolved settlement and he asked us what we are seeking to achieve through appeal of the Human Rights Act and what the Government’s future intentions are regarding the European convention on human rights.

The right hon. and learned Member for Beaconsfield (Mr Grieve) made a valid point when he said that repeal here is an extremely difficult project that could deliver limited benefits. He also asked what we are trying to

achieve—a question that has been echoed by many speakers. The hon. Member for Islington North (Jeremy Corbyn) stated that our repealing the Human Rights Act would send out the wrong message.

I am conscious of the time limit, so I will quickly move on to my points, which, as the SNP Front-Bench spokesperson, particularly relate to the devolved settlement and how it affects Scotland. The SNP has been deeply concerned by recent statements from Ministers that suggest that they believe that the UK Government could repeal the Human Rights Act without reference to the Scottish Parliament. They argue that the Sewel convention would not be engaged because human rights are a reserved matter. That is wrong and legally illiterate. Human rights are not a reserved matter and are not listed as such in schedule 5 to the Scotland Act 1998. Schedule 4 to the Scotland Act protects the Human Rights Act against modification by the Scottish Parliament, but human rights per se are not a reserved matter. It was part of Donald Dewar’s scheme that all matters would be devolved unless they were specifically reserved. Human rights are not specifically reserved.

Moreover, human rights are written into the Scotland Act. The European convention on human rights is entrenched in the Act through section 29(2)(d), which provides that an Act of the Scottish Parliament that is incompatible with the ECHR is actually outwith the legislative competence of the Scottish Parliament. Section 57(2) states:

“A member of the Scottish Executive has no power to make any subordinate legislation, or to do any other act, so far as the legislation or act is incompatible with”

the ECHR. It is therefore incorrect to say that human rights are a reserved matter. They are devolved and I urge the Minister to think carefully about the statements made by his colleagues to the effect that the Sewel convention would not be engaged.

The Prime Minister has repeatedly spoken of a “respect” agenda, and I stand here as one of 56 SNP Members elected at the general election. I urge the Government to consider their respect agenda, to return to the Scotland Act 1998 and to get their lawyers to look at it carefully. They will find that human rights are not a reserved matter and are devolved, and that the Human Rights Act should not be repealed or otherwise interfered with by the British Parliament without first seeking the consent of the Scottish Parliament.

I want to make it clear, however, that the SNP would seek to prevent the repeal of the Human Rights Act for the whole United Kingdom. It is a fundamental issue and we want the Human Rights Act to remain on the statute book for the entire UK because, as the right hon. and learned Member for Beaconsfield said, it has brought huge benefit in terms of the accessibility of rights for people in this country. Examples of those rights were provided by my hon. Friend the Member for Lanark and Hamilton East (Angela Crawley).

3.49 pm

Andy Slaughter (Hammersmith) (Lab): It is a pleasure to serve under your chairmanship this afternoon, Mr Betts. I congratulate all who have spoken so eloquently today and the right hon. Member for Orkney and Shetland (Mr Carmichael) on securing the debate and bringing the matter before the House before the summer recess.

[*Andy Slaughter*]

I am going to take an unusual course by endeavouring not to take my full 10 minutes. I will do that because the official Opposition's position is clear, so I would simply be restating it, whereas the Government's position is unclear and I am sure that the Minister will want the maximum time to be able to elucidate it.

When I was responding to the debate on the Gracious Speech, I made it clear that we will resist any attempt to undermine or repeal the Human Rights Act, or to detach this country from the European convention. More importantly, my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman) made a detailed speech on the subject on 16 June, in which she said:

"The Government has signalled that they want to fundamentally undermine the Human Rights Act. This is what lies behind the announcement in the Queen's Speech that they would be consulting on a 'British Bill of Rights'. We think that even the consultation is the start of a slippery slope... I give you my assurance that we are going to be clear with the Prime Minister that he must not go ahead with this. I've today written to the Prime Minister demanding that he drops these plans and... Their policy is intellectually incoherent and, worse, it's wrong in principle."

It would be at best otiose and at worst *lèse majesté* for me to amplify or qualify what the leader of the party has said.

The real question for the debate is: what are the Government's intentions and what is the process to get us there? That is particularly important given the contradictory signals coming from the Government almost daily. Days before the Gracious Speech, the repeal of the Human Rights Act was being presaged as one of the centrepieces of the Queen's Speech, only to be dropped entirely from the first Session's legislation. We are now promised a consultation—perhaps the Minister will enlighten us as to what form it will take or when it will take place. Will the Minister also publish some of the drafts—I think we are up to about 10 or 14—of the Bill that was being prepared under the coalition Government in private by Martin Howe QC and others on behalf of the Conservative party? Presumably that document will now become a Government one.

The key issue has to be the relationship between the Human Rights Act and the European convention. I will correct, or at least qualify, one thing that the right hon. Member for Orkney and Shetland said. He said he hoped that Government policy was not the same as it was last October. I wondered that, so on 4 June I asked that question specifically of the Leader of the House of Commons—he was the person who produced the original documentation. He responded:

"The Conservative party's policy on human rights has not changed since last October."—[*Official Report*, 4 June 2015; Vol. 596, c. 784.]

For those who have not read the document recently, it states something that will no doubt please the hon. Member for Christchurch (Mr Chope) about the Council of Europe accepting UK demands:

"In the event that we are unable to reach that agreement, the UK would be left with no alternative but to withdraw from the European Convention on Human Rights, at the point at which our Bill comes into effect."

Is that now Government policy? It is not inconsistent, for example, with what the Home Secretary said two years ago, although it appeared to be inconsistent with

what the Prime Minister was saying. According to press reports, the Prime Minister was somewhat "at odds" with the Home Secretary and the then Justice Secretary, the right hon. Member for Epsom and Ewell (Chris Grayling). Now, however, there appears to be some agreement at the top of the Conservative party and the Government that we will at least countenance withdrawal from the European convention, but it is confusing.

The Minister here today gave this response in Justice Questions last week:

"We will legislate for a Bill of Rights to protect our fundamental rights... Our plans do not involve us leaving the convention; that is not our objective"—

only for the sentence to continue—

"but our No. 1 priority is to restore some balance to our human rights laws, so no option is off the table for the future."—[*Official Report*, 23 June 2015; Vol. 597, c. 748.]

What is the situation? Within an hour of that reply, the Lord Chancellor and Secretary of State for Justice was on the "World at One" on the BBC saying that it was perfectly possible that we would be withdrawing from the European convention.

I endeavoured to find some record of what the Justice Secretary might have said before coming into his post. This is what I found, from when the convention was incorporated in 2000. I do not know if his views have changed, but interestingly it was written in the context of the devolved settlement in Northern Ireland:

"The Human Rights culture is already spreading in our society, uprooting conventions on which our stability has rested... It supplants common sense and common law, and erodes individual dignity by encouraging citizens to see themselves as supplicants and victims to be pensioned by the state."

That does not sound like a strong endorsement of human rights, but perhaps the Minister will be able to elucidate in his response.

There are very difficult problems and hurdles. With all due respect to the Chair of the Justice Select Committee, the matters we are discussing are not "theological" ones. Our relationship with supranational law will become an issue if we produce some British Bill of Rights that is the bespoke device of the Justice Secretary and the Minister. Unless they are intending to withdraw from all international treaties and conventions and indeed from the European Court of Justice, whose judgments are far more prescriptive and binding than those of the Strasbourg Court, inevitably there will be two systems running in parallel, a British one and an international one, to both of which our courts will have to pay attention.

The Minister must address the issues raised by the Front-Bench spokesperson for the Scottish National party, the hon. and learned Member for Edinburgh South West (Joanna Cherry), about the devolved Administrations. He must also address some practical problems, such as how he will get his own colleagues and the House of Lords on board and how—perhaps the central point to have come out of today's debate—he will explain why any of it is necessary in the first place.

The right hon. and learned Member for Rushcliffe (Mr Clarke) has said that most of the problems that have arisen with the European Court of Human Rights over a period of time are in the process of being, or have been, resolved.

Mr Geoffrey Cox (Torrige and West Devon) (Con): If it is so impossible to have a British Bill of Rights alongside adherence to the convention, why is it the case that Germany, France and almost every other European country have their own constitutions with enshrined charters of rights that sit quite comfortably alongside adherence to the convention?

Andy Slaughter: That question is for the Minister to answer, because we have seen literally nothing from the Government to explain any compatibility. As for the question about “taking into account” raised by the hon. Member for Cheltenham (Alex Chalk) and how we square the circle between the judgments of the Strasbourg Court, our own higher courts and the sovereignty of Parliament—none of that is in issue any more. The question really, if I may put it back to the hon. and learned Member for Torrige and West Devon (Mr Cox), is this: what is wrong with the existing system that allows the law to evolve and the judiciary in this country to influence judgments of the European Court, often in an entirely beneficial way because of the quality of such judgments? Why are we seeking to retreat from, rather than to advance the cause of international law? Why are we seeking not to have the benefit of international law? It seems to be a little England, or little UK approach, and when the hon. Gentleman reflects on it, he might find himself on the side of those who believe that little needs to change, instead of throwing out an honourable tradition of human rights drawn up over many centuries.

3.58 pm

The Parliamentary Under-Secretary of State for Justice (Mr Dominic Raab): It is an honour and a pleasure to speak under your chairmanship, Mr Betts. I congratulate the right hon. Member for Orkney and Shetland (Mr Carmichael) on securing the debate on the future of the Human Rights Act.

I listened with great interest to all the contributions. I shall touch on a few of them, such as that of my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve), who gave a powerful speech about some of the risks involved in this enterprise. I detected that he is perhaps not quite as sympathetic to the concept of a Bill of Rights as he was when he was shadow Justice Secretary, but I was heartened to hear that he was offering creative solutions along the way.

Mr Grieve: The Minister is quite right. In 2009 I worked on a paper with him as my chief of staff about the possibility of a Bill of Rights. As was rightly said, such a Bill of Rights is perfectly possible, but it will not solve the problems or issues that have been the driving force behind the Government’s current project unless we intend to decouple ourselves from the European convention, which, mercifully, I understand not to be our policy. There is the conundrum that my hon. Friend will have to grapple with.

Mr Raab: I thought I had detected a slight revival of my right hon. and learned Friend’s former enthusiasm, but perhaps I was too optimistic.

I pay tribute to the hon. Member for Islington North (Jeremy Corbyn) for his contribution. He always speaks powerfully on these issues—I have listened to

him speaking on human rights since I joined this House. He took us back to Magna Carta and its modern-day relevance.

Jeremy Corbyn: I can go back further if you want.

Mr Raab: I am sure you could.

I also welcome the contribution made by the Chair of the Justice Committee, my hon. Friend the Member for Bromley and Chislehurst (Robert Neill). I congratulate him on his election to that post and look forward to being grilled in due course. He counselled us not to treat the Human Rights Act as a holy grail that cannot be questioned. That was a useful injection of common sense into the debate.

I also pay tribute to the hon. Member for Strangford (Jim Shannon), who highlighted some of the cases under the HRA that have been of concern to his party. He raised in particular the application of article 8 with regard to deportation. My right hon. and learned Friend the Member for Harborough (Sir Edward Garnier) made some powerful points on section 2 of the Act and on extraterritorial jurisdiction. The hon. Member for Lanark and Hamilton East (Angela Crawley) raised the difficult issue of the balance between liberty and security. My hon. Friend the Member for Christchurch (Mr Chope) discussed judicial legislation from Strasbourg—he has huge experience of that as a result of his representation on the Council of Europe.

There were other excellent speeches to which I cannot pay individual tribute, but I should also acknowledge the speech made by the shadow Minister, who reiterated his party’s position and lamented the lack of detail in the Government’s current proposals. I say to him gently that one issue with the Human Rights Act, arguably, is that it was rushed through, as it was introduced within six months. As a result of that haste, some problems have now emerged that we were warned of at the Act’s inception. The Government are not going to rush in the way the then Labour Government rushed through the Human Rights Act. We will take a little time, because we want to get it done right rather than quickly.

Andy Slaughter: Most people do not think it was rushed but would say that it was 20 or 30 years too late. The effect of the Act is to incorporate the convention, which it does, to use the phrase of the former Attorney General, the right hon. and learned Member for Beaconsfield (Mr Grieve), in a very conservative way. What is the problem with that?

Mr Raab: The shadow Minister makes an interesting point. If, as a new Government, we had introduced a Bill within six months, it would have been argued that that was too hasty.

On the problems that have arisen as a result, a former shadow Justice Secretary, the right hon. Member for Tooting (Sadiq Khan), who is no longer in his place, took to *The Daily Telegraph* just last year to point out some of the problems with section 2 of the Act:

“Too often, rather than ‘taking into account’ Strasbourg rulings and by implication, finding their own way, our courts have acted as if these rulings were binding on their decisions. As a result, the sovereignty of our courts and the will of Parliament have both been called into question. This needs sorting out.”

[Mr Raab]

If the Labour party has U-turned on that rather thoughtful critique of its own legislation and now, as my hon. Friend the Member for Bromley and Chislehurst said, believes the Act to be a holy grail that cannot be touched, called into question or criticised at all, there are some questions for Labour to answer. I know hon. Members in the shadow Minister's party would not all agree on that matter.

I shall take this opportunity to set out the Government's position. I should say that I have found the debate very valuable at this still formative stage of the Government's process towards enacting a Bill of Rights. To answer some of the questions put, we will be consulting formally this Session, including with the devolved Administrations—I am aware that there are some issues there—and I hope hon. Members will understand if I do not prejudge that consultation or its terms in my remarks today.

I remind hon. Members that the United Kingdom has a strong tradition of respect for human rights that long predates the Human Rights Act 1998. The Government are proud of that tradition and will be true to it in delivering our reforms. As I explained at Justice questions, our plans do not involve us leaving the convention. That is not our objective. We want to restore some common-sense balance to our human rights, which are out of kilter, so nothing has been taken off the table.

Jeremy Corbyn: If the proposal is not to withdraw from the convention, would it still be applicable in British law and in decision making by judges in British courts?

Mr Raab: The hon. Gentleman is alluding to the idea of having a middle course between throwing the baby out with the bathwater, as some have described it—tearing up human rights, getting rid of the convention and not replacing it—and trying to reform the current model by looking at the way the convention has been applied and interpreted. There are not huge numbers of objections to the black letter law of the convention's text, but the way it has been applied and extended is a matter of concern. All that will be the subject of debate and consultation.

Mr Alistair Carmichael: I say, in passing, that I hope we never get to the stage where the implementation of law by the courts is entirely to the satisfaction of the Government. Surely the problem is that if we get to a point where we have a British Bill of Rights but remain a contracting party to the European convention, which has a higher standard of human rights protection, anyone dissatisfied with their rights as applied in the UK domestic courts under the British Bill could still have recourse to the wider protection of the European Court in Strasbourg.

Mr Raab: The right hon. Gentleman is tempting me to prejudge the substantive content of the Bill and the consultation. He has raised some interesting points, which we will no doubt thrash out in due course; I look forward to that.

I will refer to some of the principal concerns about the Human Rights Act, as that is the subject of the debate. Given the time restraints I will refer to just a few

examples from what is by no means an exhaustive list. The first is the exponential expansion of rights that the design of the Human Rights Act, whether tacitly or otherwise, has promoted. It has encouraged a rights inflation that, as has already been acknowledged, has tended to undermine the so-called liberal model of human rights, shifting away from what people like Isaiah Berlin would refer to as negative liberty, or the John Stuart Mill model of shielding the citizen, towards imposing obligations on the state rather than constraining it. If that were in any doubt, the textbooks—I am sure hon. Members across the House are familiar with them—are littered with examples of the celebration of that, whether through the living instrument doctrine in Strasbourg or our own case law.

The practical effect of rights inflation has been to dilute personal responsibility. The growth of rights—the expansion of the realm of rights—increases the power of the individual, however nefarious or otherwise, to trump the good of the rest of society. The more that extends beyond the bedrock of core liberties, the more corrosive the effects. I will give one brief illustration, to highlight the fact that personal responsibility is being eroded or diluted: the claim that the Government's welfare to work policy amounted to forced labour under the European convention.

I should say straight away that that claim failed, but the fact that it made its way through the UK court system to the Supreme Court is telling. It is striking that lawyers thought they could stretch an article of the convention that was designed, after the experience of concentration camps during world war two, to address grave issues of slavery and forced labour so as to attack the principle of conditionality in welfare reform. It is just one illustration of how the HRA has proved rather malleable material for the ingenious twisting of the basic conception of human rights, rather than simply bringing rights home, which was the Act's explicit contention.

The second concern I will raise about the HRA is its effect on the rule of law, and in particular the effect that some of the haphazard case law has had on legal certainty. I refer hon. Members to the tragic case of Naomi Bryant, and the review by HM Inspectorate of Probation of the case, which found that the licence conditions placed on Anthony Rice on his release were too lax and noted that lawyers had whittled away the conditions by deploying arguments to do with the Human Rights Act. I will not go into that further—I have the quotes with me but will not read them out—but if anyone wants to look into that case further, they should look at that report.

The third issue I will raise is the way that the Human Rights Act has exposed us unnecessarily to too much judicial legislation from Strasbourg—for example, in the case of prisoner voting. In truth, as we should not make this into some strictly European bogey, there have been examples of domestic judicial legislation as well, about article 8 in particular—we should deal with our home-grown problems, too. That is easy to do without bringing into question our membership of the European convention.

Finally, I hope the right hon. Member for Orkney and Shetland has had the opportunity to read the excellent article by Baroness Faulkner, Liberal Democrat

spokesperson on foreign affairs, in May's edition of *Prospect*. In case he has not, and for the benefit of this wider audience, I will quote a few choice words:

"Britain can replace the HRA and retain a decent, humane legal system. The human rights lobby has reacted with horror at the government's proposal. But they are mistaken... A British Bill of Rights is a good idea."

I do not agree with the whole article but it is well worth a read.

I congratulate the right hon. Gentleman on securing this debate and welcome his contribution. I hope he will not mind if I encourage him to circulate that article among the other members of his party.

Question put and agreed to.

Resolved,

That this House has considered the future of the Human Rights Act 1998.

MV Seaman Guard Ohio

[SIR ROGER GALE *in the Chair*]

4.10 pm

Ian Lavery (Wansbeck) (Lab): I beg to move,

That this House has considered the detention of MV Seaman Guard Ohio crew in India.

At the beginning of my contribution, I want to place on record my sincere thanks to Lisa Dunn, the sister of Nick Dunn. She has worked assiduously on behalf of the six men who are still being detained in India, despite having the charges against them quashed more than a year ago. The six men's families have been absolutely outstanding under the most extreme and difficult circumstances. They deserve the utmost praise for their actions, which have been relentless.

Having said that, this is a very serious case involving, in my view, a serious breach of the international human rights of six British citizens—former military men who served this country on the front line in Iraq and Afghanistan. Sadly and understandably, they feel utterly betrayed, abandoned and ignored by the British Government—by the country that they so bravely fought for. At their greatest time of need, they feel betrayed. We should put ourselves, just for a minute, in their shoes. They have had so many false dawns and promises and so much false hope and misinformation. After all this time, they are still awaiting firm action and some decision by the Indian authorities.

I want to mention the staff at the Foreign and Commonwealth Office, who have kept and still keep in contact with the families. They have done a marvellous job, but they seem to be totally constrained by protocols, democracy and convention, which has been a great source of frustration, as the families believe that little if any real progress has been made.

Sir Greg Knight (East Yorkshire) (Con): Is it not worth placing on record the fact that we are dealing with a sovereign, democratic, independent country, and that no British politician can tell the Indian authorities what to do?

Ian Lavery: There is a lot of merit in what the right hon. Gentleman says, and I will come to that question. At the same time, it is very difficult to tell the six British citizens that there is very little we can do other than just talk across the political divide and speak to the Indian authorities without actually making any progress. They feel betrayed, and that is the problem. It is up to us as British politicians to do what we can to try and help them.

Christian Matheson (City of Chester) (Lab): My constituent—indeed, my friend—Ray Tindall, who, as my hon. Friend said, served loyally in some very dangerous war zones on behalf of this country, feels bitterly betrayed. Is it not the case that, even within India, there is no doubt about the men's innocence? I am sure that hon. Members here have never doubted that either, so perhaps we might see a little more effort on behalf of the British Government to impress that on the Indian Government.

Ian Lavery: There is no doubt that these people are innocent. All the charges against them were quashed in July 2014, which is nearly a year ago. In my view, they are not even in the judicial procedure, because the charges against them were quashed. I am sure that the Minister will address that point of contention.

Sir Greg Knight: The hon. Gentleman is being generous in giving way again, which I appreciate. If I am wrong on this point, I am sure that the Minister will correct me in his winding-up speech, but I understand that the Indian Prime Minister, Mr Modi, may well visit Britain later this year. If he does and if this matter is not resolved by then, does the hon. Gentleman agree that that would be an excellent opportunity for our Prime Minister to raise the case with the Indian Prime Minister?

Ian Lavery: I sincerely hope that these gentlemen are on British soil before the Indian Prime Minister gets here. I believe that the British Prime Minister has spoken to the Indian Prime Minister—it has been at that level before—so the issue has been raised between the two parties. However, the families and everyone else will hope sincerely that these people are back way before then. That is how the situation stands.

The families feel as though there has been an extreme lack of any progress. On many occasions, news has filtered through the system from other nationalities. News about different court dates and important items discussed with, for example, the Estonians and Ukrainians has filtered through to our six UK citizens before any information has come from the Foreign and Commonwealth Office.

I mentioned the Prime Minister to the right hon. Member for East Yorkshire (Sir Greg Knight), and I have spoken to him personally. I have raised this matter on the Floor of the House with him, with the former Foreign Secretary and, on numerous occasions, with the Minister. The question really is: has anybody listened? I do not want to be too critical, but the men are still there after nearly two years. Has anybody listened? The men and their families are extremely angry. The men are still in India; they are not allowed to leave. Their passports are still withdrawn by the authorities, despite the charges of illegal acts being quashed. It is a clear violation of their international human rights. These are innocent people in a Commonwealth country.

I have spoken to the Minister, who I thank for the meetings that he has kindly arranged on this issue. He has stated numerous times that the Foreign and Commonwealth Office cannot interfere in other countries' judicial/legal systems, but these men have had the charges against them dropped. They are basically destitute. They are stuck in another country—a Commonwealth country—and we should be able to assist. They are innocent.

The series of rather unfortunate events began a long time ago, on 12 October 2013, when the MV Seaman Guard Ohio, a Sierra Leone-flagged vessel owned by AdvanFort, was intercepted by the Indian coastguard off the Tuticorin coast. The vessel had been involved in supporting anti-piracy operations by supplying armed escort services to commercial vessels travelling through a piracy hotspot in the Indian ocean. The crew were arrested and detained by the Indian coastguard near the port on suspicion of possessing arms without the appropriate licences.

The crew of 35 aboard the ship were of different nationalities, including Indian, British, Ukrainian and Estonian nationals. The British crew members were Mr Paul Towers, Mr William Irving, Mr Nicholas Simpson, Mr Raymond Tindall, Mr John Armstrong and my constituent Mr Nick Dunn. All crew members were remanded in custody following questioning on 18 October 2013. Two crew members—the captain and an engineer—were not arrested initially but were later. Q branch then submitted charges against 45 accused persons, including the company, its director, 35 crew members and eight locals, for offences under the Arms Act 1959, the Essential Commodities Act 1955, the Motor Spirit and High Speed Diesel (Regulation of Supply and Distribution and Prevention of Malpractices) Order 1998 and the Indian penal code of 1860. On 20 October 2013, 22 foreign nationals among the 35 arrested crew were moved from the prison they were in to Chennai Puzhal Central prison.

Not until 18 December 2013 were bail applications made on behalf of all the crew. In the bail plea, the crew alleged that the vessel was coming into the port for supplies. The vessel was stormed by as many as 25 officials from eight different agencies as it tried to enter the port. Counsel for the crew contended that, based on the doctrine of innocent passage as envisaged in section 3 of the UN convention on the law of the sea 1982, no charge could be levelled against the crew. However, the High Court in Madras refused bail, stating that the investigations were still at an initial stage and a release could jeopardise the investigation.

On Boxing day 2013, conditional bail was granted after the crew argued that Q branch had failed to file the charge sheet within 60 days of their arrest. However, on 7 January 2014, the Principal Sessions Court cancelled the conditional bail granted by the lower court. In February 2014, a new bail application was filed. It detailed the brutal treatment of the prisoners and their deteriorating health due to malnutrition, unsanitary conditions, mental harassment and emotional trauma. Conditional bail was granted on 26 March 2014, but the men were not released until 6 April, some 11 days later. However, the British vice-captain, Paul Towers, remained in jail. On 10 July 2014, the charges against the crew were quashed in the Indian High Court in Madras.

Brendan O'Hara (Argyll and Bute) (SNP): I am extremely grateful to the hon. Gentleman for being generous with his time and I congratulate him on the tireless work that he has done to keep this matter in the public eye. This debate allows me to highlight the case of my own constituent, Mr William Irving from Oban, who is one of the six people in India. Is the hon. Gentleman aware that today Mr Irving had the opportunity to meet his son for the first time? His partner, Yvonne, had to take the baby to India to allow Mr Irving to meet his child for the first time. I spoke to Mr Irving's parents this morning, and they are very grateful to the hon. Gentleman for raising the matter again in this way. They feel, as Mr Irving does, both betrayed and abandoned. All they want is this ordeal to stop. Does the hon. Gentleman agree me that until it does, the Government have a duty of care towards the six detained people and that they must look after them in the way that other Governments seem to be looking after their detained seamen? Our Government seem not to be doing that.

Ian Lavery: I thank the hon. Gentleman for that intervention. I am delighted that Mr Irving has met his son. It is just such a shame that, two years after this began, his partner and son have had to travel to India. The sister of my constituent, Nick Dunn, travelled there almost a year ago to visit him and saw the horrible, squalid conditions in which he was living in Puzhal prison. Of course we need to be acting, as I have been saying during my contribution.

On 25 August 2014, the state of Tamil Nadu filed an application to appeal the decision to which I have referred. We are almost a year on from that, yet the men remain in India. Despite numerous court hearings, including one that saw all charges against them dropped back in July, their passports have not been returned and they are unable to leave India. Each time the six British nationals and former servicemen have been told that a final judgment on their case is imminent, the deadline has been put back. It had been hoped that a judgment would be forthcoming before the courts in India adjourned for their annual summer recess on 15 May. However, that did not happen and the men have now been told that it will be July before they hear any news.

The treatment that these people have had since their imprisonment has been nothing short of appalling. AdvanFort, the company that owned the vessel, abandoned the men almost immediately. It was more interested in the return of the ship than the safety and welfare of the crew. Despite emails from the Foreign and Commonwealth Office and communications from the offices of MPs—including, I am sure, people in the Chamber today—it did not reply or respond to anyone at all. Will the Minister say what powers the Government have in relation to companies, such as AdvanFort, that abandon British nationals to defend themselves without even legal representation?

I would like the Minister also to consider a few questions that have been relayed to me from the families and the individuals themselves. Why have the British Government sat by while they have been illegally detained since September 2014, even though they have been given lawyers' letters stating that fact? The individuals claim that legal advice has been passed to the Foreign and Commonwealth Office explaining how they are innocent, yet there has been little if any progress. Legal evidence provided to the Foreign and Commonwealth Office in Chennai and London from legal experts clearly states that the actions of the Indian authorities are a breach of the crew's human rights. Why has the Foreign and Commonwealth Office not sought to investigate that? Why was that information not taken seriously by the Foreign and Commonwealth Office and the UK Government? Have the UK Government not just updated their policy on the promotion of international human rights aimed at protecting UK citizens abroad, including in relation to the unlawful detention of our citizens? If that is the case, why is the situation different for our friends, the UK citizens in India?

These men are not allowed to work. They are not allowed to earn a living; they are not allowed to earn anything. They are being held against their wishes and are relying on charity and assistance from their families in order to exist. They have to pay for their accommodation, food and drink and medical treatment. And what about the families back home, who have lost their worldly possessions? They have lost cars, in some cases homes,

and much, much more as a result of this illegal detention. Quite simply, these men's lives and family lives have been utterly destroyed. Will the Minister say what the Government can do to assist in that respect?

The Minister has made reference to the issue being raised continually. Is he able to inform the individuals of the content of the conversations that he and the Prime Minister have had with the Indian authorities? The crew members wonder why the detail of those conversations has till now been kept confidential. Can the Minister clarify that the men were not officially required to stay in India following the quashing of their charges? Why are they currently detained when they should be free men? Why have new passports not been released? Will the Minister confirm his next steps to bring an end to the sheer misery being suffered by the men and their families? I am talking about the mental, physical and financial torture that they continue to suffer through being detained. Please give them, Minister, a glimmer of hope. Remember that these are men who jeopardised their own lives—they put their own lives in danger—for their country. They need the Government to act positively to return them to their loved ones without delay. Remember that these are innocent men.

4.28 pm

The Minister of State, Foreign and Commonwealth Office (Mr Hugo Swire): I congratulate the hon. Member for Wansbeck (Ian Lavery) on securing the debate and I commend the strong support he has given to his constituent, Mr Nick Dunn, and the rest of the British crew of the Seaman Guard Ohio. Three of the men are now represented by three new hon. Members, who I think are all in their places in this Chamber.

The hon. Gentleman has rightly raised with the Foreign and Commonwealth Office a number of issues relating to the case. As he concedes, I, too, have taken a close interest in the matter. I have met the current and former MPs involved and the family members several times, most recently in March, and I will meet right hon. and hon. Members again once we have had the verdict of the Supreme Court of India on the case.

I must stress at the outset that this is a legal, not a political, case. As my right hon. Friend the Member for East Yorkshire (Sir Greg Knight), who has been assiduous in representing his constituent, has pointed out, the British Government cannot interfere in another country's legal process any more than we would allow another country to interfere in ours. Incidentally, I believe that that is something that the former Opposition spokesman, the right hon. Member for Warley (Mr Spellar) has struggled to understand.

Ian Lavery: Will the Minister clarify a point? The charges against the men have been totally quashed, but their passports have been withheld by the Government. Are they being withheld illegally? If the charges have been quashed, why are the men not innocent?

Mr Swire: If the hon. Gentleman will allow me to develop my speech, I will remind people that the matter has been appealed, and the case starts tomorrow in the Supreme Court. That is the Indian judicial process, within the boundaries and confines of which we have to operate.

[Mr Swire]

Consular staff are not investigative officers or legal advisers, nor can they—or any of us—take a view on the guilt or innocence of those to whom they provide consular assistance. Nevertheless, no one in the Chamber this afternoon will fail to appreciate that this has been and continues to be a difficult and distressing time for the men and their families. I am grateful for the opportunity to put on record the Government's approach to the case and the consular assistance we have provided and continue to provide. We believe that our consular staff have behaved with professionalism despite considerable provocation at times.

Brendan O'Hara: The Minister says that the matter is not political, but will he confirm that of the 35 people originally arrested, the Indian contingent have been allowed to go home and seek employment, the 16 Estonians are being subsidised in their food and accommodation by the Estonian Government, but the six British servicemen have been instructed by the Foreign and Commonwealth Office to beg from family and friends to house and feed themselves? Although we are not asking the Minister to get directly involved in the Indian judicial system, there must be a system of support from the Foreign and Commonwealth Office.

Mr Swire: I will come to that. At no stage have we asked anyone to beg for anything.

On 12 October 2013, the ship was detained by the Indian coastal guard security off the Tuticorin port in Tamil Nadu. Consular staff in Chennai were alerted on 14 October to reports of a vessel being held, and the Indian legal process began four days later on 18 October. Permission to visit the men was sent on the same day to the Ministry of External Affairs. Consular staff conducted their first prison visit on 21 October and passed on messages to the men's employer, lawyer and families.

The crew were charged under the Arms Act for being in possession of assault rifles and ammunition, the Passports Act for entering India without a valid visa and the Essential Commodities Act for procuring fuel in India without permission. During the men's imprisonment, consular staff visited them on no fewer than 18 occasions. Consular staff liaised with the prison authorities to ensure that the men received an enhanced diet, and they raised medical and dental concerns. Staff also helped the men to maintain regular contact with their families, friends and the Mission to Seafarers by passing on letters and facilitating visits. Since the men's release from prison on 5 April 2014—one was released later, on 19 July 2014—consular staff have continued to provide assistance by liaising with the company AdvanFort, the lawyer, hotel and police, and by putting the men and their families in contact with organisations that offer help from financial assistance to counselling. Ultimately, however, it is each man's decision whether to take up those other sources of help. Some of the men have also received assistance from private individuals and their own regimental associations.

As the hon. Member for Wansbeck knows, I managed to track down Samir Farajallah, who owns AdvanFort, and I reminded him of his responsibilities, but as I know the hon. Gentleman will appreciate, communication

with Mr Farajallah remains extremely difficult. Although, as I have said, we cannot interfere in another country's legal system, the British Government—the Prime Minister, the Secretary of State for Foreign and Commonwealth Affairs and his predecessor William Hague, who represented one of the men, Nicholas Simpson; as well as British officials and myself—have repeatedly raised the case with the Indian authorities at local, state and national level, urging resolution as quickly as possible. I raised the matter most recently with the Indian Foreign Secretary in my office here in London on 25 June.

As the hon. Member for Wansbeck said, in July 2014 the Madurai Bench of the Madras High Court dismissed all charges against the crew. As is allowed under Indian law, the prosecution decided to exercise its right of appeal and take the case to the Supreme Court in New Delhi, so the legal case continues. At the Supreme Court hearing on 28 April this year, the judge committed to giving a written verdict. The Supreme Court has been in recess since then, and it reopens tomorrow on 1 July. There is no set date for the written verdict, and the hon. Gentleman will appreciate that we cannot request one.

Meanwhile, I am conscious that the decision of the Indian authorities to prevent the men from leaving India until the completion of the legal process has taken a great toll. Among other things, it has meant that they could not support their families through illness and the birth of a first child. We have made representations on compassionate grounds and issued emergency travel documents to some of the men, but I repeat that this is a legal process in which we cannot interfere. That is why consular staff have provided lists of lawyers and suggested that the men seek independent legal advice.

Although we, too, are frustrated by the continuing case, we are unable to demand the release of British nationals overseas. We are unable to interfere in another country's legal process. However, we have made and will continue to make known our ongoing interest in the legal case at the highest level. Indeed, if things are not satisfactorily resolved by the time Prime Minister Modi visits, the matter will almost certainly be raised at that point as well. We will express our desire for a swift conclusion, and we will continue to do all we can within the remit of our consular service for the men and their families.

I thank all the hon. and right hon. Members who represent the families for continuing to take such an interest in the case, and I am grateful for the opportunity to update the House. I repeat that the Supreme Court hearing starts tomorrow, and we hope that it will issue a swift ruling. We do not want to do anything, inside or outside the Chamber, which could in any way prejudice the men's chances of an early release and repatriation to their families and loved ones.

Sir Roger Gale (in the Chair): Order. I would be grateful if hon. Members who are leaving the Chamber did so via the Members' entrance, because we need to admit some members of the public who are in wheelchairs. I will suspend the sitting for a couple of minutes to facilitate that process.

4.38 pm

Sitting suspended.

Welfare Reform (People with Disabilities)

4.41 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): I beg to move,

That this House has considered welfare reform and people with disabilities.

It is a pleasure to serve under your chairmanship once again, Sir Roger. It is poignant that this debate falls on the very day that the independent living fund closes. A further £1.2 billion is being cut from support for people with disabilities. Such cuts were a hallmark of the Tory-led coalition, and many are concerned that not only will this increase but the cuts will get worse under this Government. My purpose in calling this debate is to highlight where we are now and the effect on disabled people, but I also want to draw attention to the punitive and dehumanising culture that has been part of the delivery of these welfare reforms, which set the tone for the leadership within the Department for Work and Pensions and the Government's wider tone on social security.

In the final days before next week's Budget, I urge the Minister to listen to disabled people, their carers and the millions of compassionate people across the UK who are saying that enough is enough. Going back to the 2010 emergency Budget, we know that £500 million was cut within weeks of the general election. The following year the analysis by Demos on behalf of Scope assessed the cumulative impact of the Government's so-called reforms, and estimated that, by 2018, £23.8 billion of support would have been taken from 3.7 million people with disabilities. Demos identified a total of 13 cuts, of which I shall mention the top few.

First, the indexation of social security payments was changed from the higher retail prices index to the lower consumer prices index, and there was also a 1% cap on the uprating of certain working-age benefits. That cut £9 billion from 3.7 million people. Secondly, people on incapacity benefit were reassessed, and we could have a whole separate debate on that—we had a number of debates in the previous Parliament on the work capability assessment. That cut £5.6 billion of support available to people with disabilities. Thirdly, there was the limiting of the time that disabled people in the work-related activity group are able to receive the employment and support allowance. Such people are now able to receive only two years of support, which is a further cut of £4.4 billion. Fourthly, and this is four of 13 cuts, disabled people in receipt of disability living allowance are being reassessed to determine whether they are eligible for the personal independence payment, which is another cut of £2.62 billion.

How have the Government managed that? How has there been buy-in from the public? How can such draconian cuts be acceptable? Part of the Government's strategy has been the invidious spreading of a culture of blame and fear. In the 1980s we saw the unions being targeted; today the focus is on the poor and the vulnerable. The narrative associated with the so-called welfare reforms has been one of divide and rule, deliberately attempting to vilify people who receive social security as the new undeserving poor.

Angela Rayner (Ashton-under-Lyne) (Lab): In the past year, across Tameside, Oldham and Manchester there has been a 230% increase in the number of people going to citizens advice bureaux for help after being sanctioned. One man in my constituency who is not computer-literate, is dyslexic and has a recognised learning difficulty was sanctioned for four weeks for not properly filling out a job search agreement. Does my hon. Friend agree that Ministers need urgently and closely to consider the impact of benefit sanctions across the whole of Greater Manchester?

Debbie Abrahams: My hon. Friend is absolutely right about the punitive sanctions regime. We have called for an independent inquiry into sanctions, following on from the Oakley review. Oakley himself said that his review was "insufficient," which the Government still refuse to accept. Will the Minister respond to that?

The Government have spread a culture of pejorative language, such as "shirkers" and "scroungers". They have intentionally attempted to demonise social security recipients, including disabled people. The innuendo that people with a disability or illness might be faking it or are feckless is, quite frankly, grotesque and belies the epidemiological data.

Mr David Anderson (Blaydon) (Lab): The Chancellor of the Exchequer has said, "When you go to work in the morning and see the curtains of your neighbours pulled tight, you know there is somebody lying in there who can't be bothered to get out of bed and go to work." Somebody might actually be lying in there because they cannot get of bed owing to an incurable disease. Is it any wonder that some people tar everyone with the same brush? Was that not a deliberate ploy by the Chancellor?

Debbie Abrahams: My hon. Friend is absolutely right. I cannot remember whether it was during the Budget or the autumn statement, but it is absolutely shocking that the Chancellor used that language. Incapacity benefit and ESA are recognised as good population health indicators, so what is implied by words such as "shirkers" and "scroungers" is not supported by the evidence.

Richard Graham (Gloucester) (Con): I am worried by the hon. Lady's language. She is attempting to project the party of government as demonisers who are against people with disabilities, which is offensive to those of us who employ people with physical and mental disabilities. I ask her to look at the other side of the coin, which is the work that some of us have been doing on events such as Disability Confident to help get people back into work. What many people with disabilities in my constituency want is not more endless handouts but the respect of being encouraged and enabled to get jobs. Today some 320,000 more people with disabilities are in jobs than was the case a year ago.

Debbie Abrahams: I would not want to impugn the hon. Member's reputation because I know he is an honourable gentleman, but, frankly, I refer back to the language that is being used. We can see a pattern and, again, the Government have to be responsible for that. I will come on to what the Government have done, or how little the Government have done collectively, to support people with disabilities into employment.

[Debbie Abrahams]

Unfortunately, the regular misuse of statistics is another way that the Government are trying to harden the public's attitude. The facts are that, in an ageing population, the largest proportion of social security recipients are pensioners and not, as is often implied, the workshy. Again, fear and blame are not the Government's sole preserve. We all need to be very careful of the language that we use and how it is perceived. As the Government prepare to cut £12 billion from the annual social security budget in next week's Budget, there are real concerns that, in addition to potentially slashing tax credits for the working poor, they will cut further support for working-age people with disabilities.

A recent analysis of trends in disability benefit spending showed that, far from being generous, disability benefits are approximately 15% of average earnings. With the recent changes—the 1% uprating and the indexation to the consumer prices index—they will fall even further. The 2012 public spending on people with disability was just 1.3% of GDP. If we compare that with our European neighbours, we find that that is lower than Austria, Belgium, Croatia, Denmark, Estonia, Finland, Germany, Hungary, Iceland, Luxembourg, Italy, the Netherlands, Norway, Portugal, Serbia, Spain, Sweden and Switzerland.

That figure has decreased since 2012, given the Government's welfare spending cuts in 2013. Total social security spending in the UK in 2012, before the cuts, was only 15.5% of GDP. That spending supports our pensioners, the sick and disabled, people in low-paid work and people out of work. We are 17th out of 32 EU states. Again, I contrast that with the fact that the Government are trying to say how generous we are in terms of what we provide.

Ian Lavery (Wansbeck) (Lab): Does my hon. Friend agree that it is an outrage that disabled people spend an average of £550 extra in connection with their disability, and that one in 10 disabled people spends more than £1,000 extra?

Debbie Abrahams: My hon. Friend is absolutely right. I will come on to the additional costs of being disabled.

Mr David Burrowes (Enfield, Southgate) (Con): The hon. Lady mentioned percentage of GDP, which I might address later if I have a chance to catch Sir Roger's eye. What does she think the percentage should be? We spend 0.7% on international development and 2% on defence. What does she think is the appropriate and right percentage of GDP to spend on disability?

Debbie Abrahams: I would not be so pushy as to state such figures at this stage in a Parliament. I am making a point about the mood music that the Chancellor in particular is stressing before the next Budget. I warn hon. Members that we are not over-generous; our spend is 1.3%, and we need to bear that in mind.

There are more than 12 million people in the UK living with a disability, impairment or limiting long-term condition, 7 million of whom are of working age. That is one in five of the population. Of those, 4 million working-age disabled are working already, and another 1.3 million can and want to work but are currently unemployed.

Ian Paisley (North Antrim) (DUP): Does the hon. Lady agree with me that there are about 5,000 people with motor neurone disease, which is a rapidly progressive and fatal illness, and that not all of them can obtain a DS1500? That pushes things to the point where people think that they can or should work, when they are not physically capable of doing so. The Government must deal with that rapidly to ensure that all 5,000 people in the UK with MND are taken care of.

Debbie Abrahams: The hon. Gentleman makes a good point. The work capability assessment's insensitivity to mental health conditions, progressive conditions and fluctuating conditions makes it unfit for purpose at the moment, and there is a lot of evidence to support that.

Richard Graham: The hon. Member for North Antrim (Ian Paisley) raised an interesting point about MND sufferers. Has the hon. Lady also thought about people suffering from multiple sclerosis, a condition that often deteriorates over time? Some of my constituents with MS who have been assessed physically and moved from disability living allowance to personal independence payments are receiving an increased amount of money because their condition has worsened over time. It varies from condition to condition and situation to situation, does it not?

Debbie Abrahams: It does indeed, but the fact is that 600,000 fewer people will be eligible for PIP than currently receive DLA; those are the statistics. However, I will come to that.

The UK currently has a disability employment gap of 30%. The Oldham fairness commission, which I chaired, found that the local disability employment gap is 34%. As the vast majority of disabled people—90%—used to work, that is a waste of their skills, experience and talent. Attitudes, perceptions and judgments can often get in the way of identifying someone's talent or skills—

4.54 pm

Sitting suspended for a Division in the House.

5.10 pm

On resuming—

Sir Roger Gale (North Thanet) (Con): I indicate to Members now, to allow them a little preparation, that I intend to impose a five-minute limit on Back Bench speeches. Six hon. Members from various parties have indicated a desire to speak: if you can manage it in less than five minutes, it will help others. That will leave about five minutes each for Opposition Front-Bench speeches and for the Minister.

Debbie Abrahams: I was discussing the experiences of disabled people, 90% of whom have worked. For people with disabilities, the experience of an interview can be particularly discouraging.

People with disabilities should be able to access the same opportunities as everyone else, including being able to use their talent and skills to the best of their ability. No one should feel that they are unable to reach their potential or that their hopes and dreams do not matter. The Government have cut the support for disabled people that allows them to live as normal a life as

possible, but they have failed to provide meaningful support to help disabled people into work and enable them to thrive, thereby protecting them from leaving the labour market prematurely.

Having just one disability employment adviser for 600 disabled people is quite shocking and reveals the Government's priorities. Similarly, there is chaos, and inadequacies, in the specialist employment support service Access to Work, which last year supported just 35,000 disabled people into work and at work. That just does not cut it. What happened to the money de-invested from Remploy, which was meant to be reinvested in Access to Work?

The extra costs commission analysed the additional costs faced by disabled people and found that on average they spend an extra £550 per month on costs associated with their disability. By contrast, in 2015-16 the average award of personal independence payment or disability living allowance was £360 per month. On top of this, as I mentioned earlier, Scope has estimated that 600,000 fewer disabled people will be eligible for support. Couple this with the £3.5 billion cut to social care and it all adds up.

It comes as no surprise that people with disabilities are twice as likely to live in persistent poverty as non-disabled people: 80% of disability-related poverty is caused by extra costs. This has implications for disabled people's families as well, because a third of all families living in poverty include one disabled family member.

George has a mild learning disability. He has suffered with a bad back since an accident a few years ago and can no longer do the heavy lifting work that he used to do when he worked in a warehouse. George works 12.5 hours a week as a cleaner in a local college, but wants to work more to earn working tax credit. He said:

"Hopefully I might be able to find another job or increase the hours with the job I've got. Next year I might have a word with my supervisor but everyone is short of cash at the moment so I'll have to wait and see!"

For now, he relies on employment support allowance to top up his wages. He lives a modest life. He attends a local self-advocacy group, where he receives additional support when he needs it, and meets up with friends and family when he can. He certainly does not have cash to spare. Without ESA he could not afford to get out and about and would risk becoming very isolated. He has been in financial difficulty in the past, and it was only because of the support he got from the self-advocacy group that he managed to keep his own home—he was under threat of being made homeless. George is lucky. Unfortunately, thousands of people do not have the benefit of the support that he has.

I am sure it has not escaped your attention, Sir Roger, that more than 336,000 people have signed a petition calling on the Government to publish data on the number of people on incapacity benefit and ESA who have died since November 2011. This petition was started following a ruling by the Information Commissioner on 30 April compelling the Government to publish these data in 35 days, including the number of those who died following being found fit for work.

Last week there was an amazing sequence of events. On Monday, the Secretary of State told me that he could not publish these data because they were not

kept, and told me to stop scaremongering; on Wednesday, the Prime Minister said that they would be published; and this was swiftly followed by the Government saying that they were appealing against the Information Commissioner's ruling, stating that publishing these data would lead to "probable misinterpretations" and "was too emotive...and wasn't in the public interest". What an absolute shambles! I could not disagree more. This is definitely in the public interest. As a former public health academic, I am more than aware of the strict criteria for establishing causality, but there are no grounds for not publishing numbers of actual deaths as well as the Government-proposed standardised mortality ratios, including those who died within six weeks of being found fit for work. Will the Minister now confirm when these data will be published?

At the same time, following on from Select Committee on Work and Pensions inquiries into sanctions beyond Oakley, I should be grateful if the Minister confirmed when the Government will publish redacted information on the circumstances of the deaths of claimants who died while sanctioned, and what changes the DWP instigated in the light of reviews of these deaths. It is notable that, since the Government's new sanctions regime, the rate of sanctioning of people on IB and ESA has doubled. Will the Minister also confirm whether the significant surge in suicide rates for both men and women since 2010—but particularly for working-age men—is being analysed by the DWP? I thank my former public health colleague Ben Barr for providing me with these data.

My final comments relate to next week's Budget. There is much concern that the Government may once again target disabled people. Will the Minister pledge today that there will be no further erosion of support for disabled people, including taxation of universal disability benefit or restricting the Motability scheme, which enables over 56,000 to keep their job? He did not answer the questions I asked him during our previous exchange on the PIP process, so I should be grateful for a yes or no answer today.

Being disabled is not a lifestyle choice. I am proud of the principles underpinning our model of social welfare, where any one of us is afforded protection should we fall ill or become disabled, but it is at risk from this Government. I urge the Government not to take any further steps along their regressive path.

Sir Roger Gale (in the Chair): The debate will end at 5.55 pm. I shall have to call the Front Benchers to speak not later than 5.40 pm.

5.17 pm

Mr David Burrows (Enfield, Southgate) (Con): It is a pleasure to take part in this debate, which is timely as we look forward to the Budget. It allows us to consider welfare reform and people with disability without being drowned out by the common refrain and focus on how much money needs to be saved from the welfare budget. We can look seriously at what we mean by disability and how we can stand up properly for those who are vulnerable.

I want to make three points. First, we need to support and uphold the positive value of a generous safety net. We should be able to do that, be proud of it and stand up for it. We have to find a better way to discuss welfare.

[Mr David Burrowes]

We should focus particularly on disability, so that we can properly protect vulnerable people. We need a positive approach.

I recognise that there need to be cuts in the overall welfare spend, not least because, as the Chancellor said, we have 1% of the world's population, 4% of its GDP, and 7% of global welfare spend, so reform is needed. Although we are considering the subject through the prism of cuts, protection for people with disabilities should not be regarded as being at the end of the queue, after protection for pensioners and child benefits. Disability campaigners are concerned about what is happening. Disability should not be at the end of the public spending queue after the NHS, international development, which is protected, defence, which some of us think should be protected more, and education. Somewhat mischievously, I asked what percentage of GDP should be given to disability, but we should consider the real spending requirements before considering what is needed in terms of reform.

It is worth making some international comparisons. We should be proud that we spend £33.5 billion each year on benefits for the disabled, excluding social care. It is a small amount when shared among the many vulnerable people. We all have individual experiences, as I do in my surgeries, of people who are challenged by living on those benefits and dealing with some of the reforms. Nevertheless, as a proportion of GDP, the UK spend on benefits for the disabled is double that of the US, a fifth more than the European average and six times that of Japan. We can be proud of that record while realising that there are ways that we can do better within that budget.

We should uphold the principle of dignity—the dignity for disabled people of being independent, for those who can be live independently, and the dignity of working for those who are able to work, although not everyone can. It is also about dignity in terms of showing compassion, standing alongside them and being able to support them in the ups and downs. Some need that safety net temporarily, and some need it permanently.

My second point is on the importance of de-weaponising welfare. On the one hand, campaign groups say that the cuts will fall on the most vulnerable and the poor, and as much as I congratulate the hon. Member for Oldham East and Saddleworth on securing the debate, we did hear that from her. On the other hand, the tabloids—do not just put this at the door of Ministers—say that it is all about the workshy and condemn them for exploiting the system. Everyone is in the mix. We need to get beyond that argument and look at what needs to be achieved for us to have an honest debate.

The facts are important and they need to be heard. The Institute for Fiscal Studies has said that between 2011 and 2014, spending on disability living allowance increased by £1.8 billion, spending on attendance allowance increased by £200 million, and spending on carer's allowance increased by £400 million. The number of unemployed disabled people has fallen by more than 15% over the past year. That matters; it means that 230,000 more disabled people are in work, so it is not all scaremongering and doom and gloom.

There are challenges—the independent living fund was mentioned. It was scrapped, but the funds were not scrapped. Let us be honest about the situation: the £300 million was reduced to £262 million and the funds were devolved to local councils, where efficiency savings can be made by having everything under one roof. We have to see how those efficiencies are made, but the funds are there to help the same people as the ILF helped, and for the same reasons. We have to have an honest debate. We have to recognise that we need to be on the side of the vulnerable and the poor. Not all disabled people are poor—in fact, two thirds are not in low-income brackets. We need to recognise that, while understanding that they all might be vulnerable in the long term.

Julian Knight (Solihull) (Con): I am very much interested by what my hon. Friend has said and how he has tried to take the middle ground in the debate. We have heard a lot about the apparent failures of the Access to Work programme, yet disability employment is now at 3.1 million. The employment rate for disabled people rose by 2.5% in the year to September 2014. I hope my hon. Friend agrees that those are encouraging figures, but that more needs to be done.

Mr Burrowes: That is right. There are some excellent Disability Confident events in our cities that help those figures, and we must support them.

I am calling for an honest debate. The IFS said that the number of DLA claimants is twice what it was in 1992. We cannot say that that increase is simply because of an increase in the number of disabled people; we have to look at why the number of claimants has doubled and seek to make reforms.

We should look at a new way of dealing with the whole welfare debate, and in particular at disability and the spend needed in that area. We should look not only at benefits, but at social care, which poses serious challenges for local authorities dealing with disabled people. We need integration. We are looking at personalised budgets, so we should look at their impact on social care, the cuts and challenges, as well as on the issue of disability benefits. Let us bring that together for all our constituents and work hard to give them the best deal.

As we approach the Budget, I want to be able to look disabled people square in the face and say, “Whatever is happening around the economy, we are wholly committed to being on your side and giving those disabled people who need it that independence for living and work.” We need to show compassion and that we are on their side all the way along.

5.24 pm

Nick Thomas-Symonds (Torfaen) (Lab): It is a pleasure to serve under your chairmanship, Sir Roger. I congratulate my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) on securing this important debate. I know she feels strongly about the subject.

The Budget speech given by the Chancellor of the Exchequer on 18 March set out that there would be £12 billion of welfare cuts by 2017-18, yet since then there has been the general election campaign, numerous Prime Minister's questions, Department of Work and Pensions questions and Treasury questions and we still

have no definitive answers on where the cuts will fall. Indeed, on 22 June, the Minister was asked directly by my hon. Friend the Member for Bolsover (Mr Skinner) whether he would rule out cutting the benefits of any disabled person over this Parliament, but all the Minister gave in answer was:

“We are clear that we will protect the disabled and vulnerable.”—*[Official Report, 22 June 2015; Vol. 597, c. 600.]*

This area needs definitive answers. With the uncertainty, a number of possibilities are regularly mooted for the Chancellor's next Budget, such as restrictions to carer's allowance and to the contributory element of employment and support allowance, as well as taxing disability living allowance, personal independence payments and attendance allowance. All those things would have an enormous impact on the weekly incomes of the most vulnerable people in our society.

Since the election, I have had some of the most vulnerable people in our society—the disabled—coming to my constituency surgeries extremely worried about what may happen in this Parliament. That includes people with mental health problems and people who have been disabled since childhood.

The Parliamentary Under-Secretary of State for Work and Pensions (Justin Tomlinson) indicated dissent.

Nick Thomas-Symonds: The Minister shakes his head, but he is welcome to come to my surgeries and hear what is said to me, because that is where the firm evidence is. Take, for example, the specific worries of sufferers of long-term conditions such as Parkinson's disease. Those in receipt of long-term disability living allowance will soon be starting a reassessment, yet the mobility criterion has been reduced to 20 metres. Parkinson's is a fluctuating condition, so they are extremely worried about losing the wheelchairs and scooters from which they may benefit, for example. Similarly, there are Parkinson's sufferers in the work-related activity group. The nature of that group is about going back to work, but the condition is degenerative. Does the Minister not accept that the uncertainty created since the Chancellor's Budget has been a source of worry and great anxiety to those in our society in receipt of benefits? I can only urge him to make representations to the Chancellor to at least come clean in the Budget on 8 July on precisely what will happen.

Kirsten Oswald (East Renfrewshire) (SNP): I very much agree with what the hon. Gentleman has said. I have had email upon email from my constituents saying that they are hugely worried about what will happen in the Chancellor's Budget. They are people with disabilities, their carers and their families—people in the most difficult of circumstances who are suffering huge anxiety and are feeling stigmatised, too. They do not want to hear so much rhetoric about hard-working people; they may well be hard-working people or aspire to be. We also heard something about handouts. Again, I agree with the concerns expressed by hon. Member for Oldham East and Saddleworth (Debbie Abrahams) about terminology. These people deserve our support, and it is our job to provide it.

Nick Thomas-Symonds: I agree with the hon. Lady. The Government's language is deeply worrying. The hon. Member for Enfield, Southgate (Mr Burrowes)

made a point about weaponising the welfare state, and I am afraid that language like “shirkers” does exactly that.

Above all, I hope that through this debate the Minister has heard a real strong voice from the most vulnerable people. Some years ago, Aneurin Bevan said of the plight of those who were out of work in the winter months:

“It would be a disaster and it would be a disservice to the House if the feelings of those men were not allowed to find an echo within these walls.”—*[Official Report, 26 November 1931; Vol. 260, c. 632.]*

The same can be said of disabled and vulnerable people in 2015. If nothing else, I hope that today their voice has found an echo within these walls.

5.29 pm

Peter Heaton-Jones (North Devon) (Con): It is a pleasure to serve under your chairmanship, Sir Roger. I congratulate the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) on securing this important debate on a subject in which I take something of an interest.

I would like to reflect on the language that we use. This is an emotive and emotional subject for many people, so it is important that Members from all parties get the language right. I must say that I do not recognise some of the language being used to describe the Government. I certainly would not want to sit as part of a Government party that had those sorts of feelings and thoughts, and I really do not believe that we have. It is wrong to suggest that we in this party have that sort of thought, because we really do not. I do not recognise that at all.

I am very aware of the strictures of time, Sir Roger, but I want to say a few things. It seems to me that the holy grail is to help people with disabilities off welfare and into work. That would be a useful direction for this discussion to go in. It is vital that where people are able to work, they are given the opportunity to do so. The Government should support them along that road as much as possible. I am struck by the fact that today there are 320,000 more people with disabilities in jobs. That is extremely significant.

Of particular significance for me is those with mental health conditions who are getting back into work, because I have some relevant experience. I worked for five years as a manager in an office where we made particular provision to ensure that we could employ people with mental health conditions. A lot of it is to do with understanding the individual—there is no one-size-fits-all solution. By being understanding and putting into place some very personal provision, we were able to ensure that people felt that they were able to work for us and that they were not disabled by their disability, if I can put it like that. I am a big believer that it is vital to help people off welfare and into work where that is possible. I really want to explore that further, as will my hon. Friend the Minister, I am sure.

The Government have introduced a number of pilot projects, which are to be welcomed. For too many people with disabilities, it is simply too difficult to get into a job. In addition, an episode of mental ill health can set people back disproportionately compared with people who have physical health ailments. Until now,

[Peter Heaton-Jones]

the system has not recognised that sufficiently. The Government are now introducing a number of evidence-based pilot projects to try to see how people are being assisted and how we can help them more. I would be interested to hear more from the Minister on that, because it is really important.

The Disability Confident events have been mentioned already. They have been hugely constructive. I am looking to organise one in my North Devon constituency, and I know that many right hon. and hon. Members will be looking to do the same in their constituencies. The events do what they say on the tin: people with a disability need to be given the confidence to get off welfare and back into the world of work. That is vital.

I believe that the Minister and the Government will be doing good work in this area. I cannot second-guess—any more than the Minister can, I suspect—what our right hon. Friend the Chancellor is going to say in the Budget statement a week from now. Nevertheless, from my conversations with the Minister, I know that he and the Government are absolutely committed to doing their best.

I bring my comments full circle by saying that we really need to be careful about the tenor of the debate and the language used on all sides. I look forward to hearing in positive terms from the Minister about the welfare reforms and how they will help disabled people, particularly those with mental health conditions, to get off welfare and back into work. That is our holy grail.

5.34 pm

Mrs Madeleine Moon (Bridgend) (Lab): I draw attention to the interest that I declared in a previous debate. I would rather not repeat it.

We have talked a lot about language. Language is critical, because we are talking about a spectrum of capability and disability. Sometimes, it is all too easy to lump the disabled all together. Part of the problem is that that has happened, largely in this place, but also in the media and, sometimes, in the mind of the public. That is dangerous. We in this place are responsible for ensuring that the public are given a wider and clearer understanding of what we are talking about. We have failed in that. It is time that we stopped, looked at our language, and were clearer.

There is no doubt that there has been some language of “shirkers” and “scroungers”, but there has also been a failure to recognise that some of the people who undergo assessments are terminally ill. They have been assessed by their GPs and consultants as having life-ending conditions. They are the people about whom I want to talk. They should not have to face accusations of being shirkers. They should not face onerous assessments and a requirement that they justify their access and right to benefits.

These are people whose lives are able to continue only because of the carers who care for them with deep love and affection. They are people for whom the assessment process brings huge fear, not only of not getting the benefit, but of not being able to stand up and describe what their life is like—of not being able to say, “I deal with incontinence every day. I can’t swallow. I can’t

speak. In fact, I can’t even articulate to you how bad my life is.” We need to recognise that too many people in this country endure that on a daily basis.

I remember, when my husband was passported on to personal independence payment, having to talk, on the telephone, about what his life was like. I have to say, that is not easy. We should not place people in that position. A few days later, I received a letter that said, “If you don’t hear from us by this date, please come back to us.” I did not hear, so I went back to them, and they said “You don’t need to ring us. You don’t need to talk to us.” I had got myself into a state before I rang, and I am somebody who has dealt with disability all their professional life. I had made 20 or 30 phone calls before I got through, and to be told, “Oh, we don’t know why we send those letters out. We don’t need to talk to you; it’s under process,” is insulting.

Let me mention briefly the DS1500. It is an extremely painful thing for someone to receive, because it basically tells them, “This life is about to end”—potentially in six months. I have dealt with people with terminal cancer who have refused a DS1500 because they do not want to be told that. They do not want to know it, and yet it is a huge passport for people to other benefits. We have to look at the DS1500, because many GPs are loth to discuss giving a DS1500 to someone who is terminally ill. We cannot allow that to continue.

We have to look at how we ensure that people who have life-ending illnesses are dealt with compassionately and with dignity, and we are not doing that now. We need to ensure that their carers are enabled to carry on in a way that makes them feel trusted and respected by the state, not like a scrounger or someone who is not dealing with the worst horrors that life can bring. We must always remember that disability benefit fraud is at 0.5%. Let us keep that in mind.

Sir Roger Gale (in the Chair): I apologise to the hon. Member for Islwyn (Chris Evans) because we have run out of time for non-Front-Bench speeches. I am placing your presence on the record, but you may seek to intervene in one of the winding-up speeches.

5.40 pm

Natalie McGarry (Glasgow East) (SNP): Thank you for the opportunity to speak in this debate, Sir Roger. I thank the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) for making a necessary and pertinent examination of what is happening in the welfare state, with particular regard to disabilities. As the SNP spokesperson on disability, this is a matter of great importance to me.

We have had some good speeches today, and I particularly welcome the conversation about the narrative that we spin around disability. The general election was particularly bruising, and for disabled people to hear parties talk not about being the party of people with disabilities, but about hard-working people, with the inference that people who are not in work are not hard-working and do not aspire to be, damages the debate. Today in the Chamber, my SNP colleagues are debating the Committee stage of the Scotland Bill, in particular welfare and disabilities. Many of the amendments in our name are aimed at ensuring that the Scotland Bill delivers more devolution and does not devolve further austerity and

shackle the Scottish Parliament to further Tory attacks on the welfare state. They are the result of extensive consultation with civic Scotland and work done in partnership with other organisations.

Just this morning, 12 of Scotland's leading third sector organisations published a letter in *The Herald*, timed to coincide with today's debate and ahead of the emergency Budget next week, expressing grave concerns about the severe detrimental impact of the Government's austerity measures on low and middle-income families. In particular, they highlight the threat to tax credits and other support that would fall within universal credit and say to us, here in this House, that as we begin the process of defining the shape of Scotland's social security system, we need to

“understand how high the stakes are”.

It is incumbent on every one of us—not just those from Scotland—to listen to those voices. The groups that have put their heads above the parapet on this matter are some of Scotland's largest and most influential civil society organisations, including Citizens Advice Scotland, Barnardo's Scotland, the Child Poverty Action Group in Scotland, the Church of Scotland, Inclusion Scotland, One Parent Families Scotland, Oxfam Scotland, the Scottish Trades Union Congress and the Trussell Trust. These organisations bear on their shoulders much of the burden of mopping up some of the worst effects of austerity on the most vulnerable in our society.

The UK Government's programme of welfare reform has had a devastating impact on too many people across the country. In Scotland, the Scottish Government estimate that UK Government welfare cuts have reduced welfare funding in Scotland by almost £2.5 billion in 2015-16 alone. That estimate comes before the additional planned welfare cuts of perhaps £12 billion across the UK, which can only have a further devastating impact on communities across Scotland and the UK. Where will those cuts be made? How much more can be cut?

What is absolutely clear is that people with disabilities are disproportionately impacted by welfare reform, which fits in perfectly with a pattern whereby the UK Government's cuts programme hits the most vulnerable in our society hardest, punishing them for the reckless damage done to the economy by the few at the top. Further planned cuts can only cause greater and sustained damage, driving yet more households into poverty and desperation. The roll-out of the personal independence payment has been riddled with delays and errors, which have caused a great deal of distress and hardship for people with disabilities. BBC News reports that 78,700 people are currently waiting to hear whether they can claim PIP, 3,200 of whom have waited more than a year to have their claims processed and 22,800 have waited more than 20 weeks. In June 2015, a High Court judge ruled in favour of two PIP claimants who had had their applications delayed by around nine months, to the detriment of their health and financial security.

Chris Evans (Islwyn) (Lab/Co-op): Is the hon. Lady as concerned as I am by the Motor Neurone Disease Association finding that, accompanied with the move to PIP and universal credit, people with MND are now expected to attend face-to-face assessments, despite clear medical evidence that such assessments have a severe impact on their condition?

Natalie McGarry: I thank the hon. Gentleman for his intervention and echo his concerns. I would add that other people with systemic and advanced disabilities have to attend test centres that are well out of their geographic reach. The Scottish—

Sir Roger Gale (in the Chair): Order. I would urge the hon. Lady to leave the Minister time to respond to the debate.

Natalie McGarry: The Scottish Government have repeatedly called for a halt to the PIP roll-out, which has been an extremely messy, damaging and stressful process for claimants. Last week, I tabled a question to ask the Minister what review was being done of those with mental ill health who had been denied PIP on the basis of tests with a physical aspect. The answer was that the Government are not currently reviewing the matter, which is no comfort to constituents of mine who have come to me in abject despair having been denied PIP and become embroiled in the messy, uncertain and lengthy appeals process.

Disabled people are already at risk of being in lower-income households, and the UK Government's cuts are making things worse. Currently, half of all people living in households with a disabled adult are in the bottom 40% in terms of income.

Carolyn Harris (Swansea East) (Lab): Will the hon. Lady give way?

Sir Roger Gale (in the Chair): Order. I am terribly sorry, but the Minister must have the time to reply to the debate.

Natalie McGarry: Some 20% of individuals in households containing a disabled adult were in relative poverty. For households with no disabled adult, the figure was 14%.

In conclusion, I urge the Minister to halt the move to PIP and to implement an urgent review of the assessment at test centres and the unconscionable delays in the assessment and appeals systems. I also urge him to listen to disability organisations in civic society ahead of next week's Budget.

5.47 pm

Helen Goodman (Bishop Auckland) (Lab): I congratulate my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) on securing the debate and on making an excellent and well-informed speech. I also thank my hon. Friends the Members for Torfaen (Nick Thomas-Symonds) and for Bridgend (Mrs Moon), who spoke powerfully from her personal experience and demonstrated the sensitivity and difficulty of this issue for many people.

Government Members have been telling us that the key thing is to get people with disabilities back to work, but the Government's schemes have unfortunately not succeeded. The Work programme has failed, with fewer than one in 10 disabled people getting into work. Work Choice has not worked well. Access to Work has been cut. The number of disability employment advisers has been cut. Those things are not going as Members across the House would like. We must acknowledge the fact that, in any society at any time, some people will always be dependent on such benefits.

[Helen Goodman]

I was disappointed that the Minister thought that he could somehow set the debate up well by stating previously that PIP claimants are only waiting four weeks. I have gone through my constituency case load and I can tell him that people are waiting much longer not only for their PIP assessments, but for the money. For example, Mr C attended a medical assessment for PIP in April, but he has not received any correspondence about whether it was successful. He has been awarded ESA, which has been backdated, but it takes 13 weeks for him to get the money. I do not know what he is supposed to live on in the meantime. Perhaps the Minister will tell us.

The most important issue that I want the Minister to address is where the £12 billion in cuts are going to come from. Will he now rule out cuts to PIP, cuts to attendance allowance, cuts to carer's allowance, cuts to industrial injuries disablement benefit and cuts to ESA? Will he further rule out taxation of PIP? As the Royal National Institute of Blind People has said, it is absurd to tax a benefit designed to cover the costs of disability. I hope the Minister will rule those things out.

5.50 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Justin Tomlinson): It is a pleasure to serve under you, Sir Roger. I have a limited amount of time, but I will do my best to address as many of the points made as I can—I do not have a set speech. If I run out of time, we will send further information.

I congratulate the hon. Member for Oldham East and Saddleworth (Debbie Abrahams) on calling the debate. She is a long-standing campaigner in this area, and that does shape what we do. She covered many things, but she can always come and see me face to face to run through some of them—my door is open and she has a huge amount of experience. I picked up the point about language. That is not something that I recognise as a Minister, but if there are examples that the hon. Lady wishes to bring to my attention, she should please do so.

Mr Anderson: Will the Minister give way?

Justin Tomlinson: I have only four minutes in which to respond, so that is what I have to do.

On the disability employment gap, in the past 12 months, an extra 238,000 people got into work, which is 650 a day, an increase of 2.4%, which is the biggest in the past decade. We are committed to halving the disability employment gap—it is about a further 1 million. That is a key priority.

Scope's Extra Costs Commission report was fantastic. I have already met with Scope's chief executive to look at different ways to support it—for example, this morning I was at the Inclusive Technology Prize competition. Clever people are coming up with ways to improve access in people's everyday lives to the sorts of things—

Debbie Abrahams: Will the Minister give way?

Justin Tomlinson: Honestly, I would like to, but I cannot.

The amount of money spent on disabilities actually increased by £2 billion over the last Parliament, and DLA and PIP are uprated in line with inflation. Access

to Work was also mentioned in the debate, and numbers increased to 35,500 last year, which is up 4,000. It is demand-led. We are always looking to promote that, which is where the Disability Confident campaign comes in, in particular by highlighting Access to Work to small businesses, which provide 45% of private sector jobs and are not always aware of things. I know from meeting the Federation of Small Businesses that that is felt to be important.

I hear the concerns about sanctions, which were expressed by more than one Member. They are a last resort and we are looking continually at how they are operating. Even the Oakley review stated that sanctions were

“a key element of the mutual obligation that underpins both the effectiveness and fairness of the social security system”, and we accepted 17 of its recommendations to improve the process. I am happy to provide details on those 17 points.

Debbie Abrahams rose—

Justin Tomlinson: I know that the hon. Lady wishes to come in, but time is tight.

On the point about George, universal credit will help, in that different disabilities can have different impacts from week to week. That would therefore allow somebody to maintain a certain income, and where they work extra, they have an income on that. We will be publishing them the mortality stats—I know the hon. Lady is keen to see them soon; we would all like to see them as soon as possible.

The hon. Member for Bridgend (Mrs Moon) kindly made her points in a debate two weeks ago and has agreed to meet with me on Thursday, with Parkinson's UK and the Motor Neurone Disease Association. I am grateful for that. It will be an opportunity to discuss all the points made today. With regards to terminally ill people, we are processing things within six days and 99% are being awarded. I understand the points made about the DS1500 form. GPs are not comfortable doing it. We are talking to the Department of Health about that, so we can expand on that from the meeting.

My hon. Friend the Member for Enfield, Southgate (Mr Burrowes) again took a reasoned and proactive approach. A lot of stakeholders echo the words that were used—[*Interruption.*] The hon. Lady should not panic; I am coming to that.

I understand what the hon. Member for Torfaen (Nick Thomas-Symonds) was saying about the frustration, but I am afraid that this happens with every single Budget, whoever the Government are. There is always uncertainty before the Budget. I am no different to anyone else present—we are not the Chancellor. What I do know, however, is what underpins his reform. We will continue to support disabled and vulnerable people. We are providing a strong welfare net for those in need and we will always ensure that work pays. The hon. Gentleman is a strong voice and I would be keen to continue to work with him, in particular on issues arising from surgeries or personal experience.

My hon. Friend the Member for North Devon (Peter Heaton-Jones) and I have shared experience of employing people with mental health conditions. The Government have spent £42 million on a series of pilots that provide group work, telephone support and face-to-face individual

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support. In the Budget earlier this year, we put in for direct purchase of support, to bring it about much quicker. Through the Access to Work scheme, that can provide help for people within work, and there is a 92% success rate.

5.55 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).

Written Statements

Tuesday 30 June 2015

BUSINESS, INNOVATION AND SKILLS

Hatfield Colliery Partnership Limited

The Minister for Small Business, Industry and Enterprise (Anna Soubry): I want to update the House on matters concerning Hatfield Colliery Partnership Ltd (HCPL).

The previous Minister of State for Business, Enterprise and Energy (Matthew Hancock), informed Parliament on 7 January 2015 that the Government have provided HCPL with a short-term commercial loan of £8 million to avert the company's imminent insolvency at that time. The intention was to provide time for HMG to secure the appropriate legal basis for longer-term support which would allow HCPL to continue operating until 2016.

In May 2015, the Government announced they had agreed to provide HCPL with a longer-term, repayable grant of up to £20 million to enable the colliery to continue operating until its planned closure in August 2016. This support was state aid for which Government have secured approval from the European Commission, a strict condition of which was that the mine does not remain open beyond August 2016.

The directors managed closure plan assumed that replacement contracts from June 2015 onwards would be secured for all their coal output at pricing similar to what had been achieved before. In June 2015 the directors of HCPL approached the Government to advise that the current UK demand for coal was weak with UK power companies already largely fully stocked for 2015.

Since being advised of this position, the Government have done all they can to assist the directors of Hatfield, including reiterating their earlier commitment to provide up to £20 million towards the costs covered by the state aid approval to help the company achieve an orderly and safe closure.

Despite this the directors have concluded it is not economically viable to continue mining and so took the decision to stop coal production on 30 June 2015.

Our priority now is to support the workforce and to close the mine safely.

I understand this is a very difficult time for the individuals affected. The Jobcentre Plus rapid response service will be available to help support Hatfield's workers into new employment, and to arrange re-training where needed.

[HCWS70]

UK Justice and Home Affairs Opt-in

The Minister for Small Business, Industry and Enterprise (Anna Soubry): I wish to inform the House that the UK has opted in to a proposal from the European Commission

for a regulation protecting against the effects of the extra-territorial application of legislation adopted by a third country.

The proposed regulation consolidates existing EU legislation (regulation (EC) No. 2271/96 and its subsequent amendments); it does not contain any new and/or substantive material and does not change the existing measure in substance. It can therefore be supported.

Although the proposal does not cite a legal base in title V of Part 3 of the treaty on the functioning of the European Union, the Government consider that there are Justice and Home Affairs obligations in Articles 4 and 6 of the draft EU regulation. Article 4 prevents certain judgments from outside the EU being recognised and enforced within the EU. Article 6 provides that the Brussels I (recast) regulation applies to proceedings brought under that article to recover damages.

These JHA obligations triggered the UK's opt-in. The Government communicated their decision to the president of the Council on 15 May.

[HCWS67]

TREASURY

Summer Finance Bill 2015

The Financial Secretary to the Treasury (Mr David Gauke): The summer Finance Bill 2015 will be published on 15 July. Explanatory notes on the Bill will be available in the Vote Office and the Printed Paper Office and placed in the Libraries of both Houses on that day. Copies of the explanatory notes will be available on gov.uk.

[HCWS72]

ENERGY AND CLIMATE CHANGE

Environment Council

The Secretary of State for Energy and Climate Change (Amber Rudd): My hon. Friend the Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rory Stewart) and I attended the EU Environment Council in Luxembourg on 15 June. Dr Aileen McLeod, Scottish Minister for Environment, Climate Change and Land Reform also attended.

Ministers held a policy debate on the national emissions ceilings directive. The UK expressed support for the Commission's ambition to halve the number of premature deaths caused by air pollution. Other member states expressed similar support. Minister Stewart, however, noted proposed 2030 targets needed to be realistic given uncertainty around some of the assumptions underpinning them. The UK supported the deletion of methane from the Council's text. Regarding other pollutants, the UK was among other member states that raised concerns about specific targets including ammonia, nitrous oxides and particulate matter. Some suggested the 2030 targets should be indicative while most called for firm binding targets.

The Commission welcomed the broad support for the headline health improvement target and reiterated that it was open to addressing specific national concerns about the 2030 targets, but strongly opposed the suggestion for indicative targets. The Commission were hopeful that a first reading agreement would be possible.

Ministers expressed views on the road to the United Nations framework convention on climate change, 21st conference of the parties in Paris this year (UNFCCC CoP 21). The Commission and some member states raised the importance of further outreach to allies, the legal form, agreeing a five-year cycle of review of mitigation commitments and a long-term goal, developing a finance package and moving towards parity between mitigation and adaptation elements of the deal. I emphasised the importance of ensuring the EU had flexibility to negotiate on both adaptation and finance, and pursuit of a robust review process both to ensure the adequacy of the agreement and public confidence. All member states called for more parties to present their mitigation pledges, or intended nationally determined contributions (INDCs), as quickly as possible. Some member states indicated concern regarding specific dates or numbers within a long-term goal and that parity between mitigation and adaptation would create false expectations.

The presidency concluded that draft Council conclusions would be prepared shortly for adoption at the additional Environment Council on 18 September.

Under any other business the presidency and Commission noted the successful negotiation of a provisional agreement in the European Parliament on the EU emissions trading system (EU ETS) market stability reserve decision, a first step in putting the carbon market back on track. The Council noted information provided by the Commission on recent international meetings, on the European fund for strategic investments and by Portugal on the Lisbon charter on drinking water. Luxembourg as the in-coming presidency presented its priorities.

Over lunch, Ministers discussed further detail on the preparations for the Paris summit.

[HCWS68]

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Agriculture and Fisheries Council

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): I represented the UK at The Eu Agriculture And Fisheries Council on 16 June in Luxembourg. Aileen McLeod MSP was also present.

Organic production and labelling of organic products

The Council discussed the presidency's latest compromise text on the organic proposal with some member states continuing to call for further changes. On the issue of the presence of non-authorized substances on organic produce, Belgium and a few other member states argued for the ability to apply a strict decertification threshold to all produce. However, I supported the presidency's text, with some minor modifications proposed by Germany, so that those member states that already use thresholds could continue to do so but for a limited time period. This means that the UK will not be bound by the need

to apply a specific decertification threshold and by the end of 2020 this will be the approach that applies across the whole of the EU. Belgium, Bulgaria, Slovakia and the Czech Republic, all of whom agreed with the threshold, voted against the proposal. Denmark also voted against it as it disagreed with the move away from mandatory annual inspections to a risk-based approach. I, along with the remaining member states, voted in favour of the proposal which secured a general approach. Trilogues will begin after the summer, once the European Parliament reaches its first reading position.

Fishing opportunities

The Commission introduced its policy statement on setting fishing opportunities in 2016, which was generally welcomed by all member states. Commissioner Vella emphasised the good progress made towards reaching the maximum sustainable yield (MSY) targets under the reformed common fisheries policy. I agreed that we should continue to build on this, aiming to reach MSY by 2016 wherever possible. However, exceptions may be necessary, including the need to minimise discards of by-catch. Some member states, particularly those fishing in the Mediterranean and Black sea, argued for a gradual transition to MSY, with a final deadline of 2020. I also stressed the importance of the demersal landing obligation, including the need to adjust catch limits for those species covered next year, and the need to progress multi-annual management plans for the North sea and western waters.

Any other business items

Country of Origin Labelling

The Commission presented its reports on possible mandatory country of origin labelling for a range of foods including dairy and certain meats. The Commission concluded that consumer interest was not strong enough to justify the likely extra costs. I, along with France, Italy and several other member states, stressed that the issue required further consideration, especially for milk and dairy products. Luxembourg, Poland and Ireland, however, stated that they were not in favour of further discussion as the Commission's reports highlighted that the costs outweighed the benefits.

Animal Health

The presidency confirmed that a final position on the animal health regulation had been reached following trilogue discussions. I congratulated the presidency on reaching agreement on the proposal but explained that we had been unable to fully support it, specifically the areas where delegated acts will be used to define technical detail such as the list of diseases to which the regulation applies. This was an important point of principle because the list is a technical issue rather than a political one, which should be determined by member states experts.

Russian import restrictions on fishing sector

Estonia provided an update on the unjustified export ban on all fish products originating from Estonia and Latvia that was imposed by Russia on 4 June, following a recent Russian official audit on their control systems. It called on the Commission to raise the issue in meetings with Russia and also to change the rules to allow for increased carrying over of 2015 fisheries quotas into 2016 and urgent assistance under the European maritime and fisheries fund (EMFF). I, along with Finland, Poland, France and Lithuania, supported Estonia and Latvia, arguing that it was crucial to maintain unity in

the face of unjustified trade restrictions from Russia, that current actions were clearly disproportionate and that we needed to stand up to such aggression. The Commission stated that it would endeavour to do all it could to ease the impacts of the ban, including supporting the sector from the EMFF and considering the option of carrying over 2015 fishing quotas into 2016 on the basis of scientific advice.

Outcome of the Visegrad meeting

Slovenia presented the outcome of a recent meeting of the Visegrad Agriculture Ministers and those Ministers from Bulgaria, Romania and Slovenia at which they discussed trading practices in the food supply chain, Forest Europe and CAP simplification. Several member states intervened to support the concerns about unfair trading practices in the food chain which the Commission stressed it was an issue it would look at further.

Extension of eligibility period of expenditure for 2007-13 Rural Development

The Commission confirmed that it would not be extending the eligibility for 2007-13 rural development expenditure for an additional six months, despite further calls from Romania and several other members states to do so. The Commission explained that it had not been possible due to a lack of legal provisions and limited financial and political flexibility.

Extension of eligibility period of expenditure under the European Fisheries Fund

Similarly to the item on rural development expenditure, the Commission also confirmed that it would not be extending the eligibility period for 2007-13 fisheries funding. Instead, it would look at existing flexibilities within the current legislation to assist member states.

International Year of Plant Health 2020

The presidency reported back from the food and agriculture organisation conference on 9 June, which had approved the initiative to declare 2020 the international year of plant health.

[HCWS71]

WORK AND PENSIONS

EPSCO

The Minister for Employment (Priti Patel): The Employment, Social Policy, Health and Consumer Affairs Council took place on 18 June 2015 in Luxembourg. Lord Freud, Minister for welfare reform, represented the UK.

There was a policy debate on the European semester 2015. As part of the discussion, the Council sought approval of draft Council recommendations on the national reform programmes 2015 to each member state; sought endorsement of the opinions of the Employment Committee (EMCO) and the Social Protection Committee (SPC) for the assessment of the 2015 country-specific. Most Ministers welcomed the streamlined process and outlined their acceptance for their respective CSRs and endorsed the EMCO report on employment performance monitor and benchmarks. Lord Freud highlighted the progress made domestically on issues such as childcare and skills.

The Council agreed a general approach on the proposals for a Council decision on guidelines for the employment policies of the member states.

The Council adopted draft Council conclusions on European Court of Auditors' special report No. 3/2015 "EU Youth Guarantee: first steps taken, but implementation risk ahead"; and draft Council conclusions on "Equal income opportunities for women and men: Closing the gender gap on pensions".

The Council received progress reports on the proposal for a directive of the European Parliament and of the Council on improving the gender balance among non-executive directors of companies listed on stock exchanges and related measures; and the proposal for a Council directive on implementing the principle of equal treatment between persons irrespective of religion or belief, disability, age or sexual orientation. On women on boards in particular, the Commission hoped for a general approach at the October EPSCO Council in order for the file to be adopted by the end of the year.

Under any other business, the Latvian presidency informed the Council on current legislative proposals, and outcomes of the conferences organised by the Latvian presidency. The Commission provided information on the national Roma integration strategy—annual implementation report; and the report on the functioning of the transitional arrangements on free movement of workers from Croatia and accompanying Commission staff working document. The Luxembourg delegation provided information on the work programme of the incoming presidency, stating that it intended to make progress on the platform on undeclared work and the anti-discrimination directive and wanted to focus on inclusive growth. It also wanted to explore the challenges arising from technological developments in the workplace and the skills needed for young people to successfully enter the labour market.

[HCWS69]

ORAL ANSWERS

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