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**HOUSE OF COMMONS
OFFICIAL REPORT**

**PARLIAMENTARY
DEBATES**

(HANSARD)

Thursday 1 March 2012

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House of Commons

Thursday 1 March 2012

The House met at half-past Ten o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

ENVIRONMENT, FOOD AND RURAL AFFAIRS

The Secretary of State was asked—

Farmers (Regulations)

1. **Jesse Norman** (Hereford and South Herefordshire) (Con): What progress she has made in reducing regulatory burdens on farmers. [97372]

11. **Rehman Chishti** (Gillingham and Rainham) (Con): What progress she has made in reducing regulatory burdens on farmers. [97384]

12. **Mark Menzies** (Fylde) (Con): What progress she has made in reducing regulatory burdens on farmers. [97385]

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): We published the Government's full response to the farming regulation taskforce on 21 February. There were more than 200 recommendations, and our response sets out clear commitments to take action and to address most of the recommendations. We are already working to implement those commitments in partnership with the farming industry, and an implementation group chaired by Richard Macdonald himself will ensure that we deliver on them.

Jesse Norman: I thank my right hon. Friend. The House will know that Herefordshire is blessed with some of the finest farmland and farmers in the country, but many farmers in my constituency who are members of voluntary schemes such as "Freedom Food" are keen to know whether such schemes will be given a lighter-touch regulation and inspection regime, as recommended by the red tape review.

Mr Paice: I cannot be specific at this stage about the "Freedom Food" scheme, but the principle to which my hon. Friend refers is absolutely correct. I assure him that the principle of earned recognition, under which farmers are already being inspected regularly in certain farm assurance schemes, will be used as a form of risk assessment to minimise inspections on holdings.

Rehman Chishti: With regard to regulatory burdens on farmers, what steps is the Minister taking to ensure that a replacement seasonal agricultural workers scheme is in place when the current framework is removed at the end of 2013?

Mr Paice: My hon. Friend is entirely right—the seasonal agricultural workers scheme is an essential source of labour, particularly for the fresh produce sector. We fully recognise its importance, and my Department is working closely with the Home Office to ensure that the industry's labour requirements will be met after 2013.

Mark Menzies: Farmers in Fylde will welcome the Minister's response, but can he assure me that he will resist any further measures from Brussels that seek to undermine the Government's good work on deregulation?

Mr Paice: I am glad that my hon. Friend added the last bit, because to say that we would not implement any further regulations might be counter-productive. I can assure him that we will fight very hard against anything that we believe is against the interests of the British agriculture and food sector or the British economy. That has always been the case, and we will continue to do our very best to oppose such measures.

Mrs Madeleine Moon (Bridgend) (Lab): What steps will the Minister take to put in place regulations to ensure that the Schmallenberg virus is not extended and does not create problems for farmers who still have good-quality lamb available for sale?

Mr Paice: I am grateful to the hon. Lady for allowing me to address that issue, which also comes up later on the Order Paper. We do not believe that any regulation on the Schmallenberg virus is necessary. The important point to note is that all the evidence of it that we are now seeing—the deformed lambs and a few deformed calves—is from infection caused last autumn in the midge season. We are working closely with the other member states in northern Europe, where the disease was found earlier than in the UK, to develop the science. A year ago we had never heard of the virus, so we are having to develop all the basic science to move forward with tests and maybe vaccination.

Mary Creagh (Wakefield) (Lab): I begin by wishing all Welsh colleagues dydd gwyl Dewi hapus, which my hon. Friend the Member for Ogmere (Huw Irranca-Davies) reliably informs me is "happy St David's day". I hope I have not offended anyone with my pronunciation.

We are grateful to the Minister for his speedy offer of a meeting with the chief vet on the Schmallenberg disease, which we hope to have early next week. As the Minister says, there is much that we do not yet know. Has the arrival of the virus in England led to any changes or pauses in the implementation of the Macdonald report?

Mr Paice: The short answer is no. At this stage, we do not see any need to change the decisions arising from the Macdonald report. I am grateful to the hon. Lady for her thanks for the briefing by the chief vet. It is important that all Members are properly informed about the disease. When her party was in government it kindly briefed me on such subjects, and it is only right to

reciprocate. She will be aware that I wrote to all Members about a fortnight or three weeks ago with a very clear exposition of the situation.

Mary Creagh: I thank the Minister for those comments. May I suggest that it might be useful for the chief vet to meet all Members of Parliament to give those with badly affected constituencies the opportunity to question him?

The Minister argued against the disease being made notifiable in the EU. Will he explain why, when many farmers want it to be notifiable so that scientists can build up the full picture and help develop the effective vaccine that we all want? What steps has he taken to scale up the Animal Health and Veterinary Laboratories Agency so that it is not overwhelmed by testing as we enter the peak lambing season? How much will that extra resource cost and who will pay for it?

Mr Paice: On the last point, I assure the hon. Lady that, as this is—I will not say it is an emergency—obviously very urgent, we are finding the necessary resources. It is only right and proper that we do so. I cannot give a figure because it is all changing as we go. The chief executive of the AHVLA is addressing the issue of its resources. I am afraid that I have forgotten her first point.

Mary Creagh: Notifiability.

Mr Paice: I am grateful. The advice from the vets is that that is not necessary. We are receiving a tremendous amount of information from the private veterinary sector and, of course, samples from those in that sector and some directly from farmers, which all go into our labs for testing. As she implies, I urge all farmers to report any particular evidence. At the moment, we do not see any need for notifiability, but the matter is under review.

Mr Speaker: Order. We must move on.

Water Resources

2. **Julian Sturdy** (York Outer) (Con): What recent discussions she has had on water resources; and if she will make a statement. [97374]

3. **Mr Adam Holloway** (Gravesham) (Con): What recent discussions she has had on water resources; and if she will make a statement. [97375]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): Our water White Paper set out the challenges we face to ensure we have resilient and sustainable water resources. The current drought illustrates the importance of planning for the future when our water resources are expected to come under more pressure from climate change and a growing population. We will need to be smarter and less wasteful in how we use existing water resources, develop new sources, and build greater connectivity across the network.

Julian Sturdy: Does my hon. Friend agree that water security is an increasingly big issue, which we must tackle for the UK and the world, and that it will affect

future generations if we do not significantly improve our water collection and storage, and the transfer of water from regions?

Richard Benyon: I entirely agree. That is why the Government got a grip on the matter through publishing our water White Paper before Christmas. We need to capture and use our water more efficiently. That means developing new water sources and greater interconnections, the need for which was never more apparent than now, when we face impending drought. I am pleased with how water companies are working together and with the Environment Agency, building resilience into our systems for emergency procedures now, but also for the medium to long term, when we will face different climatic conditions.

Mr Holloway: In Kent, a lot of our water comes from an underground chalk aquifer. What is its long-term sustainability, and what can the public and local businesses do to help?

Richard Benyon: My hon. Friend's constituents, like mine, depend on that extraordinary geological feature, which contains millions of gallons of water. However, it is under real pressure at the moment, which is apparent from river flows. I had hoped that we would start to reverse the decline in some of our river flows this summer. Importantly, it is a demand as well as a supply situation, and we can all play our part in reducing the impact on aquifers. We had our drought summit last week to get people thinking now about the measures that they can take in their homes to reduce water usage.

Mr Denis MacShane (Rotherham) (Lab): This is a serious matter, and I hope that the Under-Secretary read the speech that my hon. Friend the Member for Stockton North (Alex Cunningham) made yesterday, pointing out that there is an abundance of water in the north-east. I checked today, and Yorkshire Water's reservoirs are 96% full. Is not the answer therefore to move more of our industry to the north? Perhaps we should relocate Gravesham and its excellent Member of Parliament to the north of England, where he will be made most welcome. There is the land and we need the industry. If we are to rebalance our industry and our economy, we should head north—the water is there.

Richard Benyon: The hon. Member for Stockton North (Alex Cunningham) made a very good speech yesterday, in which he pointed out the folly of the easy fix that people constantly suggest to me: building a vast pipeline from his constituency to mine. We know that that is prohibitively expensive, but we can get greater interconnectivity between water companies, and thus water flowing from areas where it is plentiful to areas where it is not.

Gavin Shaker (Luton South) (Lab/Co-op): If tackling drought, conserving water and reforming abstraction are so important, why has the Secretary of State delayed her own Bill?

Richard Benyon: The hon. Gentleman presupposes what is—or is not—in the Queen's Speech. I have to confess that I am not privy to that; the Queen will announce the contents. We have said that the Bill will be

available for pre-legislative scrutiny, but we do not need a Bill to deal with many of the issues that we are discussing on the drought. We can introduce the abstraction incentive mechanism—a bit of a techy issue, but one that can make a difference right now to the sustainability of water supplies.

Circuses (Wild Animals)

4. **Naomi Long** (Belfast East) (Alliance): What assessment she has made of the Austrian constitutional court's decision to dismiss the legal challenge against a ban on wild animals in circuses; and if she will bring forward proposals to implement such a ban in the UK. [97376]

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): A written ministerial statement published this morning sets out the Government's policy on the use of wild animals in travelling circuses in England. The statement includes our assessment of the Austrian constitutional court's recent judgment on the legal challenge against the Austrian ban on wild animals in circuses. As a result, we are developing legislation to provide for a ban.

Naomi Long: I thank the Minister for his response and am aware of the ministerial statement. When does he anticipate that the legislation will come to the House? In the interim, are the Government willing to review the licensing regime to prevent the import of any new wild animals for circuses?

Mr Paice: I cannot be precise on the timing of the legislation, partly for the reasons that my hon. Friend the Under-Secretary gave in answer to the previous question. It will take time, which is why we believe we must proceed with the licensing process. We are advised strongly that the hon. Lady's proposal on new animals would almost certainly fail a judicial challenge, but importing animals is anyway covered by convention on international trade in endangered species regulations.

Andrew George (St Ives) (LD): Further to the question of the hon. Member for Belfast East (Naomi Long), I congratulate the Government on their announcement today, but will this welcome measure be implemented by the time of the next general election? When will it be implemented? It is important that we have a date.

Mr Paice: My hon. Friend knows full well that it is impossible to put an exact date on it, but I would be extremely surprised and disappointed if it was not implemented before the next election.

Fiona O'Donnell (East Lothian) (Lab): Last year, Parliament voted unanimously for a ban on wild animals in circuses with the backing of 95% of the public. DEFRA Ministers showed how out of touch they are with the public and hid behind spurious threats of legal challenges in the EU as an excuse for doing nothing. They now say that they will introduce a Bill as soon as parliamentary time allows, but yesterday they introduced a water Bill that will be passed in just two days. Why cannot they do the same with the ban on wild animals—

Mr Speaker: Order. We are grateful to the hon. Lady. I think we have got the gist of it, but both sides really must speed up.

Mr Paice: If the hon. Lady reads what I said in that debate, she will see that I made it abundantly clear that the Government are in favour in principle of a ban—that is laid out in front of us in *Hansard*. As I also laid out, a ban for welfare reasons would almost certainly fail if challenged in the courts. That is why we must act on ethical grounds, which means that we must be sure that our measure is watertight. It would be easy to pass legislation today only for it to be bogged down in the courts for several years under challenge, with no protection for the animals. That is why we must take the two-pronged approach of licensing urgently while we proceed with a ban.

Departmental Apprentices

5. **Robert Halfon** (Harlow) (Con): How many apprentices are employed in her Department. [97377]

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): In the period from April to December 2011, 33 core DEFRA employees have been completing apprenticeship training programmes. We also fund apprenticeships across the DEFRA family of arm's length bodies. The Royal Botanic Gardens at Kew should be specially commended for having 67 apprenticeships.

Robert Halfon: Will my right hon. Friend support the parliamentary apprentice school that I have set up with a charity, New Deal of the Mind, and hire an apprentice under that scheme? Will she consider adopting the standard contract that Department for Work and Pensions Ministers introduced last year, which has led to an extra 2,000 apprentices being hired by their suppliers?

Mrs Spelman: I warmly commend my hon. Friend for his scheme, which all hon. Members understand has absolutely at its heart the desire to create opportunities for young people to get into work. I would be delighted if he would like to come and discuss his scheme with me at the Department.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I am very pleased to hear that there are apprentices in the Secretary of State's Department, but I would be more pleased if I knew that she was pushing hard for more apprentices in agriculture, with every farmer taking on more apprentices and everyone in the environmental sector around the country taking on apprentices. We need more young people to have jobs. Although the workfare scheme has run into problems, it is wrong for young people to be unemployed and on benefit. If there is anything she can do to help, will she please do it?

Mrs Spelman: I share absolutely the hon. Gentleman's passion for seeing young people given the opportunity to work. That is one of the reasons why we announced 50,000 apprenticeships in the food and drink industry, precisely to create those opportunities for young people to work in this important industry.

Common Agricultural Policy

6. **George Eustice** (Camborne and Redruth) (Con): What recent discussions she has had on reform of the common agricultural policy; and if she will make a statement. [97379]

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): The proposals for reform of the common agricultural policy are being negotiated by member states in the Agriculture Council and, for the first time, by co-decision in the European Parliament. We take every opportunity to discuss the UK's concerns in detail with other Agriculture Ministers at Agriculture Council meetings and in the course of bilateral meetings. I had the opportunity to do that with the EU Agriculture Commissioner, Dacian Cioloş, both with Ministers from the devolved Administrations and, separately, with the National Farmers Union, most recently at the annual general meeting.

George Eustice: I am grateful for that answer. A report published this week by the think-tank Open Europe concluded that the best way to green the pillar one payments in a flexible way would be to replace the single farm payment with a market in transferable environmental obligations, so that we can use pillar one funding to bring to life some of the ambitions in the Natural England White Paper. Is that a proposal that the Secretary of State might take to the negotiating table?

Mrs Spelman: My hon. Friend wrote an interesting article about CAP reform where he expressed the idea—which he calls “common objectives”—of introducing greater flexibility through the creation of a market in tradable biodiversity obligations. He is ahead of his time with this thinking. He has heard Ministers talk about the future importance of supporting ecosystem management through agriculture, although we are dealing with reform proposals as they stand. At this stage of reform, I am sure he would share with me the view that it is important that the CAP should be greened and that taxpayers should see other public goods for the support they provide.

John Cryer (Leyton and Wanstead) (Lab): Will there be any benefits from CAP reform for developing countries? The dire consequences for developing countries that flow from the operation of this dreadful policy—including, of course, from dumping—have been known for a long time.

Mrs Spelman: I can give the hon. Gentleman the absolute assurance that the Government are keen to see the reduction in tariff barriers that would allow developing countries to send more of their produce to this country. We believe in trade liberalisation; we believe it is good for both the developed and the developing world.

Roger Williams (Brecon and Radnorshire) (LD): Despite opposition from the UK and other countries, the electronic identification scheme for sheep is now part of the CAP. In her discussions, will the Secretary of State ensure that penalties for non-compliance with this impractical scheme are kept to a minimum, before getting rid of it altogether?

Mrs Spelman: The hon. Gentleman raises an important point. He may not know—and it is important to record for the whole House—that we wrung an important concession out of the Commission with respect to older sheep. However, in our discussions with the Commission we are of course taking forward the question of penalties, which should be proportionate.

Ms Margaret Ritchie (South Down) (SDLP): I note the Secretary of State's reference to discussions with devolved Ministers. Can she say when she last met the devolved Minister in the Northern Ireland Executive, and also whether reference was made to greening the CAP, the issue of conacre or the definition of an “active farmer”?

Mrs Spelman: As I have explained to the House on a number of occasions, we invite devolved Ministers to attend every Council meeting, which means that we meet with them once a month, as there is a meeting virtually each month. In addition, we have meetings at Westminster. As for conacre, the Minister of State raised the issue at last month's meeting on behalf of the devolved Administration in Northern Ireland.

Dangerous Dogs

7. **Stella Creasy** (Walthamstow) (Lab/Co-op): When she plans to publish her proposals on dangerous dogs. [97380]

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): I am pleased to say that we are close to finalising a package of measures to tackle irresponsible dog owners. We are considering the benefits of compulsory microchipping of dogs, along with requiring the details of non-prohibited dogs to be held on a central database. We will announce these measures very shortly.

Stella Creasy: Residents in Walthamstow live in fear of the growing numbers of people in gangs who keep and train dogs to use as weapons and to fight in our local parks. My constituents have now been waiting more than two years for progress on this issue. Can Ministers promise them not just another consultation on tackling dangerous dogs, but real powers, including dog control notices and a responsible dog ownership education programme?

Mr Paice: Is it not amazing how we started a new world two years ago, without any reference to the inaction of the previous 13 years? I fully understand the anger of people who have to face gangs of youths using dogs as weapons, which is already unlawful. The Home Office will bring forward its own proposals, separately from our announcement, as a result of the consultation that it has carried out on measures to deal with precisely the issues to which the hon. Lady refers.

Jane Ellison (Battersea) (Con): Battersea Dogs and Cats Home does very good work in educating young people, especially those in danger of being drawn into gangs and irresponsible dog ownership. Does the Minister agree that education is one of the ways forward in tackling this problem?

Mr Paice: I entirely agree with my hon. Friend. I understand that Battersea Dogs and Cats Home is undertaking initiatives, particularly with young children on the Doddington estate, where there is a high percentage of what we call status dog ownership among the children's parents. She is absolutely right to say that education is the answer to many of our problems, but sometimes we also have to take other measures, and we will do so.

13. [97386] **Yvonne Fovargue** (Makerfield) (Lab): Will the Secretary of State commit to publishing the proposals for tackling dangerous dogs and irresponsible dog ownership before the House breaks for the recess on 27 March 2012?

Mr Paice: If a Minister stands at the Dispatch Box and says that something will happen very shortly, it means precisely that. It certainly means before the House rises for Easter.

Mr James Gray (North Wiltshire) (Con): All of us abhor the use of wild dogs for criminal purposes, but does the Minister not agree that the law of unintended consequences may apply here, in that perfectly reasonable, sensible, law-abiding dog owners could be scooped up in complex, bureaucratic arrangements while criminals continue to use their dogs for illegal purposes?

Mr Paice: I fully understand my hon. Friend's concern, but I must point out to him that a very large proportion of dogs have already been microchipped on a voluntary basis by responsible owners. We are now trying to draw in that sector of the dog-owning community that has not done that. We are certainly not planning to create a bureaucratic scheme, but he will have to wait for the full announcement.

Flooding (Insurance)

8. **Damian Collins** (Folkestone and Hythe) (Con): What recent discussions she has had with representatives of the insurance industry on the Government's policy on maintaining coastal and inland flood defences. [97381]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): The Department for Environment, Food and Rural Affairs has had regular meetings with representatives of the insurance industry, and they include discussions about the future of flood insurance beyond June 2013. This is against the background of our continuing investment in flood and coastal defence.

Damian Collins: Does the Minister agree that there needs to be a more accurate assessment of flood risk? The residents of Romney Marsh in my constituency are living in a drought area and have seen £60 million spent on a new sea wall, yet they have been told that they might not get insurance cover after 2013.

Richard Benyon: I understand the frustration felt by my hon. Friend's residents. The Environment Agency makes the latest flood risk information available to insurance companies, on licence, on a quarterly basis. The approaches of insurance companies vary considerably, however. Some have sophisticated risk models that reflect

that information, while some upload it only on an annual basis and others continue to make assessments on a postcode basis. That is why we are working closely with the insurance industry to ensure that information is shared. The Environment Agency can write a letter to my hon. Friend's constituents, which they can then use to show their insurance company that they are no longer have the degree of flood risk that they had before.

Chris Ruane (Vale of Clwyd) (Lab): Happy St David's day, Mr Speaker.

In January this year, the Association of British Insurers released information to the national media stating that my constituency had the second highest number of homes in high flood risk areas in the whole country. The number that it quoted was 7,339, but the actual number is 500. The ABI was using old statistics. What can be done to minimise the time lapse between improvement works being carried out and householders' bills being reduced?

Richard Benyon: I entirely understand the frustration that the hon. Gentleman's constituents must feel. I am concentrating my efforts to secure an agreement that will lead beyond June 2013, when the statement of principles comes to an end. I also want to ensure that the information that is available is being used by insurance companies. Brokers are often the first point of contact, and we need to ensure that the information is being shared with them as well. There are no state secrets involved in this; the Environment Agency has the information, and it makes it available on a quarterly basis, so it should be possible for the insurance companies to use it when calculating their premiums.

Metal Theft

9. **Chris Kelly** (Dudley South) (Con): What assessment she has made of the implications for her policy on waste of the Government's strategy on metal theft. [97382]

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): I believe it is important to crack down on all those involved in metal theft, including rogue scrap yard operators who fuel the crime. That is why we are working collectively across Government to take a range of enforcement and legislative measures that will make stolen metal too hot to handle.

Chris Kelly: Does the Secretary of State share my view that scrap yards that knowingly facilitate this crime are just as responsible as those that actually commit the theft? In line with that, will she make sure that this important clampdown is pursued with vigour, as urged by the widely supported all-party parliamentary group on combating metal theft?

Mrs Spelman: I commend my hon. Friend, who made an excellent speech on this subject on 7 February. Like me, he comes from the west midlands, which is badly affected. Let me reassure him that we will certainly pursue this matter with vigour. I support the ban on cash payments for the purchase of scrap metal and, indeed, the increase in penalties under the Scrap Metal

Dealers Act 1964, which will provide the police with greater powers to enter illegal sites as well as registered sites.

16. [97390] **Mr David Amess** (Southend West) (Con): While the popularity of metal theft does not seem to have extended itself to removing that dreadful lot of junk on College green called “cutting edges”, will my right hon. Friend tell us what the Government are doing to streamline overlapping measures to deal with the scrap metal business?

Mrs Spelman: I am disturbed to hear that there was any threat to Henry Moore’s beautiful sculpture on College green—that is news to me—but it reminds us of the dreadful depths to which these criminals have sunk in removing metal from statues and, particularly, from war memorials, which has brought misery. Yes, as part of this clampdown on metal theft, we will streamline regulations. From April, for example, the Environment Agency will consider convictions linked with metal theft alongside other criteria when scrutinising the applications for an environmental permit to run a scrap metal yard.

Sugar Industry

10. **Lyn Brown** (West Ham) (Lab): What steps her Department is taking to protect production and jobs in the UK sugar industry. [97383]

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): We benefit from two sources of sugar supply in the UK: sugar beet, grown by farmers in this country and processed by British Sugar, and sugar cane, which is imported and refined by Tate & Lyle Sugars. The European Commission’s current management of the EU sugar market is threatening the continuing viability of the cane side of the industry, and we are urging the Commission to provide a balance of competition and success between the two sources.

Lyn Brown: The Secretary of State is absolutely right. The proposed job losses at Tate & Lyle are not due to a lack of demand for sugar or a lack of modernisation by the company; they are actually due to a ruthless protection of the European sugar beet industry, which is putting up our sugar prices and putting my constituents out of work. Can the Secretary of State assure me that she will stand up against the bureaucrats and the vested interests in the European Commission, and stand up for British industry?

Mrs Spelman: I absolutely give the hon. Lady that assurance. I know that she is coming to see the Minister of State on Monday. Both he and I have strongly put the case that she has outlined. There are obvious employment consequences for London as a result of this threat to the viability of the cane side of the business. We believe that we need both sources of sugar in this country to flourish and be successful, and we believe there is room for both.

14. [97388] **Stephen Timms** (East Ham) (Lab): There is a shortage of sugar in Europe, yet the Silvertown refinery is forced to run at just 60% capacity, which seems ridiculous. Does the Secretary of State agree that

it cannot be right to have a charge of €87 a tonne for extra beet quota, while the charge for each extra tonne of sugar cane is €270?

Mrs Spelman: I am well aware that the right hon. Gentleman’s constituency is also affected by the threat to the viability of the cane refining side of the business. I can assure him absolutely that, from the first sight of these Commission proposals under common agricultural policy reform, and in the context of high world sugar prices, we have worked hard to ensure in our national interest that both sources of sugar have their place as part of our sugar economy. Ultimately, trade liberalisation is what should give us a level playing field and a fair opportunity for both types of sugar processing.

Schmallenberg Virus (Wales)

15. **Jonathan Edwards** (Carmarthen East and Dinefwr) (PC): What discussions she has had with the Welsh Government on the spread of the Schmallenberg virus. [97389]

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): DEFRA officials have been in regular contact with officials from all the devolved Administrations—including those from the Welsh Government—to discuss the Schmallenberg virus. There have been meetings and regular reports on the situation, both national and international.

Jonathan Edwards: Diolch, Mr Speaker. Does not the sudden outbreak of the Schmallenberg virus prove the need to preserve Animal Health and Veterinary Laboratories Agency services in livestock-intensive areas such as Carmarthenshire?

Mr Paice: I hope—as, obviously, does the hon. Gentleman—that the virus does not spread as far as Wales. We believe that it has come, midge-borne, across the channel, and, as I said earlier, we hope that it will not continue to spread. However, we do not consider it necessary to revisit the issue of the two laboratories in Wales. As has been said repeatedly before Committees at which the hon. Gentleman has been present, we believe that the overall laboratory services will be sufficient, under the reorganisation, to continue the surveillance.

Mr Mark Spencer (Sherwood) (Con): Will the Minister assure the House that any plans he makes to restrict livestock movements will involve proportionate measures, so that those involved in embryo or semen exports are not affected?

Mr Paice: I assure my hon. Friend that we have no plans to introduce any export restrictions, and that, although one or two third-party states are beginning to raise question marks over not just UK but European livestock because of Schmallenberg, any further regulations will be based on the best scientific advice.

Topical Questions

T1. [97392] **Neil Carmichael** (Stroud) (Con): If she will make a statement on her departmental responsibilities.

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): My Department takes responsibility for safeguarding the environment, supporting farmers, and strengthening the green economy. At the heart of that is the ambition to create a dynamic and growing rural economy that will play a significant role in helping us to tackle the economic deficit, and yesterday, to that end, we announced a new £60 million grant scheme for rural entrepreneurs. I urge Members to make their constituents aware of this exciting new opportunity, which could, among other things, help towards the building of more farm reservoirs.

Neil Carmichael: I certainly welcome that announcement—very impressive indeed.

Many of my constituents along the Severn estuary are grateful for the work of my hon. Friend the Under-Secretary of State for Environment, Food and Rural Affairs, the hon. Member for Newbury (Richard Benyon)—who is responsible for water and fisheries—in ensuring that the Environment Agency consults properly during operations that involve dealing with flood defences. Can my right hon. Friend reassure me that that will become the hallmark of the agency's activities? Consultation is essential to community life.

Mrs Spelman: My hon. Friend did well to bring a delegation of farmers and residents of his constituency to meet my hon. Friend the Under-Secretary to discuss the specific question of the Severn estuary. As a result, my hon. Friend asked the Environment Agency to review its plans, and it is now doing so with the aim of reducing the area required for inter-tidal habitat.

T2. [97393] **Yvonne Fovargue** (Makerfield) (Lab): The coalition agreement promised a free vote on the repeal of the Hunting Act 2004, of which a number of Ministers are in favour. That would not only allow the resumption of hunting with dogs, but remove the ban on hare coursing. Does the Minister think that the British people really want to see a return to the barbaric sport of dogs chasing hares?

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): I am not going to enter into a debate on the rights and wrongs of the issue, because that is precisely what the Government have said we will do when time allows. We have said that we will provide for a straightforward debate and a vote in the House on whether it wishes to revoke the ban, and that will be the time at which to discuss the principal issues. The commitment stands.

T4. [97396] **Andrew Bridgen** (North West Leicestershire) (Con): Dairy farmers in my constituency tell me of the huge mental and emotional pressure that they and their families are under owing to the fear that their herds will be infected by bovine tuberculosis. Will the Minister update the House on the steps being taken to tackle the spread of the disease, which I believe constitutes a threat to a vital part of our agriculture sector?

Mr Paice: My hon. Friend has put his finger on a tremendous trauma affecting much of the British countryside—the spread of bovine TB. As he knows, we have announced that badger culling will be piloted in two areas in the early autumn, and we have invited two

groups from those areas to submit applications to Natural England. I must emphasise, however, that badger culling is just one part of a much wider, comprehensive package of measures such as further restrictions of cattle movements and testing, including pre-movement testing.

T5. [97397] **Angela Smith** (Penistone and Stocksbridge) (Lab): My hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick) and I secured a consultation on dog control from the previous Government, on the basis that a comprehensive overhaul of the legislation was required. That was well over two years ago. Will the Government commit to that approach, or will they choose to introduce piecemeal reforms, which many now believe is the preferred option?

Mr Paice: In answer to an earlier question, I said that the Department will be making its proposals known very shortly. I will not pre-empt that announcement. The Home Office will also be announcing the results of its own consultation on the human aspect of the ownership of dogs as weapons or trophy dogs.

T6. [97399] **Anna Soubry** (Broxtowe) (Con): This week the Government announced the creation of 12 nature improvement areas, with a pot of £7.5 million, which no doubt will draw on the considerable experience and work of the Attenborough nature reserve in my constituency. I know that the Secretary of State has a great fondness for Nottinghamshire. Will she be so good as to put on her walking boots and join me at Attenborough to see for herself the great work that has been going on there for many years?

Mrs Spelman: It is always a pleasure to put on my walking boots. I stood as a candidate for Bassetlaw in the 1992 general election, and I am familiar with the Attenborough reserve and the excellent work being done there. I will be very happy to visit it. I have encountered huge enthusiasm for the nature improvement areas. There have been 76 bids for NIAs. Although only 12 of them have been successful, I am confident that many of the others will go ahead anyway.

Caroline Lucas (Brighton, Pavilion) (Green): At the previous DEFRA Question Time the Minister, the right hon. Member for South East Cambridgeshire (Mr Paice), said that

“there never was any intention to dispose of the whole public forest estate.”—[*Official Report*, 19 January 2012; Vol. 538, c. 870.]

Yet in evidence to the Lords Committee inquiry in 2010 he stated that

“we wish to proceed with...very substantial disposal of public forest estate, which could go to the extent of all of it.”

Will the Minister now once and for all come clean about the Government's original intention, and is his confusion on this issue the reason the forestry brief has now been taken off him?

Mr Paice: I am happy to confirm that the final proposals we made to the House—the only ones that matter—did not include total disposal. The hon. Lady knows full well the contents of the consultation, and they did not include total disposal. In fact, it could be argued that the amount that would have been disposed would have been much less than that, as there would

have been considerable leasehold. Turning to the question of the forestry portfolio, first, this year I will be far busier with common agricultural policy negotiations and, secondly, my noble Friend Lord Taylor has now joined the team, and he has special knowledge of the horticultural sector and plant and tree disease, which is very topical at present.

T7. [97400] **Mr David Amess** (Southend West) (Con): The fisheries Minister, my hon. Friend the Member for Newbury (Richard Benyon), responded to a Westminster Hall Adjournment debate that I secured last week. He heard that my constituent Paul Gilson had been fined £400,000 for catching too many fish. Please will my hon. Friend assure the House that the Government will now address the very unfair situation whereby under-10 metre fishing vessels comprise 85% of the fleet yet are allowed to catch only 4% of the stock?

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): As I made clear in that debate, seeking a fairer deal for the under-10s has been one of my main priorities. I will shortly announce the launch of six pilot schemes, under which fishermen will have more opportunities to catch fish. We have employed three coastal liaison officers to support them in both the management of their quota and the marketing of their produce.

Jessica Morden (Newport East) (Lab): Household flood insurance policies for next year are being written this year. Can the Minister reassure my constituents who live in a flood-risk area that the Government are working on this with insurers now, because the problem will kick in before 2013?

Richard Benyon: I entirely understand that, which is why we announced before Christmas that we would come forward with a solution with the insurers in the spring. I am confident that it will be a solution that works. There will be a year to embed new systems for what will follow from the end of the statement of principles in June 2013.

T8. [97401] **Julian Sturdy** (York Outer) (Con): As the Secretary of State will know, York, North Yorkshire and East Riding local enterprise partnership has asked for an investment of £3.25 million from DEFRA to create a rural growth network. I fully support the bid as that investment will bring substantial economic benefits to our region. Please will the Secretary of State look favourably upon the bid?

Mrs Spelman: I am delighted that my hon. Friend supports the creation of rural growth networks, and I must commend the role he played in developing a bid in his constituency. He has clearly done a very good job, because that bid is on the shortlist, but I am sure he will understand that I cannot, at this stage, reveal who will ultimately be in receipt of that status.

Ian Paisley (North Antrim) (DUP): When does the Secretary of State and her team next plan to be in Northern Ireland, to discuss with stakeholders the reform of the common agricultural policy and how it affects our Province?

Mr Paice *rose*—

Mrs Spelman: After you! I say that because both the Minister of State and I have planned visits to Northern Ireland, and I am to meet Jim Nicholson in a few days' time. As I said, at every Council meeting we have the opportunity to meet devolved Ministers, but both the Minister of State and I have planned visits to Northern Ireland in the near future, as, I am being told, does the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Newbury (Richard Benyon).

Miss Anne McIntosh (Thirsk and Malton) (Con): The Select Committee on Environment, Food and Rural Affairs has come up with a novel means of negotiating decision making on fisheries management back to the member states. Will the Secretary of State take this opportunity to amend the regulations, as part of the common fisheries policy, to end the micro-management from Brussels and enhance local decision making?

Richard Benyon: I will examine any suggestion that unpicks a system that has failed fishermen and the marine environment. I am putting all my energies into trying to get a meaningful reform that will enable the regional control of fisheries, taking this away from the micro-management by people who often sit about 1,000 miles away from the fishermen who are actually doing the work.

Alison Seabeck (Plymouth, Moor View) (Lab): It is more than 14 months since the Department sought guidance from the Commission on how to achieve an uplift in area VII—I spell that out for the benefit of *Hansard*—effort.

Hon. Members: Seven.

Alison Seabeck: Well, it is seven, but it has to be written as “VII”. Can the Minister therefore let those with scallop interests know when he expects that guidance to come forth, and what he is doing to speed things up?

Richard Benyon: I do understand that this is an important matter for area VII and I will make sure that I write to the hon. Lady with full details about how we are taking this scalloping order forward.

Mr Speaker: I just make the point that the *Hansard* reporters are immensely able and dexterous characters, and they are quite capable of doing Roman numerals without special coaching.

Sir Bob Russell (Colchester) (LD): Further to the earlier question from the hon. Member for Belfast East (Naomi Long) and the comments made by my hon. Friend the Member for St Ives (Andrew George), will the Minister confirm that his written ministerial statement of today is somewhat deficient, in that it fails to mention that the decision of this House on 23 June 2011 is that there shall be a ban on wild animals in circuses? So when the statement says that the Government are “minded” to ban performing wild animals in circuses, is this just a smokescreen?

Mr Paice: No, it is not just a smokescreen. It is quite clear: we are developing legislation for a ban, on ethical grounds, on the use of wild animals in circuses. We could not proceed on the basis of the recommendation in the motion that the House considered nearly a year ago, for the reasons I have already outlined: it would have opened us up to litigation and we would have had no protection for animals while that took place. We are determined to protect animals, which is why we are going to put in place a licensing system very shortly and implement a total ban as soon as we can.

Several hon. Members *rose*—

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

CHURCH COMMISSIONERS

The hon. Member for Banbury, representing the Church Commissioners, was asked—

Bishops (Staff)

1. **David T. C. Davies** (Monmouth) (Con): What annual wage is paid to chauffeurs working for Church of England bishops. [97362]

The Second Church Estates Commissioner (Tony Baldry): The commissioners are currently employing 19 drivers, at a total cost of £352,719, which helps to ensure the best use of bishops' time.

David T. C. Davies: I understand that the average wage of a chauffeur for the Church of England bishops is about £23,000 a year. The Welfare Reform Bill has just become an Act, but does the commissioner believe that the bishops who voted against it—who voted to ensure that people who are not working should earn more than £26,000—should now feel a moral imperative to pay their chauffeurs accordingly?

Tony Baldry: My hon. Friend makes his own point in his own way. Bishops were not arguing for the abolition of the cap; they were arguing for child benefit to be exempted because they believed that the cap was not flexible enough to be fair to those with large families or those in areas with high housing rental costs. May I say to my hon. Friend, who is an independent-minded Member of Parliament, that there are just 26 Lords Spiritual in a Chamber of nearly 800 Members and I suspect that all independent-minded Members of this House, wherever we sit, would think that from time to time it is no bad thing for the Lords Spiritual to rattle a few cages?

Cathedrals (Insurance)

2. **Sarah Newton** (Truro and Falmouth) (Con): What steps the Church Commissioners are taking to ensure that cathedrals are able to access insurance. [97364]

Tony Baldry: The Church Commissioners are aware of the increasing demands that cathedrals are making on their insurance policies, especially as a consequence of metal theft. The majority of cathedrals are insured by Ecclesiastical Insurance and so far no Cathedral has

ever been refused any insurance claim by Ecclesiastical, which is working extremely hard with all cathedrals to assist in reducing the problem of metal theft.

Sarah Newton: I am very grateful to my hon. Friend for that answer, because there has been alarming coverage in the press of cathedrals being unable to insure themselves. People in my constituency work very hard to raise the necessary funds to support Truro cathedral and its vital work in the community, so will my hon. Friend keep ensuring that cathedrals can afford insurance?

Tony Baldry: My hon. Friend is absolutely right to raise this issue. Cathedrals have not been immune from thefts within and without and only recently a silver cross was stolen from the Lady chapel in Manchester cathedral. Each time this happens, it puts up the costs of insurance in all cathedrals, including the much-loved Truro cathedral in my hon. Friend's constituency. That is why we have to bear down on metal theft.

Bell Ringing

3. **Andrew Stephenson** (Pendle) (Con): What steps the Church Commissioners are taking to promote bell ringing. [97365]

Tony Baldry: A general fund provides grants to enable the repair and maintenance of historic bell towers. The Church of England is delighted that bell ringing in church buildings is taking centre stage this year during the diamond jubilee and Olympic celebrations.

Andrew Stephenson: Over the past few years, the bell ringers of the 12th century St Mary-le-Ghyll church in Barnoldswick have raised more than £60,000 to increase the number of bells at the church from three to six, a project that was completed and dedicated by the Bishop of Bradford in January 2010. They are now in the process of raising a further £17,000 to add a final two bells. Will my hon. Friend join me in congratulating them on their efforts?

Tony Baldry: That is a fantastic achievement by St Mary-le-Ghyll and I hope that all those six bells will ring out at 3 o'clock in the afternoon on 3 June, when churches throughout the country are being encouraged to ring out their bells to coincide with the river pageant on the River Thames. I am glad to report to the House that the lead barge—the herald barge—will contain a floating belfry, the first of its kind with a new ring of eight bells cast at the Whitechapel Bell Foundry. Each of the royal jubilee bells will have the royal arms cast on it and will be named after a senior member of the royal family. The bells will go down the Thames and ring a quarter peal on the river, with the church bells along the route providing a musical response. It is hoped that at 3 pm on 3 June bells throughout England will ring out to celebrate the Queen's diamond jubilee.

Mr Speaker: No one could accuse the hon. Gentleman of providing the House with insufficient information and we are grateful to him.

Jake Berry (Rossendale and Darwen) (Con): Living in the house directly opposite St Thomas, Musbury, church in Helmsore, I am a real fan of campanology.

Will my hon. Friend join me in congratulating our congregation at St Thomas's for the fundraising we have done to restore our bell tower so that bells can be rung again on Sunday morning?

Tony Baldry: Absolutely, and that demonstrates that communities throughout the country are very keen to keep their church bell towers in good order.

Metal Theft

4. **Tom Blenkinsop** (Middlesbrough South and East Cleveland) (Lab): What discussions the Church Commissioners have had with (a) the Secretary of State for Culture, Olympics, Media and Sport and (b) the Secretary of State for the Home Department on metal theft from war memorials situated on Church of England property. [97366]

6. **Guy Opperman** (Hexham) (Con): What steps are being taken to protect churches and churchyards against metal theft. [97368]

Tony Baldry: The Bishop of London, Anne Sloman, the chair of the cathedral and church buildings division of the Church of England, and myself have had numerous detailed discussions with a number of Ministers on the issue of metal theft from church property.

Tom Blenkinsop: Incidents of metal theft, including vandalism of war memorials, in the church diocese of York have increased by 61% in the past year alone. Would the hon. Gentleman be willing to meet me to talk about how we can help parishes in my constituency that are suffering from such crimes?

Tony Baldry: I would, of course, be very happy to do that.

Guy Opperman: Metal theft is a huge issue that concerns church leaders across all faiths in Northumbria. Does my hon. Friend agree that the punishments for those who steal from churches and churchyards should be both severe and a proper deterrent?

Tony Baldry: As became clear in our recent debate on metal theft, there is a general desire across the House for the courts seriously to consider deterrent sentences for what is a despicable crime.

John Cryer (Leyton and Wanstead) (Lab): This crime is a threat to some of the greatest buildings and monuments across Britain. Is there any possibility of grants being made available to churches so that security can be improved to protect against it?

Tony Baldry: As may come up later, those churches that use SmartWater or that install roof alarms have found that the incidence of metal theft has been substantially reduced. SmartWater and roof alarms are not necessarily that expensive and I hope that all churches will look at how they can improve security to deter metal theft.

Mr Mark Spencer (Sherwood) (Con): Does my hon. Friend know whether the Church Commissioners have

had discussions with English Heritage about allowing fibreglass replacements of lead roofs so that the crime is no longer a temptation?

Tony Baldry: We are in continuous discussions with English Heritage about what can be done in replacing lead roofs, but 60% of grade-I listed buildings in this country are Church of England churches, and there are some restraints as a consequence of those listings.

Syria

5. **Mr Philip Hollobone** (Kettering) (Con): What plans the Church Commissioners have to provide support for Christian communities in Syria. [97367]

Tony Baldry: The Archbishop of Canterbury and his staff are in regular contact with the Bishop of Jerusalem, whose diocese includes Syria. The archbishop has just returned from a personal pilgrimage to the middle east and has seen at first hand the issues facing Christians living there. The people of Syria who are being subjected to crimes against humanity need the prayers and support of all in this House.

Mr Hollobone: I am sure that we would all support the end of the Assad regime, but it has at least protected the Christian community in Syria from some of the more radical Islamist elements in that society. Does my hon. Friend share my concern about whether the Christian communities in Syria, which are substantial, will get the protection they need if the regime goes, as I am sure we all hope it will, and a new Islamist regime comes in?

Tony Baldry: My hon. Friend raises an interesting point. It is a fact that Christians in Syria have found a *modus vivendi* in the past and it is a real tragedy that such human rights atrocities have taken place in Syria. Throughout the middle east, I am afraid, Christians are being put under intolerable strain and pressure, and that must be a matter of concern for us all.

Bats

7. **Miss Anne McIntosh** (Thirsk and Malton) (Con): What recent representations the Church Commissioners have received on bats in churches; and if he will make a statement. [97369]

Tony Baldry: On 29 November the Bishops of Lincoln, Norwich and Chelmsford and I met the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Newbury (Richard Benyon), to discuss how we could better deal with bats in churches. Also at the meeting were representatives of Natural England and the cathedral and church buildings division of the Church of England. I wish to thank the Minister at DEFRA who is working closely with the Church of England to support that work.

Miss McIntosh: I thank my hon. Friend for that reply. Are we not over-exuberant in our implementation of the habitats directive? Will he welcome DEFRA's review to make sure that we are not gold-plating, so that the congregation at St Hilda's church in Ellerburn can enjoy the facilities they usually enjoy?

Tony Baldry: I very much welcome the initiative taken by DEFRA Ministers. At the meeting I mentioned, the Minister made it very clear that he thought it was unacceptable that churches could not be used for public worship as a consequence of infestation by bats. He made it very clear to officials in his Department and officials from Natural England that he was looking to them to come forward with solutions in respect of the worst-affected churches and to report back by the autumn of this year.

Same-sex Marriage

8. **Mr Peter Bone** (Wellingborough) (Con): What recent representations he has received on the implications for the Church Commissioners of the Government's plans to introduce same-sex marriage. [97370]

Tony Baldry: The Church of England will be making a detailed submission to the forthcoming consultation exercise, which will provide an opportunity for a more focused critique of what is proposed, including the proposal to distinguish in law between civil and religious marriage.

Mr Bone: I am very grateful for my hon. Friend's response. Would it not be very simple just to write back and say, "Marriage is between a man and a woman so this is completely nuts"?

Tony Baldry: I am quite relieved by that question because I feared that we might have a question about Mrs Bone and, assuming that Mr and Mrs Bone are already married, I was not quite sure how I was going to deal with that. My hon. Friend is absolutely right. So far as the Church of England, the Roman Catholic

Church and many other faith groups are concerned, marriage is a union between one man and one woman. That is a point that we will be putting forward, I hope, responsibly and clearly in the consultation.

Metal Theft (Forensic Marking Systems)

9. **Valerie Vaz** (Walsall South) (Lab): How many churches use forensic marking systems to prevent metal theft from church property; and what the cost is of such systems. [97371]

Tony Baldry: The use of forensic marking is widespread and is strongly encouraged at diocesan level and by insurers. Some 12,500 churches have registered with the SmartWater scheme. SmartWater has been successful in a number of cases involving arrests and successful prosecutions. An increasing number of churches are also now fitting roof alarms.

Valerie Vaz: I recently visited a church dedicated to St Materiana in Tintagel. It is a small church carrying the SmartWater sign. Does the hon. Gentleman agree that the costs should not be prohibitive so that smaller churches can remain open for worshippers and visitors?

Tony Baldry: I would hope that it would not be prohibitive for any church to install SmartWater. I take note of the hon. Lady's point, however, because I would hope that, in such circumstances, dioceses could help small churches with the funding that they need to protect their heritage.

Mr Speaker: I am sure that the House is grateful to the hon. Gentleman for his replies to nine successive questions, and for the prodigious work rate he has just demonstrated.

Business of the House

11.31 pm

Ms Angela Eagle (Wallasey) (Lab): Will the Leader of the House please tell us the business for next week?

The Leader of the House of Commons (Sir George Young): The business for the week commencing 5 March will be:

MONDAY 5 MARCH—Opposition day [un-allotted day]. There will be a debate on jobs and growth in a low-carbon economy, followed by a debate on living standards. These debates will arise on Opposition motions. In addition, my right hon. Friend the Prime Minister plans to make a statement following the EU Council.

TUESDAY 6 MARCH—Conclusion of Second Reading of the Water Industry (Financial Assistance) Bill, followed by a motion relating to a reasoned opinion on procurements by public entities. That will be followed by the remaining stages of the Consumer Insurance (Disclosure and Representations) Bill [*Lords*]. In addition, the Chairman of Ways and Means has named opposed private business for consideration.

WEDNESDAY 7 MARCH—My right hon. Friend the Prime Minister will propose an Humble Address to celebrate the diamond jubilee of Her Majesty the Queen. That will be followed by Opposition day [un-allotted day] [half-day]. There will be a debate on a Democratic Unionist party motion, subject to be announced, followed by a motion relating to human rights abuses and the death of Sergei Magnitsky. The subject for this debate has been nominated by the Backbench Business Committee.

THURSDAY 8 MARCH—Topical debate on international women's day, followed by a debate on the future of social care. The subjects for these debates have been nominated by the Backbench Business Committee.

The provisional business for the week commencing 12 March will include:

MONDAY 12 MARCH—Motions relating to Standing Orders and to outstanding reports of the Committee on Standards and Privileges.

Right hon. and hon. Members will know that this morning I made a written statement to the House announcing that Her Majesty the Queen will open a new Session of this Parliament on Wednesday 9 May.

Ms Eagle: I thank the right hon. Gentleman for his statement and, ahead of this afternoon's general debate, wish everyone a happy St David's day? We spend our time surrounded by his amazing designs in this place, so it is also right to mark today the 200th anniversary of Pugin's birth.

The Foreign Secretary updated the House this week on the situation in Syria. Today, the whole House will be appalled that the Syrian Government appear to be escalating repression. They are responsible for widespread human rights crimes, including the deliberate targeting of civilians and journalists. We fully support the call by the United Nations Secretary-General for an immediate end to the violence. Across the region, tens of thousands have been killed demanding the freedom that we in this country take for granted. Will the Leader of the House find time for a debate on the middle east so that the House can consider the support we give to those battling

against brutal dictatorship? Such a debate would give us the opportunity to praise the outstanding journalism that has meant the crimes of the Syrian Government have not gone unrecorded.

If in Syria we have seen journalism at its very best, we have heard this week at the Leveson inquiry about the worst excesses of some sections of the press. The Conservative Mayor of London, who is in charge of the Metropolitan police, said last year that stories of illegal phone hacking were "codswallop", but this week he argued that "the caravan should move on". Joining in, the Conservative Education Secretary said that the Leveson inquiry was having a chilling effect on press freedom. This is beginning to look like a systematic attempt to undermine the inquiry and pre-empt the outcome. Some sections of the press might be trying to browbeat Lord Justice Leveson, but does the Leader of the House agree with me that Conservative Cabinet Ministers and the Conservative Mayor of London should not join in?

I was disappointed this time last week when, in response to my questions about the Health and Social Care Bill, the Leader of the House said that he was not one of the heroic three Cabinet Ministers who briefed ConservativeHome off the record that the Bill was a disaster, but it is not too late to change his mind. After all, the Deputy Prime Minister briefed Liberal Democrat peers this week on the record that the Bill needed amending to stop Conservative Ministers privatising the NHS. I wonder whether the Leader of the House could explain what the Deputy Prime Minister has been doing all this time, because he wrote the foreword to the health White Paper and championed the original Bill. He then voted for the Bill but championed the pause and the rethink. He then championed the revised Bill, and now he is championing a revision of the revision of the Bill. This cynical choreography will not be taken seriously by the public. If he really wanted to, he could stop the Bill now. Why on earth has he not done so? Meanwhile, a Conservative Health Secretary is proving that we can never trust the Tories on the NHS.

The most signed e-petition on the No. 10 website is a campaign to drop the Health and Social Care Bill. The Prime Minister said on launching the site:

"One of the points of the new e-petitions website is to make sure that if a certain level of signatures is reached, the matter will be debated in the House, whether we like it or not. That is an important way of empowering people."—[*Official Report*, 11 August 2011; Vol. 531, c. 1092.]

Will the Leader of the House explain why Government Members of the Backbench Business Committee voted en bloc to stop a debate on the NHS petition? Last week the Prime Minister locked his health critics out of No. 10, and this week's shenanigans in the Backbench Business Committee revealed that the Government are running scared of debate. Does the Leader of the House think that that will win over the public?

As a result of another e-petition, the House decided to ban the keeping of wild animals in circuses, but today the Government sneaked out a consultation that completely ignores the will of the House. It looks as though e-petitions are another public relations gimmick from a Prime Minister who thinks that that is what his job is about, so may we have an early debate on the Government's response to the Procedure Committee's report on e-petitions, which after all said that the Prime

Minister's claims on the No. 10 website needed to be rewritten to ensure that they "more accurately reflect reality"?

I thank the Leader of the House for finally confirming what Paul Waugh of PoliticsHome announced at the beginning of January: that the Queen's Speech would be on 9 May. I have a suggestion for how he could successfully bring this legislative Session to a proper close: drop the Health and Social Care Bill.

Sir George Young: I endorse what the hon. Lady said at the beginning of her questions about St David's day and the 200th anniversary of Pugin's birth. On the serious issue of Syria, we had Foreign Office questions on Tuesday. She will know that my right hon. Friend the Foreign Secretary has issued a written ministerial statement today. She may also know that the matter is likely to be raised at the European Council meeting later today, and I have announced that my right hon. Friend the Prime Minister will make a statement on that on Monday, so there might be an opportunity to report progress then. I join her in paying tribute to those journalists who have risked their lives, and in one case lost her life, to bring the truth to the rest of the world, going to the most dangerous places in the world, showing the hardships that people endure there and broadcasting the realities to a wider audience.

On Leveson, my right hon. Friend the Prime Minister dealt with this yesterday, and I gently remind the hon. Lady that it was the coalition Government who set up the inquiry to get to the bottom of exactly what has been going on.

We had an urgent question on the Health and Social Care Bill on Tuesday, which my right hon. Friend the Health Secretary answered. The Bill continues to be improved by amendments tabled from both sides of the House, and from both Houses, as it goes through Parliament. It was a Labour Secretary of State for Health who had a motion of no confidence passed in her by one of the royal colleges.

We have no intention of dropping the Bill. I asked the hon. Lady last week which particular clauses she wanted to see dropped. Does she want to drop clauses 22 and 25, which make it explicit that patients should have more choice and be much more involved in decisions about their care? Does she want to drop the clauses placing a duty on key organisations to integrate health and social care services? Does she want to drop the clauses that remove the arbitrary private patient cap, which stifles groundbreaking new treatment by organisations such as The Royal Marsden?

The Government have passed to the Backbench Business Committee responsibility for the subjects that it chooses. It has chosen Magnitsky, social care and a wide range of important issues which have been brought before it by Members from both sides of the House. The Committee may have taken the view that the health Bill has been adequately debated in this House since it was introduced more than a year ago. It has probably had more debate than any other Bill in recent history, and that may be why the Committee took that decision.

We have just had DEFRA questions, and I watched the Minister of State, Department for Environment, Food and Rural Affairs, my right hon. Friend the Member for South East Cambridgeshire (Mr Paice),

answer questions about circus animals. As the hon. Lady knows, we have put out a written ministerial statement—

Thomas Docherty (Dunfermline and West Fife) (Lab): Sneaking it out.

Sir George Young: Putting out a written ministerial statement is not "sneaking it out".

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): Nor is answering questions in the House.

Sir George Young: Nor, as my hon. Friend says, is answering questions about it on the same day. There could hardly be a more open process of bringing a matter before the House.

Finally, under the Labour Administration there was an e-petitions system that ended up in Downing street and got nowhere. We have introduced a much better system, whereby if a certain threshold is reached the petitions are eligible for debate. Some of the best debates that we have had have been as a result of the e-petitions system, introduced by this Government, and we are proud of it.

Several hon. Members *rose*—

Mr Speaker: Order. As usual a very large number of right hon. and hon. Members are seeking to catch my eye. May I just remind the House that Members who were not here when the Leader of the House stood up to answer the business question should not now be seeking to catch my eye?

Tony Baldry (Banbury) (Con): Ever since I have been a Member, there has been a full day's debate on Wales to coincide with St David's day. Today that debate is being seriously curtailed by the Backbench Business Committee. I understand that not a single Conservative MP petitioned for today's Back-Bench business debate, so is one right in assuming that the Labour party wishes to curtail debate on Wales because it wishes to curtail debate on Labour's stewardship in Wales and, in particular, Labour's stewardship of the health service in Wales?

Sir George Young: My hon. Friend poses some interesting questions about the mentality of Welsh Labour MPs, but however short the time available for that debate is, I know that my right hon. Friend the Secretary of State for Wales will criticise the stewardship of the NHS in Wales and at the same time outline the steps that the coalition Government have taken to support growth in the Principality.

Mr Tom Harris (Glasgow South) (Lab): As we celebrate St David's day, we should also celebrate the fact that citizens of Wales are able to choose which language they fill out their application forms for driving licences and passports in because Welsh is recognised throughout the UK as an official language. The same cannot be said for Gaelic, which is recognised in Scotland as an official language but not in the UK, so Scottish citizens cannot fill out their applications for driving licences or passports in any language other than English. May we have an early ministerial statement so that the Government can

[Mr Tom Harris]

set out their plans to give Gaelic equal status with Welsh and English, so that in turn Scots native Gaelic speakers can start to fill out such applications in the language of their choice?

Sir George Young: I very gently say to the hon. Gentleman that I believe he was a Minister in the Department for Transport, and I wonder why that progressive measure was not introduced on his watch.

Mr John Leech (Manchester, Withington) (LD): The Leader of the House will be well aware of *The Times* cycling campaign after joining us in the Westminster Hall debate last week. Given the level of interest in and support for the campaign in all parts of the House, will he find some parliamentary time for my Road Safety (No. 3) Bill, which addresses much of *The Times'* campaign?

Sir George Young: I agree with the hon. Gentleman about the quality of the debate in Westminster Hall last week, at the end of which the Under-Secretary of State for Transport, my hon. Friend the Member for Lewes (Norman Baker), set out the steps that the Government are taking to promote cycling and cycling safety. I would be raising the hon. Gentleman's hopes if I implied that his road safety Bill was likely to reach the statute book in the remaining days of this Session, but there will be an opportunity in the new Session to put forward private Members' Bills, and I very much hope that he pursues his campaign in that context.

Mr John Spellar (Warley) (Lab): Today the Prime Minister is hosting the Czech Prime Minister. On 20 February, the Prime Minister posted on the No. 10 website a letter to the European Commission, signed by them and 10 other European leaders, on a plan for growth in Europe. It said, among other things :

“We should foster labour mobility to create a more integrated and open European labour market”.

May we have a debate so that Ministers can explain to the public and, indeed, to their own Back Benchers, why they think that giving away more British jobs is such a good idea?

Sir George Young: As I announced a few moments ago, the Prime Minister will be at the Dispatch Box on Monday after the European Council. Is the right hon. Gentleman seriously wishing to detract from the commitments made by all Governments for mobility of labour within the European Union?

Harriett Baldwin (West Worcestershire) (Con): Following yesterday's excellent news on the increasing number of companies joining the coalition's voluntary work experience programme for young people, may we have a debate on this topic so that certain sections of the media, which seem to be confused about voluntary work experience for young people, workfare and the Work programme can be enlightened?

Sir George Young: I am grateful to my hon. Friend for drawing to the attention of a wider audience the benefits of the work experience programme. I was delighted to hear that another 200 businesses want to sign up against the background of the debate that we have had

in recent weeks. I found very compelling an article in *The Times* on Tuesday by John Bird, founder of *The Big Issue*, setting out exactly why the work experience initiative was in everyone's interests. I hope that companies and young people will consider joining the work experience programme. As local MPs, we all have a job of work to do to encourage employers to participate and young people to take up vacancies.

John McDonnell (Hayes and Harlington) (Lab): Has the Leader of the House been given notice by the Secretary of State for Defence of the appointment of the commercial management company Serco to run Defence Business Services within the Ministry of Defence? The House and the staff believe that this is still subject to a consultation, yet over the past week Serco has been advertising appointments on its website. Could a Minister come to the House to clarify the exact situation?

Sir George Young: The answer to the first half of the hon. Gentleman's question is no. However, I will make some inquiries of the Secretary of State for Defence seeking confirmation that the contract has not been let if, as the hon. Gentleman says, it is still subject to consultation, and I will ask my right hon. Friend to write to him.

Guy Opperman (Hexham) (Con): Police Constable David Rathband passed away last night. He was an outstanding Northumbria police constable, and I know that I speak for all local north-east colleagues when I say that this brave man will be sorely missed. Will my right hon. Friend join me in passing on our condolences to his family and to the police colleagues he worked with and who continue to serve our region so well?

Sir George Young: The whole House will endorse what my hon. Friend has said following the tragic death of David Rathband, who lost his sight bravely risking life and limb to arrest a suspect. I applaud what he did subsequently, having lost his sight, in setting up the Blue Lamp Foundation, and also becoming internationally renowned for the way he responded to the challenges that he had to face. I endorse what my hon. Friend said about his tragic loss and extend our sympathies to his friends and family.

Mr Nigel Dodds (Belfast North) (DUP): The recent acquittal of a dozen or so defendants in a paramilitary-related supergrass trial in Belfast costing upwards of £20 million has raised serious questions about the use of “assisting offenders” evidence under the Serious Organised Crime and Police Act 2005, which is a Westminster Act not an Assembly Act. May we have a statement from the Attorney-General on the use of that Act specifically in relation to paramilitary supergrass trials in Northern Ireland, which were last seen in the 1980s?

Sir George Young: I will certainly draw the attention of my right hon. and learned Friend the Attorney-General to the point that the right hon. Gentleman has made. Of course, I have announced that a debate has been allocated to the right hon. Gentleman's party on Wednesday, so it is open to him to choose this matter as a subject for that debate next week.

Chris White (Warwick and Leamington) (Con): Last week, Hatton & Harding in my constituency came second in the best small shop in Britain awards 2011, highlighting the quality of retail in our community. On the back of that, Warwick TweetUp, a group of local businesses, is campaigning for Warwick to put in a bid to be one of the Portas pilots, which I fully support. Will my right hon. Friend join me in congratulating Hatton & Harding on its success, and will he schedule a debate in Government time on small retailers and how we can best support them?

Sir George Young: I commend Hatton & Harding for coming second in the competition to which my hon. Friend referred. He will know that we had a debate on the Mary Portas review in January in Back-Bench business time. The Government are grateful to Mary Portas for her review and are reflecting on its recommendations. We will announce in the spring our conclusions on that review. There may be an opportunity thereafter to have a further debate on the future of the high street.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): The Government had let it be known that an announcement on the location of the headquarters of the Green investment bank would be made in February. Even though February had 29 days this year, no announcement had been made by yesterday. What we did get was an e-mail indicating that the decision had been further delayed. There has been no written statement and nothing on the Department for Business, Innovation and Skills website. Will the Government ensure that a written statement is forthcoming so that we know what is going on with the Green investment bank, at least as a courtesy to the 32 Members across the House who have supported its being located in their constituency?

Sir George Young: I am grateful to the hon. Gentleman. He is right that a large number of Members have bid for the Green investment bank to be located in their constituency. I was not aware that a firm commitment had been given to make an announcement in February, but I will make inquiries at BIS to establish when a decision on the location of the green investment bank will be made.

Robert Halfon (Harlow) (Con): Has my right hon. Friend seen early-day motion 2,781, which opposes the fee for tours of the Big Ben Clock Tower?

[That this House regrets the plans of the House of Commons Commission to create an admission charge of 15.00 for Big Ben tours; notes that if fees increase in July 2012 as planned, it will cost a family of four 60 to visit the Big Ben Clock Tower; believes that this undermines the basic principle of British democracy, that this is a people's parliament, open freely to its citizens; further believes there must surely be other ways of saving money, such as publishing Hansard and business papers online; and therefore urges the House of Commons Commission to think again, to scrap the fees and to make sure that this remains a parliament for the many, not the few.]

May we have an urgent debate on these unaffordable, undemocratic and unprecedented plans, so that MPs from all sides of the House can vote against the proposals once and for all?

Sir George Young: I understand my hon. Friend's concern. He raised this matter on a point of order on Monday. I have in front of me your response, Mr Speaker, which I will not read out because it would take longer than you like me to take at the Dispatch Box, but I will—*[Laughter.]*

Mr Speaker: I am prepared to make an exception.

Sir George Young: It is quite a long statement. I reiterate your advice, Mr Speaker, that if my hon. Friend wants to take the matter further, he should pursue it with the Finance and Services Committee.

Mr Jim Cunningham (Coventry South) (Lab): First, I thank the Leader of the House for getting me a reply from the Secretary of State for Education. When will we have the promised statement, which we have been waiting on for about six months, on the capital programme for schools? There are schools in Coventry that are dilapidated, falling down and badly in need of repair. The Government are letting down teachers and kids in Coventry.

Sir George Young: There were questions to my right hon. Friend the Secretary of State on Monday this week. I do not know whether there was an opportunity to raise the issue then. I will raise it with my right hon. Friend and seek to establish when an announcement will be made about the capital programme, particularly as it impacts on Coventry.

Mr Rob Wilson (Reading East) (Con): As well as being a terrible tragedy, as my hon. Friend the Member for Hexham (Guy Opperman) said, the death of PC David Rathband poses difficult questions about how we support police constables who have been wounded in the line of duty. Will the Leader of the House schedule a debate in Government time on this important and urgent issue?

Sir George Young: My hon. Friend raises an important issue, particularly given the background that he has touched on. I cannot promise a debate in the near future in Government time, but it strikes me as an appropriate subject for a debate on the Adjournment or in Westminster Hall. I am sure that a large number of Members on both sides of the House would like to take part in such a debate.

Clive Efford (Eltham) (Lab): Having said that they would not do so, the Government adopted the previous Labour Government's 18-week waiting time target for treatment in hospital once somebody has been referred by a GP. The number of people breaching that 18-week period has gone up by 43%. We are now told that people are being bounced off lists and left waiting once they have breached the 18-week point to hide the huge spike in the number of people who have breached it. May we have a debate to expose the Government's appalling record on that target?

Sir George Young: I must gently disagree with the hon. Gentleman. The backlog of over-18-week waiters is going down and the figures for December were the best on record. In the broader context, the average waiting times for in-patients and out-patients before

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they start treatment are lower than at the time of the last election, and the number of patients waiting for more than a year is half what it was in May 2010.

Mr David Nuttall (Bury North) (Con): May we please have a debate on deregulation? This week saw the publication of the third progress report on the Government's one-in, one-out policy. A debate would allow the House to examine the extent to which the progress made by the Government is being completely outweighed by new regulations from the European Union, which are not covered by the one-in, one-out policy.

Sir George Young: I am grateful to my hon. Friend. There may be an opportunity in the context of the Budget debate to discuss that matter further. He is right to point out that from January 2011 to April this year, the one-in, one-out system will result in the net change in domestic regulation remaining at or close to zero. Eleven of the 14 Departments report a net reduction or no change in the regulatory costs to business. The red tape challenge has so far considered more than 1,200 regulations, and has agreed to scrap or improve well over half of them.

Mr Dave Watts (St Helens North) (Lab): More than six weeks ago, the Department of Health's propaganda machine put out an announcement that private finance initiative hospitals, including my own, will get an additional allocation of £1.5 billion. No prior warning was given to the trusts or to MPs who are interested in this issue. Six weeks on, the allocation has not been made. May we have a statement from the Department of Health about when the allocation will be made to those hospitals, so that they can get on with planning for the future?

Sir George Young: I would have hoped that the hon. Gentleman would preface his remarks with a tribute to the Government who are seeking to put right the disastrous PFI contracts that the previous Government entered into. None the less, in a conciliatory mood I say to him that I will pursue the issue of any resources that might be made available to his authority to give it the assistance it needs to cope with the ongoing debts incurred by the previous Administration.

Brandon Lewis (Great Yarmouth) (Con): With about 600 young people being supported by more than 250 companies in the work experience scheme in Norfolk alone, may I join my hon. Friend the Member for West Worcestershire (Harriett Baldwin) in asking my right hon. Friend for a statement or a debate in Government time to highlight the excellent things that are being done in the work experience scheme, to clarify the erroneous statements that are out there, and to promote the good work that is being done by these companies and the well-motivated young people who are taking advantage of the scheme?

Sir George Young: I am grateful to my hon. Friend. Some 34,000 young people have taken advantage of the scheme since it was launched in January, and more than half of them have come off benefits. At a fraction of the cost of the previous scheme, it is finding work for young people. I reiterate my response to an earlier

question: we all have a responsibility to promote the scheme widely in our constituencies over the coming weekend.

Nic Dakin (Scunthorpe) (Lab): Sadly, the death rates for mesothelioma in north Lincolnshire are above the national average. Will the Government make a statement on their progress in delivering the commitment to set up a fund of last resort to act as a safety net for workers who can no longer trace the employers who exposed them to asbestos?

Sir George Young: I understand the problems of those who suffer from mesothelioma. I will raise the matter with my right hon. and learned Friend the Secretary of State for Justice and ask what progress is being made on establishing the fund to which the hon. Gentleman referred.

Mr Mark Williams (Ceredigion) (LD): The all-party parliamentary group on global education for all recently concluded a visit to Nigeria, where we saw some harrowing scenes and heard that 8 million children there are denied basic education. There are some excellent Department for International Development projects working on sanitation and on access to education for young girls in particular. May we have a debate on the successful work of DFID and on how we can enhance that good work?

Sir George Young: I am delighted to hear of the good work being done by DFID in Nigeria to tackle the problem to which my hon. Friend refers. There will be an opportunity on, I believe, 14 March, the next time my right hon. Friend the Secretary of State for International Development answers questions, to press him further on what additional assistance can be extended to Nigeria to make further progress in the direction that my hon. Friend outlines.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Yesterday, HMS Liverpool arrived at Liverpool for the final time before it is decommissioned at the end of the month. For three decades the ship and her crew have served our country with bravery and distinction in conflicts around the world, most recently in Libya. Will the Leader of the House ask the Defence Secretary if he will make a statement recognising the courageous service of all those who have sailed on HMS Liverpool over the past 30 years?

Sir George Young: I am sure my right hon. Friend the Secretary of State for Defence would like to join the hon. Lady in paying tribute to all those who have served on HMS Liverpool. She will know that we had to take some difficult decisions to balance the Ministry of Defence budget on coming into office. The outcome was announced in the strategic defence and security review some 18 months ago. I hope that we now have a more balanced MOD budget and can go ahead on a more sustainable basis.

Dr Andrew Murrison (South West Wiltshire) (Con): In 2006, I raised the unintended consequences of the Extradition Act 2003. Six years on, many individuals still find themselves at the wrong end of that legislation and denied bail, meaning that they are kept from their families and livelihoods for long periods. May we now

have a debate to see how we can improve our relations with other countries so that people, some of whom will ultimately be found not guilty, are not disadvantaged?

Sir George Young: My hon. Friend raises a serious issue, particularly against the background of the case of Mr Tappin. He will know that the Home Secretary received the Scott Baker review in October. Since then we have had two good debates on the matter, and my right hon. Friend is reflecting on the review, which examined how we might improve extradition arrangements with the EU and the wider world. She will announce her conclusion on the review and the debates in due course, at which time she will also publish the documents referred to in a question asked last week by my hon. Friend the Member for Esher and Walton (Mr Raab). The Government understand the concerns of my hon. Friend the Member for South West Wiltshire (Dr Murrison) and want to make progress.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May I invite the Leader of the House to come to Huddersfield to explain to my constituents how laws are passed in this House? They know that the Health and Social Care Bill has not become law, but they also know, having listened to the Prime Minister on Wednesday, that 95% of GPs are already putting it into effect. They also know that a vast amount of taxpayers' money has already been spent on letting contracts and hiring people under a law and structure that has not passed the House of Commons.

Sir George Young: It has actually passed the House of Commons. I will not come to Huddersfield to explain how laws are passed in the House, because the hon. Gentleman can perfectly well do that himself. He knows full well that there are certain things that a Government can do once a Bill has received its Second Reading, and what we have done on the Health and Social Care Bill is absolutely consistent with actions taken by his party's Government once Bills had received a Second Reading in the House of Commons.

Sir Bob Russell (Colchester) (LD): In view of a parliamentary answer that I received yesterday, may we have a debate on the independence of the Independent Parliamentary Standards Authority? I have discovered that over a three-month period, there were nine meetings of Ministers with IPSA, notably on 16 January when its chairman and chief executive met the Chief Secretary to the Treasury, the Leader of the House and the Minister for the Cabinet Office. The written answer states:

“We do not intend to provide further details of these meetings as to do so may inhibit free and frank discussions in the future.”—*[Official Report, 28 February 2012; Vol. 541, c. 287W.]*

In the interests of openness and transparency, and bearing in mind that one of the subjects discussed was MPs' pensions, may we have a debate on the subject?

Sir George Young: I have regular meetings with the chairman and chief executive of IPSA, but on the subject of MPs' pensions, the Government made their views perfectly clear last July when I tabled a motion, which was passed unanimously without Division in

November. IPSA referred specifically to that resolution when it announced its proposals in the document that was published a few weeks ago.

Helen Jones (Warrington North) (Lab): Will the Leader of the House find time for a debate on the quality of decision making in the NHS, since MPs in my area, including my hon. Friend the Member for Halton (Derek Twigg), recently discovered that a decision to make Chester rather than Warrington a hub for vascular services was taken without any criteria being set down and therefore without any scoring against set criteria? We are now left in a position in which our hospital and its future services are at risk, based on a decision that appears to have been taken arbitrarily. Do people not deserve a better quality of decision making than that?

Sir George Young: I challenge the hon. Lady's assertion that hospitals and health services are at risk because of the decision about the hub to which she refers. However, I am happy to refer to the Secretary of State for Health the issue of why that particular configuration was chosen in her part of the country.

Mr Speaker: I call Jason McCartney.

Jason McCartney (Colne Valley) (Con): Oh, thank you, Mr Speaker. I thought you were looking at somebody else.

A lot of doom and gloom is being peddled at the moment, so in this Olympic and diamond jubilee year, may we have a debate so that Members can mention all the many positive and uplifting things happening in their constituencies? For example, in the past week in my patch I have met many young apprentices—there are 130 new ones. There is a new dye works opening, David Brown Engineering has had another investment from the Government, the National Citizen Service is being launched on Monday in my constituency and young people are engaging with the Olympics. Let us have more positivity.

Sir George Young: I hope that my hon. Friend continues to be called in business questions. He is right to say that there is a lot of good news around. In January, retail sale volume was up by 0.9% on December and up on a year ago. The services purchasing managers index, the manufacturing purchasing managers index and construction output are up, and in January we had a budget surplus of £11.8 billion, £2.5 billion higher than last year. I hope that he will put his name in for the debate on the Budget, when we can listen to him tell us at greater length about all the good news in his constituency and the rest of the country.

Ms Margaret Ritchie (South Down) (SDLP): Will the Leader of the House have a discussion with the Secretary of State for Northern Ireland about holding a Westminster Hall debate on making St Patrick's day a public holiday? The decision on that is a reserved matter that lies with the Northern Ireland Office.

Sir George Young: I will raise the matter with my right hon. Friend the Secretary of State for Northern Ireland. Depending on the subject that is chosen for debate next Wednesday, which will presumably relate

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to Northern Ireland, the hon. Lady may have an opportunity to raise the matter then and get a response from him.

Mark Reckless (Rochester and Strood) (Con): I had understood that the January surplus was £7.8 billion, so I congratulate the Leader of the House on finding another £4 billion down the back of the sofa.

The Backbench Business Committee has been unable to allocate time for pre-European Council meetings, because it has limited time that is often changed at the last moment. Will the Leader of the House now reinstate those debates in Government time, or does he believe that the Standing Order No. 24 process is more appropriate?

Sir George Young: That would be to reverse the commitment that we made to implement in full the Wright recommendations, which involved putting in a pot a number of days, including those for the pre-EU Council debates, and transferring the pot over to the Backbench Business Committee. I would be most reluctant to take power away from the Committee in the way that he suggests by reducing its number of days.

On a more encouraging note, my hon. Friend may have heard the point made by my hon. Friend the Member for Wellingborough (Mr Bone) yesterday, with which I have a lot of sympathy. He suggested that at the beginning of each Session, we earmark a number of days that would be made available to the Committee at the appropriate time when an EU Council was imminent. If we go down that road, we may avoid the problems to which my hon. Friend the Member for Rochester and Strood (Mark Reckless) refers.

Jonathan Ashworth (Leicester South) (Lab): The Leader of the House might recall that a few weeks ago, I raised with him the situation facing Leicester businesses that were damaged at the height of the summer disturbances. They are not getting any compensation, because the police authority does not designate the disturbances as a riot and they have missed all the other compensation schemes. I was grateful for the opportunity to meet the Minister for Policing and Criminal Justice on Monday evening to discuss the problem, but may we have a debate on it in Government time to see how widespread it is and how many businesses are not getting compensation, so that Members on both sides of the House can make representations on the Floor of the House?

Sir George Young: I do remember the exchange, and my right hon. Friend the Minister for Policing and Criminal Justice met representatives of the insurance industry to urge them to speed up their compensation payments to victims. On the outstanding cases with the Government bureau, which covers uninsured individuals, there are 75 out of the 1,261 cases that were originally received. The Home Office has reimbursed all authorised claims for expenditure. Rather than waiting for a debate, I would like to pursue with my right hon. Friend the Minister for Policing and Criminal Justice the specific cases that the hon. Gentleman raises to see whether we can get compensation out of the door to those who are entitled to it.

Mr Peter Bone (Wellingborough) (Con): The Government are right to seek through the Council of Europe to change the rules so that the Supreme Court in this country would be the ultimate determinant of human rights. I would like to be helpful to the Government. I have introduced the European Convention on Human Rights (Temporary Withdrawal) Bill, which would speed up that process and allow us to deport extremists. Unfortunately, there must be a problem with the telephone line between the Chief Whip's office and mine because he has not contacted me yet to make arrangements. May we have a statement on that?

Sir George Young: My right hon. Friend the Chief Whip was 6 feet away from my hon. Friend a few moments ago, when there would have been an opportunity for a direct dialogue. I would be misleading my hon. Friend if I said that, in the remaining days of the Session, his Bill was likely to reach the statute book, but he knows that we have the chairmanship of the Council of Europe, and my right hon. and learned Friend the Lord Chancellor is seeking to reform the ECHR in a way that my hon. Friend would approve of to tackle the backlog and to ensure that cases reach the European Court only when there is no alternative, thus returning more to subsidiarity of the national courts. Although I cannot promise my hon. Friend any progress on his Bill, I hope that he will endorse the direction in which the Government are now travelling.

Mr Andrew Love (Edmonton) (Lab/Co-op): May we have an early debate in Government time on the national policy statement for waste water? Yesterday, during a debate on the Water Industry (Financial Assistance) Bill, the Secretary of State for Environment, Food and Rural Affairs said that

"there were 21 working days for the national waste water policy to be debated from the moment it was laid before Parliament... There is still time and I am sure that hon. Members will take advantage of that."—[*Official Report*, 29 February 2012; Vol. 541, c. 354.]

In conversations with the Journal Office today, it was made clear to me that until the Localism Bill becomes law, the decision on whether there is a debate on the national policy statement is entirely in the Government's hands. Will time be made available for that important issue?

Sir George Young: I read the exchange in *Hansard* to which the hon. Gentleman refers. As he knows, Second Reading of the Bill was adjourned. I will seek to ensure that, in the winding-up speeches on Tuesday, the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Newbury (Richard Benyon) has the response to the hon. Gentleman's question.

Mr Aidan Burley (Cannock Chase) (Con): The GMB union has claimed that, without the support of trade unions, Labour would have lost another 40 to 50 seats at the general election. With several marginal constituencies receiving thousands of pounds, such as the £5,600 given by the GMB to Dudley North, which was won by just 649 votes, may we have a debate in Government time on capping political donations to end any undue influence by only one political donor?

Sir George Young: I am grateful to my hon. Friend, who may know that there was a debate on the reform of trade union funding in Westminster Hall yesterday. He may like to read the response by the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Ruislip, Northwood and Pinner (Mr Hurd). On the broader issue, we want to reform funding. My hon. Friend will know that we are trying to achieve a consensus between the main parties on the way forward and that Government Members—certainly the Conservative part of the coalition—believe that any restriction on funding should embrace the trade unions rather than their having the privileged position that they currently enjoy.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): May we have a debate on the retention of the 2nd Battalion the Yorkshire Regiment, the Green Howards? All four of the regiment's battalions are on active service in Afghanistan and the future of the second battalion was raised in the most recent edition of *The Sunday Times*? May we have an urgent debate and statement on that so that the welfare of those troops and their families is properly discussed?

Sir George Young: I understand the hon. Gentleman's concern for the regiments that are based in his constituency. I cannot promise an early debate on the matter, but I will draw his concern to the attention of my right hon. Friend the Secretary of State for Defence and ask him to write to the hon. Gentleman, giving such assurances as he can about the future of those regiments.

Mark Pawsey (Rugby) (Con): For many years, the British Thomson-Houston Co. was the biggest employer in my constituency. In 1921, it erected a memorial to employees who gave their lives in the great war, and, with additions after the second world war, it bears 418 names. This week, in an appalling act of vandalism, Nazi graffiti has been scrawled all over it. May we have a debate to consider what should be done to keep alive the memory of those who made the ultimate sacrifice?

Sir George Young: I was appalled, as I am sure that the whole House was, to hear that Nazi graffiti has been scrawled on a memorial to those who gave their lives in the service of this country. I very much hope that the police in my hon. Friend's constituency are trying to find the perpetrators and bring them to justice and that the appropriate authorities are removing the graffiti immediately so that no more offence is given. Of course, I understand the concern that that has generated in my hon. Friend's constituency.

Mr Iain Wright (Hartlepool) (Lab): In November 1981, Katrice Lee went missing from a German supermarket on her second birthday. She has never been found. Her father, who is my constituent and was serving in the armed forces in Germany at the time, has never been satisfied about the investigation to find his daughter. He has requested access for the family to the case files. The hon. Member for Gosport (Caroline Dinenage), where Katrice's mother now lives, has worked hard on the matter, and I have written to the Prime Minister and asked a parliamentary question to the Secretary of State for Defence. May we have a debate on that harrowing and tragic issue, and more generally, about consistency

in providing case files on missing children to families, so that the hon. Lady and I can discuss the matter in the House?

Sir George Young: I am very sorry to hear of Katrice Lee's disappearance in 1981 and of course I understand the relevant local MPs' concern to find out what happened, and about access to the case files. I would like to contact the appropriate Minister, probably in the Foreign and Commonwealth Office, to ascertain what representations they can make, presumably to the authorities in Germany, who have the case files and see whether they can be made available. I understand the wish of members of the family to find out what happened, and I will raise the matter with the Foreign Secretary to see whether we can make progress.

Mr Matthew Offord (Hendon) (Con): Following the fire under the M1 in my constituency in April 2011, Network Rail and the Environment Agency were going to look at possible sites of future risk. I understand that the Highways Agency audit was developed into an action plan, which, a parliamentary written answer to me stated, would be completed by the end of spring 2012. Will my right hon. Friend advise whether that action plan will be published?

Sir George Young: I understand my hon. Friend's concern about sites at risk following the fire that he mentioned. I will contact the Secretary of State for Transport and find out what progress has been made and when information will be put in the public domain about the action that she plans to take.

Derek Twigg (Halton) (Lab): May we go back to the schools capital programme? I urge the Leader of the House to provide an urgent debate on that. He will recall that the Building Schools for the Future programme was cut in the early months of his Government and a promise was made to introduce a new capital programme scheme. We were expecting an announcement before now, but I understand from reports yesterday that it is some six months away. That is a long time, given that we are now in March 2012. The matter is important to my constituents, who are concerned about their schools getting investment.

Sir George Young: Again, there was an opportunity on Monday to raise the matter during education questions. However, I give the hon. Gentleman the same reply that I gave to the hon. Member for Coventry South (Mr Cunningham): I will make inquiries about the progress of the capital programme for schools and find out when a decision will be made, referring to schools in his constituency.

Nadhim Zahawi (Stratford-on-Avon) (Con): Today the Government sold £2.75 billion of 10-year Government debt at just over 2% and that is good news for borrowers and business, but it is a complex issue. The Government have a strategy for credit easing so may we have a debate in this Chamber on why it is so important for Government policy to continue to bear down on the interest that we pay? Opposition Members have been making very different statements to the media and there is real confusion in the country.

Sir George Young: My hon. Friend brings to the House's attention the benefits of low interest rates to business and households. Those low interest rates would be put at risk if we listened to some of the siren voices in the Opposition, who want to push up the budget deficit. When we have the Budget later this month, there will be an opportunity to debate the issues that my hon. Friend mentioned. Speaking from memory, every 1% increase in interest has an impact of about £1,000 a year on the average mortgage. That puts the matter in context.

Kevin Brennan (Cardiff West) (Lab): On this St David's day, it is appropriate for us to remember the Welsh troops who were killed tragically and injured terribly during the Falklands war. Was the Leader of the House as surprised as I was that the Prime Minister's spokesman this week said that the Government took no position on the news that the Argentine Olympic team will include a Malvinas logo on their Olympic kit? May we have a statement to clarify the Government's position?

Sir George Young: Of course I would understand the concern were that to happen. That may be a matter for the London Organising Committee of the Olympic Games and Paralympic Games, which is in charge of the Olympic games. I will draw the hon. Gentleman's concern to the attention of Lord Coe and see whether any steps need to be taken to ensure that no inappropriate logos are on display during the Olympics.

Mr Philip Hollobone (Kettering) (Con): The Backbench Business Committee has given more than a month's notice of the very important debate on assisted dying, which will take place on Tuesday 27 March. It would be helpful to the House and the nation if the Leader of the House confirmed the timings for that day. His normal practice, if he follows it, will have a knock-on effect on tours around the House. In addition, members of the public who want to attend the debate want to know what time it will start.

Sir George Young: My hon. Friend is right that, normally, when the last sitting day is on a Tuesday, we move the sitting forward from 2.30 pm to 11.30 am, which is the Wednesday timetable. No announcement has been made, but I take my hon. Friend's point. I will see whether at the next business questions we can give some certainty about the sittings of the House on that last day, 27 March.

Mr Denis MacShane (Rotherham) (Lab): Mr Speaker has announced that marvellous ceremonial occasion state opening of Parliament for 9 May. That is followed by the trooping of the colour, the Derby, the royal garden parties, the Eton-Harrow match, the Durham miners gala, the Government reshuffle and the opening of the grouse shooting season. Are not too many ceremonial occasions crammed into the summer? May we have a debate on moving the state opening back to an autumn date, both to take a bit of pressure off Her Majesty and to allow us to debate the Queen's speech in the more austere, chilly autumn winds rather than in the heat of the summer?

Sir George Young: The right hon. Gentleman has a very busy social calendar and will be attending a number of events that I will not be at.

To return to his question, he might remember that I made a statement in 2010 explaining why the state opening of Parliament would always be in the spring/summer because we now have fixed-term Parliaments. The general election will always be in May, so the first state opening will be in May. We want full, one-year Sessions rather than the six-month truncated Session that he has just advocated. If we have a state opening in November and a fixed-term Parliament ending in May, we would not have a full Session, which I know he would miss.

Graham Evans (Weaver Vale) (Con): Like Sir Stuart Rose, I started my working career stacking shelves in my local Co-op in Poynton, which gave me a great work ethic. I fully agree with the former chairman of Marks & Spencer that it is baffling that anyone would oppose unemployed young people being given the opportunity to gain good-quality work experience. May we have a debate on workfare so that we can take on the misguided opponents of that vital scheme?

Sir George Young: I am grateful to my hon. Friend for reinforcing a point that some of our hon. Friends have made. I would welcome such a debate. I should point out to him that we have the same success rate as the future jobs fund at a 20th of the cost, so we are getting much better value for money than the scheme we were left with.

Valerie Vaz (Walsall South) (Lab): The Paediatric Continence Forum found in a survey that 50% of children do not want to use the toilets because they are poor facilities, and that affects their health and education. The regulations for staff toilets are more robust than those for children's toilets. May we have an urgent debate or a statement on how we can eradicate that anomaly? Perhaps that aspect could be included as part of the Ofsted inspection report, because it affects children's health and education.

Sir George Young: I will raise that issue with my right hon. Friend the Secretary of State for Education and see whether there is an anomaly that needs addressing, and I will ask him to drop the hon. Lady a line.

James Morris (Halesowen and Rowley Regis) (Con): Plans have recently been submitted for a new retail development in Blackheath in my constituency, which will bring much-needed construction and retail jobs to the area. May we have a debate on the Government's success in generating private sector jobs and on what more needs to be done over the coming years?

Sir George Young: Again, the Budget may provide an appropriate forum for such a debate, but my hon. Friend reminds the House that private sector employment is up 580,000 since the election, and that the overall number of people claiming out-of-work benefits has fallen by 30,000. I hope we can maintain that impetus, and that my hon. Friend will take part in the Budget debate, when he can make the point at greater length.

Mrs Madeleine Moon (Bridgend) (Lab): May we have a debate on the Kafkaesque policies of Lloyds banks? When my constituent Mark Williams was unemployed three years ago, he set up a new business, Pins 'n Cool

Things. He was suddenly notified by Lloyds that it was closing his bank account. It will not tell him why and he can have no explanation. His business has ground to a halt. There is no way he can find out what he is allegedly guilty of, which is surely against the nature of British justice. May we have a debate on why banks have the power to destroy companies by refusing to tell them why they close bank accounts?

Sir George Young: The constituent has done the right thing in contacting his Member of Parliament. I am sure she is in contact with the Lloyds chief executive to see whether she can get a satisfactory explanation of how her constituent has been treated. I hope she is pursuing that, but I will draw the matter to the attention of my right hon. Friend the Secretary of State for Business, Innovation and Skills to see whether there is a role for him in view of the Government's stake in that bank.

Several hon. Members *rose*—

Mr Speaker: Order. There is still a large number of hon. Members trying to get in—they are all on one side of the House as it happens. I am keen to accommodate them, but we must now have brief questions, because the Leader of the House always provides brief answers.

Charlie Elphicke (Dover) (Con): Tomorrow, I will visit Megger, a very successful business in my constituency. May we have a debate on how we can accelerate economic growth in the UK, particularly in the light of the excellent news in the International Monetary Fund report that Britain is likely to grow more quickly than Germany and France this year?

Sir George Young: Indeed. The best news for Megger would be a continuation of the Government's economic policies, which allow low interest rates to endure. My hon. Friend rightly draws attention to the fact that, this year, we are growing three times as fast as France and twice as fast as Germany. That is a tribute to the economic policies that the Chancellor of the Exchequer has championed.

Jeremy Lefroy (Stafford) (Con): Will the Leader of the House find time for a debate on the importance of local initiatives to stimulate business growth, such as the successful loan fund set up by Staffordshire county council and administered by the mutual Black Country Reinvestment Society, of which I am proud to be a member?

Sir George Young: I am delighted to hear that despite all the pressure on Staffordshire county council, it has been able to find the resources to make the loan available to that mutual company. It is important that loans continue to be made to promote growth and employment and I commend the priorities of my hon. Friend's county council.

Christopher Pincher (Tamworth) (Con): A consistent theme raised by businesses in Tamworth is their access to bank lending. May we have a debate on that and on what opportunities there are for banks to borrow money, particularly in respect of Project Merlin, which has exceeded its target this year, and which means that more money was lent to small businesses in 2011 than in 2010?

Sir George Young: My hon. Friend reminds the House that bank lending is crucial. The latest figures are quite encouraging. The amount of lending has far exceeded what was expected—the £204.9 billion total lending overreaches the £190 billion target by nearly £25 billion. As a result of Project Merlin, we saw more lending to small businesses in 2011 than in 2010.

Mr David Burrowes (Enfield, Southgate) (Con): Many of my young constituents have today dressed up as fairytale characters to celebrate world book day. I am not sure what my right hon. Friend's favourite fairytale character is, but will he support the *Evening Standard* "Get London Reading" campaign and a debate to focus on the value of parents reading with their children?

Sir George Young: I am sorry that my hon. Friend has not joined in the fun by coming to the Chamber dressed up as his favourite character, but I commend the initiative of the *Evening Standard* and the work of those who voluntarily go into schools to sit down and listen, one to one, to children learning to read. That is an important skill. I hope the reforms we are promoting in the Department for Education will drive up the standards of reading of our young people.

Andrew Bridgen (North West Leicestershire) (Con): Can we have a debate about the relationship between economic growth and fiscal policy, especially in the light of recent figures from America, which show that its recent economic growth was delivered during a time of fiscal tightening? Also, given that our national debt exceeded £1 trillion at the end of last year, such a debate would provide an excellent opportunity to explode the myths perpetrated by Opposition Members, who cling to the misguided mantra that we are going too fast and too far in cutting the deficit that we inherited from the last Government.

Sir George Young: My hon. Friend draws attention to the fact that the debt is now around £1 trillion. When my party left office in 1997, it was around £300 billion; when we came back, in coalition, it was somewhere around £900 billion. That was the escalation that took place in the intervening 13 years, and that is why we need to take steps to get the debt back under control.

Neil Carmichael (Stroud) (Con): On the threshold of the launch of the much needed national careers service by the Department for Business, Innovation and Skills, may we have an opportunity in this House to highlight the need for good, independent careers advice, and also to underline the fact that schools and colleges must engage with businesses to find out what they really need?

Sir George Young: My hon. Friend reminds the House that next month, in April, we are launching the national careers service—the source, which he has just commended, of professional careers advice and information on learning and work. Young people and adults will be able to access the service online, and I hope that it makes genuine progress in providing the right advice and opportunities to young people as they enter the workplace.

Angie Bray (Ealing Central and Acton) (Con): There is a pile of rubble in the centre of Ealing on the site where the Ealing cinema used to stand. Empire, which owns the site, has consistently disappointed and frustrated many of my constituents by failing to deliver on its promises to build a new cinema and by evading all opportunities to explain the continued delay.

Sir George Young: As the former Member for Ealing Acton, I spent many evenings in that cinema, and I am sorry to hear that it has been demolished. My hon. Friend will know that under planning legislation, the planning authority can impose a condition that rebuilding shall start by a given date, and it has powers to commence that work if the applicant does not do so. I very much hope that the London borough of Ealing will look again at the planning powers available to it—under the Town and Country Planning Act 1990, I think—and take whatever action it can to ensure that my hon. Friend can go to a decent cinema in her constituency.

Bob Blackman (Harrow East) (Con): Under the excellent Localism Act 2011, passed by this Parliament, every local authority in the country is required to produce a pay policy statement. It therefore came as something of a surprise at the Harrow council budget setting meeting when a hastily cobbled together document was presented under a guillotine, so that no debate could take place. When Conservative councillors raised the issue, they were denied legal advice and the opportunity to defer the item so that they could consider it properly. The key point is that every local authority in the country will be considering such documents. May we therefore have a debate on the implementation of this excellent strategy to ensure transparency in public life?

Sir George Young: I am sorry to hear what happened in the London borough of Harrow. As my hon. Friend knows, there are statutory duties imposed on local authorities which relate to the documents that are made available, and these will be complemented by the standing orders of the London borough of Harrow. My hon. Friend should take up the matter with the monitoring officer in the borough in the first instance, and if that fails, he should perhaps draw it to the attention of one of the Local Government Ministers.

Karen Bradley (Staffordshire Moorlands) (Con): The only source of money for Government to pay for nurses, teachers and police officers is, of course, tax revenue. That is why it is vital that unacceptable loopholes are closed and that taxes are raised to pay for those vital public services. Can the Leader of the House find time for a debate on closing unacceptable tax loopholes, and perhaps also unacceptable planning that may be used by candidates for future mayoral elections?

Sir George Young: My hon. Friend reminds the House of the action that was taken earlier this week by Treasury Ministers to close a tax loophole. She will also know that Her Majesty's Revenue and Customs has set up a special unit to ensure that those evading their taxes pay them—speaking from memory, I think some £13 billion was brought in by that unit. I very much hope that we can debate the issue at greater length in the Budget

debate, and I hope that my right hon. Friend the Chancellor will take on board what my hon. Friend has just said about the need to close up further loopholes.

Guto Bebb (Aberconwy) (Con): The Leader of the House and hon. Members will no doubt be aware of the prejudiced and inflammatory comments of Baroness Tonge about Israel and the Israeli people. Although her views in no way represent the position of the coalition Government, it remains the case that many of our friends abroad who are not aware of our constitutional arrangements might see the comments of this Liberal Democrat Peer as indicative of the Government's position on the issue. May we have an urgent statement from the Foreign Office condemning her comments fully and unreservedly and restating the Government's commitment to Israel and the Quartet proposals for re-establishing the peace process?

Sir George Young: I agree with what my hon. Friend says: those remarks were unacceptable. They do not represent the policy of the Liberal Democrat party, or indeed of the coalition Government. I understand that the noble Baroness has now lost the Whip and therefore no longer speaks for anyone except herself.

Gavin Williamson (South Staffordshire) (Con): I am sure that my right hon. Friend has seen the Chartered Institute of Public Finance and Accountancy report on council tax that was published today. I wonder whether he would consider having a debate on council tax, so that we can expose councils that are increasing their council tax bills, but praise those such as South Staffordshire district council and Staffordshire county council, which are ensuring that my constituents will not see an increase in their council tax bills.

Sir George Young: I am grateful to my hon. Friend, and I commend what Staffordshire county council and South Staffordshire district council have done. We had a debate on the revenue support grant a few weeks ago, which was an opportunity to make the points that he has just made. I commend all local authorities that have accepted the resources available from the Government and frozen their council tax, which I know will be gratefully received by the relevant ratepayers.

Andrew Stephenson (Pendle) (Con): News that Rolls-Royce has reported record profits and an order book of nearly £52 billion in its civil aerospace division will be welcomed by the many workers at the company's plants at Barnoldswick in my constituency. Given the good news being reported by numerous manufacturing firms over the past month, may we have a debate on supporting manufacturing and reversing the huge decline that we saw under the previous Administration?

Sir George Young: I am grateful to my hon. Friend for ending questions with some more good news about manufacturing. It is a national success story that generates over half our exports, and it is responsible for much of our research and development. My hon. Friend will have seen "The Plan for Growth", which included the outcome of an advanced manufacturing growth review. We are making good progress in implementing those actions, and further progress will be reported around the time of the Budget.

Points of Order

12.37 pm

Mr Peter Bone (Wellingborough) (Con): On a point of order, Madam Deputy Speaker. The very able and normally well informed shadow Leader of the House, the hon. Member for Wallasey (Ms Eagle), quite inadvertently I am sure, misled the House earlier when she said that there had been a vote in the Backbench Business Committee on whether Back-Bench time could be provided for a debate on the health Bill. There was no such vote; the decision was agreed unanimously on the normal basis, and there was not a Tory majority at that meeting. How can I put the record right?

Madam Deputy Speaker (Dawn Primarolo): The hon. Member becomes more ingenious by the day at ensuring that his points are made in the Chamber, and I congratulate him on that. He knows that that is not a point of order, but he also knows—even though he is disappointed—that he has got his comments on the record, for which I am sure the entire House is grateful.

Henry Smith (Crawley) (Con): On a point of order, Madam Deputy Speaker. On 13 October I wrote a letter on behalf of a local business to the Secretary of State for Business, Innovation and Skills. However, despite numerous follow-up requests by my office, I received a response only the other day, saying that the matter was being transferred to another Department. What pressure can be brought to bear on Departments to address the inordinate length of time that it takes to respond to hon. Members?

Madam Deputy Speaker: I must admit that I share the hon. Gentleman's disappointment at the delay in replying to him. The Leader of the House is in his place, and I am sure he will immediately take up the matter on behalf of the hon. Gentleman.

BILL PRESENTED

PRIVATE PENSIONS (CHARGES, DISCLOSURE AND ACCOUNTABILITY) BILL

Presentation and First Reading (Standing Order No. 57)

Mr Gareth Thomas presented a Bill to require firms offering regulated private pensions services to exercise a fiduciary duty of care to consumers and other users of financial services, to exercise due diligence when making decisions on behalf of consumers, to provide clear information to consumers on all charges and costs paid by the consumer or the pension fund on the consumer's behalf and to disclose any conflict of interest and potential conflict of interest including commercial relationships that might result in or be perceived to result in financial detriment to consumers or undermine the integrity of financial markets; to make provision for disclosure by postcode of the location of investors in private pension funds; to make provision for an Annual General Meeting for each private pension fund; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 27 April, and to be printed (Bill 313).

Backbench Business

[UN-ALLOTTED DAY]

CPI/RPI Pensions Up-rating

12.39 pm

John McDonnell (Hayes and Harlington) (Lab): I beg to move,

That this House notes that the e-petition entitled Public and Private Pension Increases—change from RPI to CPI attracted over 100,000 signatures very quickly, revealing a high level of concern about the Government's decision to change the indexation for occupational pensions from the Retail Prices Index to the Consumer Price Index, which will mean that many people, both those retired and those yet to retire, will receive less in their pension payments than they were led to expect; and calls on the Government to reintroduce the RPI measure immediately.

The motion is tabled in my name and those of a number of colleagues, and I should like to inform you, Madam Deputy Speaker, that I would like to press it to a Division.

This important debate would not be taking place today were it not for the efforts of one individual. This is real democracy in action. Jim Singer is a member of the Public and Commercial Services Union, and he was so angered by the Government's unilateral decision to switch the methodology of how his pension would be calculated from the usual retail prices index to the consumer prices index that he launched an online petition. Within weeks, that petition had secured more than 100,000 signatures in support. I should like to thank Jim and all those who have signed the petition. I should also like to thank the Backbench Business Committee for agreeing to the request for the debate, on behalf of myself and my colleague, my hon. Friend the Member for Aberdeen South (Dame Anne Begg). Hon. Members might know that she has recently suffered a serious accident, and she is unable to attend the debate today. I am sure that the whole House will join me in wishing her a speedy recovery.

Part of the reason that so many people signed the petition so quickly is the anger felt by so many at what they see as a betrayal of the promises that they were given before the election, particularly by the coalition parties. Those parties gave a firm undertaking that they would not interfere in people's pensions in such a detrimental way. Within weeks of the general election, however, in June 2010, the Chancellor announced in his emergency Budget the replacement of RPI with CPI for the purposes of up-rating public sector pensions and the state second pension. That is having a direct impact on 12 million public sector workers and 4 million private sector workers whose scheme rules link up-ratings with statutory orders. In my constituency, the switch has hit large numbers of pensioners in the British Airways pension scheme, who feel deeply aggrieved. It is not just the broken promise that has angered people; there is also a sense of unfairness that people who have done the right thing—

Andrea Leadsom (South Northamptonshire) (Con): If the hon. Gentleman feels that the proposition is completely unreasonable, will he explain why the Labour

[*Andrea Leadsom*]

party has moved its own pension scheme into CPI on the ground of affordability?

John McDonnell: That is also a move that I would not have supported, so I am being consistent in my opposition. I am sure that delegations of Labour party organisers and others will be making representations to the party on the matter.

As I was saying, there is also a sense of unfairness, in that people who have done the right thing, joined a pension scheme and saved through their scheme to protect themselves in their retirement are now seeing their pension undermined and, in some instances, even put at risk. The effects of the shift from RPI to CPI are serious for millions of ordinary people who have pursued a career and invested in a pension with the expectation of a decent pension.

Caroline Lucas (Brighton, Pavilion) (Green): Does the hon. Gentleman share my concern that, in the House last week, the Minister of State, Department for Work and Pensions, the hon. Member for Thornbury and Yate (Steve Webb) wrongly implied that the National Pensioners Convention was in favour of the switch from RPI to CPI? Will he join me in calling on the Minister to respond to the NPC's request to set the record straight, given that the NPC actually favours a quadruple lock for pensions uprating involving CPI, RPI or earnings of 2.5%, whichever is the higher? Does he hope, as I do, that the Minister will take this opportunity to apologise?

John McDonnell: I am pleased that the National Pensioners Convention supports the quadruple lock, because that is what I have proposed in the House when we have debated this matter previously. It would come as a bit of a surprise if the NPC were to support the switch to CPI, given that a number of its members handcuffed themselves and blocked the road outside Parliament last week in protest against the measure. That is a form of direct action that I support.

The switch has had an impact on millions of people, as I have said. That is because, historically, the difference between CPI and RPI has been between 0.7% and 0.9%. When the Government introduced their statutory instrument to force through the change, the Office for Budget Responsibility assessed that the difference would be 1.1%. Since then, in November, the OBR published a working paper that indicated that the gap would widen, and so increased its forecast for the long-run difference between CPI and RPI to 1.4%. What that means in practical terms for people's pensions is that after 15 years a CPI-indexed pension would be 17.4% lower than an RPI-indexed pension, and after 20 years it would be between 23% to 25% less. That is a significant amount. That was confirmed by the much-cited Hutton report on pensions, which stated:

"This change in the indexation measure, from RPI to CPI, may have reduced the value of benefits to scheme members by around 15% on average. When this change is combined with other reforms to date across the major schemes the value to current members of reformed schemes with CPI indexation is, on average, around 25% less than pre-reform schemes with RPI indexation."

Many hon. Members will have received representations from people working in different jobs about what the switch means to them. Let me cite some examples to

give the House a flavour of why there is such depth of feeling out in the country on this issue. Let us take the case of Jim Singer himself, the creator of the e-petition. Jim has worked for the Department for Work and Pensions as a partnership development manager in the east of Scotland, based in Aberdeen. He has worked for the civil service for 35 years. He has just turned 60, and he will retire on a salary of £29,000.

As a result of the pay policy imposed by his Department and the Government, Jim has had a pay increase of only 3% in the last five years. That has had the effect of reducing the value of his final salary by around 25%, as against RPI inflation over the past five years. Even if his pay had kept pace with the Government's favoured indicator, CPI, his final salary would have been 13% higher. That in turn means that his pension will start at a level of over £3,000 a year lower than if his pay had kept pace with RPI, and that his lump sum will be cut by over £9,500. So, he will have a £1,600 pension loss and a £4,960 lump sum under CPI. In addition, the switch from RPI to CPI is likely to cost Jim nearly £23,000 in pension over a normal retirement. Jim's wife, Sheena, worked for British Telecom and has a pension which is also affected by the switch from RPI to CPI. She stands to lose £9,000 over a 20-year retirement.

Harriett Baldwin (West Worcestershire) (Con): I thank the hon. Gentleman for giving us the range of examples. Is it his understanding that it is not his party's policy to fight the next general election on a promise to revert to RPI?

John McDonnell: I scoured the Welfare Reform Bill Committee discussions on that point, and as I understand it, those on the Labour Front Bench made it clear that they were not going to write their manifesto in advance of 2015. The hon. Lady can be assured, however, that I shall be pressing for that policy to be adopted.

Let me press on with Jim's example. The guide to his pension—the "principal civil service pension scheme, classic", as it is called—was published by the civil service in 2009. It explained that his pension would be "index-linked". On page 24, the guide explained that this index-linking meant that

"your pension is guaranteed to increase in line with inflation, as measured by the retail price index".

When he heard that the Government had changed the index-linking of his pension to CPI, he wrote to the Minister for the Cabinet Office and Paymaster General, the right hon. Member for Horsham (Mr Maude). He received the following reply:

"In hindsight, because the Minister has the discretion to decide which indicator best reflects the general level of prices, perhaps the booklet should have been drafted differently".

That gives no satisfaction to Jim, who has lost so much money. He worked for 35 years with a guarantee of RPI, then, within a year of reaching his 60th birthday, the Government reneged on that guarantee. Over his retirement, the switch from RPI to CPI will not just be a minor change to an inflation indicator. For him, the switch will cost thousands.

Dr Andrew Murrison (South West Wiltshire) (Con): I congratulate the hon. Gentleman on securing this debate. I believe that the legal position is that the Minister is allowed to take into account prevailing economic

circumstances when making his judgments. Does the hon. Gentleman agree, however, that it is important that literature such as that relating to the armed forces pension schemes of 1975 and 2005 should be scrutinised to ensure that nothing within it could give anyone misleading information on which they might base their future pension plans?

John McDonnell: The hon. Gentleman is right. Jim did base his future plans with his wife on what he was told was a guarantee—a written guarantee—in the guide itself. That is not just unfortunate, but disgraceful. I agree that others should not be misled in that way in the future, and it should not have happened in the past. Thousands of pounds have been cut from Jim's own pension. After 35 years of public service, the Government have knowingly cut his pension to pay off a deficit he did not create.

There are so many other Jim Singers. I recently met firefighters who were particularly angry that a firefighter retiring on a full pension will lose £52,000 over 20 years. This comes on top of a three-year pay freeze, after two years of only a 1% increase, which means no real increase in pension or pay for the best part of five years. The real cut in spending power for firefighters is a pre-retirement cut of 20% and a post-retirement cut of 22%. A 40% cut in income is a terrible price to pay for a crisis these people did not create.

I have met so many others, too. A Forestry Commission worker who worked for 24 years is losing £17,000; a jobcentre worker who worked at the Department for Work and Pensions for 26 years is losing £20,000; a tax inspector at Her Majesty's Revenue and Customs with 36 years' employment is losing £45,000. I became angry myself when I encountered examples provided by the Forces Pension Society of some horrendous losses—I do not know whether other Members have seen them. A disabled double amputee, a 28-year-old corporal, will lose £587,000 by the age of 70; a 40-year-old sergeant in the Royal Marines will lose £212,000 by the time he is 85; members of the Royal Fleet Auxiliary will lose literally tens of thousands of pounds. This is simply unacceptable.

Why, then, the change from RPI to CPI? In past discussions of this question, the Minister has been robust in his view that whether or not there was a need for cuts to deal with the deficit, CPI is a "better measure of inflation". Numerous others have contested the suitability of CPI as an appropriate measure for pensions. The Royal Statistical Society is a particular example, and it provided us with another briefing yesterday. Its vice-president, Jill Leyland stated forcefully in a letter to the chair of the UK Statistics Authority:

"We do not feel that CPI currently serves the purpose of being a sufficiently good measure of price inflation as experienced by households to be used in uprating pensions".

She went on to warn that its use would

"cause damage to consumer confidence in official statistics if it is perceived that uprating to pensions and other benefits is being governed by an index perceived by many as inappropriate and unfair."

It was reiterated in the briefing sent to all Members yesterday that it is important for any index to enjoy the confidence of pensioners—and this index does not.

CPI was invented as a tool of macro-economic policy so that inflation rates could be compared across Europe, but because there was no agreement on how to calculate housing costs across European countries, that element was left out. CPI, because of its exclusion of housing costs such as mortgages, council tax, vehicle excise duty and TV licences, is criticised for not properly representing the real costs that pensioners face.

On top of that, as Members will know from the previous debate, there is what is described as the formula effect. CPI uses a geometric mean rather than an arithmetic mean, and we have long debates about those different means, so we have all become statisticians on this issue. In its calculations, CPI is supposed to take into account the ability of a person to shop around for cheaper goods. This—falsely in the eyes of many statisticians—assumes a sophisticated knowledge by pensioners of price variations and that consumers are sufficiently mobile to shop around. In reality, many pensioners are not the perfect shoppers of the economic model that CPI puts forward and are not mobile enough or capable of shopping around to secure the lowest price of all the goods in this basket.

Jeremy Corbyn (Islington North) (Lab): I commend my hon. Friend for securing this motion. He makes the point that housing is excluded from the CPI. Particularly in London, house prices, rents and housing costs are going up well above the rate of inflation, and continue to do so. For elderly people, it is impossible to shop around: they have no choice; they have to stay where they are in the property they occupy, and they have no control over rents and associated costs. It is a double whammy on them.

John McDonnell: That is why—[*Interruption.*] As the Minister says from a sedentary position, it is mortgage costs, not rents that are excluded. However, the range of other costs that pensioners have to meet are not included—housing-associated costs such as council tax, for example. That is one reason why Age UK undertook detailed research into the real spending patterns of pensioners and arrived at a more realistic assessment in its "silver retail prices index" of what price rises pensioners face. That showed that the impact of increases in basics such as fuel costs and food were hitting pensioners harder than both the RPI and the CPI calculated.

The weaknesses of CPI have been extensively acknowledged. The EUROSTAT—the European Commission's statistics body, which came up with the original proposals on CPI—is working on a harmonised approach to including housing costs. The Minister acknowledged some of these criticisms in the Welfare Reform Bill Committee and informed us that the Consumer Prices Advisory Committee is undertaking a detailed programme of work to look at ways of including housing costs, but that this would not be concluded in the next "year or two". In the meantime, pensioners will lose out—significantly.

Despite all the debate about the statistics, we know that the real reason for the move from RPI to CPI is to cut public expenditure. When this matter came before the courts, the Government argued that CPI

"provides a more appropriate measure of benefit and pension recipients' inflation experiences than RPI and a better representation of the way consumers change their consumption patterns in response to price changes."

[John McDonnell]

They argued that that was the reason for the shift. Three High Court judges agreed that, on the basis of the facts before them, the Government's move to CPI was really the result of their desire to force through budget cuts.

Katy Clark (North Ayrshire and Arran) (Lab): Does my hon. Friend agree that one concern about the shift, which will reduce people's pensions, is that people might opt out of pension schemes? One impact that that might have is to put people even further into poverty, so they will have to apply for state benefits. The shift will therefore not end up as a money-making exercise for the Government.

John McDonnell: Yes, I will deal with that point now. The Government's decision to move from RPI to CPI was taken at an early stage after the election. It was basically a decision to make pensioners in those pension schemes pay for the economic crisis. That was the policy decision that the Government made. Thus, the very people who made no contribution to causing the crisis will now have to pay for it by cuts in their pensions—the one thing they hoped was secure in their lives. I view that as unacceptable by any standards of fairness and equity. As my hon. Friend says, it is incredibly short-term.

We know from surveys of existing contributors to pension schemes that the combination of significantly increased contributions and cuts in pensions payments means that many people are now questioning whether to remain in their pension scheme, while others are wondering whether to join it at all.

Derek Twigg (Halton) (Lab): I congratulate my hon. Friend on securing this debate and tabling the motion. My Halton constituency is the 27th most deprived, and I know that my hon. Friend has deprivation in his constituency. Is it not constituencies like ours, where people living on low incomes strive all their lives to put some money aside for pensions, that are going to be impacted most by this draconian measure?

John McDonnell: Those most in need and those who saved the most will be the mostly greatly affected. My hon. Friend's constituency, like mine, is a working-class constituency in which many people suffer from deprivation. They will now suffer that deprivation long into their retirement as a result of this measure.

To return to the point raised by my hon. Friend the Member for North Ayrshire and Arran (Katy Clark) about the impact on the stability of future schemes, it is quite clear that if fewer people are saving for their retirement, there will be a greater cost to the Exchequer as more people become dependent on means-tested benefits. Similarly, if fewer people are paying into the schemes, it will put those schemes at risk—thus thrusting many more on to state benefits. As I said, this decision is so short-term.

Brandon Lewis (Great Yarmouth) (Con): The hon. Gentleman is generous with his time. He refers to people not paying into pension schemes, but does he agree that the Government's move to auto-enrolment will mean that there will not be that big a drop, as the

organisations involved have said? The fact that the schemes will be sustainable will be a part of the bigger picture—one of benefit in the long run.

John McDonnell: I support auto-enrolment, which is a good thing. What these pensions do is enable people to have an element of security in the future. The auto-enrolment process will work out over time; unfortunately, a number of these pensions will be caught in that gap as a result of the significant cuts being made.

I know that the cuts are said to be necessary because we have a deficit, but there is a straightforward, fair and equitable alternative, namely to make those who caused the crisis—and who benefited most in the boom years—pay for it.

Glyn Davies (Montgomeryshire) (Con): The purpose of the change that the Government have made is to make public pensions more sustainable. We have seen what has happened in the private sector when they are not sustainable; many schemes have collapsed completely. Given that much of what Labour Members are saying constitutes an attack on the Government's position, it would be interesting to know whether the position would be reversed if the Opposition became the Government.

John McDonnell: I can tell the hon. Gentleman that if I form the next Government, it will be. I ask him to stick with me.

Andrea Leadsom: I feel the need to challenge the hon. Gentleman's suggestion that those who created the financial crisis should pay for it. How exactly does he think they would do that? Specifically, why does he think that the real, long-term problem that we have with sustainable pensions is linked to the very recent financial crisis, which I presume is what he is referring to?

John McDonnell: I will answer the hon. Lady's question in a moment, but let me first respond to the point made by the hon. Member for Montgomeryshire (Glyn Davies) about private pensions. I think that they are sustainable. The only reason we currently have a private pension crisis—and it has happened in my constituency as well—is that in the 1980s and 1990s private companies took pension holidays and undermined the pension schemes themselves. What we need now is a period of security during which we can rebuild the balances in those schemes. If public support is required, I will back that as well. The last Government established the Pension Protection Fund so that we could bail people out when there was an individual pension scheme crisis.

Let me end—because I have spoken for long enough—by responding to the point made by the hon. Member for South Northamptonshire (Andrea Leadsom). As I said earlier, there is a straightforward, fair and equitable alternative, namely the adoption of something similar to the principle that the polluter should pay. Those who created the crisis, and who gained most from it, should pay for it. Let me suggest two simple measures. First, we should tackle tax avoidance and evasion, which, as we now know, amount to anything between £120 billion and £150 billion a year. This week—I commend the Government on the way in which they dealt with this—just one bank, Barclays, tried to introduce a £500 million

tax avoidance scheme, and that is just the tip of the iceberg given what has gone on over the years and what is currently going on.

My second proposal is that the assets of those who benefited most in the boom should be taxed. Professor Greg Philo—I urge Members to look at his work—suggests a 20% wealth tax on the assets of the wealthiest 10%, which amount to £4,000 billion. That would raise £800 billion. Wealth taxes are currently being discussed throughout Europe.

Those two measures would eradicate the structural deficit and significantly reduce the country's debt, thus enabling us to protect our pensions. The Government's new measures are due to come into force on 1 April, but there is still time for them to pull back from the brink. I urge them to do so, on behalf of the 100,000 petitioners, but also on behalf of the millions of members of pension schemes who will suffer so much as a result of the switch from RPI to CPI.

Several hon. Members *rose*—

Madam Deputy Speaker (Dawn Primarolo): Order. I must inform the House that Mr Speaker has not selected the amendment.

1.3 pm

Harriett Baldwin (West Worcestershire) (Con): Thank you for allowing me to speak in this important debate, Madam Deputy Speaker. I congratulate the hon. Member for Hayes and Harlington (John McDonnell) and the Backbench Business Committee on organising the provision of parliamentary time for discussion of this topic. Having been a professional pension fund manager myself, I leapt at the opportunity to speak today. It is not often that, on a Thursday afternoon, we experience the excitement of discussing the difference between the geometric and the arithmetic mean in indexing. I thought I would put in a few words, as I also represent a constituency that is inhabited by a higher than average number of pensioners.

As a former pension fund manager, I recall the days when Britain had a pension fund system that was the envy of the world. We had a terrific private sector-led system, and workers in the public sector were also in very good schemes. I believe that Britain's leadership in that regard began to unravel in the first Labour Budget after the general election in 1997, when the then Chancellor imposed a tax on pension schemes. It was pretty apparent at the time that that would undermine a private sector pension system which, as I have said, used to be the envy of the world.

Jeremy Corbyn: I think the hon. Lady is in danger of misreading history. The Social Security Act 1986 promoted the destruction of occupational pension schemes, promoted personal private pension schemes, and eventually led to a gross mis-selling of pensions which had to be corrected by the incoming Government in 1997. I think the hon. Lady needs to take her historical narrative a little further back.

Harriett Baldwin: The hon. Gentleman has clearly forgotten the imposition of a tax on private pension schemes in that first Labour Budget of 1997, which I think many people realised at the time would be a recurrent year-on-year tax that would lead to the erosion

of private pension funding over time. Private companies then acted very rationally. Many of them ceased to offer defined benefit pension schemes.

Let me give some figures which I take to be rough estimates. There are approximately 29 million people in Britain's work force today, 23 million of whom are employed in the private sector. I was shocked to learn that only 3.2 million of those 23 million were currently active members of a pension scheme in which the employer makes any contribution. That contrasts with the position in the public sector, in which about 5.5 million of the 6 million employees are members of pension schemes. That is the proportion that we should aspire to in terms of pension provision throughout the work force. I know that our pensions Minister aspires very much towards movement in that direction.

Andrea Leadsom: Does my hon. Friend agree that, many years ago, public sector salaries were lower and therefore pension provision was always higher, but over the last decade or more salary levels have equalised, and in many cases the lowest-paid public sector worker now earns more than the lowest-paid private sector worker and has a pension that the private sector worker can only dream of?

Harriett Baldwin: Personally, I aspire to a future in which all Britain's pensioners can rely on a secure retirement income, which will come from three main elements.

I welcome measures taken by the pensions Minister and the Chancellor to provide a triple-lock guarantee: the linking of the basic state pension, and increases in that pension, to CPI, average earnings or 2.5%, whichever is the highest. That, I think, is an extremely robust foundation. As the Minister knows, I look forward to the inclusion in the Queen's Speech of further legislation simplifying the state pension system, eliminating the means-testing deterrent to saving and creating a stable, predictable and inflation-linked state pension which will be the foundation for a basic level of income in retirement.

Of course, we need to aspire to a country where everyone has an additional employment-related pension. About 12 million people are already pensioners, and we welcome the fact that their inflation-linked increase will rise by over 5% this year: I believe that that is the largest cash increase in the history of the state pension. This Government's budgeting decisions are therefore focusing on the needs of current pensioners, and for future pensioners the largest employers will from October start to auto-enrol their employees into employment-linked schemes. That measure enjoys cross-party support, and it will mark the beginning of a savings programme that is estimated to bring in a further 5 million to 8 million pension savers and add a substantial sum to the savings of this country. Otherwise, we will be woefully under-pensioned in future. We are currently a very under-pensioned country. It is tragic that our country has eroded its position in respect of pensions so much. In 1997, we were one of the leading pension countries in the world, but we now have a lot of catching up to do. I welcome all the steps the pensions Minister is putting in place to improve the situation.

Having mentioned the triple lock and auto-enrolment, I shall now make a few points about the difference between CPI and RPI. We all know that inflation is the

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big enemy of the pensioner, as nothing erodes retirement income more. Lower inflation results in less erosion of retirement income, of course, but all pensioners must understand that they need to protect their fixed retirement income from inflation.

CPI is the inflation measure that we have instructed the Bank of England to target and to average out over time. I therefore think the Bank of England should, perhaps, consider moving its own pension scheme on to a CPI link. That scheme is currently linked to RPI, but it would increase everybody's confidence in the Bank's long-term ability to meet its CPI target if it were to adopt that measure for its pensions. That is a cheeky aside, however.

Neither the RPI nor the CPI measure will ever accurately reflect the inflation that pensioners experience. We have talked about the fact that mortgage interest is not included in the RPI basket. Interest rates fell dramatically in 2008 and that led to the RPI being negative in 2009—it was minus 1.4%. Do we want to follow an index that results in people having reduced income in some years? In that instance, we decided that we did not want that so we maintained a zero rate, but people still complained to me that their pension had not increased that year.

Mr John Leech (Manchester, Withington) (LD): Does the hon. Lady agree that people might have more confidence in the Government's decision to move to CPI if we were to use CPI for all other calculations, such as train fare increases?

Harriett Baldwin: I do not think that either the CPI or the RPI basket accurately represents inflation as experienced by pensioners. Most of them will have paid off their mortgage by the time they retire. Also, the CPI basket does not include council tax. Following the 100% increase in council tax under the previous Government, many council taxes have been frozen for the past few years. That is helpful for pensioners, as council tax represents a substantial proportion of their outgoings.

Food also represents a significant element of pensioners' costs, and food inflation has been very high recently. Over the past 20 or 30 years, however, it has been largely on a downward trend, and food now represents a smaller proportion of overall costs than it did in the past. The cost of fuel and of heating the home is also an important factor for pensioners. That has also been rising sharply. Neither CPI nor RPI accurately represent pensioners' experience of inflation.

Grahame M. Morris (Easington) (Lab): Does the hon. Lady therefore support the GMB proposal for a bespoke pensions index that more truly reflects the cost of living of pensioners? As my hon. Friend the Member for Hayes and Harlington (John McDonnell) said, they are not generally active shoppers who can readily switch between electricity and gas supply companies, for instance.

Harriett Baldwin: I certainly accept the point that CPI implies that people are active shoppers. Most of the pensioners I have come across are extremely good active shoppers, however.

Every individual faces a unique rate of inflation. We have given the Bank of England the task of managing the CPI rate. It is therefore sensible to use that measure for assessing pension increases.

We have talked about the high proportion of Britons who do not have any pension savings for retirement, the fact that many private companies have closed down their pension schemes, and the fact that Britain has become woefully under-pensioned. Giving private-sector companies the flexibility to shift their index and linking pensions to CPI are both wise policies. They serve to put the overall public-sector pension liability on a more sustainable footing, which is important for all future public-sector workers. They also make the bargain between those with no pension provision and those who enjoy final salary, inflation-linked pensions fairer.

The Chancellor and the pensions Minister have faced a series of difficult choices, and they have made the right decisions. I believe the new measures will lead to our having more people across the work force saving for a comfortable retirement, which is an objective we all want to achieve.

1.17 pm

Mr David Crausby (Bolton North East) (Lab): Despite all the detailed arguments about geometric or arithmetical calculations, the reality is that CPI will pay out less than RPI. Even the Treasury calculates that the difference between the two measures is 0.5% per annum, and my hon. Friend the Member for Hayes and Harlington (John McDonnell) revealed some even more disturbing figures. That difference explains why the Government have changed the measure without consultation or negotiation. They have done so to cut both their costs and the earnings of those who will be affected. This is not an efficiency measure that will benefit us all; it is simply transferring money from poor pensioners to the Government or to private pension schemes.

Although I abhor any reduction in the earnings of poorly paid workers, I accept that it is perfectly legitimate for an employer or the Government to argue that a change in their financial circumstances means they simply cannot afford to continue to pay the same levels of remuneration. In turn, the employee, either individually or through their trade union, is then entitled in any free society to make a decision on whether they are going to accept that reduction in pay or seek employment elsewhere—or look for a different pension scheme.

That is why I believe that this issue of changing the payment of pensions should be dealt with in two parts: the future should be dealt with differently from the past. It is one thing to say that any pension earned from now on will be dealt with by indexing it to CPI, but to say that the arrangement will cover the whole of someone's pension life is another. It reminds me of the story of the young, inexperienced trade union representative who called his members to a meeting to announce that he had met their employer and had good news and bad news to report. He informed them that the bad news was that he had been forced to accept a pay cut on their behalf. When asked what the good news was, he said that he had managed to get it backdated.

It should be a fundamental principle that employees should be aware of what their pension will pay when they qualify for it, because they will, thus, be able to

make an objective decision about whether they should pay in and be part of the scheme. Pensions, once earned, are like earnings: they are the property of the individual and not the property of the employer or the Government. The employer and the Government should just be custodians of the pensioners' invested money, and they should look after it prudently and honestly. Pensions are deferred wages, and backdating a pension cut is like backdating a wage cut—it is ridiculously unfair. In these circumstances, it is little wonder that working people are suspicious about saving up for their pension.

Grahame M. Morris: Does my hon. Friend acknowledge that if we attempt to balance the books on the backs of future pensions payouts, as the Government are proposing to do, there is a danger that people will simply opt out of pensions provision, particularly in the private sector, and therefore the cost that falls on the state and the taxpayer in the long run might actually be more? So this measure is a false economy.

Mr Crausby: I have always believed that this is principally a matter of trust between employees and employers, be they private employers or the Government, and so I agree with my hon. Friend.

I have represented poorly paid working people all my life, and my sympathy lies with those who come to my surgery to tell me, "I've worked hard all my life and saved what I could, but now I am retired I wonder why I bothered because I am no better off than those who didn't work and saved nothing." I rarely agree with that argument, because the truth is that they are nearly always better off than they think they are as a result of their prudence, and their neighbours who live on benefits are usually worse off

than they are perceived to be, although I must say that sometimes it is very close to the margin. The Government's decision to cut pensions arbitrarily by linking them to the inferior CPI encourages that prejudice, and it will persuade poorly paid people to save their money in a different and less sensible way.

The Minister of State, Department for Work and Pensions (Steve Webb): The hon. Gentleman makes an important point about pension promises being kept. Will he confirm that he is aware that all his constituents who worked for a company whose pension rules entitled them, in writing, to RPI increases still have that right and have not been affected by anything we have done?

Mr Crausby: I accept that that is the situation on their pension fund, as long as those individuals can trust those private pension schemes to continue to pay; I have to say that during my working lifetime that has not always been a very happy experience when it comes to private pension schemes.

My principal argument is against the Government's decision to make savings at the expense of our pensioners by using CPI rather than RPI. Of course this is not the first time a Government have behaved in this way, as the Conservatives have a track record of not treating pensioners properly. Margaret Thatcher's decision to make a change on the link with earnings has cost pensioners across the country many thousands of pounds. The harsh truth is that the public just cannot trust the Government any

more than they can trust their employers, and I find that very sad. It is not in the best interests of our country.

Richard Graham (Gloucester) (Con): If the hon. Gentleman and others of his colleagues were so concerned about the decision made by the previous Conservative Government to separate pensions uplift from earnings, why did his party do nothing about it for the 13 years it was in power?

Mr Crausby: The previous Labour Government did decide to restore the link and were committed to doing so. The current Government have now restored the link at a time when wages are flatlining, and the reality is that the restoration has cost them not a penny. But the real issue is not the restoration of the link, but the many thousands of pounds that have been lost by our pensioners until the day they die since Margaret Thatcher broke the link in the first place.

Katy Clark: I would have liked the Labour Government to have restored the link in 1997. I do not really understand why they did not do so, because the increases that were given were greater than they would have been had the link been restored. Does my hon. Friend accept that?

Mr Crausby: I completely accept that. I do not recall any of the political parties demanding that the Government of the day in 1997 restore the link. I am not making my argument on a party political basis; I am trying to make some principled arguments about how Governments should behave towards pensioners in the longer term. I completely accept that when I criticise how the Government deal with pensioners, that reflects on a series of Governments whose actions have resulted in many of my constituents not trusting in pensions at all.

That is why I make the point that the public cannot trust the Government on pensions in the long term any more than they can trust their employers. So many employers took large pension contribution holidays in the good times and then argued when more difficult times arrived that they just could not afford to pay the increased cost, and I am sorry to say that the Government—this Government are proving this—behave in exactly the same way, the only difference being that when the Government renege on a pension deal they call it legal. When Robert Maxwell absconded with the *Daily Mirror* pension fund he was, properly, castigated as a villain, but when compared with the behaviour of a series of Governments he was a paragon of virtue. Their behaviour is partly accounted for by the fact that, in the main, we have no accumulated pension funds, with one generation of taxpayers paying the previous generation of pensioners. Prime Ministers and Chancellors of the Exchequer find it difficult to resist the temptation to renege on the promises made by the politicians who went before them. Whatever the reason, they should be ashamed of themselves because when they do that they are no better than an employer who just runs off with the pension scheme.

John McDonnell: In the representations that I have received, even when there is a pension fund, as with the teachers' scheme, when they are desperately seeking revaluation and when it seems completely sustainable, members of the pension fund cannot understand the

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increased contributions and the shift from RPI to CPI. The accusation that is being made goes to the heart of my hon. Friend's point about trust. These people feel that they have been mis-sold a pension scheme based on the information they were given by successive Governments about what they would receive in the end.

Mr Crausby: I think that members of the public have been mis-sold pension schemes over a generation by a series of Governments. It is about time that this House instructed its leadership to behave decently to pensioners. That is why I am trying to make the principled point that one Government should stick by the promises made by previous Governments. To effectively backdate the reduction in an individual's pension throughout their entire life through this move on RPI and CPI must be completely unacceptable—[*Interruption.*]

Madam Deputy Speaker (Dawn Primarolo): Order. I was waiting for Members to stand. I call Stephen Lloyd.

1.30 pm

Stephen Lloyd (Eastbourne) (LD): I welcome the fact that the hon. Member for Hayes and Harlington (John McDonnell) has secured this debate and I agree with the tens of thousand of people who signed the petition—this issue is a concern for many people around the UK, so it is good that we are able to debate it. There has been a tremendous amount of frustration and anger and, to be honest, a certain amount of misinformation. I have given a lot of thought to the CPI versus RPI issue, and I hope that at the end of the debate we will be much clearer on a couple of key issues and that the members of the public who signed the petition will also be much clearer about some of the facts of the case.

For me, the subject is a challenge for three key reasons. First, as I have said, there is a lot of misinformation. Secondly, we are all, thankfully, living much longer, which is a challenge, as all parties understand. The previous Government appreciated that fact, which is why they began to raise the retirement age, and so did the Hutton report. We all know that although the fact we are living for so much longer has tremendous pluses, it is a financial challenge. Thirdly, I want the coalition to be as fair on this issue—and others—as humanly possible.

Let me give a little bit of context, as I think it is important to do so. This April, the coalition will be increasing the basic state pension by 5.2%, which equates to £5.30 a week and is the highest ever rise to the basic state pension. In the current economic climate, I do not suppose it would surprise anybody on either side of the House to hear that a number of siren voices gave strong economic reasons why we did not have to raise it by such an amount as the economic crisis was so profound.

Grahame M. Morris: In the interests of pursuing the point about clarity and greater understanding in this talk about percentages, triple locks and so on, does the hon. Gentleman agree with the representations that I have received from a firefighter in my constituency who says that in absolute terms, as a consequence of the switch to CPI, he will lose between £25,000 and £50,000 over 20 years?

Stephen Lloyd: I appreciate the hon. Gentleman's reminder that percentages can be a wee bit obscure and it is better to talk in absolute numbers. The 5.2% on the basic state pension equates to £5.30 a week. On the particular issue the hon. Gentleman raises about his constituent in the fire service, later on I have a specific question about the basic state pension that I will be putting to the Minister to get some real clarity, not just on percentages but on numbers.

For those on the basic state pension, £5.30 a week is a substantial amount. To raise the state pension by the largest amount ever at this time in the cycle, in such economically challenging times, is a good thing. I would certainly compare it, as a number of my hon. Friends have, with the 75p increase introduced X years ago by the then Chancellor, the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown).

The second bit of context concerns the restoration of the link to earnings. I know that there was a bit of to-ing and fro-ing earlier about that issue, but as the hon. Member for Bolton North East (Mr Crausby) reminded us, it was cut by Mrs Thatcher in the '80s. I think it was a mistake then, but all these years later we have restored it. With respect to the hon. Gentleman, the previous Government had 13 years to restore it but did not do so. Whether he likes it or not, I believe he should give us credit for it.

The restoration of the link to earnings is very important.

John McDonnell: During those 13 years, almost every year I tabled an amendment to the Budget to restore the link with earnings. Members of the hon. Gentleman's party, and others, did not support it at the time.

Stephen Lloyd: I thank the hon. Gentleman for giving me that information. I was not aware of it, but it does not surprise me in the slightest. I know that the hon. Gentleman has been a doughty fighter on this point for many years and it is a great shame that he was not able to persuade those on his Front Bench to act when they were in government. I heard earlier that perhaps all those things will change when he leads the Labour party, so I look forward to that day.

The triple lock, to pick up on what the hon. Member for Easington (Grahame M. Morris) said, is one of those things that are a bit confusing. What the hell does it mean, the triple lock, 2.5%? I understand that it is difficult to explain to people. I find it difficult to understand what it means, because I am not very good with percentages. Where are we coming from with phrases such as "triple lock"?

When my constituents ask what the triple lock really means, I tell them—forgive me; I am not trying to make a huge political point, but this is true in Eastbourne—that the 75p pension issue they were so furious about would not be possible under the triple lock guarantee. We need to find the language and best way of putting across such points, and this one is very important.

I know that a few people want to speak and that the Minister will have a lot of details to cover, but there is one key issue that I have been mulling over for quite a while. I, like many hon. Members, get a lot of information from different sides of the divide. Some people say that they will lose tens of thousands because of the switch to

CPI, whereas those on the other side of the argument say the figures are nowhere near that amount and will be X rather than Y. To be honest, I am a bit confused.

As we are having this debate—again, I pay tribute to the hon. Member for Hayes and Harlington for securing it—I want the Minister to answer one specific question, so that it has been asked in the Chamber and is in *Hansard*. Will he confirm today that combining the triple lock guarantee, restoring the earnings link and benchmarking by CPI will mean that the basic state pension will, on the best estimates available over a 20-year period, be about £13,000 more than if we had simply retained RPI? I would be grateful if the Minister could confirm that unambiguously so that the public can be confident, in one way or another, about what the changes mean. Will they be £13,000 better off? Yes or no?

1.38 pm

Katy Clark (North Ayrshire and Arran) (Lab): It is a pleasure to speak in this debate. I listened carefully to what the hon. Member for Eastbourne (Stephen Lloyd) was saying and, in particular, to his question at the end about the basic state pension. Of course, the increase in the basic state pension might offset the loss for some people as a result of this change from RPI to CPI, but my understanding is that for the vast majority of people the amounts of money that are being talked for the basic state pension will not help individuals such as the firefighter to whom we have already referred. That firefighter is due to retire and planned his finances on the basis of a pension he was expecting to get, but now understands that he is likely to be in the region of £25,000 worse off if he lives the average length of time of someone in that situation.

Some very important principles are involved in this debate. I have always been surprised by pension law in this country and the fact that there is so much discretion. Within our system there is no guaranteed pension and there has always been a legal set-up within which it has been possible for employers to take pension holidays when the stock market has been doing well. There seems to have been a collective belief that things would stay the same and a failure to understand the very turbulent nature of the financial system. That is particularly important when we talk about pensions because people pay up and make decisions about their pension over many decades. They make decisions at the beginning, one hopes, of their working life that are going to affect what they receive 40 years later.

I believe that the Government's decision to move from the retail prices index to the consumer prices index has been made on financial grounds—to save money. However, as I said earlier, I am not convinced that it will save the amounts the Government hope for in the long term unless there are going to be absolutely savage cuts in welfare benefits, although that might well come from this Government.

Dr Alasdair McDonnell (Belfast South) (SDLP): May I endorse the hon. Lady's approach to this issue regarding a number of the points she is making? This issue causes serious concern to my constituents. Age Sector Platform has highlighted that a pensioner with a £10,000 annual pension will receive more than £36,000 less—those figures are in direct contrast to some of those given by the hon.

Member for Eastbourne (Stephen Lloyd). These changes are a serious threat in my constituency, where pensioners spend their money in the retail sector; our retail shops and other outlets are taking a hammering, with many closing. Does my hon. Friend agree that although the primary problem here is a pensions problem, there will be a bigger impact on local micro-economies?

Katy Clark: I fully agree with the hon. Gentleman about the wider economic impacts the changes are likely to have. Indeed, that was one of the points I was trying to make in last Thursday's debate on the uprating of social security benefits and pensions. If the collective effect of some of these changes is that some of those on the lowest incomes and on modest incomes have less money in their pockets, that will have ramifications for the economies of constituencies such as his and mine. Unfortunately, my constituency is extremely reliant on the public sector because we still have not recovered from the decades of industrial decline and the closure of traditional industries in areas such as North Ayrshire. We are therefore over-reliant on the public sector and nothing that the Government are currently proposing looks likely to reverse that trend.

I believe the proposal is about cutting public expenditure and I do not accept that it is about the deficit. The Government's position is that the policy will be a long-term one, not a short-term one for four years or so. At the beginning of this Parliament, the Government's policy was that they would pay off the deficit within the Parliament, but if we look at the progress that has been made to date and the economic impact that their policies are having, we see that the growth and unemployment figures suggest that we will still be left with that deficit at the end of the Parliament.

I intervened on my hon. Friend the Member for Hayes and Harlington (John McDonnell) regarding opt-outs from public sector schemes. This is an important issue, particularly for those on low incomes. I have been provided with figures by the trade union Unison, as I believe have other Members, about the impact some of the changes will have on its members. These figures have been quoted in the House before and as far as I am aware they are accurate. Unison says that a woman receiving the average local government pension scheme pension for women of £2,600 a year would be £37 worse off this year and that a member—a man or a woman—receiving the average local government pension scheme pension of approximately £4,100 a year would be £58 worse off this year. It gives a further example of a woman on a median woman's pension in the NHS pension scheme of approximately £3,500, who would be £49 worse off this year. As the hon. Member for Eastbourne indicated, there might be an element of offset so that if there are increases in the basic state pension and in other forms of benefit, some of those people might recover that money in other ways. However, going back to the example that the Member for Belfast South (Dr McDonnell) gave, of someone on a public sector pension in the region of £10,000, I understand from what the Minister said in last week's debate that such an individual would be unlikely to obtain equivalent sums in other ways and would be worse off as a result of the changes.

I am concerned about opt-outs and I would be grateful if the Minister addressed this issue today or on a later occasion, because there will be long-term consequences

[Katy Clark]

of these changes, particularly for public sector schemes. There is great concern, particularly regarding those on low incomes, that we might see far higher levels of people opting out of public sector schemes as a result of this policy. That will be compounded by people's experiences over recent years with the financial crisis. As we know, there is a complete crisis of confidence in the financial institutions and in the ability of vehicles such as pensions adequately to provide for people or to provide any certainty for future years. That is one reason why changes such as this RPI/CPI change are so unhelpful: it contributes to the erosion of that confidence when people do not know what they are going to end up with. They think, "If they make this change now, perhaps they'll come back again and try to erode the scheme further in future years." For people on low incomes, particularly women, this is a big issue, and I would be grateful if the Minister responded to my points. I know that some figures were provided more than a year ago about the likely impact of these policies on opt-out rates and there was great concern that those figures might have been over-enthusiastic.

John McDonnell: There have been other surveys since then. The Fire Brigades Union surveyed its members and the results showed there was potential for 30% to opt out of the scheme, which would threaten its viability.

Katy Clark: Of course, firefighters are a relatively well-paid group compared with some of the other groups we are talking about. It might well be that 30% of firefighters do not opt out of the scheme but that they are thinking about it at the moment because they are so concerned about some of the changes being proposed. One point to consider with firefighters and others who work in occupations that rely heavily on physical exertion is that they may not have the choice of working for longer. Paramedics and firefighters have very physical jobs and for them working extra years to pay more into their pension pot is often not a realistic option.

Finally, we need to address the issue in a broader context. I was very interested to hear the comments of the hon. Member for West Worcestershire (Harriett Baldwin). I thought she was absolutely correct when she talked about the serious situation, with so few people having decent pensions to rely on. That is appalling. Her points about the retail prices index and the consumer prices index in relation to pensioners in particular were incredibly important. We know that housing costs are an issue, but council tax is also an issue for pensioners because they spend a far greater proportion of their income on council tax than others in the community. There is merit, then, in the GMB trade union's suggestion that we consider what it calls a bespoke pensions index. We should perhaps explore that possibility more to compensate accurately and ensure that people enjoy pensions increases that mean that their living standards are not affected in real terms.

I want to make a broader political point about pensions. Many Government Members support this and speak about it regularly: we should be encouraging people to save for their retirement. We should not be encouraging people to have to rely on the state when they retire because their levels of income are so low that they are eligible for welfare benefits. Although we need a decent

basic state pension that everybody can afford to live on, we should live in a society in which people are encouraged to save through occupational pension schemes, regardless of whether they work in the private or public sectors.

I was extremely relieved, therefore, that the Government decided to continue with Labour's legislation on auto-enrolment, which sets out the framework for doing something about the chronic levels of under-pensioning, particularly in the private sector. However, if we keep changing the basis on which people think they are paying into pensions, we will erode faith in the pensions system. Those thinking about auto-enrolment may take that into account when making their decision.

Grahame M. Morris: As usual, my hon. Friend is making some excellent and pertinent points, but will she comment on the arguments made by Government Members about this being a more sustainable package? Is not the issue the sustainability of the pensioners themselves—their income and ability to pay their way—and the need to offer them security in retirement? In truth, is there not an alternative—for example, taxing the likes of Vodafone and Barclays, and closing loopholes—if we want to make the public purse more sustainable?

Katy Clark: I agree with what my hon. Friend says about tax avoidance and evasion. We should be focusing on that much more. He will be aware that at the moment, while the living standards of those on low and modest incomes are falling in real terms—because pay has been frozen or cut in the public and private sectors and because the cost of food, energy and other commodities on which we all rely is rising so much—those at the top of society are also becoming wealthier. That gap between rich and poor has been escalating over the past two years, which, as a matter of public policy, is to be deeply regretted.

I am concerned that cumulatively the decision to move from RPI to CPI will have a substantial impact on the living standards of many thousands and millions of pensioners in the country. I do not believe that these decisions should be taken for short-term reasons—to balance the books over a short period—and as I have said, I am not convinced that they will work like that. We should be aiming to get cross-party agreement on the need to put in place a framework of financial incentives for people to save and to pay into public and private pension schemes. We need a safety net for those unable to do that, but we must also provide incentives to ensure that we have decent public and private sector pension provision in the future.

1.53 pm

Richard Graham (Gloucester) (Con): I join others in congratulating the hon. Member for Hayes and Harlington (John McDonnell) on securing this debate. I recognise his sincerity and the consistency of his position on pensions over some time. I am also sure that his party—perhaps his party leader in particular—will have taken careful note of his desire to form the next Government, although he must forgive me if I do not immediately flock to his standard.

I draw attention to my statements of interests. I am chairman of the all-party group on occupational pensions and a deferred pensioner of the civil service pension scheme. That means, first, that I recognise the important

differences between CPI and RPI, although everyone in the House should recognise that this is a fairly nerdy subject to most of the public, and, secondly, that I would personally benefit from the hon. Gentleman's proposal to form the next Government if the reversion to RPI is the cornerstone of his policy platform. I suspect, however, that the increased costs of his forming the next Government would greatly outweigh any selfish benefit for me.

That takes us to the nub of the issues that the hon. Gentleman raised. Why the change? What are the consequences? Is his motion the right way forward? I will first tackle the change. The difference between CPI and RPI, and the change made by the Government, reflect the growing costs, particularly of public sector pensions. I can do no better than quote from the Hutton commission's final report, in which Lord Hutton, a distinguished former Secretary of State for Work and Pensions, wrote that

"between 1999-2000 and 2009-10 the...benefits paid from the five largest"

unfunded

"pension schemes increased by 32 per cent. This increase in costs was mainly driven by an increase in the number of pensioners, a result of the expansion of the public service workforce over the last four decades, longer life expectancy and the extension of pension rights for early leavers and women."

That places in context the increases in Government spending and in the amount of taxpayers' money spent on these pensions because all unfunded pension schemes are currently paid for directly from taxation.

The hon. Member for Hayes and Harlington is right that over time there will be a significant difference between the two rates of indexation—the Hutton commission estimated it at approximately 15%—and that that might reduce the pension benefits paid out to people previously accustomed to RPI. It is also worth mentioning, however, why CPI is a more appropriate index for pensions, and on this issue I can do no better than quote the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown), who said in 2003:

"The long-term credibility of our symmetrical target will be enhanced—as the independent Office for National Statistics reports in its paper published today—by adoption of the internationally recognised measure of inflation, the harmonised consumer prices index. It is more reliable because, taking account of spending by all consumers, this consumer prices index gives a better measure than the old"

retail prices index, because the spending patterns take

"better account of consumers substituting cheaper for more expensive goods."—[*Official Report*, 10 December 2003; Vol. 415, c. 1062-3.]

The hon. Member for Hayes and Harlington did not say anything about that at the time the statement was made or in subsequent debate, although he might have had stronger feelings on the issue when it became more apparent that this would be applied to pensions.

John McDonnell: We need to be clear about what the then Chancellor introduced. He confirmed the measure of CPI for macro-economic policy with regard to comparisons across Europe. At that point, the intention was not to use it for pensions increases themselves, although a number of us said that if it was translated to the uprating of pensions or benefits, we would oppose it.

Richard Graham: I am grateful to the hon. Gentleman for his intervention. He is correct, as I had just pointed out, that it was not then intended to apply to pensions, but it set the train in motion.

I want to address one technical issue. As I said earlier, I do not want the debate to descend too rapidly into every technicality on this very technical issue, but there is one issue that I have flagged up for the Minister: a relatively recent study by the Office for National Statistics on the differences between CPI and RPI. That raises the question of whether one of my assumptions about the differences is correct. I had assumed in a previous life that the major difference between the two indices was the absence of any provision for mortgage costs in CPI, but the recent ONS study puts a question mark over that and ascribes much greater impact to the difference between CPI and RPI in the formula reached. The Minister might wish to comment on that later if he has had a chance to study it, or reply at a later stage.

To return to the question, "Why the change?", I have touched on the growing cost of public sector pensions, as laid out in the Hutton report, on the move from RPI to CPI as a better measure of inflation under the previous Government and on the recent ONS analysis of the differences between the two indices, but there is a further aspect to consider: the heavy cost of maintaining the RPI link over time. The hon. Member for Hayes and Harlington suggested that the benefits of these changes to the Government were short term, but it is worth mentioning that the Hutton Commission's conclusion was precisely the opposite. It concluded that

"gross expenditure on unfunded public service pensions will remain close to current levels as a proportion of GDP over the next decade."

Lord Hutton anticipated—the Minister might care to update us if he has further figures—that the financial benefits of the changes being made would be seen over a much longer time period. He estimated that some £20 billion would be saved by 2060, but that is in the very long term—long after the hon. Member for Hayes and Harlington has formed his Government and retired from this place, I suspect. The benefits were not intended or calculated to be short term; they were precisely the opposite.

Grahame M. Morris: The hon. Gentleman refers to the Hutton report and predictions about the call on the public purse, but my understanding is that, as a consequence of the negotiated settlement reached between the previous Labour Government and the public sector trade unions, the costs were projected to fall from 2% of GDP to 1.4% by 2060. Does he agree?

Richard Graham: To be honest, I have no insights on the talks between the previous Labour Government and the unions at the time. However, with regard to what the previous Government said they could or would do, I am reminded of the earlier comments of the hon. Member for Bolton North East (Mr Crausby) about the Labour party's commitment to reforming or restoring the link between pensions and earnings. I have to ask him and the hon. Member for Easington (Grahame M. Morris) how long a party can have a commitment to doing something without doing it and retaining any credibility. If my wife asked me to do something and I say that I am

[Richard Graham]

committed to doing it but some 13 years later I had done nothing about it, it would be hard for her to believe a word I said.

The hon. Member for Hayes and Harlington rightly talked about the importance of trust in the long-term provision of pensions and of sticking to promises, but he was silent on this issue. I suspect that he agrees with me and would have preferred his party to have done something about its commitment rather than just talk about it.

John McDonnell: The hon. Gentleman must not have heard me. I was not silent on that issue; in an intervention I said that I supported the commitment. In fact, on an annual basis I proposed the restoration of the link with earnings. Eventually we secured a commitment from the previous Government that they would introduce the link no later than 2012. To be frank, that is what this Government have done to a certain extent. With regard to the GDP figures, the Hutton report sets out clearly the falling costs. On the point about the union negotiations, the hon. Gentleman will know, because the Secretary of State reported it, that in the last negotiations the unions accepted that any costs resulting from increasing longevity would be borne by increasing contributions, but they would not accept the shift from RPI to CPI.

Richard Graham: I am grateful to the hon. Gentleman for his intervention and for confirming his position on the previous Government's stance, which is what I had assumed it to be.

I have covered in some detail the question of why this change is being made and will now touch briefly on what the consequences will be before concluding with whether the motion is the right way forward. The hon. Gentleman referred to three consequences that cause him concern: first, pensioners will lose out; secondly, workers might leave the schemes; and thirdly, the fact that both those consequences would have a negative impact on social service expenditure.

It is of course true that those pensioners and future pensioners, such as myself, who would benefit from the retention of RPI as the index of inflation will lose out absolutely, but I do not believe that anyone involved will lose out relatively. It is important to realise that very few countries in Europe have defined benefit pension schemes at all. Most of us who will benefit as a result of being members of a public sector defined benefit scheme, such as myself, even if for only a few years, will still be much better off than most workers in the UK and Europe.

Above all, it is important to realise that the people who suffer the most in retirement are those who are not members of any pension scheme at all, those for whom the new pension scheme—the national employment savings trust—is intended to be of great use, and those who depend entirely on the basic state pension. In that context, it is relevant that the Government have done a considerable amount to help those who survive on the basic state pension partly through the triple lock guarantee: the reversion to the link with earnings, a basic absolute increase of 2.5%, and the link to inflation. That is important and was referred to by Members who spoke earlier, including my hon. Friend the Member for West Worcestershire (Harriett Baldwin) and the hon. Member for Eastbourne (Stephen Lloyd).

It is important that the change to the basic state pension envisaged by the Government will also be of great benefit to workers and to almost all women who work part time in order to bring up their children and will save considerably on the administrative costs of having two current basic state pension schemes, one of which, the means-tested one, has in my view had a discriminatory impact on those people whom the hon. Member for Bolton North East rightly referred to when he said that some of his constituents with a small amount of savings might be no better off than those with no savings at all. It is important that the Government remove that difference so that we can establish once and for all the principle that those who save will always be better off. I know that that is what the Minister is driving towards and very much hope that we will be able to achieve that goal, that we can state it with confidence and that our constituents will be able to believe it before the end of this Parliament.

I do not believe that the consequences of the changes will be as drastic as the hon. Member for Hayes and Harlington claimed they would be. I reject the argument that the change is principally about contributing to the Government's efforts to bring down the budget deficit. In fact, I do not think that it will make any difference to the budget deficit in the short term. I also reject the idea that our most vulnerable workers will suffer, because the most vulnerable workers are those who are not on defined benefit schemes and survive purely on the basic state pension. I applaud the fact that the Government have been generous to those of my constituents who are on that scheme. Instead, I believe that the long-term savings to be had from the change will hugely benefit all our constituents. First, they will reduce the amount of interest currently paid on our vast mountain of debt—£120 million a day—which is money that could much better be spent on education, health and other good causes.

Secondly, if those businesses that have defined benefit schemes are able to change the index from RPI to CPI, they will increase their chances of surviving, growing and providing jobs for our constituents, and that is important, because many smaller businesses that have been going for about 100 years in my constituency are engineering companies that do not have great, specific investment skills, and the money that they are spending to top up their defined benefit pension scheme is being spent often at the cost of growing their business, of establishing more investment in their factories and of providing more jobs for my constituents.

Bob Stewart (Beckenham) (Con): Will my hon. Friend give way?

Richard Graham: Of course I will give way to my distinguished and gallant hon. Friend.

Bob Stewart: My hon. Friend is very kind. For me the most important thing that we can do for the future is to look after the people who now do not have a pension. We have a basic state pension, but we want to encourage as many people as possible to get on to a supplementary pension, and I hope very much that the Government's scheme will do so. I am thinking of the poorest people in the country, and about them having not just a state pension, but an add-on, so that we can lift them out of poverty in retirement.

Richard Graham: My hon. and gallant Friend is absolutely right, and that is precisely what the new NEST pension is designed to achieve. I am sure that he will join me later this summer, when the NEST pension arrives at the same time as the Olympics, in hoping that many of our poorest constituents will indeed benefit from that new savings scheme.

Is the motion the right way forward? I believe that it is not, because above all else the change in the pension inflation index, from RPI to CPI, which this Government have seen through, is all about benefiting future workers, who are those who will pay for the pensions of current pensioners, about benefiting our children and about benefiting our grandchildren.

Governments are often accused of being short-term and of purely looking for votes in the next election, but Governments should be looking to future generations and to what we can pass on to them. The changes made will, in the longer term, benefit our country and our constituents hugely. I understand the emotion and the beliefs behind the motion in the name of the hon. Member for Hayes and Harlington, but I will be voting for future generations, our children, our grandchildren and their interests, and that is why I will be voting against the motion.

Guto Bebb (Aberconwy) (Con) *rose—*

Madam Deputy Speaker (Dawn Primarolo): Order. I do have to remind hon. Members that, having indicated that they want to speak, they have to carry on standing—not looking at their phones.

Grahame M. Morris: *rose—*

Madam Deputy Speaker: I call Grahame M. Morris.

2.12 pm

Grahame M. Morris (Easington) (Lab): I am grateful, Madam Deputy Speaker. Thank you very much, indeed.

I congratulate my hon. Friend the Member for Hayes and Harlington (John McDonnell) on securing this important debate and thank the Backbench Business Committee for granting us this opportunity, which has arisen out of an e-petition signed by in excess of 100,000 people.

I have also received many representations from constituents, in letter, in person and by e-mail petition, so I should like to make some points in the debate, and I am grateful for the opportunity to do so. I shall try not to repeat those points that Members on both sides of the House have already made.

There has been a decision to change the index that is used to increase state pensions, public sector pensions and, indeed, large aspects of private sector pensions. In an earlier intervention, the Minister said that the change would not affect private pensions that already have RPI in their terms, but certain private pensions that have a statutory link will be affected, so perhaps he will clarify that point in his final remarks.

My concern—this is based anecdotally on evidence that constituents have presented to me in letter form and in person—is that some members of public service pension schemes might lose up to 25% of their pensions. It is difficult, as the hon. Member for Gloucester (Richard Graham) said, to understand the complexities of RPI

against CPI, but my fairly simplistic view is based on what is the bottom line for the people who are affected. I am concerned that many of my constituents, who are not well-paid public sector pensioners, will be adversely affected by the change.

To reinforce the point that the hon. Gentleman made from the Conservative Benches, I note that it seems that the Office for Budget Responsibility underestimated the gap between RPI and CPI by about 100%. When the OBR made its forecast, it said that the difference would be about 0.7%, but it has turned out to be nearer 1.4%. In other words, the switch could cost pensioners in Easington and, indeed, throughout the country, many thousands or even tens of thousands of pounds over their retirement.

I do not believe that it is disputed that the change will save the Treasury and employers with private sector pension schemes billions of pounds, at the expense of those saving for their retirement. In an earlier intervention, I raised an issue that was raised with me by the GMB trade union, which suggests that we look at a bespoke pensions index that might more accurately reflect the cost of living faced by pensioners. When I read the suggestion, I thought that we should look at it a little further, given the controversy raging about which is the correct measure, but in response to an earlier point I must say that the previous Government used CPI as a comparator. I stand to be corrected if need be, but the traditional index that we have used in this country since the 1940s has always been RPI. The previous Government introduced CPI not for pensions but because the measure was used in the European Union and was more readily understood when used as a comparator across other EU states. I would never advocate applying it for the purposes of pension calculation.

Katy Clark: I am listening to my hon. Friend with great interest. Does he agree that the British economy and, particularly, British housing costs have traditionally operated in a different way from those of many other parts of Europe? That is one reason why the retail prices index might be a better way of doing things—as other European economies work in a different way.

Grahame M. Morris: Absolutely; that is a very good point well made. I am certainly aware, from visits to Germany and elsewhere, that there is a much larger private rental sector in Europe, so it is quite right that we retain RPI, as it takes account of mortgage costs, which are a significant factor for many people.

I support the motion because the change from RPI to CPI means that many people, both those already retired and those yet to retire, will receive less than they were led to expect. As my hon. Friend said in her speech, many of those people have made long-term decisions about their income in retirement, such as to pay off mortgages and other commitments, based on the fact that they would receive a pension that was linked to RPI. Retrospection is unfair, and the House should call on the Government to reintroduce the RPI measure immediately. For a typical firefighter on a full pension this year, the actual cost over 20 years of retirement is between £25,000 and £52,000—that was confirmed in a survey that was carried out by the Fire Brigades Union—and that is because the Government have imposed this measure. I emphasise that these changes have been imposed without any consultation.

[Grahame M. Morris]

The argument that CPI is a more appropriate measure for how pensions should be paid is false. Indeed, all three of the judges in a test case brought by the FBU stated that the move to CPI is merely to do with the desire to force through budget cuts. To pretend otherwise is ridiculous. Government Members are suggesting that it is not about deficit reduction, but it is certainly about budget cuts and placing the burden of those cuts unfairly and unjustly on to pensioners.

Katy Clark: On my hon. Friend's point about the effect on individuals, he will be aware that one of the other changes proposed for many public sector pension schemes is to increase the contribution—the payment—that the individual makes while reducing the percentage that the employer pays. Does he agree that that, combined with the RPI/CPI change, means that employers will be paying less as their part of the contribution towards the pension while the employee is paying more?

Grahame M. Morris: That is an excellent point. It is a double whammy.

Research that I have seen shows that between 1989 and 2011, RPI was on average about 0.7% higher than CPI inflation.

Steve Webb: I would not usually interrupt the hon. Gentleman but, to set the record straight, he is grossly misrepresenting what the judges in the court case said. I have a copy of the judgment with me. He said that the judges found that the CPI shift was about forcing through budget cuts. Can he point to where in the judgment they said that?

Grahame M. Morris: I was alluding to the FBU's response to the judgment. I apologise if I have misled the Minister in that regard.

It is worth noting that significant changes to public sector pensions were negotiated with the trade union side by the previous Labour Government. Those changes recognised some of the issues that have been highlighted about people living longer, which is genuinely a good thing, and about affordability. The trade unions demonstrated a genuine desire to reach an accommodation that was fair and just. The response to the switch to CPI that I am hearing says that it is an enforced settlement that is not fair or just.

John McDonnell: In order that nobody is misleading the House whatsoever, let me quote from the judgment. Judge Elias said:

"There can be no doubt that the immediate driving force behind the change from RPI to CPI was the need to secure cuts in the welfare budget."

Grahame M. Morris: I am grateful for my hon. Friend's intervention, as I did not have the judgment to hand. I am sure that the Minister will have taken note. [HON. MEMBERS: "That was a dissenting judge."] Even so, it is a fairly radical criticism of the justification for this change, and the Government would do well to take note of it from such a learned source.

The TUC's general secretary, Brendan Barber, has said of the general pensions crisis:

"The real pension crisis in the UK is the retreat by employers from providing pensions in the private sector"—that point has been acknowledged by Government Members—

"and the big unexpected looming bill for tax-payers is the cost of means-tested benefits for the millions let down by their employers." That is another reference to the issue of false economy, which the whole House should take into consideration. There are risks in implementing this strategy. If we try to balance the books now on the basis of future payouts to pensioners, we may well be storing up costs for the future as people decide to opt out of pensions altogether. That would mean that when they retired they qualified for means-tested benefits, so the cost to the Exchequer would be higher.

In the private sector, large numbers of pensioners are already starting to feel the pinch from these moves.

John McDonnell: I am sorry to interrupt my hon. Friend again, but as hon. Members said from a sedentary position, "That was a dissenting judge", let me quote a second judge, who said that he accepted the submission of Mr Beloff QC for the Police Negotiating Board claimants on the basis that, on any fair reading of the evidence, the need for deficit reduction was the driver and that the other merits of CPI were essentially deployed in order publicly to justify the switch.

Grahame M. Morris: I am grateful for that point of clarification. By my arithmetic, that makes two judges out of three, which is a majority.

That strengthens the argument that the Government should at least be honest that this measure is not designed around fairness but is placing the cost of deficit reduction, or cuts in public expenditure—whatever terminology one uses—on to public sector pensioners instead of looking for an alternative. As my hon. Friends have said, there is a simple alternative. The case for more cuts to pensions and public services has now been lost on the back of evidence that growth in our economy has been falling for two years and unemployment continues to rise. The Chancellor himself has indicated that we are borrowing £158 billion more than he originally anticipated. We need to offer people security in their jobs and in their retirement.

The case put forward by Conservative Members, in particular—notably yesterday in a Westminster Hall debate—for rolling back workers' rights, as well as slashing pensions, was this week shown the red card by the Bank of England in an evidence session in a House Committee. No less a person than Sir Mervyn King said that making it easier for companies to sack staff would make no difference to his economic forecasts. Instead, we need to get the economy growing. We should be creating jobs to boost the economy, giving people job and pension security. From the perspective of the economy, the bonus—I am not referring to bankers' bonuses, because I do not think that those should be paid—is that that is more likely to cut the deficit. As my hon. Friend the Member for Bolton North East (Mr Crausby) indicated, many pensioners use that money directly in the local economy. Reducing pensions has an immediate negative effect in local economies and the national economy. To argue otherwise is disingenuous and, indeed, nonsense. Cutting jobs and pensions will damage the economy now and in the future. What is worse, it will increase the deficit.

Like elsewhere in national policy, my view is that the Government have it wrong on this issue. We should be investing in housing and public transport. We should be looking at the issues that Labour set out in its five-point plan for jobs and growth. Given the news this week about tax avoidance and evasion, I think that we should be taking measures on that issue. I welcome the fact that the Government have closed one particular loophole, so that Barclays and others will have to pay their fair share of tax and not be able to dodge it. However, the Government are penalising pensioners before even asking about the millions that Vodafone is refusing to pay in taxes on the profits that it made from activities in this country. That is an absolute disgrace.

In conclusion, the House should support the motion and send the message to the Government that their priorities are at best mixed up and at worst explicitly wrong. We should value the pensions that take care of our ageing population, and we should not put people off saving for their future.

2.30 pm

Guto Bebb (Aberconwy) (Con): I will be brief. It is a pleasure to speak in this debate and to follow the hon. Member for Easington (Grahame M. Morris). I congratulate the hon. Member for Hayes and Harlington (John McDonnell) on ensuring that this issue is debated on the Floor of the House.

Detailed rebuttals of the arguments of Opposition Members have been provided by my hon. Friends the Members for West Worcestershire (Harriett Baldwin), for Gloucester (Richard Graham) and for Eastbourne (Stephen Lloyd), who said that we have to consider the changes in context. Part and parcel of that context is what is being done by the Department for Work and Pensions, which is getting to grips with the need to reform not only the welfare state, but our pensions system. By all measurements, our pensions system was one of the best in Europe in 1997, but was left to us in 2010 in a complete and utter mess.

I have heard it said time and again in this debate that people should have security when planning for the future. I could not agree more, but I worry that the 75% to 80% of people listening to this debate who are not in the public sector will be wondering about their security and pension provision, which were attacked by the previous Labour Government in a raid worth £5 billion a year, starting in 1997 and going on for year after year. That has reduced the value of private pension provision and made it more difficult for private companies to keep that provision in place. As a result, final salary benefits are now almost unheard of. That was not the case 13 years ago.

David T. C. Davies (Monmouth) (Con): I am delighted that my hon. Friend has given way. I congratulate him on what he is saying. Does he share my concern that some unions are in the habit of lambasting shareholders, as though shareholders are people with top hats and canes from a previous century, whereas the majority of them are people in the private sector who are dependent on private sector pensions?

Guto Bebb: Indeed. When people say that HSBC's £14 billion profit is indefensible, I make the case that for somebody with a private pension, that profit is impressive

because the greater the profits, the better the pension provision for people who are saving for their own retirement.

The proposed changes have to be looked at in context. The triple lock should be welcomed. It has been semi-dismissed by Opposition Members today. They talk about the importance of the RPI link, but under the previous Government, the RPI link resulted in a 75p increase in the state pension. Under this Government, with the triple lock in place, the increase will be £5.35 in the coming financial year. Anybody who says that that change is not worthwhile should talk to pensioners in my constituency who are grateful for the additional £5.35 that they will receive.

We have also heard about the impact of the change from RPI to CPI on people in the public sector who are planning for their retirement. I heard about that at first hand when I took part in a phone-in programme on Radio Cymru. I was contacted by the headmaster of a very good school in the constituency of the hon. Member for Arfon (Hywel Williams). He stated that the changes were completely and utterly unacceptable because he would lose almost £80,000. People who called in to respond to that were flabbergasted that somebody could lose £80,000 as a result of the change, because it brought home to them the difference between the provision that they were able to pay for through their own saving and what was available in the public sector. The average private sector pension pot is £30,000. To hear of somebody losing £80,000 as a result of one technical change was shocking to the majority of people.

Hywel Williams (Arfon) (PC): How typical does the hon. Gentleman think that head teacher is of pensioners in my constituency, in which he lives, and of pensioners in his constituency, which is full of people on public sector pensions?

Guto Bebb: The hon. Gentleman makes a good point. Of course the individual in question is not typical, but I am afraid that the sense of entitlement he portrayed in that conversation is typical of a public sector that does not understand that the average wage is about £4,000 higher in the public sector than in the private sector, excluding pension provisions.

I am not attacking the public sector. I—and others—am trying to highlight the fact that public sector provision is significantly better than the provision for the majority of the population. In their changes to public sector provision, the Government are not attacking the concept of a defined benefit pension scheme. They are introducing proposals that will ensure the survival of defined benefit pensions. The truth is that we cannot carry on with a situation in which the majority of the population are expected to live in very difficult circumstances when they retire, yet their taxes are used to support unaffordable pension schemes.

By getting to grips with the need to change the retirement age and increase public sector workers' contributions to their pension pots, the Government are putting their pensions on a more secure footing by ensuring that they will be available in the long term. They are also ensuring that the feeling of unfairness about the difference between private and public sector provision is reduced. Private sector workers will see that public sector workers are now making a greater contribution to their own pension provision. It will still be less than

[Guto Bebb]

the taxpayer contribution, but it will be greater than before. In that context, I applaud what the Government are doing.

It is very difficult to accept the comments that Opposition Members make when we highlight the positive changes that the Government have made. Those who have spoken in the debate have said that the weaknesses that we point out in the Labour Government's performance between 1997 and 2010 do not reflect their position. Clearly they do not reflect the position of the majority of Labour Members, because they are not here to defend their track record. I accept entirely that the Members who have spoken in the debate are genuine about wanting to protect RPI, but the majority of their fellow Labour Members are not here. For 13 years, when they could have done something about the decline of the UK pensions sector and private sector provision, they took no action.

One thing that really damages confidence is the fact that many people who saved in private sector pension funds remember being told that the raid on their pensions was to get young people back into work, yet we all know that youth unemployment was higher in 2010 than in 1997. Even the reason behind the raid on private sector provision was a failed policy of the Labour Government.

I wish to touch quickly on the unions' decision to challenge the changes. I find it very difficult to understand why any changes to public sector provision are challenged in the High Court, yet people working for private companies have accepted changes as a necessary means of ensuring that they carry on getting the support that they want from their pension provision. For example, my best man works for HSBC. He left school to work there at 17 years old, and I told him he should not have done it. However, going to the bank was a job for life and he was happy to take the opportunity. He started off contributing nothing to his pension fund. Now, he contributes a significant percentage and carries on doing so because he values the fact that he will get a worthwhile pension. People working for a private company understand that they will have to contribute to the benefit that they will get. I do not understand why the unions cannot see that the same is true of public sector workers.

We should at least welcome the fact that the unions, in challenging the decision at the High Court, used their members' funds for their proper purpose, which is to defend their members. They might have been mistaken, but at least they were using their members' funds to try to change a policy that they perceived to be unfair. That is a big change, because most of the time they appear to use them to bankroll the Labour party.

It is important to point out that the Unite union, for example, which has been prominent in challenging the changes, contributed £5.2 million to the Labour party in 2010 and a further £2.6 million in the first three quarters of 2011. As Unite is such an influential funder of the Labour party, and as it was willing to take court action against the Government's proposals to move from CPI to RPI, I wonder what influence it brought to bear on the Labour party when Labour decided to move its own staff's pension provision from RPI to CPI. I would be delighted if Unite sent out a press release explaining how it fought against the Labour party's internal decision to move from RPI to CPI, but I suspect that we will hear nothing.

Labour Members who signed the motion have been singularly unsuccessful in changing the Labour party's position. That is a fundamental point. When it comes to the Labour party's financial needs, we hear nothing, but when it comes to saying that the taxpayer should fund the difference, the Labour party is willing to protest and people are willing to sign motions.

I note that other parties support the motion, and that two Plaid Cymru Members have signed it. My understanding—I am happy to be corrected if I am wrong—is that the Labour party is moving towards defined pension provision based on CPI, not RPI, but that Plaid Cymru members of staff are in a money purchase scheme. Again, Plaid Cymru is happy to use taxpayers' money to make a political point, but not willing to find the funding to protect its staff. That is the hypocrisy behind the motion, which I oppose.

2.40 pm

Gregg McClymont (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): The debate has been interesting so far, with the temperature raised a little at the end by the hon. Member for Aberconwy (Guto Bebb). [Interruption.] My pronunciation of the hon. Gentleman's constituency is almost as good as the attempt by the hon. Member for Gloucester (Richard Graham) to pronounce Kirkcaldy and Cowdenbeath.

I pay tribute to my hon. Friend the Member for Hayes and Harlington (John McDonnell) for securing the debate, which has covered several matters. I want to touch on four in particular. The first is the notion of a broken promise, which was mentioned by my hon. Friend, as well as by my hon. Friends the Members for Easington (Grahame M. Morris) and for Bolton North East (Mr Crausby).

Before the general election, the then shadow Chief Secretary to the Treasury, the right hon. Member for Runnymede and Weybridge (Mr Hammond), stated in a letter on 27 April 2010 that the Conservative party

“has no plans to change the current index-linking of public sector pensions in payment. We agree with the view that the right to indexation of pensions already accrued is part of the accrued pension rights and those rights will be protected.”

That is at the heart of the debate and of the legal challenge by the trade unions. My hon. Friend the Member for Hayes and Harlington emphasised that point and also the cost to 16 million pensioners—12 million in the public sector and 4 million in the private sector. He rightly paid tribute to Mr Jim Singer, who played such a big part in pushing the e-petition. I note that Mr Singer's pensions booklet referred to indexing by RPI and that, according to my hon. Friend, he is likely over the course of a normal retirement to lose up to £23,000. Clearly, that is a lot of money, and it shows why there is such interest in the matter.

Much of the debate revolves around whether CPI is an accurate measure of inflation for pensioners. The subject was debated as recently as last week and the Minister made it clear that the Government view CPI as the most appropriate measure of price inflation for the purpose.

Harriett Baldwin: Will the hon. Gentleman confirm my understanding that it is not the Opposition's current policy to restore the link to RPI?

Gregg McClymont: The Labour party's position is that, if the Government had introduced the switch to CPI as a temporary deficit reduction measure, it would be worthy of serious consideration, but since they have made it clear that they view it as permanent, we cannot support it. [*Interruption.*]

Madam Deputy Speaker (Dawn Primarolo): Order. If the hon. Member for Gloucester (Richard Graham) wants to intervene, he should stand up. It is impossible to conduct a debate when comments are shouted across the Chamber and *Hansard* cannot properly record them. If the hon. Member for Cumbernauld, Kilsyth and Kirkintilloch East (Gregg McClymont) does not mind, perhaps Mr Richard Graham will intervene.

Richard Graham: Thank you, Madam Deputy Speaker. I do apologise. I was following the example of the shadow Chancellor.

Will the hon. Gentleman confirm for the record that his party's policy, therefore, is to revert to an indexed inflation link with RPI if it gains power?

Gregg McClymont: Alas, the hon. Gentleman must wait for the next Labour party manifesto to satisfy his curiosity.

Clearly, the issue is whether CPI is an accurate measure of inflation. The Government and the Minister are clear that it is, but some important authorities, including the Royal Statistical Society, have emphasised that CPI fails to reflect the spending patterns of pensioners and the rising costs they face, especially housing costs, which was mentioned by some of my hon. Friends. The UK Statistics Authority has indicated that it does not believe that CPI should become the primary measure of data inflation until housing costs are included.

I know from our previous discussions that the Minister will look closely at the consumer prices advisory committee proposals on adding housing costs to CPI. We await that with great interest. Heating, which was also mentioned by a number of my hon. Friends, is also important in that context. Heating costs have been rising fast, which could mean that pensioners face higher inflation on average than other groups in society, which is significant given the removal of £100 from the winter fuel allowance.

In the end, this is a political decision. The UK Statistics Authority observed last year:

"Questions about compensation, who to compensate and what for, are straightforwardly political questions, not for statisticians."

We cannot support adopting that approach in the long term. In just five of the last 20 years has RPI been lower than CPI. As was mentioned by my hon. Friend the Member for Hayes and Harlington, the Office for Budget Responsibility November economic and fiscal outlook states that the long-run difference between RPI and CPI is likely to be 1.4% rather than the current 0.7%.

Harriett Baldwin: On the hon. Gentleman's last point, can I therefore clarify that it is a 2015 Labour manifesto pledge to restore the link to RPI?

Gregg McClymont: The hon. Lady's desire to write the Labour party manifesto three years before a likely general election is admirable, but I cannot advance on the answer I gave to the hon. Member for Gloucester.

Whether CPI is an accurate measure of inflation is an issue—the hon. Lady made important points on heating and housing—but in the few minutes remaining, I want to raise some broader questions. We can talk about CPI or RPI pensions uprating in isolation. The uprating of the state pension using CPI, which happened for the first time this year, is one thing, but as was indicated in the debate, the flat-rate, single-tier state pension, to which the Minister is committed, is important to the debate, as is the future of NEST.

I do not want to misquote the hon. Member for West Worcestershire, but I believe she said that she was looking forward in the Queen's Speech to legislation on a single-tier, flat-rate state pension. The Opposition are hopeful that the Minister can move in that direction quickly. I wonder whether the Treasury has a significant role in that. Perhaps negotiations must continue before we can get there. The Opposition will be keen to consider very closely such proposals when they come to the House.

NEST, which has been mentioned throughout the debate, has a huge role to play in moving towards a more sustainable pension system. The Opposition are disappointed at the delay in the staging dates for the move to auto-enrolment. It is not just a question of the companies: contributions from both the Treasury and employers will be lost for those saving into a pension for the first time.

Finally, the hon. Member for Aberconwy emphasised the private pension system. Both he and the hon. Member for West Worcestershire suggested that all the difficulties in the private pensions world have arrived since 1997.

Guto Bebb *indicated dissent.*

Gregg McClymont: I think that is what the hon. Gentleman suggested, but it is far more complicated. There are significant issues with the private pension system, a significant number of which can be traced to other Governments and the shift from occupational pensions to group personal schemes—my hon. Friend the Member for Islington North (Jeremy Corbyn) mentioned 1986.

In the spirit of wanting to create a better pension system, I must be clear that we cannot support the switch to CPI as a permanent measure given the impact of that on so many pensioners and future pensioners. I thank my hon. Friend the Member for Hayes and Harlington for securing this debate.

2.50 pm

The Minister of State, Department for Work and Pensions (Steve Webb): I join hon. Members in congratulating the hon. Member for Hayes and Harlington (John McDonnell) and the Backbench Business Committee on bringing this important issue before the House. It affects a large number of our constituents, which is why I am more than happy to debate it for the seventh time in this House, both in Committee and in the Chamber. I also join the hon. Gentleman in sending our good wishes to the Chair of the Work and Pensions Committee, who co-sponsored the motion, but is unfortunately unable to be with us today following a fall. We wish her well with her recovery.

[Steve Webb]

There are two sets of issues for us to consider today: the right measure of inflation for uprating pensions, and the impact of the changes that have been made. They are two separate issues. The first concerns the fact that each year we have systems in place to recognise that the cost of living goes up and that we need to measure that increase so that we can keep people's living standards from falling owing to inflation. The measure of inflation historically used has been the retail prices index. As for what has happened, in the summer of 2010 the Chancellor of the Exchequer indicated that the Government would use the consumer prices index for uprating benefits, tax credits and additional state pensions—and, through the statutory link therefore, public sector pensions. The Department for Work and Pensions had to make a judgment on whether we would impose the consumer prices index on private sector pensions.

To return to the point that I made in an intervention on the hon. Member for Bolton North East (Mr Crausby), I want to make it clear to the House that if somebody was saving in a pension with the retail prices index in their scheme rules, they have lost nothing. We had to judge whether to use a statutory override to allow those schemes to rewrite their scheme rules. We decided not to do that, because we believe in pension promises. In other words, people who saved in a private pension in the expectation and belief that their scheme rules did indeed say "retail prices index" will get a pension revalued where they said "revaluation"—and indexed where they said "indexation"—by RPI. The question of whether the changes are retrospective is an important one. For example, a public sector worker did indeed have a right to indexed pension, and they still do. The right to that indexed pension is crystallised when they retire and is indexed every year by the measure of inflation that the Secretary of State of the day believes prices increased by the previous year.

I entirely accept the point that some of the scheme literature did not always say that. However, let me quote the High Court judges who looked into what the scheme rules said:

"No reasonable reader of this material could have thought that this index"—

that is, RPI—

"would be used for up-rating purposes whatever the changes to it that might develop or whatever schemes for measuring price inflation might emerge in the future."

Therefore, the High Court judges, who have been referred to in this debate, did not find that to be a criticism, and the trade unions that have appealed against the High Court judges have not appealed on that point. Although we absolutely want scheme literature to be as accurate as possible, the scheme rules are what give people the right. The scheme rules in the public sector gave people a statutory right to a link with whatever we were doing with additional pensions, and we have kept that right—we have kept that promise. My right hon. Friend the Member for Runnymede and Weybridge (Mr Hammond) was quoted—I think by the shadow Pensions Minister—as saying that pensions indexation should be honoured, and indeed it should, in line with the rules of the scheme. That is what people sign up to, and that is what we have honoured.

Mr Crausby: Regardless of the legal judgment, does the Minister not accept that any reduction in pension—clearly the move from RPI to CPI creates a reduction, and it is backdated—is simply a clear breach of trust?

Steve Webb: Let me deal with the issue of backdating, as the hon. Gentleman has used that term. People's pensions are revalued from the point at which they cease to work for the company until they retire and then indexed once the pension is drawn. The revaluation has not been backdated. In other words, all the revaluation up to the date of the change which used RPI will still use RPI, so there was no backdating of any of that. It is future revaluations that will use CPI. Furthermore, the right to indexation cannot exist until a person draws their pension. They build up a pension, and when they draw it they have a right to have it indexed. We have defined indexation according to what we think is a better measure of indexation. The right to indexation existed all the way through, and continues. The law has always been that the Secretary of State of the day has to measure inflation in an appropriate manner, and that is what we have done.

Mr Crausby: Is the Minister saying that at any point in the future he can decide what the measure of inflation is and then refer it back to the whole of an individual's pension? Is he not seeing this just as a matter of his judgment at any point in time, in effect producing an index very much lower than the expected one?

Steve Webb: No. What I am saying is that the law of the land requires the Secretary of State to make an assessment of the increase in the general price level each year. If the Secretary of State were to make such an assessment in a flippant way, by coming up with the first low number that he thought of because it suited him to do so, he would soon find himself in the High Court, and rightly so. That is not what is being done.

The Secretary of State has chosen a measure of inflation that is internationally standardised and used by the Bank of England for macro-economic targeting, and that better reflects the spending patterns of pensioners. One of the big differences between CPI and RPI in regard to the basket of goods is that the CPI does not include mortgage interest. It is worth pointing out that only 8% of pensioners have a mortgage. Why would we insist on using a basket that gives huge weight to mortgages for a population that hardly ever has a mortgage?

My hon. Friend the Member for West Worcestershire (Harriett Baldwin) mentioned in her excellent speech that in the year to September 2009 the RPI was negative, not because pensioners' living costs had fallen but because something that most pensioners did not have—mortgages—had got a lot cheaper. Does the hon. Member for Hayes and Harlington really think that in the year to September 2009 the RPI was giving an accurate measure of the cost of living of pensioners? I am sure he does not. It was negative, but I am sure he would not say that that was because pensioners' living costs were falling; they were not, but the index suggested that they were, because it was using the wrong basket of goods.

There is a second difference between CPI and RPI. As my hon. Friend the Member for Gloucester (Richard Graham) said, in addition to the basket of goods being different, the way in which people are deemed to respond

to price changes is different. That is called the formula effect, and in general it is the bigger difference between the two. On that point, the Institute for Fiscal Studies has said that this was a sound basis for the change that we made because it better captures the way in which people on lower incomes respond to price changes. It has been suggested during the debate that pensioners do not shop around, but my experience tells me that they do. In the shops, for example, they will choose between a branded product and an own-brand product. I think that most pensioners are pretty canny. They are the most likely to shop around, and that is the way in which the CPI is constructed.

It has been suggested that the switch to CPI was purely a cost-saving measure that was dreamt up post-election. I have been reading through the evidence given to the court, and the judgment, and I found out something quite startling about what was happening in the Treasury before the last general election. In 2009, the Treasury was considering whether the CPI was the best measure to use. The court judgment refers to a senior Treasury official, Dr Richardson. It states:

“Dr Richardson confirmed that the Treasury also considered that CPI was superior for...all benefits, tax credits and public service pensions. The Treasury had reached the same conclusion that ‘CPI provides a fairer reflection of inflation experience than RPI over the longer term...’ Dr Richardson also stated in 2009—that is, even before the 2010 election—once it had become widely anticipated that RPI inflation to September 2009 would be negative, the Treasury had formed the view that a move to CPI would ‘better reflect the experience of those affected by up-rating measures’”.

Now, the Treasury had decided before the last election that CPI was a better measure, so why did it not implement it? Because in that year, CPI was higher. In other words, on methodological grounds the Treasury had decided before the last election—I think the right hon. Member for East Ham (Stephen Timms) was a Treasury Minister around that time—that CPI was a better measure, but it held off from implementing it because it would have cost money. We think the CPI is a better measure, and we implemented it after the election, following a period when the RPI was clearly misrepresenting pensioner living costs—and I believe that to have been the right thing to do.

There was some discussion about whether the judges said that the change was just about cuts—I think it was the hon. Member for Easington (Grahame M. Morris) who suggested that it was. Let me quote him paragraph 63 of the court judgment:

“In our judgment, the evidence from Mr Cunniffe and Dr Richardson”—

the civil servants—

“set out above makes it plain that both the Secretary of State and the Chancellor independently came to the view that the CPI scheme better reflected the effect of inflation on the spending power of benefits and pensions, for a variety of reasons quite independently of cost.”

That was the majority view of the judges. Even if the hon. Gentleman does not want to take my word for it, the High Court looked at it independently, with no locus to defend the Government, and judged that a range of factors was in play. Clearly, the fiscal context was important to the decision—no one is pretending it was not—but the most appropriate index, CPI, was chosen by the Government, which is the one we went ahead with.

The position of the official Opposition and the Labour party pension scheme have been discussed, and the shadow Minister, the hon. Member for Cumbernauld, Kilsyth and Kirkintilloch East (Gregg McClymont), said that the Labour party could not support the move to CPI. What is not clear to me is whether it can oppose it. A week ago, we talked about CPI and RPI in relation to an uprating order. Shadow Ministers made their trenchant criticisms of our policy, but when the vote came they walked away. After the contribution of the shadow Minister today, I am a little hazy about whether he is going to walk away again today. I think the trade unions would want Labour MPs to back the motion, but my impression is that whereas Labour Back Benchers will back it, Labour Front Benchers will be busy when the Division comes. I am of course happy to give way if I am misrepresenting the position of the official Labour party.

Important issues were raised in the debate. One of the key ones was the impact on individuals. In a sincere and well-informed contribution, the hon. Member for North Ayrshire and Arran (Katy Clark) listed particular groups of people she was worried about: women, low-paid workers who retire on low occupational pensions, NHS pensioners, and the average occupational pensioner. We have estimated the impact of the CPI change along with the impact of our triple lock. The hon. Lady accepts that the triple lock helps people and the CPI change reduces people’s incomes on average. She gave three examples: people on pensions of about £2,000, £3,000 and £4,000. We estimate that in all three of those examples, people will gain more from the triple lock than they lose from CPI. The very people she is most concerned about will, on average, benefit from what the Government have done on indexation.

My hon. Friend the Member for Eastbourne (Stephen Lloyd) asked about the £13,000. To be absolutely clear, what we are saying is that if people retire this year on a full pension, the change to the triple lock compared with RPI will provide a cumulative £13,000 extra on average over the course of their retirement. Even if we strip out the CPI effect, people will, on average, be £6,000 better off because of the combined changes we have made. I should say—I thought the House would want to know—what would have happened if the triple lock had been applied by the last Government back to 1997. If that had been the case, we would now have a pension nearly £10 a week higher than the current one. We heard in the debate that the last Labour Government kept meaning to restore the earnings link but they just never quite got round to it. If our policy had been place, we would now have a pension £10 higher to start with, on which to build subsequently.

It is clear that there are gainers and losers from these changes. The gainers are average pensioners with average occupational pensions. It is true that the highest earners with the very largest occupational pensions will lose more from CPI than they gain, but I thought the Labour party was a progressive party that would welcome our protection of the most vulnerable. That is what we have done.

I welcome the fact that 100,000 people wanted this debate. It is a debate that we are willing to have. We accept that these changes have a big impact, but they should be seen in the context of, for example, the triple lock, which will mean that the average pensioner benefits

[Steve Webb]

from our policies. These are significant and important changes. We believe that we are measuring inflation properly and appropriately, and we believe that we have protected people through the triple lock. That is a combination that I urge the House to support.

3.4 pm

John McDonnell: I am grateful to all who have contributed to the debate. I think that it has been incredibly constructive, and a credit to the House.

The hon. Member for West Worcestershire (Harriett Baldwin) displayed her experience of these matters, but I do not agree with her. She criticised the CPI, but argued that it was about the best we have. Not even the Government accept that—they are undertaking a review of the CPI in order to install the housing costs that we have argued should be included in it. Within two years, or perhaps one, they will produce their report, and the system will change again. In the meantime, however, people will lose out as a result of the removal of the RPI link. I believe that although the hon. Lady was clear in her defence of the CPI for the moment, she acknowledged the need for change at a later date.

My hon. Friend the Member for Bolton North East (Mr Crausby) hit the nail on the head: this is a matter of trust. People were told that if they contributed to a pension scheme, they would receive a certain defined benefit. It is no good the Minister's saying that they should have looked at the scheme rules, because in leaflet after leaflet and in scheme after scheme, they were told that they would be protected by the RPI. It is almost like a dodgy car salesman saying "You didn't look at the hire purchase agreement in sufficient detail." The hon. Gentleman mentioned Maxwell, and that resonates in this context.

The hon. Member for Eastbourne (Stephen Lloyd) mentioned the calculations that would need to be verified. As was explained earlier, according to one calculation someone with a £10,000 pension would lose out, because he or she would not even gain as a result of the other measures.

There are two issues. We expect the changes in the state pension to improve matters, but that improvement should not be at the cost of people's employment pensions. It is not acceptable to wrap the two together as if they would be of some benefit to people with employment pensions, because those people will lose out whatever happens. As my hon. Friend the Member for North Ayrshire and Arran (Katy Clark) rightly pointed out, the long-term prospect is that some people will give up on their pension schemes and will not contribute, and as a result the viability of some pension schemes will be at risk.

Today's debate smacks of the debate that took place many years ago about the link with earnings. People now regret the breaking of that link, because it led to the erosion of the state pension over the years. Unless the Government's decision is reversed, the same despair and anger will be expressed in 20 years' time.

The hon. Member for Gloucester (Richard Graham) spoke eloquently about the need for sustainability, and he was exactly right. We must ensure that pension schemes are sustainable. Most contributory schemes

are, and we must ensure that state-funded schemes are as well. That means ensuring that contributions are made, both through tax—a fair taxation system means tackling evasion and avoidance, so that there is a sufficient amount in the Exchequer—and from scheme members themselves. The unions have made it clear that if the costs increase because of the increasing longevity of their members, they will be willing to pay more, but not to subsidise the Treasury.

My hon. Friend the Member for Easington (Grahame M. Morris) presented his assessment of the Government's decision in his usual honest and extremely thoughtful manner. He said it was about placing the burden of the deficit and the economic crisis on the pensioner rather than on the tax avoider and tax evader, and I entirely agree with him.

The hon. Member for Aberconwy (Guto Bebb) was entertaining as always, and irrelevant as always. [Interruption.] I do not wish to be too cruel to him, but the fact is that we are not debating the Labour party's pension fund. That is a debate for another day and, possibly, another Back Bencher's application.

We are debating a serious matter. As we have pointed out time and again, firefighters will lose between £25,000 and £50,000 as a result of these changes, and the Forces Pension Society has emphasised that some former military personnel who were injured in action will lose up to £200,000. As the Minister said, the Secretary of State has the right to set any indexation level in law, but I think there is a moral obligation to abide by the commitment given over decades that the link should be with RPI, because the link with CPI will undermine the pensions that people are paid.

The issue of retrospection was raised. People feel that they are having their pensions cut retrospectively.

There will be a debate about what is the appropriate index. My view is that CPI is not the right index. I urge the Government to introduce the reforms to CPI as rapidly as possible. Pensioners face the threat of losing significant sums of money. They must not do so.

The judgment in the courts was very clear. The objective of—

Madam Deputy Speaker (Dawn Primarolo): Order. The hon. Gentleman knows that he is supposed to be speaking for only a few minutes, but he has now been speaking for about eight minutes. I will therefore be very grateful if he completes his remarks.

John McDonnell: This is an important debate, but I apologise, Madam Deputy Speaker.

The judges made their view very clear. The Government's motivation is to do with deficit reduction and cuts, not which inflation measure should be adopted. The Government are placing the burden of the cuts on pensioners. Pensioners will never forgive them for that.

Question put.

The House divided: Ayes 33, Noes 232.

Division No. 481]

[3.11 pm

AYES

Allen, Mr Graham
Clark, Katy
Connarty, Michael

Crausby, Mr David
Dodds, Mr Nigel
Doran, Mr Frank

Dowd, Jim
 Durkan, Mark
 Edwards, Jonathan
 Howarth, rh Mr George
 Lazarowicz, Mark
 Llwyd, rh Mr Elfyn
 Long, Naomi
 Lucas, Caroline
 MacShane, rh Mr Denis
 Mann, John
 McDonnell, Dr Alasdair
 McDonnell, John
 Meale, Sir Alan
 Moon, Mrs Madeleine
 Owen, Albert

Paisley, Ian
 Pearce, Teresa
 Ritchie, Ms Margaret
 Russell, Sir Bob
 Skinner, Mr Dennis
 Twigg, Derek
 Walley, Joan
 Weir, Mr Mike
 Williams, Hywel
 Wilson, Sammy
 Winnick, Mr David
 Wishart, Pete

Tellers for the Ayes:
Grahame M. Morris and
Jeremy Corbyn

NOES

Adams, Nigel
 Afriyie, Adam
 Amess, Mr David
 Arbuthnot, rh Mr James
 Bacon, Mr Richard
 Baker, Steve
 Baldwin, Harriett
 Barclay, Stephen
 Barker, Gregory
 Barwell, Gavin
 Bebb, Guto
 Bellingham, Mr Henry
 Beresford, Sir Paul
 Berry, Jake
 Bingham, Andrew
 Binley, Mr Brian
 Blackman, Bob
 Blackwood, Nicola
 Boles, Nick
 Bone, Mr Peter
 Bottomley, Sir Peter
 Bradley, Karen
 Bray, Angie
 Brazier, Mr Julian
 Bridgen, Andrew
 Brine, Steve
 Brokenshire, James
 Browne, Mr Jeremy
 Bruce, Fiona
 Buckland, Mr Robert
 Burley, Mr Aidan
 Burns, Conor
 Burrowes, Mr David
 Burstow, Paul
 Byles, Dan
 Campbell, rh Sir Menzies
 Carmichael, Neil
 Carswell, Mr Douglas
 Cash, Mr William
 Chishti, Rehman
 Choqe, Mr Christopher
 Clappison, Mr James
 Clark, rh Greg
 Clarke, rh Mr Kenneth
 Clifton-Brown, Geoffrey
 Collins, Damian
 Crabb, Stephen
 Crouch, Tracey
 Davey, Mr Edward
 Davies, David T. C.
 (*Monmouth*)

Davies, Glyn
 de Bois, Nick
 Dineneage, Caroline
 Djanogly, Mr Jonathan
 Dorries, Nadine
 Drax, Richard
 Duddridge, James
 Duncan, rh Mr Alan
 Duncan Smith, rh Mr Iain
 Dunne, Mr Philip
 Ellis, Michael
 Ellison, Jane
 Elphicke, Charlie
 Eustice, George
 Evans, Graham
 Evans, Jonathan
 Evnnett, Mr David
 Fabricant, Michael
 Field, Mark
 Fox, rh Dr Liam
 Francois, rh Mr Mark
 Freeman, George
 Freer, Mike
 Gale, Sir Roger
 Garnier, Mr Edward
 Garnier, Mark
 Gauke, Mr David
 George, Andrew
 Gillan, rh Mrs Cheryl
 Glen, John
 Goldsmith, Zac
 Gove, rh Michael
 Graham, Richard
 Grant, Mrs Helen
 Gray, Mr James
 Grayling, rh Chris
 Green, Damian
 Griffiths, Andrew
 Gummer, Ben
 Gyimah, Mr Sam
 Hague, rh Mr William
 Halfon, Robert
 Hammond, rh Mr Philip
 Hammond, Stephen
 Hancock, Matthew
 Hands, Greg
 Harper, Mr Mark
 Harris, Rebecca
 Hart, Simon
 Haselhurst, rh Sir Alan
 Hayes, Mr John

Heald, Oliver
 Heath, Mr David
 Heaton-Harris, Chris
 Henderson, Gordon
 Hendry, Charles
 Hinds, Damian
 Hoban, Mr Mark
 Hollingbery, George
 Hollobone, Mr Philip
 Holloway, Mr Adam
 Howell, John
 Hughes, rh Simon
 Hunter, Mark
 Hurd, Mr Nick
 Jackson, Mr Stewart
 James, Margot
 Jones, Mr David
 Kelly, Chris
 Kirby, Simon
 Kwarteng, Kwasi
 Lancaster, Mark
 Latham, Pauline
 Laws, rh Mr David
 Leadsom, Andrea
 Lee, Jessica
 Lee, Dr Phillip
 Lefroy, Jeremy
 Leslie, Charlotte
 Letwin, rh Mr Oliver
 Lewis, Brandon
 Lewis, Dr Julian
 Liddell-Grainger, Mr Ian
 Lidington, rh Mr David
 Lilley, rh Mr Peter
 Lloyd, Stephen
 Lopresti, Jack
 Lord, Jonathan
 Loughton, Tim
 Lumley, Karen
 Maude, rh Mr Francis
 McIntosh, Miss Anne
 McLoughlin, rh Mr Patrick
 McVey, Esther
 Menzies, Mark
 Mercer, Patrick
 Miller, Maria
 Mills, Nigel
 Mordaunt, Penny
 Morris, David
 Morris, James
 Mosley, Stephen
 Mowat, David
 Munt, Tessa
 Murray, Sheryll
 Murrison, Dr Andrew
 Newton, Sarah
 Nuttall, Mr David
 Offord, Mr Matthew
 Opperman, Guy
 Paice, rh Mr James
 Parish, Neil
 Patel, Priti
 Pawsey, Mark
 Penning, Mike
 Penrose, John
 Percy, Andrew
 Perry, Claire
 Phillips, Stephen

Pincher, Christopher
 Poulter, Dr Daniel
 Prisk, Mr Mark
 Raab, Mr Dominic
 Randall, rh Mr John
 Reckless, Mark
 Redwood, rh Mr John
 Rees-Mogg, Jacob
 Reeve, Simon
 Rifkind, rh Sir Malcolm
 Robathan, rh Mr Andrew
 Robertson, Hugh
 Robertson, Mr Laurence
 Rudd, Amber
 Rutley, David
 Sandys, Laura
 Scott, Mr Lee
 Shapps, rh Grant
 Sharma, Alok
 Shelbrooke, Alec
 Simpson, Mr Keith
 Skidmore, Chris
 Smith, Miss Chloe
 Smith, Henry
 Smith, Julian
 Soubry, Anna
 Spelman, rh Mrs Caroline
 Spencer, Mr Mark
 Stephenson, Andrew
 Stewart, Bob
 Stewart, Iain
 Stride, Mel
 Stuart, Mr Graham
 Sturdy, Julian
 Swayne, rh Mr Desmond
 Swinson, Jo
 Tomlinson, Justin
 Truss, Elizabeth
 Turner, Mr Andrew
 Uppal, Paul
 Vaizey, Mr Edward
 Vara, Mr Shailesh
 Vickers, Martin
 Villiers, rh Mrs Theresa
 Walker, Mr Charles
 Walker, Mr Robin
 Wallace, Mr Ben
 Walter, Mr Robert
 Watkinson, Angela
 Webb, Steve
 Wharton, James
 Whittaker, Craig
 Whittingdale, Mr John
 Wiggin, Bill
 Willetts, rh Mr David
 Williams, Roger
 Williamson, Gavin
 Wilson, Mr Rob
 Wollaston, Dr Sarah
 Wright, Jeremy
 Wright, Simon
 Yeo, Mr Tim
 Young, rh Sir George
 Zahawi, Nadhim

Tellers for the Noes:
Jenny Willott and
Mr Robert Goodwill

Question accordingly negated.

Welsh Affairs

[*Relevant document: The Eighth Report from the Welsh Affairs Committee, Inward Investment in Wales, HC 854.*]

3.24 pm

Paul Murphy (Torfaen) (Lab): I beg to move,
That this House has considered the matter of Welsh Affairs.

I am delighted to open this important debate and I thank the Backbench Business Committee for agreeing to hold it. I thank also the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd), the hon. Member for Montgomeryshire (Glyn Davies), the hon. Member for Brecon and Radnorshire (Roger Williams) and every single Welsh Member of Parliament who requested a debate on Welsh affairs today, which is the feast day of the patron saint of Wales, St David. I have always thought there was a Monmouthshire connection because he was, I believe, the Archbishop of Caerleon for a couple of weeks but then he decided that was not the place for him and headed west to the lovely city of St David's where he eventually settled.

The House has rightly deferred to the tradition of this place to have a debate on Welsh affairs on or near St David's day. It is of course only once every seven years that it can come on a Thursday, as it has today. The tradition goes right back to the 1940s when Members from Wales and other parts of the United Kingdom were able to take part in a general debate on Wales. That was important because Wales and its business are an integral part of the business of the House of Commons in the same way that they are an integral part of the business of the British Government. I fear that over the past couple of years there has been a marginalisation of Welsh Members of Parliament and, indeed, of Welsh business, which is regrettable. Clearly, the fact that this debate did not happen last year is an example of that. I know that the right hon. Member for Dwyfor Meirionnydd will touch on these issues in his remarks.

The fact that the West Lothian question is being debated and looked at by a commission indicates that large numbers of MPs are clearly of the view that Welsh MPs should have a status in this Parliament that is different from the status of MPs from the rest of the UK. In addition, there is the depressing and unforgiveable reduction by a quarter in the number of MPs here in the House of Commons representing the 3.5 million people of Wales. That change was never debated properly and has now gone through, almost, but a quarter of our seats will disappear by the next election.

Jonathan Evans (Cardiff North) (Con): There was much force in the right hon. Gentleman's opening remarks but would not his last point have a little more force if there were rather more of his Labour colleagues here for this debate? We are complaining about a reduction in the number of Welsh MPs but although he and those around him are here for this debate, others are not.

Paul Murphy: That is an interesting point, but it is also interesting that the House of Commons has, in effect, had no business to discuss for the past couple of weeks—[HON. MEMBERS: "Months!"] Indeed. Whatever the rights and wrongs of that issue, the hon. Gentleman knows that what he says is not the reality behind the problem, which means that a quarter of us will lose our

seats in Wales because they will disappear. It is a false, fallacious and appalling policy that has led us down that line because ultimately the business of the Union is about the representation of the UK's four constituent parts within the UK Parliament and Government. There will be a very small number, in real terms, of 40 Welsh Members, as opposed to 500-odd from England, and the influence and say that Welsh people can have will be reduced by 25%. That is to the shame of the Government, and I am sorry that I have to say that.

Alun Michael (Cardiff South and Penarth) (Lab/Co-op): My right hon. Friend makes a powerful point, and he is absolutely right. He referred to the West Lothian question. Does he agree that there is something peculiar and disproportionate about Conservative Members' support for changing the relative engagement of Members of Parliament because of devolution in Wales, Scotland and, possibly, Northern Ireland? They seem to ignore completely devolution to London, which, in some respects—economic and in relation to the police, for instance—

Chris Ruane (Vale of Clwyd) (Lab): For 8 million people.

Alun Michael: Indeed. In many respects, therefore, the impact of devolution to London has a greater impact on the United Kingdom than devolution to Wales and Scotland, yet that is ignored.

Paul Murphy: Indeed. That is the problem. We have this asymmetrical system of devolution in the United Kingdom—a different sort of Assembly in Belfast, a completely different Parliament in Edinburgh, a now enhanced Assembly in Wales and, of course, London—and as soon as we start tinkering with that sensitive constitutional balance, the Union itself is at stake.

David T. C. Davies (Monmouth) (Con): Would the right hon. Gentleman's interesting argument not have more force were Welsh and Scottish MPs not interfering in the health and education policies that English Members overwhelmingly want to enact in England?

Paul Murphy: I do not agree. In a few seconds, I will address, in particular, the issue of the Health and Social Care Bill as it goes through the legislative process. I do not think that there has been a positive approach to dealing with these issues from the Government and Conservative Back Benchers. I am not saying that there is a conspiracy; I just do not think that there is an understanding of how the constitution works. We are the United Kingdom. I will come later to the question of what will happen in Scotland and whether the United Kingdom will break up. Of course, some people genuinely have a separatist agenda, and that is the democratic right of those parties. I merely say to those of us who are unionists—with a small u—that what has occurred in this place over the past two years seriously weakens the Union.

Chris Ruane: On Government Members' lack of understanding of the devolution settlement, may I give my right hon. Friend two specific examples from the Government Front-Bench team here today? When I asked the Under-Secretary of State for Wales, the hon.

Member for Clwyd West (Mr Jones) about the Welsh economy, he said that macro-economics had nothing to do with the UK Government. When I asked him yesterday about attracting Irish tourists to Wales, he said that it had nothing to do with the UK Government. VisitBritain is about bringing foreign tourists to the UK. There is a complete lack of understanding from the Government Front-Bench team.

Paul Murphy: I think that devolution actually strengthens the Union if it is dealt with properly, because it acknowledges the richness and diversity of the different nations and countries within the United Kingdom. When we cease to acknowledge that, we are in danger of heading down a separatist path. In Welsh terms, macro-economic policy, which my hon. Friend referred to, public services, economic policy and employment are all matters for the UK Government—often shared with the devolved Administrations as well.

Mrs Madeleine Moon (Bridgend) (Lab): Does my right hon. Friend agree that it is important to understand how problems appear across the UK, not just how they appear in England and English constituencies? For example, in the constituency of the Minister with responsibility for disabled people, the hon. Member for Basingstoke (Maria Miller), there are four claimants of jobseeker's allowance looking for each job, whereas in the Rhondda, for instance, there are 49 chasing each vacancy. Understanding the difficulties and the impact of legislation across the UK is critical in hearing the Welsh voices here today, and perhaps the lack of Welsh voices on the Government Front Bench is part of the reason for this problem.

Paul Murphy: Whatever the reason, there is no question but that there is a lack of understanding of these things. The working partnership between a British Government in London and a Welsh Government in Cardiff is vital for the well-being of the people who are represented by those Members who represent Welsh constituencies.

The hon. Member for Monmouth (David T. C. Davies) asked why Welsh Members should deal with matters that affect England only, but it is difficult to work out what "England only" means. Considerable aspects of the highly controversial Health and Social Care Bill will directly affect my constituents and those of other Welsh Members of Parliament.

Mark Tami (Alyn and Deeside) (Lab): As I represent a border area, I know that, when it comes to health care, the border is not there, because 30% of my constituents go to Chester County hospital because it is the nearest. Equally, that hospital receives money from the Welsh Assembly to support its services, which is good for both Welsh and English patients.

Paul Murphy: Of course, if there is a fundamental shake-up of the English NHS and how it is configured, with foundation hospitals being developed right across England, that will all have an impact on cross-border services and will affect both English and Welsh patients and primary and secondary health care. Thousands upon thousands of Welsh people rely on English health services, and thousands of English people rely on Welsh primary services in mid-Wales and other parts of the border area.

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): The right hon. Gentleman is making an important point, because clearly many Welsh patients rely heavily on medical services provided in England. Equally, many English patients rely on medical services provided in Wales, yet they are not represented in the Welsh Assembly. Does he regard that as a democratic deficit?

Paul Murphy: I do not because, as I said earlier and as the Minister will remember, the purpose is to set protocols between the Welsh and United Kingdom Governments. Indeed, the Welsh Affairs Committee inquired into cross-border health issues not long ago. I merely say to the House that when legislation goes through Westminster, even if it ostensibly relates only to England, there are implications for Wales. There are other examples. A number of the health bodies that are to be abolished affect England and Wales; one relates to alcohol and another to health care of a different sort. There is also the training of medical staff, which obviously cannot be done solely in Wales. That has to be done in England as well.

Hywel Williams (Arfon) (PC): Does the right hon. Gentleman share my concern that the Minister of State, Department of Health, the right hon. Member for Chelmsford (Mr Burns), when I tackled him on the cross-border issue, having heard whispers from the Secretary of State for Health, said that arrangements would be made to allow people on one side of the border to register on the other? He did not seem to be aware that people in my constituency currently travel to Liverpool and Manchester, for example, quite satisfactorily to receive specialist health care and that that is threatened by the privatisation that that lot are bringing in.

Paul Murphy: That is the sort of benign ignorance to which I referred earlier. I am not saying that the Ministers in the Wales Office are in that category, because they understand these issues. That is their job, as it was my job when I was a Minister. The issue is that other Government Ministers often have to be told about the sensitivities and complications that exist between Welsh and English issues. That is why it is not simply the case that the West Lothian question is the obvious thing we need to deal with. Not one Parliament in the world has separate classes of members who vote in the way the commission could suggest.

Mark Tami: If my right hon. Friend took that to its logical conclusion for matters that affect Londoners, such as those he has already mentioned, and others such as Crossrail or some of the private Bills we have been looking at, it could be argued that whole sections of the House would not be affected and therefore should not be allowed to vote.

Paul Murphy: Of course. That is a truly important point, and it goes right to the heart of the debate that we are now having about the Union.

Dozens upon dozens of people have contacted me in my Welsh constituency about the national health service changes in England, not simply because of the points that I have just made about them affecting Welsh people, but because it is pretty clear that Welsh people do not like the so-called reforms to the health service in England. Only today, we have seen published in Wales an opinion

[Paul Murphy]

poll indicating that almost 80% of Welsh people would prefer the Welsh health system's structure to what is proposed in England, and that is hugely important. Although people may live under a devolved Administration, they too understand the difference.

On that matter, I want to bring to the House's attention one final point: if the Bill goes through, it will have direct implications for the amount of money that Wales receives through the Barnett formula. A study published only a couple of weeks ago in *Public Finance* in relation to Scotland and Wales quite rightly stated that, if less money is spent on the health service in England because of money coming in from the private sector, under the so-called Barnett consequential less money will go to Wales. So for all those reasons, it is important for us to understand that we cannot easily disentangle Welsh and English business in this place.

My final point, as I know that other Members want to speak, is on the Union and the forthcoming debate about Scotland, the referendum and whether that country becomes independent. I do not have the slightest doubt about the view of most people in Wales, which has been verified, again, by today's poll: 7% want independence, and 12% would favour independence if Scotland seceded. That is still a very small percentage, and infinitesimal when compared with the numbers in Scotland itself, but what happens in the debate about Scotland still has huge relevance to us.

Of course I accept entirely that it is for the Scottish people to decide whether they want to become independent, because that is their entire prerogative, but the debate has to be for us in Wales as well—for those in England, too, but today we are discussing Welsh matters—because the implications of that debate and whether we want to keep the Union intact are as important to us as Welsh Members as they are to Scottish Members.

That is why the Secretary of State for Wales, her junior Minister and my Front Benchers ought to engage in that debate in the way that Scotland Ministers and shadow Scotland Ministers have. The implications are enormous. I do not think for one second that the people of Scotland will vote for independence, but the debate is on, and the problem is the point that I made at the beginning of my remarks, because some Members are pursuing the little Englander approach.

I exempt Welsh Members from that accusation, but many English Members, including some in my party, simply do not understand the threats that could amount to the break-up of the Union, not only because of what might happen in Scotland, but because of what has happened by marginalising Welsh Members and Welsh business in the House of Commons. I therefore urge all Members to take part in that debate, but I urge in particular my own colleagues in Wales and politicians in Wales generally to engage in what is a hugely important issue. Whatever their views or whether they agree with separation or not, it is a matter for all of us, not simply for those who represent Scottish constituencies.

3.44 pm

David T. C. Davies (Monmouth) (Con): It is a pleasure to follow the right hon. Member for Torfaen (Paul Murphy), who does sterling work in my neighbouring constituency. We work together on many issues, and he and I share a passionate commitment to the Union of

the United Kingdom, but there we must part company for the moment, because his analysis of how to keep the Union safe differs markedly from mine.

The right hon. Gentleman raised the issue of the health service, and that is very interesting, because, as he said, thousands of people in Wales are dependent on the health sector in England and thousands of people in England receive health services in Wales. So the argument that has been put forward is that Welsh MPs should continue to try to influence what goes on in the health service in England. However, that is a rather fallacious argument, because Members of Parliament representing English constituents treated in Wales have absolutely no say over how their constituents are affected. The logical conclusion of the right hon. Gentleman's argument is that we should have Welsh Assembly Members representing areas such as Gloucestershire, Herefordshire and Chester in order to enable constituents in those border areas to have some say in how their health services are delivered. Of course, that will never happen. It is a nonsensical idea, just as it is nonsensical that Welsh Members of Parliament should be using their votes to try to influence policy in England in order to prevent the English from doing what they want with their health service.

We would have more moral grounds for getting involved in the English health service if the Welsh health service were a beacon that others wanted to follow, but it is not. I get a lot of complaints from people living in Chepstow and Monmouth who want to be treated in England—in hospitals in Bristol, for example—but are sent elsewhere in Wales because it is the policy of the Welsh Assembly Government, wherever possible, to treat people in Wales, not in England, even if that means constituents having to travel for hours in Wales when they could simply cross the River Severn to get treatment in Bristol or somewhere similar. It is a truly ludicrous situation.

Albert Owen (Ynys Môn) (Lab): The hon. Gentleman is missing the point made by my right hon. Friend the Member for Torfaen (Paul Murphy). He said that Welsh Members have an interest in the England-only Bill that is before this House because our constituents—and we are here to serve our constituents—need specialist treatments across the border in England. Many of those people from Wales work in the health service, as well. We are not talking about a theory, but practice—that is, serving the needs of our constituents when measures in this House affect them.

David T. C. Davies: I understand the hon. Gentleman's point. It is also true, however, that many constituents in Wales who want to be treated in England are unable to be so treated because it is the policy of the Welsh Assembly Government not to treat people in England if that can be avoided. When the reforms to the NHS in England go through, the Welsh Assembly Government, if they really feel that the services are not good enough, will be entirely free to set up their own services in Wales and take their custom elsewhere, because they are, in any case, paying English health boards, or the equivalent, to carry out those services. They do not have to do that, because they can take their business elsewhere if they wish.

Mark Tami: Surely the hon. Gentleman accepts that it would be absurd to build another children's hospital in north Wales when there is a very good, renowned children's hospital just over the border.

David T. C. Davies: I accept that that would be absurd, and I do not think for one moment that it will happen, because I am certain that with or without these reforms—I very much hope that they go through—the services that are offered in England will continue to be of the highest quality. However, the Welsh Assembly Government could choose to do that if they felt that the necessary services were not being provided. It is a purely hypothetical situation, because the services in England will be as good as, if not better than, they already are.

Waiting lists in Wales are far longer than they are in England. While 90% of people in England get treatment within 18 weeks, the figure is about 68% in Wales. People in Wales are twice as likely as those in England to succumb to a hospital-acquired infection. One of the rare cancer charities has said that people who live in England are five times more likely to get drugs for rare forms of cancer than those who live in Wales. Our health service in Wales is no longer the envy of the world; it is certainly not the envy of other nations of the United Kingdom. We have no moral right to tell the English what they can do with their better-run health service when ours is running so lamentably.

Jonathan Edwards: I have some sympathy with the hon. Gentleman's argument as regards political sovereignty, but the big issue about the health reforms in England is their effect on the Barnett consequentials, which have a direct impact on funding in Wales. For as long as the Welsh Government are funded by that very discredited formula, it is important for Welsh MPs to vote against Bills that reduce funding for the health service in Wales.

David T. C. Davies: I respect the hon. Gentleman's view, but it is not one that is shared by his political counterparts in Scotland, who take the principled position that they will not get involved in any issues that are completely devolved. Since he has mentioned funding, it is worth pointing out that in England the Conservative-led coalition Government are putting more money into the health service every year at a time when the Welsh Assembly Government are cutting health funding.

I was referring to the NHS in the context of the Union, as did the right hon. Member for Torfaen. We are both Unionists. My simple point is that it will not be possible to construct a stable Union if there are left-wing Governments in Scotland and Wales, which are generally left-wing places, with left-wing Members of Parliament who try to prevent the English, who are generally slightly more conservative, from carrying out the policies that they wish to carry out. The hon. Gentlemen on the Opposition Benches are trying to have their cake and eat it.

Chris Ruane: What about the hon. Ladies?

David T. C. Davies: And the hon. Ladies, forgive me. Opposition Members want Labour to be in power in Scotland and Wales, either on its own or in coalition, but they also want to continue to send large numbers of MPs here to prevent the English from doing what they want to do in their own country. That is not a recipe for a stable United Kingdom; it is nothing less than gerrymandering. It is high time that it was brought to an end.

If the hon. Gentlemen and hon. Ladies on the Opposition Benches have concerns, they should probably have thought about that before they opened the Pandora's box of devolution in the first place. It was supposed to be a journey; it has become a magical mystery tour. It always ends in more powers for one of the devolved bodies, with the others immediately demanding more for themselves as well.

Mark Tami: On the reduction in the number of MPs, has the hon. Gentleman noticed the slight change in the glums behind him since the Boundary Commission produced its proposals?

David T. C. Davies: There were different ways in which the problem could have been addressed. I think we all agree that the constituencies ought to be the same size. For those who think that there has been gerrymandering, I can only say that had something been done about the situation during the 13 years of Labour Government, we would not be where we are now. Perhaps we would have had 650 constituencies of equal size instead of 600. That might have led to some slightly less glum faces in this Chamber.

I came here to talk about the report, "Inward Investment in Wales", which is a relevant document for this debate. As Chair of the Welsh Affairs Committee, may I say what a pleasure it has been to work with Members from all parts of the House? Committee members have acted in the highest traditions of Select Committee work in leaving their political affiliations at the door, as I have tried to do myself. *[Laughter.]* Within the Committee Room, that is. We are not in the Committee now, so I am not necessarily in that mode.

I want to make it absolutely clear that the report is not meant to be a criticism of any Government or any political party. It simply aims to draw attention to certain problems. I will put the report down, having commended it, and talk about what we can interpret from it. Obviously, other people may interpret it in different ways. The main issue we faced was that inward investment in Wales over the past 20 years has fallen off a cliff. During the '80s and early '90s, Wales was getting 15% of all investment into the UK. The latest figures that I have seen suggest that it is now about 3%. I hear that it might be even lower, but I have seen no official figures for that yet. Clearly, there is a major problem that needs to be addressed.

I cannot go through the whole report, but something that will have leapt out at people is the recommendation for a dedicated trade promotion agency to go out and sell Wales to the world. That must not, of course, be the Welsh Development Agency, because although that brand is recognised around the world, I do not think that there would be much support for setting it up again as it was. We heard all sorts of evidence, some of it anecdotal but coming from officials, to suggest that this simply is not happening. We heard that International Business Wales is not cutting the mustard when it goes abroad, that people have been trying to sell Wales abroad who do not even speak the language of the country that they are working in, and that UK Trade & Investment has had little contact with Wales in comparison with other regions and nations in the United Kingdom, in particular Scotland.

Clearly there is a major problem. I am not laying the blame at any particular door. However, it needs to be addressed as quickly as possible and I hope that the

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Welsh Assembly Government will take note of the strong recommendation that there needs to be one dedicated body within the Welsh Assembly whose job it is to go out and sell Wales to the world.

Mr Robin Walker (Worcester) (Con): I agree with my hon. Friend's commendation of the excellent Select Committee report. Does he agree with the recommendation in it, and the evidence that we heard from many bodies including Admiral car insurance, that such a body should have private sector experience among its members? One of the strengths of the old WDA was how it brought private sector experience to bear on the job of bringing inward investment to Wales.

David T. C. Davies: I absolutely concur. There needs to be a mixture of skills in that body. There certainly needs to be a lot of private sector experience, but given the evidence that we heard, it is also important that the people involved can talk to different arms of government in different parts of the world.

Another issue that came out of the evidence that we heard was a general concern about skills. A lot of employers said to us in evidence and outside the Committee that people coming out of schools and universities simply were not equipped for the world of work. The recent programme for international student assessment report suggested that skills among Welsh school leavers in certain areas were well below the OECD average and the lowest in the UK. That ought to worry people.

I have expressed personal concern before about some of the university courses being offered. I do not know if it is still happening, but at one time Swansea was offering a four-year degree in surf studies. As somebody who has spent 20 years surfing, I do not think someone needs a degree in it. I did not get any degree in anything, but that is another story. I certainly do not think I missed out by not spending four years studying something like that. There are a lot of Mickey Mouse courses about, and people come out of them expecting to be able to walk into a £30,000 or £40,000-a-year job, having spent years of their life and quite of a lot of their money on such a course, and are surprised when it does not happen.

When the Committee went to GE Aviation, I talked to some of the directors, a lot of whom had come up from the shop floor. They were quite happy to take on hard-working, bright people who did not necessarily have great academic qualifications, show them all about the job and allow them to rise to the top.

It is interesting to think about the image of heavy engineering and manufacturing in Wales, and perhaps in the rest of the UK. Having worked at British Steel in the late 1980s, even I went into some factories with the Committee expecting loud and perhaps slightly dirty places. That is no longer the case, as those of us who went on the factory visits know. Some of them have to be so clean, to keep dust out of the atmosphere, that they are like hospitals. It was very interesting to talk to Tata and hear that it had taken it upon itself to bring school leavers on to the premises, and to hear how excited those school leavers had been. Some of them had gone on to work at Tata. Why are not all companies doing that?

Mr Mark Williams (Ceredigion) (LD): My hon. Friend made a slightly negative characterisation of higher education, but will he acknowledge that we also heard some good stories about universities engaging with the business community and building spin-off companies in their locality? There is some good news in the PISA results on higher education rather than schools.

David T. C. Davies: I absolutely accept that. There is a lot of detail in the Select Committee report, and I am just skipping through it in my speech. The hon. Gentleman will probably recall that when we were in Brussels we were told that some Welsh universities were not doing quite as much to get European Union research grant funding as those in England. The picture is mixed, as usual.

We should be very clear that if we are to sell Wales and persuade businesses that it is a good place to come to, we need to show co-operation. I was not going to mention this today, but I feel that I have to because of other things that have happened: the Committee was disappointed that the Welsh Economic Development Minister felt unable to come and give evidence. I can accept that slight once, but there seems to be a pattern of the Welsh Government not wanting to do anything with the UK Government.

For example, a tourism seminar was held recently, I believe at No. 10, to encourage the devolved regions of the UK to do more to get tourism going during the Olympics. Nobody from Wales came. I have heard that when a broadband grant scheme was set up and a special grant was made available for pilot broadband schemes across England and Wales, the Welsh Assembly did not really bother to fill in the forms, so we did not end up with one of the pilot areas.

The Welsh Affairs Committee was due to visit Cardiff next week to take evidence, along with a Welsh Assembly Committee, which had asked us to go there and told us when would be convenient. Of course, we were more than happy to do so. We enjoy going down to Cardiff to visit the Welsh Assembly and work with our colleagues in the devolved regions. We were not expecting Ministers, but we expected officials from Edwina Hart's Department to give evidence about ports. Today, I have been told—I have e-mailed members of the Committee, so they will know this—that the officials will not turn up because Members of Parliament will be present. I find that extraordinary. The Welsh Assembly Government want to make speeches in the City, telling people to come to Wales and an Assembly Minister is calling for the green bank to be set up in Wales, yet they are not willing to send officials down a few flights of steps to come and see us at the Welsh Assembly. We are not asking them to visit us—we will go to them, at their convenience—yet they still do not want to talk to us. What sort of message are we sending the world through that complete lack of co-operation?

The Secretary of State for Wales (Mrs Cheryl Gillan): My hon. Friend has just made a serious point about a lack of co-operation that means that officials cannot give a Committee of the Assembly and a Select Committee of the House information that would help both Committees understand the issues better and make recommendations in the interests of Wales. Will he write to me so that I can take up the matter with the First Minister, because

I am sure that the Welsh Government will be disappointed to hear that? My understanding from discussions with the First Minister is that he is very keen on co-operation. Opposition Members are nodding, and I think it would be fitting for me to take up the matter urgently with the First Minister to see whether I can do anything to broker reciprocal arrangements.

David T. C. Davies: I thank my right hon. Friend for that. Of course, I shall be delighted to write to her. Welsh Affairs Committee members were looking forward to hearing from officials about ports, but we still intend to go to Cardiff, with officials from the Department for Transport. We may not be able to see the officials that we had hoped to meet, but we are perfectly happy for Assembly Members to talk to British Government officials about the policy, because we believe in co-operation. I apologise to Committee members who will be let down by the lack of the second part of the meeting. Who knows—we might be able to find something else to do instead.

What a marked contrast there is between that lack of co-operation and the actions of the British Government. Last night, we had a superb reception, which was perfect in all respects bar one, in that somebody may have been left off the guest list who should have been there.

Chris Ruane: Will the hon. Gentleman explain why Welsh Members of Parliament of all other parties were not invited to the reception—and, indeed, to receptions that the Secretary of State has held previously?

David T. C. Davies: I was not responsible for the guest list. I look around the Chamber and see a few people whom I would dearly like to have been there. However, Members of all parties were there—I saw the right hon. Member for Neath (Mr Hain). I am sorry that he is not here at the moment; I do not know how he came by his invitation, but when he comes back, perhaps we will ask him. Let me tell those who were unfortunate enough not to be there that it was a wonderful evening. It was tremendous to talk to people from across Wales. There are so many worthy people in Wales that perhaps it would not have been possible to get them all in along with Members of Parliament of all parties.

Mrs Moon: Some of us were still carrying out our duties as Members of Parliament representing Welsh constituencies. Last night, instead of being in No. 10, having what I am sure was an excellent glass of wine, I was meeting Ford, talking about inward investment in Wales and the fantastic developments in engineering thanks to engineers in my Bridgend plant. They are responsible for brand new developments in engine manufacture that are leading the way. Wales leads the way everywhere. Our biggest problem, if we have one, is that we do not talk enough about our excellent firms. In my Bridgend constituency, I have AMSS—Aircraft Maintenance Support Services—which is a fantastic worldwide company, but it is not known.

David T. C. Davies: I commend the hon. Lady for that, because she was doing absolutely the right thing. If Ford would like to relocate any of its factories on the Severn bridge industrial estate, I would quite happily stand up No. 10 to welcome it.

The hon. Lady is not entirely right about one thing: one reason why I was so keen to go along and enjoy the glass of white wine that she mentioned is that it came from the Ancre Hill vineyard in my constituency, which was set up as a family business in 2007 and which has won many awards. It now exports wine to Australia. I was proud to go along and support that business.

The only thing that saddened me about the whole evening was that when I watched “Wales Today” on iPlayer that night, I saw Betsan Powys saying that the Welsh Assembly Government had put out a statement saying that they wanted more than warm words and warm wine. May I say to the Welsh Assembly Government spokesman that that wine was not warm; it was superb. The Prime Minister wanted me to make clear today how much he and all those who drank the wine enjoyed it. The wine was chilled; I wish Members of the Welsh Assembly were.

4.5 pm

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): I shall follow that, Mr Deputy Speaker. I suspect the white wine concerned had not been in the hand of the hon. Member for Monmouth (David T. C. Davies) for long enough to get warm.

I was there last night and it was a splendid occasion, but to be honest, colleagues from other parties should have been there. There were very few Labour Members, which may have been a mistake—[*Interruption.*] I was pleased to be there, but I am just making that point. The right hon. Member for Torfaen (Paul Murphy), an ex-Secretary of State for Wales, was not there, for example. In any event, I do not want to be boorish, and I have obviously bumped myself off next year’s guest list. Mr Deputy Speaker was there—[HON. MEMBERS: “He wasn’t!”] Just to make absolutely sure that I am bumped off the list for next year, I think the St David’s day event could have had something to do with current politics. I hear rumours of a Rabbie Burns fortnight next year.

I congratulate my friend, the right hon. Member for Torfaen, and the hon. Members for Brecon and Radnorshire (Roger Williams) and for Montgomeryshire (Glyn Davies), on their assiduous pursuit of today’s parliamentary time. The St David’s day debate should be in Government time, as it always was prior to the Backbench Business Committee coming into being. I know that there is sympathy on the Committee for the proposal to take a day out of its basket to be allocated by the Government for that purpose. That is entirely appropriate, especially because we are likely to have fewer Welsh Members of Parliament, which was mentioned by my friend, the right hon. Member for Torfaen.

Mrs Gillan: The right hon. Gentleman will know how bitterly disappointed I was last year when I found out that the St David’s day debate had been passed over to the Committee, which refused a debate despite requests from both sides of the House, including Front Benchers, who are of course not allowed to request debates. I am doubly pleased that we have at least a half-day debate today, but I join him in hoping that there is a way of removing that day from the Committee so that there is always a dedicated St David’s day debate. Because of how the House’s business has fallen, there are fewer opportunities to discuss Welsh matters on the Floor of

[Mrs Gillan]

the House. That is why I called a whole day's debate on the Silk commission, which is so important for Welsh matters. I support the right hon. Gentleman and look forward to getting more details.

Mr Llwyd: I am very grateful to the right hon. Lady for her support. I am sure she is quite sincere. I remember the disappointment we all felt last year that the case was in some way not made for a Welsh day debate. I hope somebody somewhere reads the *Hansard* of today's debate. There is sympathy on the Committee, so let us hope that Government Whips take that on board.

The right hon. Member for Torfaen has discussed his concerns about constitutional matters in Wales. He and I agree on many, many things, but it is fair to say that we do not always see eye to eye on constitutional matters, and he would not expect me to say otherwise. I respect his opinion, although we may diverge substantially on where we see the constitution going. However, it is right that we both agreed that the cuts in the number of Welsh seats was inappropriate and went much too far at this time. Frankly, I thought that a number in accordance with the Speaker's Conference of 1944 would have been appropriate this time around—in other words, 45.

Chris Ruane: Thirty-five.

Mr Llwyd: Yes.

We might have lost five seats, which I think would have been more palatable under the circumstances. In any event, the cuts that we are likely to see are very substantial indeed. For example, although the seat that I currently represent—Dwyfor Meirionnydd—is small in terms of population, it is very large in terms of area. In days gone by, the Boundary Commission took into account cultural and linguistic connections, industrial connections and economic connections. Crucially, it also took into account the fact that Members such as myself, who might represent 45,000 people, would typically have to spend an hour and a half travelling to meet them and an hour and a half to return, whereas some colleagues can traverse their entire constituencies in 10 minutes or less.

The seat that I represent ranges from Llanberis in the north, through Caernarfon and the surrounding villages, the whole of the Llyn peninsula and the whole of Meirionnydd, to half the Conwy valley, from Llanrwst up to Capel Curig, in addition to the Dyfi valley from Machynlleth to Llanbrynmair, leaving me with a constituency that is roughly one fifth of the landmass of Wales. Incidentally, I also have an extra 31,000 constituents. I do not proclaim to be Superman, but I have always gone to my constituents. I do constituency surgeries, and I shall gladly do them all Friday afternoon—tomorrow—every week. I have no problem with that, and I have never taken the view that my constituents should travel to my office in Dolgellau; I travel to them, because I think that is reasonable. Public transport is perhaps not what it should be in some areas of mid-Wales, and I have always taken it upon myself to travel to them, which means going to roughly 30 villages and towns in all. In my respectful submission, the best that anyone will be able to offer in the new constituency will be the 10 main towns. Gone will be the visit to the local

village and small town; the 10 main towns will be more than enough to service on that basis. At the end of the day, I am making a plea for our constituents.

The other point that worries me is this. We are always going on about the public's disengagement from politics. There will be a review of our constituencies every five years. It is entirely possible that the boundaries will change every five years. How does that improve the relationship between the Member of Parliament and the constituents? It certainly does not, and we shall find further, substantial disengagement. People will not feel aligned to a constituency, nor will they necessarily feel any loyalty to it, still less will they bother to find out who is supposed to be representing them.

Chris Ruane: The theory behind redrawing the boundaries is that it equalises the seats. However, there are currently 6 million people unregistered, and if the Government's proposals go ahead, there will be an additional 10 million people off the register, according to the Electoral Commission. The result will be 16 million of the poorest, most marginalised in society off the register. It is a political coup on the part of the Conservatives.

Mr Llwyd: That, too, is a big issue, and the hon. Gentleman is right: it is a grave concern. The word "gerrymandering", which was used by hon. Member for Monmouth (David T. C. Davies), comes to mind. Indeed, I was shocked to agree with some of the things he said. [Interruption.] He is not listening, typically; perhaps he might wish to listen now. I actually agree with the hon. Gentleman—[Interruption]—who is now twittering at a rate of knots—about inward investment. I agree with him that we need a Welsh Development Agency-type body, and that we need representation throughout the world. I also agree that not enough is being done. I have not yet read the report, but I shall do so in the coming days.

There was a time when we had the Welsh Development Agency—yes, it had some faults but, by and large, it put Wales on the map—and there was inward investment aplenty; the figures have been quoted already. Crucially, however, we also had the Development Board for Rural Wales, which specialised in dealing with small and medium-sized entities within a defined area of mid-Wales and up into north Wales. The hon. Member for Montgomeryshire (Glyn Davies) chaired that body with great effect, and I say that to his face, even though it will not do his street credibility any good. He used to turn applications round in a matter of days, after going out to see the applicants if necessary. Things worked, and the economy of the areas of north and mid-Wales where the board operated was consequently quite buoyant, at a time when that was not the case elsewhere. People were calling for a similar entity to cover their part of Wales, and they were right to do so, because it was a helpful, useful body. I hope that, at some point, it will be reinstated in some form, following the hon. Member for Monmouth's remarks.

Roger Williams (Brecon and Radnorshire) (LD): I have no doubt that Wales excelled at inward investment in the past, through the Welsh Development Agency and the Development Board for Rural Wales, but does the right hon. Gentleman agree that it might have done so at the expense of encouraging indigenous growth and entrepreneurship?

Mr Llwyd: No; quite the opposite. The whole point of the Development Board for Rural Wales was to assist existing businesses as much as to set up new ones. I remember going to help people and being told, "The bank says I have to borrow a minimum of £20,000, but I only need £10,000 to expand my business." The board stepped in, and a solution was found in a matter of days. It was an excellent way of dealing with those things. That example related to an indigenous company that was hoping to expand, so no, I do not agree with the hon. Gentleman.

There is some truth in what the hon. Member for Brecon and Radnorshire said about university courses. At one stage, I was rather taken by a course in brewing at Strathclyde, but my father thought that a course in law at Aberystwyth would be preferable and he had the last word, so there we are. The brewing industry has probably lost someone who could have worked wonders. But I shall return to the serious matters.

The commission on devolution is chaired by Paul Silk, and it will report shortly. Everyone knows that it is to examine in two stages what further devolutionary steps could be taken. The first stage relates to fiscal powers. I note with great disappointment that the Labour party has apparently not submitted anything on fiscal powers to the Silk commission. I really cannot understand that. As I have said, I have the highest regard for the right hon. Member for Torfaen. He made the point about a very small minority being in favour of independence in the recent poll, but he did not mention the fact that 60% of those polled were in favour of fiscal powers being devolved to Wales. That is quite a large percentage, given the circumstances.

Nia Griffith (Llanelli) (Lab): Sue Essex is the Labour party representative on that matter. Would the right hon. Gentleman accept that not making written submissions in advance gives her greater flexibility in the negotiations? Might not that be the way forward when trying to get four very different people to agree on something?

Mr Llwyd: That is one interpretation of the matter. Others might include disinterest or being dead against any fiscal powers coming to Wales. Who knows? Without anything on paper, we do not know the thinking of the Labour party in Wales. I find that very disappointing.

Paul Murphy: The right hon. Gentleman referred to my remarks about independence, and he was right. However, I have no objection to tax-raising powers in Wales. My objection would be to the Government taking away the block grant and plugging the gap with taxes from the people of Wales, when the nature of our economy is such that we do not have the necessary resource base. That is the issue. Even parish councils in England and community councils in Wales have tax-raising powers, but such powers must not be introduced at the expense of spending cuts.

Mr Llwyd: I take what the right hon. Gentleman says, but I do not agree.

Nobody can deny that the Holtham report was a very good piece of work, and I think that what needs to be done first is the reform of the Barnett formula. Surely, that is the first thing to do; then we can look further.

Without taking up too much time, I hope to develop a few thoughts about the fiscal powers that could reasonably be called for at this stage of the devolutionary process.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Will my right hon. Friend give way?

Mr Llwyd: Yes, but then I will have to make some progress.

Jonathan Edwards: When we debated the Silk commission a few months ago Labour Front-Benchers were completely opposed to the transfer of any fiscal powers. The poll today shows that more than 60% of the people of Wales are in favour of such a step, so does it not prove that the Labour party is completely out of tune with the wishes of the people of Wales?

Mr Llwyd: Well, yes; on this issue, that has to be right. If 60% of people are saying that fiscal powers are the next stage, that amounts to a large majority—and we should listen to them.

We have sent a submission, and we argued that significant tax revenues and powers should be transferred to the Welsh Government, including partial income tax, value added tax, corporation tax and resource taxes. We have also argued that powers to create and levy new taxes should be granted. We want ownership and control over the Crown Estates in Wales to be transferred in their entirety to the Welsh Government. We believe that taxation and borrowing powers play an important part in facilitating economic growth and ultimately in ensuring social justice. Such powers have been proven to work at a sub-central level throughout the world, but are lacking under the current devolution arrangements.

Half of the current rate of income tax could be paid to the Treasury in London, with half remaining with the Welsh Government in Wales, who could then adjust according to need. The Welsh Government should then have the power to set Welsh income tax rates without restriction. These would be additional to the remaining UK rates.

Powers over VAT would give the Welsh Government a significant source of revenue, as well as the opportunity to make adjustments to achieve policy goals. This could ensure that Wales would not be disadvantaged by any future decision of the UK Government to switch the emphasis of the tax system between direct and indirect taxes. I recognise that variation of VAT rates within a member state might be prohibited under EU law. If that is the case, we would wish to see a transfer of imputed VAT revenues to the Welsh Government. We think all corporation tax revenues should be transferred, as should the power to set rates.

Jonathan Edwards: If it is good enough for Northern Ireland, it is good enough for Wales.

Mr Llwyd: I am coming to that in a moment. My hon. Friend did not write the script; it is just that we are *ad idem* on the point.

Corporation tax offers a powerful tool to facilitate increased performance. It would be desirable to transfer powers over structural elements of the tax, such as the

[Mr Llwyd]

definition of taxable profit. We know that devolution of corporation tax to Northern Ireland has been a hot topic of discussion in recent times—and the same arguments, it seems to me, are relevant to Wales.

Wales should be empowered to reap the benefits of its resources. The land and water of Wales should be used for the greatest environmental, social and economic gain. All powers and revenues associated with existing resource taxes, such as landfill tax and aggregates levy, should—subject to EU approval—be transferred. Wales should also have the power to create and levy new taxes on all aspects of resource exploitation, including water and renewable energy. Indeed, we should have the greatest possible devolution of taxation powers and revenues permitted by European law.

Some specific taxes, powers and revenues relating to taxes on property and land—such as stamp duty, land tax and capital gains tax on property and land—should, we think, be transferred to Wales, as should air passenger duty, which is being transferred to Northern Ireland under this year's Finance Bill. The debate on that very measure is taking place in Westminster Hall as we speak.

We also support the transfer of alcohol and tobacco duties, including the ability to place a minimum price per unit on alcohol sales. We do not think that national insurance contributions should be devolved in the current circumstances, as they are notionally hypothecated for the funding of social protection services. Those services are reserved to the UK Government and are needs-related, with common treatment of citizens throughout the UK. However, although the lack of a devolved benefits system rules out the devolution of national insurance contributions at present, we would like them to be devolved in the longer term.

The commission will receive its oral evidence during the coming weeks. We look forward to its report on part I later this year, and hope for the swift introduction of any recommended changes that receive support across the political ground and from experts.

The Welsh Government recently opened their consultation on a Welsh legal jurisdiction, and I shall be responding to it despite the Secretary of State's rather disappointing pronouncements on the matter last week. I shall also be giving evidence to the constitutional committee of the Assembly in a few weeks' time. Great changes have taken place in the Welsh legal system which would have been unthinkable some years ago, such as the creation of Legal Wales and the establishment of the administrative court for Wales. There are regular sittings of the Court of Appeal—both civil and criminal—in Cardiff, and judicial review cases involving Welsh public bodies are routinely being heard in Wales.

Following last year's successful referendum, the National Assembly for Wales now has the power to legislate in devolved areas without the interference of Westminster, and as a distinct body of Welsh law begins to be built, we shall inevitably need a distinct Welsh legal jurisdiction. However, that must go hand in hand with Wales taking full responsibility for justice matters. It is common sense that the right to administer the justice of laws that apply to the people of Wales should be placed in the hands of our own Government.

It worries me that the Legal Services Commission will shortly rule out the one Welsh commissioner representing Wales, given the developments relating to, for instance, legal aid. I am sure that that would not happen if Cardiff had any say in the matter. As I have said, a corpus of Welsh law is developing. Divergence between Welsh and English legal practice and procedure in family law, criminal law and, obviously, administrative law is taking place each and every day, and anyone who practises in those areas must know what Welsh law dictates.

I believe that the National Assembly for Wales is the only legislature in the world that does not have a distinct legal jurisdiction. That is an anomaly, but I think it is also a bit of a nonsense. We need only look at the introduction of elected police commissioners—which is likely to take place, despite the disagreement of our representatives in Wales and many Welsh Members of Parliament—the cuts in community justice through the courts closure programme and the continued failure to introduce either bilingual juries or a north Wales prison to see that the interests of Wales are not best served by its continuing slavishly to follow the line set down by London.

As Members will know from earlier debates and votes, we feel strongly about the devolution of permit powers for energy generation above 50 MW on land, and we believe that all powers in Welsh waters should be transferred to the Welsh Government. All parties have backed the change to some extent, and the question should be “how much” rather than “whether”. I am sure that the issue will be debated at some length in part II of the Silk commission. The media will also be discussed keenly, especially in view of the changes forced on S4C by the UK Government in the past two years and the interest of the Welsh Government in such matters.

As has already been said, devolution is not an event but a process, and I think it right to revisit and assess its workings. The people of Wales gave their opinion in the referendum last March, and they agreed to it. According to every opinion poll, they want more powers over policing, justice, energy and the media, at the very least. We look forward to the publication of the reports and their implementation as soon as possible, and we hope that the necessary Government time for any legislation that may be required will be found during the present Parliament.

I am very grateful to have had this opportunity to take part in the debate. I apologise for speaking for so long; I probably took too many interventions. I am also pleased that so many Members wish to contribute to the debate.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Nigel Evans): Order. To enable as many Members as possible to speak, we are now introducing a time limit of six minutes, with the usual injury time for two interventions.

4.30 pm

Jonathan Evans (Cardiff North) (Con): It is always a pleasure to follow the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd). However, given the time limit, I hope he will forgive me if on this occasion I do not respond to any of the points he raised.

Yesterday, a very emotional event took place in Cardiff: the Wales football team played Costa Rica in the Gary Speed memorial match. Several great tributes were paid to Gary, but perhaps the greatest was the behaviour of those who attended the match. Those people were a credit to their country.

Indeed, over the past few days there have been several sporting events involving Wales or Welsh teams, all of which have been a great tribute to our country. I cannot pass up the opportunity to say in the Chamber that it was great news that Wales won the triple crown at Twickenham—that will unite the House on this occasion.

The Wales rugby team is captained by Sam Warburton. He attended a school in my constituency: Whitchurch high school. It is the largest school in Wales. I recently had an opportunity to remind the Prime Minister that, in this Olympics year, that school has won the award of state school of the year for sport. That is a great accolade for Wales and for that school. The school has also produced Gareth Bale of Tottenham Hotspur and Geraint Thomas, the Olympic gold medallist, who we hope will again be an Olympic winner this year.

Following that rugby match, a WBO light-heavyweight fight took place in Cardiff, with Nathan Cleverly defending his title. In a week in which a boxer who was fighting for a heavyweight title embarrassed our country, Nathan Cleverly—a Cardiff university mathematics graduate—was a credit to it.

Cardiff City football club's performance in the Carling cup final was also a credit to our country; that statement too ought to unite the House. I was at Wembley watching that game, and Lord Kinnock was sitting three rows behind me. He is a great supporter of Cardiff City, of course, but that is the first time I have ever seen him at a match when he has not been in the directors' box. I want to be collegiate, however.

I am very concerned about football governance. It is worth bearing in mind that although Cardiff City was playing at Wembley for the fourth time in five years, during that period there have been winding-up orders in relation to the club. There have also been administrations in relation to Wrexham football club and several other clubs in the UK.

Jonathan Edwards: Will the hon. Gentleman give way?

Jonathan Evans: Yes I will, as I apparently get some injury time.

Jonathan Edwards: Will the hon. Gentleman also congratulate the Swansea City football club model? Supporters have a share in the club, and the team is doing Wales proud in the premier league.

Jonathan Evans: I am very happy to note the success of Swansea City, which the hon. Gentleman has put on the record, but as I still hope to retain the support of my electorate, I will say no more on that subject.

Returning to the question of football governance, the Culture, Media and Sport Committee has produced a report to which the Government have responded. The Minister for Sport and the Olympics has said that football is the worst-run sport in the country. Sadly, that is true, and it is true not only in respect of the

Football League clubs: even the top teams, such as Manchester United, Liverpool and Arsenal, have ownership structures that cause genuine concern.

Mr David Jones: My hon. Friend mentioned the administration order that caused Wrexham football club, one of the oldest clubs in this country, to leave the Football League. Does he welcome, as I do, the establishment of the Wrexham Supporters Trust as the governing body for that ancient and proud club?

Jonathan Evans: I do, as I believe that supporters trusts have a big role to play. I give credit to Peter Hunt, with whom I work in my role as chair of the all-party group on building societies and financial mutuals, because he was the inspiration behind the creation of supporters trusts in this country—indeed, my own team has a trust.

I wish to expand a little on the concept of supporters trusts having much more of a governance role within teams, which has been raised today. If we are to see changes in football governance, it is crucial that we involve supporters, who are the core that keeps these clubs going for so very long. Clubs have a resonance across the whole community. Cardiff City used to play at Ninian Park, which was named after someone who has a plaque here in this Chamber, Lord Ninian Crichton-Stuart. He acted as the guarantor of that club when it was first formed more than 100 years ago. No matter who has owned the club over the years, the supporters have retained their commitment to it, and they are not playing a sufficient part in football governance.

As my hon. Friend said, we have seen people coming together to try to create these supporters trusts. The Minister with responsibility for sport has given a deadline to the football associations and, curiously, in the case of the Football Association of Wales a form of reverse devolution has been undertaken, whereby it has asked that in relation to some of these issues the Football Association answer for it. I certainly hope that the football authorities respond positively to the DCMS Committee report. The deadline for them to respond is today, which, curiously, is the day when Cardiff City and the other football clubs will publish their accounts. What those accounts will show is a mountain of debt for football clubs right across the country. Many clubs are teetering on the edge and, against that background, it is important that we improve the financial management of these clubs and deal with the issue of their ownership in a way that gives fans a real role to play. That is an appropriate way that we, as parliamentarians, can play our part, just as so many of the football fans who were at Wembley last Sunday did our country proud.

4.38 pm

Mrs Siân C. James (Swansea East) (Lab): I am going to take things up a level by talking about the biggest issue in my constituency. I appreciate the words that have preceded my contribution, but everywhere I go in my constituency I encounter frightened people. They are concerned about the benefit cuts and about the information that they are receiving from Jobcentre Plus, and they are afraid. These are not workshy, feckless people; they are hard-working families in my constituency, and they are facing unparalleled threats to their future. Every day, wherever I go, people stop me to ask questions and talk about what is going to happen to them. I talk

[Mrs Siân C. James]

to families who now rely on bargain stores, no longer shop in the large supermarkets and put things back on the shelf because they can no longer afford them. They have to make serious decisions about what they need to have and what they cannot have, and I am concerned about future generations.

Jessica Morden (Newport East) (Lab): New food banks are being set up across the country at a growing rate of one and a half every week. A new one is being set up in Caldicot in my constituency. Does my hon. Friend agree that that is a real sign of growing food poverty in this country under the policies carried out by this Government?

Mrs James: I agree with my hon. Friend and I appreciate her words. We have a wonderful food bank in Swansea. It was the food bank for Gorseinon and was doing sterling work—I have supported it 180%—but it is now expanding to cover the whole city and I would like to praise it for its work and determination.

People are struggling, and when we realise that, on average, 25% of any family's income goes on keeping a roof over their head and 20% is spent on food and essential items, we can see that that does not leave a lot at the end of the week. People are struggling and families have to make tough decisions. It does not take a genius to realise that that they end up robbing Peter to pay Paul, which results in even more problems for us to solve as a community.

Labour has always believed that the best way to tackle poverty is to provide meaningful work and to move families forward and out of poverty. Supporting mothers is a very important aspect of that and we must think about the effect that the introduction of the universal credit will have on such families, and in particular on women. Wales is one of 12 regions in the UK and will be the fifth worst loser in this.

There was a great fanfare on Tuesday about a new coalition of charities and organisations that have come together as Cuts Watch Cymru, including Oxfam and Save the Children—names which are well known in our communities and belong to reputable organisations. When we read their document, which talks about the momentous effect that the cuts will have on generations to come, we have to sit up and listen. This is not babble or chatter: low-income parents are facing potential losses.

Guto Bebb (Aberconwy) (Con): I have read the report that the hon. Lady mentions and I am absolutely disgusted by its contents. The scaremongering within the report is utterly unacceptable, and the conclusion states:

“Despite the paucity of evidence”—

the paucity of evidence—

“we can nevertheless conclude that welfare reform is likely to have a serious effect on people in Wales.”

That is not a serious report; it is Labour party propaganda disguised behind the charities that the hon. Lady mentioned.

Mrs James: I thank the hon. Gentleman for his comment, but obviously I do not agree. These charities are reputable, I have worked for some of them, and

I can certainly tell him that the families I represent in Swansea East meet the criteria and will be in difficulty in the future.

Jonathan Edwards: The hon. Lady is making some very important and pressing points, but how will the Labour party's policy of a regional benefit cap help the situation?

Mrs James: We must consider this in the round, because we need to tackle some of the problems we have. It is not easy and I do not say that we have the answer, but we must look at all the avenues. I support that policy, but I am watching it very carefully. We need to do that and we need to see how it would work.

The minimum number of working hours has gone up from 16 to 24 a week, and what a problem that has created. It has created problems for the employers in my constituency who are willing to employ people part time but cannot increase their hours.

Mrs Moon: Is my hon. Friend aware that although there is a willingness to discard the increase in hours for people who have a disability, carers of people with a disability will still be expected to work 24 hours a week? It will be impossible for many of them to combine their caring responsibilities with working those 24 hours. They will lose their income and will be plunged into poverty.

Mrs James: My hon. Friend makes an excellent point and that, again, affects people with families. Not only is that unacceptable but we must ask: what about child care costs? Companies are already telling us that they cannot increase people's working hours, so people and families will be penalised by losing payments. That brings me back to the following point: these people are not workshy or feckless—words that we hear so often now in the press and in this Chamber—but hard-working families.

Jessica Morden: Will my hon. Friend give way?

Mrs James: I will not on this occasion because others want to speak.

I have been appalled by how child care costs have gone up. We asked the Library to check out the prices of child care in Wales and it found that the cheapest is, on average, about £90 a week and the most expensive is £190 a week, so there is an issue with getting access to child care. I am very concerned by the anecdotal stories I hear from mothers who are being told that they have to return to work when their child is five years old. When they explain that they have child care difficulties, they are asked—this is anecdotal and I am in the process of checking this out—why they cannot leave their children with older siblings. I am really concerned about that.

Mrs Moon: That is illegal.

Mrs James: Certainly.

We have to make sure there is fair play for families. We have already got scared families and most of my constituents do not have the safety net of savings. They have always worked for an honest day's pay, but that has

not left them with a great deal to save. That, in itself, has been a challenge for them. They are left to worry and are concerned about all these things.

The Union of Shop, Distributive and Allied Workers and Unison have recently issued information to their members and have asked them to come forward and get help from them as unions. We are all getting ready for a huge change in our society, which is going to have a long-lasting effect. I do not think that is being over-dramatic or putting things too strongly, and I remind the House that not everybody who claims help and receives benefit is not deserving of it. They are families who are under severe pressure and I see them every day in my constituency. They are out there and they are relying on us.

4.46 pm

Roger Williams (Brecon and Radnorshire) (LD): It is always a pleasure to follow the hon. Member for Swansea East (Mrs James), who originates from my constituency and so has a lot going for her. I agree with her that the best way out of poverty is through work, and that is a huge challenge that Wales has to address. Although we have had the success of the Welsh Development Agency and the Development Board for Rural Wales, we have not made enough of our indigenous talent and business. I shall return to that point, but first let me say that it is a great pleasure to take part in this St David's day debate. I commend the right hon. Members for Torfaen (Paul Murphy) and for Dwyfor Meirionnydd (Mr Llwyd) and the hon. Member for Montgomeryshire (Glyn Davies) for the part they have played in obtaining the debate, which is certainly worth having.

Our discussions so far have been very cogent and to the point. On the reform of the electoral boundaries in Wales, I have listened to everyone's comments but I cannot believe that one can argue against having equal weight for equal votes. We should work towards a situation in which constituencies have the same number of electors. My constituency used to be far greater at one time. It was represented by great heroes such as Tom Hooson, Caerwyn Roderick and Tudor Watkins. *[Interruption.]* I shall not include the hon. Member for Cardiff North (Jonathan Evans) because the three people I have mentioned represented it when it was a far bigger constituency and included heads of the valleys communities such as Llanelly Hill, Gilwern, Brynmawr, Cefn Coed, Hirwaun and Penderyn. People still talk about the tremendous work that those people did at a time when we did not have the communications systems that we have now.

I congratulate the Wales Office on having delivered the coalition agreement almost to full, but I add that there is more work to be done. The people of Wales engaged fully with the referendum on further powers for the Welsh Assembly and showed their determination to take forward the devolution settlement. I believe that that has contributed to the fact that, as seen in a recent poll, the appetite for independence in Wales is limited. The people of Wales see their role and that of the Welsh Assembly as increasing those powers, including the power to raise taxes and levies.

The second part of the coalition agreement that has been delivered concerns the setting up of the Silk commission. The representations from the Welsh Liberal Democrats are on the website and in a public document so I will not go into this in great detail, except to say that if the Welsh Assembly is to be truly transparent,

it needs the power to raise taxes as well as to spend money. It must be able to borrow to address the large infrastructure problems in Wales, but without a stream of taxes, it does not of course have the power to borrow.

I turn to the Welsh economy and the importance of building on the quality, experience, skill and enthusiasm of people and business in Wales. Not enough is being done to encourage that and take it forward. I congratulate the university in Newport on beginning to think about a department dedicated to entrepreneurs and to encouraging their talents and enthusiasm.

I have obtained some statistics from written questions. Believe it or not, there are 210,000 businesses in Wales—a greater proportion than in the other devolved nations—but they are rather small businesses. Only 85,000 of them are VAT-registered but 125,000 are not, which means that their turnover is less than £70,000. Most of those businesses are not incorporated either. The Government pay a lot of attention to the reduction of corporation tax, but if we are to encourage business in Wales, we must encourage those businesses that are not incorporated as well. Wales has the business acumen and enthusiasm for business, but it needs to be encouraged, and those micro-businesses need to be encouraged as well.

4.52 pm

Chris Ruane (Vale of Clwyd) (Lab): I wish to talk in praise of the Bangor mindfulness centre in north Wales and the work that it does in my constituency with children and in helping people in work and to get people into work. The mindfulness centre is one of the top mindfulness research centres in the UK. For those who do not know what mindfulness is, I will explain that it is based on ancient practices but in a modern setting, and covers breathing and meditation techniques that are of known clinical excellence and which have been recommended by the National Institute for Health and Clinical Excellence for recurring depression.

That is only the tip of the iceberg. It has benefits in all aspects of life, as has been realised in America, where mindfulness techniques are used in fire and police departments, to help reduce post-traumatic stress disorder among veterans returning from Iraq, in the education and health services, and even in Congress. However, they are underused in this country, and in my view Bangor university could make a big contribution, along with other universities—Oxford university is probably the leading centre in the UK and one of the leading centres in the world. The application of mindfulness has many positive effects. People who are more mindful are less likely to experience psychological distress, including depression and anxiety, and NICE has recommended it in favour of drug therapies for recurring depression.

Mrs Moon: Does my hon. Friend agree that one of the risks we will face if we do not use therapies such as the one he is describing so excellently is a cohort effect, leaving young people of this generation with a sense of failure and hopelessness and with poor self-image and self-worth?

Chris Ruane: Absolutely, and my next point leads directly to that. People who are more mindful have higher and more stable self-esteem that is less dependent on external factors, which is important in this day and age. Young people feel pressure from their peers, the media and, most significantly, advertising. They are

[Chris Ruane]

told that if they do not have a particular type of trainers or shirt they are less than normal. There is a lot of pressure out there, and mindfulness is known to help young people rediscover the important things in life.

People who are more mindful enjoy more satisfying relationships, are better at communicating and less troubled by relationship conflict. Mindfulness is correlated with emotional intelligence. Being more mindful is linked to higher success in reaching academic and personal goals. If we aim to raise educational standards, this could be a good way of doing it—a point I will move on to in greater detail in a moment.

Practising meditation has repeatedly been shown to improve people's attention. It can be used instead of drugs such as Ritalin to treat attention deficit hyperactivity disorder. More generally, it has been shown to increase blood flow, reduce blood pressure and protect people from cardiovascular disease. People who use mindfulness and meditation are half as likely to see their GP as those who do not. Let us just imagine the benefits for the health service of cutting GP visits by 50%. These are all excellent initiatives.

To show the relevance of mindfulness, I will give some key statistics. Between 12% and 15% of children on any one day will declare themselves to be unhappy, and 29% of them were living in poverty at the height of the Tory regime. That figure was reduced to 20%. Around 10% of five-year-olds are obese, and the figure rises to 20% for 10-year-olds. Around 20% of children will experience mental illness during childhood, and the figure rises to 45% for looked-after children and 72% for children in institutional care. Mindfulness could play a great role in helping to reduce that.

Mindfulness can also be used in the workplace. I recommend to Members the book, "The Mindful Workplace", by Michael Chaskalson. It contains recommended and proven therapies which have helped to stabilise people in work and have been used by the Rhyl city strategy. We have had training days in north Wales attended by 120 businesses, because they could see the relevance of mindfulness to them. They can spot the patterns in their workplace when a worker is off for one day a week, then two days, and then three days—and after six months they might be off for a lifetime. Mindfulness-based workplace techniques can be used to stabilise people in the workplace. Indeed, there will be another event this April, which I will attend, based on the work in that book.

Mrs Gillan: I know that my hon. Friend the Member for Bosworth (David Tredinnick) takes a great deal of interest in alternative therapies and medicines. I wonder whether the hon. Gentleman could help me. Are the courses run by experts in mindfulness and is it possible to train in those techniques in his constituency? Is there a school or training place there where therapists can train, or is mindfulness just being practised by a group of therapists?

Chris Ruane: A training day for education in my constituency three weeks ago was attended by Denbighshire's director of education, who was very impressed by the statistics. There were also 56 practitioners from the health and education fields in Denbighshire, and they

were highly enthused and wanted more training. There is no certification for mindfulness, which bothers me, and the course lasts only eight weeks. I believe that there needs to be more rigour and control over who goes out and practises mindfulness.

To return to the point that I was making, we will have a further training day in north Wales based on mindfulness in the workplace. When we look at the influence on productivity and the number of days that are lost through stress as a result of alcohol, drugs and lack of sleep, we find that the impact on the British economy is worth billions of pounds, but mindfulness can help to overcome that. That is not a recent discovery, and the Labour Government addressed well-being. At the New Economics Foundation in 2008, Nic Marks produced an excellent report, "Five Ways to Well-being", and I recommend his excellent YouTube video on the TED channel, which summarises all that.

I pay tribute also—and Members might not believe this—to the Prime Minister for the work that he has done. He has recognised good practice. He discovered the issue of well-being in 2005, and that we should measure our nation's wealth not just as economic wealth, but as personal and social wealth and as social capital. He has instructed the Office for National Statistics to come up with well-being indicators so that we can judge the success of our nation not just in financial terms, but by the impact on individuals, their families and their community.

I am not sure whether the Prime Minister has the support of his wider party, of wider society or indeed of Opposition Members, but he has taken a brave and bold decision in using well-being as an indicator of national success, and I congratulate him on that.

5.1 pm

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): It is a pleasure to have an opportunity to celebrate Wales and, in my case, to celebrate Carmarthenshire and Pembrokeshire in the process. On the topic of celebrations, I thought it a little remiss of the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd), the leader of Plaid Cymru, not at least to recognise yesterday's engagement of the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards), my constituency neighbour, so in his leader's absence I pass on the recommendations of Government Members for married life.

I, too, was looking for something unique to say about St David's day, and I, like everybody else, delved into Wikipedia, discovering one thing that no other Member can claim, which is that St David was educated in Whitland in my constituency. I thought that that was a pretty good start in my relationship with the great saint, but I began to cool off when I discovered that he not only was a vegetarian but recommended abstinence from beer.

Guto Bebb: In view of our discussion the other day about whether George North was from Whitland, I have some doubt as to whether my hon. Friend is correct in his comments on St David.

Simon Hart: My hon. Friend is determined to claim rugby superiority over me, but he cannot claim, as I can, that at least three members of the Welsh squad

were educated at the local school in Whitland, so he will have to try a little harder if he is to outdo me on that score.

In the brief time available to me, two things need mentioning. First, there is national tourism week, which is taking place for an obvious reason: its critical importance to the economy in Wales and, in particular, my part of Wales, south and west Pembrokeshire. I hope that the Chancellor will take a number of points on board in the next few weeks before he announces his Budget, because it is important to recall that there are 100,000 people in Wales alone who are employed in that industry, and that foreign people undertake almost 1 million trips to our country. That is SME territory if ever there was any, and I hope—perhaps through the Secretary of State—that even in these last few days leading up to the Budget we can make the case for any proposal that makes life easier for the tourism practitioners in our part of the country.

Pembrokeshire has a particular claim as far as that is concerned, because Members should not forget that it was recently voted the second best coastline—not in Britain, but in the world. There is no regional stuff for us, only the best or, as it turned out, the second best, but we should not underestimate the significance of that for our county and country.

Secondly, there is the significance of the Milford Haven waterway, and the proposal, in vague terms at the moment, for an enterprise zone covering that area. As hon. Members will know, Milford Haven waterway is the only thing that divides me from my hon. Friend the Member for Preseli Pembrokeshire (Stephen Crabb). It is a centre of incredibly important economic activity. It has a number of companies, including RWE, which is about to launch the biggest gas-fired power station in Europe; Valero, the welcome new refinery in our area, which has taken over from the previous very good refinery, Chevron; Ledwood Engineering; and Mustang Marine. All those companies are doing important things but see themselves not as Welsh companies or Pembrokeshire companies but as UK companies competing in a UK context in a global market. Passionate though they are about their place in Wales, it is very important to them that they compete on the global stage as UK businesses. We must not do anything that undermines that or diminishes their status in the valuable work that they do, not only for the businesses in our area but across the whole UK and the rest of the world in their respective sectors.

If there is one message that we should pass on to those whose responsibility it will be to say yea or nay to an enterprise zone, it is this: let us not fixate too much on the money. So often in these cases, the money is tempting but comes with so many conditions and over such tight time scales that it is almost impossible for most reasonable people to comply. Let us focus a little more on regulation. If the enterprise zones delivered a more relaxed attitude to regulation, be it on the environment, where possible, or in planning, where that is possible given the extraordinary significance of the Milford Haven waterway, then that in itself would unlock entrepreneurial skills and business opportunities for everybody in the area and, equally importantly, for those who wish to move there to engage in beneficial activity. That is absolutely crucial in the message that we send about the enterprise zone proposals.

A less rosy story in Wales is the health service, which was touched on by the right hon. Member for Torfaen (Paul Murphy). I refer the House to a Mr Colin Ross and his wife Ann, who wrote to me only this week. Ann is a former NHS nurse who is suffering from a very serious form of cancer and requires the drug Cetuximab, which she and her family have had an endless struggle to obtain. She and her husband say:

“Politics should play no part in the care of the sick. The reality of political ploys in the Wales NHS are free prescriptions, free car parks and recently, the inequality of, where there is clinical need, PIP transplants will be remedied at the expense of the Welsh NHS. These are all transparent examples of the lack of judgement in the care and well being of the community in Wales and these ploys speak volumes as to the morality and self serving actions of our political representatives.”

It does not matter whether that is right or wrong; if that is what our nation is thinking, if that is what people are suffering when they are trying to deal with—

Glyn Davies (Montgomeryshire) (Con): I believe that the person of whom my hon. Friend speaks is suffering from bowel cancer, and I want to make a couple of points about that with which I hope that he will associate himself. First, the Wales parliamentary team were successful not only in defeating England last Saturday before the big match on Sunday but in raising over £10,000 for Bowel Cancer UK. Secondly, there is the importance of awareness. Bowel cancer is a disease that can be caught early, and that is why I am enthusiastic about the screening programme that has developed right across Britain. If someone has bowel cancer and it is caught early, they can live an absolutely full life. They can not only set up and become captain of a rugby team, but may even become a Member of Parliament.

Simon Hart: When it comes to this subject, my hon. Friend has no equal in this House and outside. We all recognise and respect the work that he has been able to do on behalf of so many people.

The moral of the story is that we should be very wary about the unforeseen consequences of devolution. We have discussed devolution as though it were the most important subject in itself, but the things that really matter are the health service, housing, jobs, and economic activity. However, devolution can have a profound effect on those matters, and often it has an adverse effect. I wonder whether Opposition Members agree with what the former Prime Minister, Mr Blair, said when he expressed caution about devolution:

“You can never be sure where nationalist sentiment ends and separatist sentiment begins”.

That is a lesson for all of us. It was right when he said it and it is right now. We are here because we are proud to represent Wales and inspired by what it has to offer. Let us ensure that, in extolling the virtues of our country and supporting the aspirations of our constituents, we do so as part of the United Kingdom and are not marginalised by petty party political interests.

5.10 pm

Albert Owen (Ynys Môn) (Lab): It is a pleasure to follow the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart), who said that his coastline was the second best in Wales and in the United Kingdom. If he wants to see the best coastline

[*Albert Owen*]

in Wales and the United Kingdom, I suggest that he comes to the Isle of Anglesey. I will circumnavigate the 125 miles of coastline that surround my constituency with him.

I welcome the contribution of the hon. Member for Cardiff North (Jonathan Evans), who talked about raising the spirits of Wales through sport. It is important to do that, and there is no better way to do so than by beating the English at Twickenham. I want to put on record the excellent performance of George North from my constituency not just in the triple crown win, but at the World cup. He is an *ysgol Bodedern* boy and proud. He not only represents Wales, but is already a world-class player.

My remarks will concentrate on two matters. The first is enterprise zones, and in particular energy enterprise zones in Wales. I am pleased that the Welsh Assembly Government have chosen to focus the enterprise zones on particular industries. It is good to concentrate people's minds and to get inward investment and build skills at the level of individual industries. It is important to show that Wales has the potential to be a world leader in energy, in particular in green and low-carbon energy. My constituency is a microcosm of that.

Chris Ruane: On green energy, is my hon. Friend aware that I switched on the 30 turbines of North Hoyle offshore wind farm eight years ago and that the shadow Secretary of State for Wales switched on Rhyl Flats offshore wind farm two years ago? In two years' time, 200 turbines will be turned on at Gwynt y Môr. It will be the biggest concentration of offshore wind farms in the world. Is that not something to be proud of on St David's day?

Albert Owen: I have heard that my hon. Friend switched on the North Hoyle wind turbines. I have heard it 32 times and it is always a pleasure. I will come on to wind power later.

It is important that we have balance in our energy policy. I believe that this Government, like the previous Government, are working towards that. We all want to decarbonise the economy and electricity generation. The best way to do that is to have a balanced policy. We need base load energy sources, intermittent wind and tidal sources, and various other sources such as biomass. I believe that the base load needs to come from nuclear power. I am proud that the RWE and E.ON joint venture, Horizon, will invest billions of pounds in my constituency. That will create jobs, and not just short-term jobs, but quality jobs for life. In developing a low-carbon economy, it is important that we focus on the employment potential of green industries and green generation in particular.

I want to deal with the thorny issue of wind power. There is confusion over the Government's policy. I will be less generous to the Prime Minister than my hon. Friend the Member for Vale of Clwyd (Chris Ruane), because I remember when he used to refer to wind turbines as "bird blenders". He has now done a complete spin. In fact, he has done so many spins on this issue that he could generate electricity himself. He is now very much pro-wind power and says that it hard-headedness to say that it needs to be part of the policy.

I will argue that wind power needs to be part of the mix. With the peaks and troughs in electricity demand, we need to be able to shut off some of the supply. Wind is the most practical way of doing that. However, I believe that the large-scale nature of wind turbines means that they should be sited not on land, but offshore. Onshore, we should have microgeneration, which could bring community benefits by allowing schools and hospitals to get green energy.

Chris Ruane: My hon. Friend refers to community benefits. Is he aware that npower renewables currently gives £30,000 to Prestatyn town council and £30,000 to Rhyl town council every year from the North Hoyle site, and intends to provide £20 million in community benefits to the north Wales coastline over the next 20 years?

Albert Owen: I am certainly aware of that, and Anglesey will make a bid for some of the money available from such companies. We had wind turbines on Anglesey early, and nobody can accuse the people of Anglesey of being nimbys. We have a good mix of energy—onshore, offshore, nuclear—and there are various plans at the moment. However, we have to get the balance right. The nature of renewables obligation certificates for onshore wind means that it is attractive to develop onshore technology. The Government are undertaking a review, which is why I have brought the matter to the attention of the Wales Office. It should ensure that developing offshore is more attractive.

There are some good plans for offshore developments that can benefit the north Wales region, particularly the Irish sea development, which is some 15 km off the shore of Anglesey and very close to the Isle of Man and Cumbria. I hope that the Minister is listening, because I want Wales, and particularly north Wales, to benefit greatly from that development.

We should also have port development. I have raised that issue before with the Wales Office. I lobbied the last Government to put port development into the equation, and the then Chancellor of the Exchequer, my right hon. Friend the Member for Edinburgh South West (Mr Darling), made £60 million available for ports. The current Government came in and changed that fund so that it was meant for economic development. When it was for ports, which are a reserved matter, funding could have gone to any port in the United Kingdom. As a consequence—I think an unintended consequence—of the Government's changing it, it became subject to Barnett consequentials, leaving just £3 million for the whole of Wales.

Anybody who knows about port development will know that enabling ports to accommodate the manufacturing and maintenance of large wind turbines will cost tens of millions of pounds. Ports in England will have a distinct advantage over ports in Wales. Those in Barrow and the north-east, which will service the area that I am talking about, will be able to spend quite a bit more on development. There is a danger that many jobs will then drift to those areas. I hope that the Minister will take that on board and lobby hard for us to get our fair share. To say that it is up the Welsh Assembly is not on, because then money would have to be taken from health, education or various other areas. The original £60 million was for port development, and

ports remain a reserved matter for the House of Commons. The ports of Wales should be treated equally to those of England.

Mr David Jones: I agree with the hon. Gentleman that ports are a valuable Welsh resource and more should be done to encourage them. Does he therefore regret, as I do, the fact that the Welsh Minister would not allow her officials to attend the Committee meeting that my hon. Friend the Member for Monmouth (David T. C. Davies) mentioned?

Albert Owen: The hon. Gentleman is trying to stir things up between members of the Labour party, but he knows that I am frank enough to say that I wanted the same Minister to come to the Welsh Affairs Committee when she was Health Minister. We should work together. However, the Wales Office must stand up for Wales, and on this occasion it has let Welsh ports down. Hartlepool is bidding for more than £10 million, yet Wales cannot bid for any more than £3 million from the same pot.

Wales has great potential to create jobs in green energy. I want it to be the pioneering centre for green energy in not just Britain but Europe, using our tidal streams. We should also bring the barrage plan back into the equation. We should look for ways of funding it, so that it can generate 5% to 6% of the UK's electricity. We should put a road across it, so that we can link England and Wales physically, just as Welsh Members of this UK Parliament should talk for England and Wales.

5.19 pm

Mr Mark Williams (Ceredigion) (LD): As ever, it is a pleasure to follow my hon. Friend the Member for Ynys Môn (Albert Owen). I concur with everything he said about the balance in wind policy—a shift away from some of the large-scale projects of the sort that are about to be inflicted on us in mid Wales to projects out at sea would be welcome.

I thank the right hon. Members for Torfaen (Paul Murphy) and for Dwyfor Meirionnydd (Mr Llwyd) for securing the debate. It is wholly appropriate to hold it today—indeed, I think that it is expected. We lament the fact that we did not have it last year, despite the Secretary of State's efforts, and I remember attending the Backbench Business Committee with the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards) and others.

At that time, we were in the run-up to the referendum that brought an end to the unfortunate legislative competence order process and we had yet to hear about the Silk commission. I greatly welcome the action that the Secretary of State and the Wales Office took on both matters to ensure that they happened speedily in the early days of the coalition Government.

The challenge that now faces the Wales Office and the Government is to ensure that when Mr Paul Silk reports—on part I, which deals with fiscal powers and taxation, and part II, which covers the National Assembly's powers—those matters will not be left on a shelf to collect dust or parked in some cul-de-sac, but be actioned. I sincerely hope that the Wales Office is successful when it comes to talking to Government business managers about legislative slots in the second half of the Parliament. There is an expectation that those matters will be carried further.

Devolution has been described as a process rather than an event. There have been memorable events along the route, not least the creation of the National Assembly, but the process is continuing and demands will grow. I should like briefly to take the opportunity to reflect on three issues that spring to mind from the past year as pointing, at least in my view, to the logic of rooting decision making in Cardiff bay, and to the need to move further in that direction.

The first issue is energy consents. The National Assembly has the ability to define strategic search areas through TAN 8 for the large-scale wind farm projects that the hon. Members for Montgomeryshire (Glyn Davies) and for Carmarthen East and Dinefwr and I are challenging in our respective constituencies. Although we have great concerns about the projects, it seems sensible that the Assembly defines the scale of those schemes, ensuring that they fit in with Assembly targets for renewables. Yet the ultimate sign-off of those policies happens in the offices of the Department of Energy and Climate Change in London. Welsh Liberal Democrats have supported recent ten-minute rule Bills on that matter to transfer powers for schemes of over 50 MW to be deliberated and determined in Cardiff bay.

The second matter—consumer advocacy and rights—might seem small. It arose during consideration of the Public Bodies Bill. Consumer Focus Wales is an excellent body, which has been sensitive to the needs of Welsh consumers. It has an excellent record of advocacy on behalf of the people of Wales. Yet that body is to be abolished under the Public Bodies Bill, and Department for Business, Innovation and Skills Ministers in Whitehall rather than Assembly Members in Cardiff will determine the model that applies to Wales.

The third matter is broadcasting. I met S4C officials this week, and they are rightly determined to make the new model of governance work. They are clearing the agenda and want to move S4C forward. However, during consideration of the Public Bodies Bill, it became clear that—inevitably, I fear—there was a perception that the arrangement was a Westminster-BBC one, with which S4C would have to comply. Given the Assembly's holistic approach in promoting bilingualism and a bilingual education policy, and its responsibility for culture and heritage, it is again wholly appropriate that Welsh language broadcasting should be devolved.

I cite those three examples, which will doubtless feature in Mr Paul Silk's work. I am glad that all parties have collaborated in setting up the Silk commission. The Secretary of State worked hard to ensure that all parties would be involved in it. I will not enter the debate about whether we should have written submissions, but all four political parties will have to be held to account.

Mrs Gillan: I also met S4C representatives this week and confirmed that they were happy with the arrangements. There was no request for broadcasting to be devolved.

Mr Williams: The Secretary of State will not be surprised that I had the same discussion, in that there was no specific request. I am mindful that there is a large section of opinion within Wales that S4C and broadcasting should be devolved. That is a matter for the Silk commission, and I hope we have that debate in the wake of Paul Silk's deliberations.

[*Mr Mark Williams*]

I shall return to the point about tourism made by the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart). I have the honour to chair the all-party Wales tourism and hospitality group, of which he is a member. We heard evidence last week from the British Hospitality Association and the Welsh Tourism Alliance on the critical importance of tourism and the huge potential for growth in all Welsh constituencies. In Ceredigion alone, 3,000 people are directly employed in hospitality and hotels. Those jobs can be protected.

One mission of those groups is on differential VAT rates. They are punching high—perhaps they are too high in their ambitions—and are pushing for a 5% rate of VAT on hotels and local attractions. There have been discussions with the Treasury, which I welcome. They believe that that could create some 80,000 jobs UK-wide. The Assembly and Westminster need to work together on those things.

Devolution is moving forward. In the last 30 seconds, I pay tribute to many people who campaigned vigorously for devolution over the years—great names in Welsh politics such as Clement Davies, Gwynfor Evans and Jim Griffiths. I should also mention Emlyn Hooson—Lord Hooson—who passed away last week. He did a great deal of work for Montgomeryshire and championed the cause of devolution in the House, introducing Bills for home rule and the creation of the Secretary of State for Wales. He was a good son of Montgomeryshire who worked very hard for his constituents. We very much miss him and send our condolences to his family.

5.26 pm

Guto Bebb (Aberconwy) (Con): It is always a pleasure to follow the hon. Member for Ceredigion (Mr Williams), who is almost always a thoughtful contributor to debates in the House. I congratulate the right hon. Members for Torfaen (Paul Murphy) and for Dwyfor Meirionnydd (Mr Llwyd) on their work to secure this debate.

I was slightly disappointed with the comments of the hon. Member for Bridgend (Mrs Moon) in relation to the event at Downing street last night. It was a great success, not only for the people who attended but for Wales. I would like to dispel the image she created that the MPs who attended were there to enjoy themselves. Of course we enjoyed ourselves, but we also worked.

For example, there is huge concern in my constituency about the impact on tourism of the north Wales railway line not having been upgraded. I discussed that in detail with members of the Llandudno hoteliers association last night. We want signalling on the north Wales line that will allow much faster and more frequent services. It has been said by many who are pitching for the new franchise that if the signalling could be improved, we could end up with a three-hour service from Llandudno Junction to London, which would give a great boost to the tourism sector in my constituency.

Albert Owen: The hon. Gentleman makes an important point, but electrification needs to be considered not just for but for energy efficiency. Diesel will be very expensive so we need hybrid and then electricity. Does he agree that there should be a cost-benefit analysis of electrification of the north Wales line?

Guto Bebb: I certainly agree with undertaking a cost-benefit analysis, but I am not a greedy man, and nor is the tourism sector in my constituency greedy. We want hourly train services to London from Llandudno Junction, which would be a great boost to my constituency, but I subscribe to the hon. Gentleman's view that in the long term there should be electrification not just to Cardiff, which was a great coalition success, but to Swansea and across the north Wales line.

I also discussed at length in Downing street double-glazing windows in Llandudno. My local council has decided to go on a crusade against double-glazing windows without taking account in any way, shape or form the cost of replacement on the hoteliers in very difficult economic times.

Mrs Moon: May I reassure the hon. Gentleman—I said this in an earlier intervention—that I, too, was working last night? I was looking at innovation, skills, quality engineering jobs and engineering development in Wales. That was important. The fact that I was not at No. 10 was a matter of complete imbuggerance to me.

Guto Bebb: The Chairman of the Welsh Affairs Committee made the point that he was very—

Mr Deputy Speaker (Mr Nigel Evans): Order. What was that word? Is it Welsh?

Mrs Moon: I apologise. It is a Welsh expression.

Guto Bebb: The Chairman of the Welsh Affairs Committee made it clear that he was congratulating the hon. Lady on her work, although I thought her earlier intervention gave the impression that she was working while those at No. 10 Downing street were not. In addition to discussing tourism in my constituency, I discussed the Air Training Corps in Llandudno with a senior member of the RAF—who happened to be a Welsh speaker from Denbighshire—along with the proposals from the Federation of Small Businesses for a fuel duty stabiliser to deal with petrol prices. Indeed, I put the Farmers Union of Wales in contact with the FSB, and they went away to discuss how they could make that proposal to the Treasury, to try to offer some relief from high fuel prices in rural constituencies such as mine. Last night was therefore effective in ensuring that the people of Wales had the opportunity to talk to politicians and to ensure that the messages they wanted to convey were conveyed in Downing street.

Simon Hart: Will my hon. Friend give way?

Guto Bebb: I will take one final intervention.

Simon Hart: While my hon. Friend was doing all that work, I wonder whether he noticed where the choir who entertained us came from.

Guto Bebb: The choir were absolutely superb, and they were from my hon. Friend's constituency, or possibly from that of the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards); there is some debate.

Last night was a success, but I would like to turn my attention to something else. I intervened on the hon. Member for Swansea East (Mrs James) in relation to

the Cuts Watch Cymru report that was published on Tuesday. I was dismayed by the publicity that the BBC gave the report, because it made no mention whatever of the fact that at least 10 of the 19 organisations that subscribed to the report are in receipt of Assembly funding. I am also concerned that the report made no mention whatever of one of the most dangerous proposals that I have heard in this House, which is the Labour party's proposal to introduce a regional benefits cap. I was in this Chamber when we debated the benefits cap, arguing in favour of a £26,000 cap, which is equal to £35,000 a year, which would be a high cap in Wales. However, it is important to point out that when that debate was held in this House—when the Labour party had proposed a regional cap—there was not a single Welsh Labour Member in attendance. I would like to know whether they were in favour of a regional benefits cap or opposed it. There is no mention of that in the Cuts Watch Cymru report.

What we get in the report, time after time, are statements that are frankly absurd, and which are in no way, shape or form supported by any facts. For example, when the report—which I have here—talks about the changes to jobseeker's allowance, it says:

“The impact of changes to JSA are far from clear.”

It goes on to say that it is not clear how the changes to income support will affect claimants—and this is supposed to be a serious piece of work.

Mrs James: When we ring for advice or information, we are told, “We haven't got that information yet,” so the position is indeed unclear. As I have said previously, we do not know what the facts are.

Guto Bebb: I am grateful for that intervention, but when the report was covered by the BBC—the people responsible for the report are the Bevan Foundation, a mysterious organisation funded by Blaenau Gwent council; indeed, I think the president is a certain Lord Kinnock, who used to have some political affiliation with the Labour party, I believe—its statements and predictions about the future of Wales under the welfare reform changes that we are proposing as a Government were presented as factual. Yet when one reads the report, one finds no evidence. My point, first, is that when those organisations—well respected organisations, as the hon. Lady pointed out—create such reports, they give credence to the scare stories about our welfare reform proposals. Those stories make people feel scared and vulnerable, even though they have no reason to feel that way because the welfare reform changes that this Government are introducing are long overdue, supported by the people of Wales and necessary in Wales. We want people to once again be better off working, but those who are unable to work to be protected. Our proposals will ensure that those who are unable to work will be protected.

For example, we hear time and again about the impact of the proposed changes on the sick and vulnerable in society. Yet the truth of the matter is that, for example, the number of cancer patients in the support group—which means that they will not be subject to any changes—will increase from 67% under the previous Government to 75% under this Government. That is a change that is a positive; that is a change that protects the vulnerable.

Jessica Morden: Will the hon. Gentleman give way?

Guto Bebb: I will not take another intervention.

We have here a report that has been produced by a group of organisations that are, in my view, in the pocket of the Welsh Assembly. I believe that this report has been produced—dare I say it—in order to spout Labour party propaganda because the Labour party in Wales is not willing to argue its case honestly with the people of Wales. The people of Wales support the Welfare Reform Bill. They want work to pay. They want to ensure that people have the opportunity to work. The Manic Street Preachers once said that “libraries gave us power”. The next line was “then work came and made us free”.

The Welfare Reform Bill will do that.

5.35 pm

Nia Griffith (Llanelli) (Lab): What a pleasure it is to see you here chairing the debate today, Mr Deputy Speaker, and sporting your daffodil. That is absolutely splendid. Before I begin, I should like to put on record the sincere apologies of the shadow Secretary of State, my right hon. Friend the Member for Neath (Mr Hain), who has constituency commitments today.

I should like to thank my right hon. Friend the Member for Torfaen (Paul Murphy), as well as the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd) and the hon. Members for Montgomeryshire (Glyn Davies) and for Brecon and Radnorshire (Roger Williams) for making the case for a St David's day debate to the Backbench Business Committee. I thank the Committee for agreeing to their request.

My right hon. Friend the Member for Torfaen opened the debate by emphasising the importance of Welsh MPs in Westminster, and the complexity of disentangling what constitutes an English matter. He also pointed out the fact that the UK Government's Health and Social Care Bill could have major implications for the Barnett formula calculations and considerably reduce the Welsh budget. He referred to the importance of everyone, whatever their views, engaging in the discussion ensuing from the Scottish debate on independence.

The Chair of the Welsh Affairs Committee, the hon. Member for Monmouth (David T. C. Davies), focused on the Committee's recent report on inward investment in Wales. The right hon. Member for Dwyfor Meirionnydd made the case for devolving taxation powers to the Welsh Government. The hon. Member for Cardiff North (Jonathan Evans) spoke of Wales's sporting prowess and mentioned football governance. He managed to mention a school from his constituency—Whitchurch—as did the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart), who mentioned Whitland. My hon. Friend the Member for Ynys Môn (Albert Owen) then mentioned ysgol Bodedern. We certainly have something to be proud of in our schools in Wales.

My hon. Friend the Member for Swansea East (Mrs James) reminded us of the reality of everyday life for the many less well-off people across Wales who are being badly hit by changes to tax credits and welfare reform. I should like to place on record the fact that my right hon. Friend the Member for East Ham (Stephen Timms) has made the Labour position clear on these matters. It is that there have always been different levels

[*Nia Griffith*]

for housing benefit according to regional factors, and it is that part that would vary regionally, not the disability element or any other part of the welfare reforms. My right hon. Friend made that quite clear in the media and at the Dispatch Box during the debate on those issues.

Guto Bebb *rose*—

Jonathan Edwards *rose*—

Nia Griffith: I will not give way.

The hon. Member for Brecon and Radnorshire spoke of the importance of small businesses in Wales, and my hon. Friend the Member for Vale of Clwyd (Chris Ruane) praised the benefits of mindfulness. The hon. Member for Carmarthen West and South Pembrokeshire reminded us of the beauty of Pembrokeshire, only to be upstaged immediately by my hon. Friend the Member for Ynys Môn. The hon. Gentleman also mentioned the contribution of local companies to the UK economy, which is extremely important.

My hon. Friend the Member for Ynys Môn referred to the need for clear policies on energy, and I shall return to that matter shortly. The hon. Member for Ceredigion (Mr Williams) made the case for devolving Welsh language broadcasting. Sadly, the hon. Member for Aberconwy (Guto Bebb) spent a great deal of time criticising a report, when his constituents would probably have been more interested if he had taken up the very real issue of rocketing prices at the petrol pump, particularly in rural Wales.

If we are to see the economy in Wales flourish, we need economic policies from the UK Government that will stimulate growth. We need fiscal policies that will strike the right balance between paying down the deficit and getting the economy going. We need taxation policies that do not squeeze lower and middle income households so hard that they have no money to put back into the Welsh economy and are struggling even to pay the most essential household bills.

I was dismayed to hear the Secretary of State reiterate at Welsh questions yesterday that she was in favour of sticking to plan A. I am sorry to have to point out to her that her Government's plan A is hurting but not working. Sometimes I wonder what planet she is living on. She only has to walk down any high street in Wales to see shops closing and the economy on its knees. The latest high-profile victim is Peacocks. We certainly welcome its takeover by the Edinburgh Woollen Mill and the jobs that that has secured, but 3,000 jobs will still be lost and more than 200 shops will close, including both the Peacocks stores in Llanelli.

No matter what initiatives the Welsh Government undertake—I point out two in particular: the excellent Jobs Growth Wales programme aimed at creating 4,000 jobs a year, with an emphasis on the private sector; and help for business in the form of some £55 million in grants and loans—UK economic policy is enormously important in helping or hindering the success of those initiatives. When it comes to inward investment to Wales from overseas, I certainly agree that there should be the closest possible collaboration between the Welsh Government and other relevant bodies such as UK Trade & Investment to avoid duplication and increase Wales's outreach overseas.

We are not going to get anywhere, however, unless we have a UK Government providing the right economic and business climate to make the UK a preferred destination for investment to business and manufacturing. When Labour was in government, an additional 1.1 million new businesses were created. By the time we left office in 2010, the World Bank ranked the UK as the best country in Europe for ease of doing business and fourth best in the world, ahead of the US. While there is always room for improvement and we should seek to streamline wasteful bureaucracy, time-consuming duplication and form filling, to use cutting red tape as the main strategy for driving economic recovery, as this Government seem to be trying to do—and, indeed, as the Under-Secretary for Wales said yesterday at Welsh questions—is addressing the wrong problem. That is to avoiding the two very real issues of creating the right economic conditions to foster growth and creating the right political climate—that is, the certainty about policy that is needed to encourage long-term investment in manufacturing and jobs.

The Government's attitude to business and industry matters—it matters very much to Wales. What business and industry need more than anything are certainty and confidence that the UK Government will not move the goalposts. It is extremely disturbing that this Conservative-Lib Dem Government have created so much uncertainty about their commitment to green policies that the UK has slipped from third to 13th in the world for investment in green growth.

The Secretary of State and her Cabinet colleagues need to restore business confidence and create a climate of certainty before they damage any more industries or frighten off any more potential investors. We have seen how the UK Government's catastrophic imposition of sudden changes to the feed-in tariffs for solar panels is already putting hundreds of jobs at risk in Wales. Here was a scheme that gave a real boost to private industry in Wales—a scheme that was unlocking capital and attracting people to use their savings or borrow money to invest in solar panels. By investing that £10,000 or £20,000, they were providing private sector jobs in the Welsh economy. What other scheme do the Government have to unlock capital in that way and use it to stimulate growth in the local economy?

As my hon. Friend the Member for Ynys Môn mentioned, before the election Labour set up a £60 million fund to attract investment in offshore wind power. In 2010, the current Prime Minister promised to continue the policy, but nearly two years later just £1.2 million has been awarded and many companies are looking elsewhere to invest. Indeed, big investors in wind energy, such as General Electric, Vestas, Gamesa and Mitsubishi, are threatening to take millions of pounds worth of green jobs abroad because they are losing patience with this Government. They do not know where they stand, and they now seriously doubt the Tory Government's commitment to renewables.

The UK has some of the best wind resource in the world. Indeed, the UK is the windiest country in the EU, and we have our fair share of it in Wales, but the signals coming from the UK Government are confused, hesitant and lukewarm. When companies are making big decisions about where to build energy installations or set up factories to manufacture the components, they need to know what Government policies are, what returns they can expect and what the financial incentives are—they

need a climate of certainty. I urge the Secretary of State and her Cabinet colleagues to provide clear policies to attract green investment.

Moving on to UK Government policy that affects Wales, only a fortnight ago we heard the very worrying news that Britain could lose its treasured triple A rating—the very justification the Chancellor has used for his crippling austerity measures. Why would the UK lose its triple A status? Because this Government have forgotten that in order to pay back the deficit, they also have to think of stimulating growth in the economy to make the money to pay back the deficit. That is where this Government are failing. This Government inherited a growing economy, so it is no wonder that people are asking why we have seen almost no growth for a year and why the Government have had to revise their borrowing up by £158 billion.

We are seeing just what Labour has been warning of since 2010: the Chancellor is cutting too fast and too deep, and by hitting lower and middle income households the hardest, he is hitting the very people who spend their money most immediately back into the Welsh economy just to keep themselves clothed and fed. That is not only deeply unfair; it is economic madness. It is already having a direct effect on the Welsh economy, and we have only seen the beginning of the cuts. Let us make no mistake: over the next three years, the Government will—according to House of Commons figures—take £6 billion out of the pockets of people in Wales, and that will include £800 million in tax credits. Tax credits are money that families who are working hard and trying to do the right thing are given to top up their incomes, and they need to spend that money straight away in order to keep their homes warm and their children fed and clothed.

What else is the Chancellor cutting? He is cutting £7 million from health in pregnancy grants, and £113 million from child trust funds, and the freezing of child benefit is equivalent to a cut of £249 million. He is cutting £209 million from disability living allowance, and £43 million from lone parent benefits. All that is coming out of the Welsh economy, as is the £1.5 billion cut that will result from the use of CPI rather than RPI to uprate benefits, and all that is happening against the background of pay freezes—not to mention the more than £2 billion cut represented by the rise in VAT.

What we need now is a real economic stimulus from the UK Government to back up the Welsh Government's initiatives on jobs and help for industry, and that is what I ask the Secretary of State to provide. I ask her to look at Labour's five-point plan for stimulating the economy, and to cut VAT, boost jobs and stand up for Wales by doing something that will really help to get the Welsh economy going. People cannot see any help at all coming from the Secretary of State to us. They cannot see the Secretary of State standing up for Wales, and that is what they would like to see.

5.46 pm

The Secretary of State for Wales (Mrs Cheryl Gillan): It gives me great pleasure to stand at the Dispatch Box on St David's day, and I congratulate the right hon. Member for Torfaen (Paul Murphy) and others on securing the debate. I will not be taking interventions, as the hon. Member for Llanelli (Nia Griffith) did not take any, and regrettably we have very little time left.

However, I will offer the hon. Lady, on St David's day, a lovely bunch of daffodils from Dreams and Wishes, which I hope she will take home and enjoy.

I congratulate everyone who has taken part in the debate, particularly those on the Government Benches. I am exceedingly proud that we have had a 100% turnout—apart from my hon. Friend the Member for Vale of Glamorgan (Alun Cairns), who, on behalf of the House of Commons, is on abroad on business with a Select Committee. We have certainly been standing up for Wales. I only regret that there has been such a thin turnout on the other side, with the honourable exception of Plaid Cymru, which also had a 100% turnout. I also greatly regret that the shadow Secretary of State was not standing up for Wales in the House this afternoon.

This Government are tackling Britain's problems head on. We recognised that deficit reduction and continuing to ensure economic recovery was the most urgent issue facing Britain, as it still is. After all, it was the Labour party, when it was in government, that left us, the coalition Government, with an interest payment of £120 million a day on the debt that it had racked up. That interest is being paid by every family in the United Kingdom, including families in Wales. We are dealing with those debts, we are securing the long-term stability and low interest rates that are the building blocks for creating prosperity, and we are making Britain competitive once more by reducing tax rates and lifting the deadening cloak of regulation.

The building blocks for recovery are in place, and, as the latest employment figures for Wales show, there are grounds for optimism about the economy, but we all know that this will not be an easy ride. The economic outlook remains very challenging, and the challenges are particularly acute in Wales. But, notwithstanding the naysayers on the Opposition Benches, we in Government are playing our part in making the conditions right for Britain to invest in Wales. We are delivering rail electrification to Wales as part of £1 billion of investment in the Great Western main line. We are investing £60 million in superfast broadband for Wales. We have lowered corporation tax as part of a package of support for business, and have lifted 52,000 lower-paid taxpayers out of income tax altogether. Those major investments demonstrate the way in which Wales benefits from being part of a strong United Kingdom, to which many Members referred. The right hon. Member for Torfaen confirmed that. Although we may not agree on some things, we certainly agree on Wales's place in the United Kingdom.

Many Members referred to the relationship between the UK Government and the Welsh Government. Responsibility for the Welsh economy is shared between London and Cardiff. Our Government are getting the macro-economic conditions right, but the Welsh Government must also rise to the challenge. We must work to steer a clear course for economic resurgence in Wales through co-operation. The Welsh Government must meet the challenge set by this House's Welsh Affairs Committee to work in closer collaboration, especially with UK Trade & Investment, to attract inward investment into Wales. Several Members made that point. We need the Welsh Government to grasp the nettle of public sector reform by taking off the blinkers of political dogma and upping the pace of reform. That point was also frequently made in this debate, especially in respect of health.

[Mrs Cheryl Gillan]

I am encouraged, however, by some recent Welsh Government initiatives, such as their response to the coalition's establishment of enterprise zones in England by creating similar, and much-needed, zones in Wales. The Welsh Government must do more to make Wales an open and welcoming place in which to do business. I was saddened by the First Minister's recent remarks supporting a financial transactions tax, as that would cost the UK 500,000 jobs. That remark shows that there is still a long way to go.

I want to respond to some of the many and varied points made by Members. The right hon. Member for Torfaen, a man of high distinction and service to Government and country, said we must work together, and his advice should be heeded by his own party. He was critical, however, of Ministers' knowledge across Government, but the current system of devolution was created by a Labour Government. He should know that we now have a devolution Ministers' network, with a Minister in every Department looking at how we operate and at levels of understanding of devolution. My officials and my excellent Minister work ceaselessly to educate people across the board on the meaning of devolution, in order to ensure that it works better.

The right hon. Member for Torfaen also mentioned the Barnett consequential and health. He should know that the Government have protected the health spend for this comprehensive spending review period, which has benefited Wales, even though the Welsh Government have chosen not to offer similar protection. If in the longer term—post-2015—the provisions of the Health and Social Care Bill were to result in less spend on health, that might impact on the Barnett formula, but none of us knows whether that is going to be the case. It is also worth noting that the previous Government increased private sector involvement in health, yet spend per head in Wales rose and remains above the English average.

There was, once again, discussion about the initial proposals of the Boundary Commission for Wales. I think the right hon. Gentleman knows that they are based on the principles of equality and fairness; my hon. Friend the Member for Brecon and Radnorshire (Roger Williams) made that point. The right hon. Gentleman has said several times that these proposals are partisan, but that is entirely wrong. There is nothing partisan in seeking a fairer basis for representation in Parliament. I would venture to say that it is the Labour party that is driven by self-interest, in seeking to preserve the blatant unfairness of the current arrangements. There is nothing unfair about making votes and constituencies more equal. It is the current arrangements that are unfair, with some constituencies being much larger than others and votes counting for more in some constituencies than they do in others.

My hon. Friend the Member for Monmouth (David T. C. Davies) is my surfing hero and of the Beach Boys era, as he told us. The Select Committee he chairs has conducted an excellent inquiry. I congratulate him once again and note that he would like a dedicated trade agency to promote Wales. Although the Welsh Development Agency has recently hit the headlines and there have been attempts to rubbish it in the press, I do not think that what has been said is the case. The WDA is well known, if nothing else. It is a name that falls from our lips, it has made Wales a brand around the world and

made us feel good about Wales. His comments about the wine at the reception last night are very well founded. I have visited the award-winning vineyard he mentioned and I can tell him that that white wine is absolutely delicious, although, sadly, I had none of it last night.

The right hon. Member for Dwyfor Meirionnydd (Mr Llwyd) agrees on the point about the WDA and is a beauty to behold in his place; I think we are attending the same event this evening, but I may not have the opportunity to change. I was very interested in the list of taxes that he wished to see devolved. He must understand that the Silk commission is working on how the accountability of the Assembly and the Welsh Government could be improved. One way of doing that is to devolve powers over certain taxes to Cardiff Bay and it is open to the Silk commission to consider the devolution of any taxes, although in practice it will probably be considering the case for devolution of certain fixed taxes, such as the aggregates levy, to which the right hon. Gentleman referred, and the landfill tax. The commission is unlikely to recommend the devolution of more mobile taxes, such as VAT, because in certain cases, such as that one, we would need EU agreement. In addition, the mobility of taxes such as capital gains tax and VAT, and the porous nature of the England-Wales border, would probably militate against their being effective tools to enhance accountability.

My hon. Friend the Member for Cardiff North (Jonathan Evans) took us into an area of great celebration, mentioning not only the triple crown, but Cardiff City and of course the Swans, who are doing so well and will definitely stay up. May I just say that it was such a delight to see Sam Warburton and Warren Gatland at No. 10 last night and to be able to celebrate their achievements for Wales? I have comforting words for my hon. Friend on the licensing model for football administration, as that is certainly being looked at by the Department for Culture, Media and Sport. It is awaiting the football authorities' proposals in response to the Government's ideas for a licensing system and other reforms on supporter ownership.

I am not going to have time to cover everything from the legal system, tourism, enterprise zones, S4C and welfare even to the forthcoming nuptials of the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards), but I would just like to say that for me there is no more important debate in the calendar than the St David's day debate. I very much hope that next year we will be able to have a full day's debate, with more Members able to participate. It just remains for me to wish everybody a very happy St David's day and a very healthy, happy, wealthy and successful Wales.

5.57 pm

Paul Murphy: With the leave of the House, Mr Deputy Speaker, may I say that you, as a Welshman, have presided over 13 speeches from Welsh Members of Parliament, together with contributions from other Members of Parliament who made interventions? We are grateful to the hon. Member for Ceredigion (Mr Williams) for reminding the House of the death of that great Welshman Lord Hooson, and I am sure that every Member of the House sends their condolences to his family and friends.

We heard contributions from Members from all parts of Wales—that is a very important aspect of this debate—covering issues ranging from broadcasting to taxation,

and mindfulness in Bangor to sport, benefits, borrowing, tourism, energy and transport. I urge the Secretary of State to follow up her point about the parliamentary calendar, and I urge the Leader of the House, who is sitting next to her, to consider the point that the St David's day debate could well be scheduled by the Government rather than by the Backbench Business Committee. That is because it is so very important for Welsh Members to take part in this debate, which today, has been a highly successfully one.

The Secretary of State touched on the issue of the Welsh Government dealing with the economic situation. I simply say to the House that the Welsh Government have announced, among other things, a number of measures to support the Welsh economy, including £55 million to support business growth, £90 million for infrastructure projects and £75 million for job growth.

Finally, those of us who did not have the opportunity last night to taste the Welsh white wine in No. 10 Downing street—

Chris Ruane: Sour grapes!

Paul Murphy: They will get the opportunity not to drink sour wine but to raise a glass of good white or red wine, before midnight, in honour of our patron saint, St David, Dewi Sant.

Question put and agreed to.

Resolved,

That this House has considered the matter of Welsh Affairs.

Mr Deputy Speaker (Mr Nigel Evans): As a good Welshman myself, I wish the House a happy St David's day.

PETITION

Free school transport from Perton (South Staffordshire)

6 pm

Gavin Williamson (South Staffordshire) (Con): In my hand, I have a petition signed by 938 constituents, calling for free home-to-school transport from Perton to Codsall high school. You might be interested to know, Mr Deputy Speaker, that on Saturday 10 March I will be leading a march from Perton to Codsall to campaign on this issue and you would be more than welcome to join us if you are free.

The petition states:

The Petition of residents of the South Staffordshire constituency, and others,

Declares that the route to school for children walking from Perton to Codsall High School is dangerous as it involves a walk along an A-Road and that this needs to be addressed so that the children can get to school safely.

The Petitioners therefore request that the House of Commons urges the Government to ask Staffordshire County Council to take all possible steps to ensure that free home to school transport is provided for all children from Perton attending Codsall High School.

And the Petitioners remain, etc.

[P001010]

Hazara People (Quetta)

Motion made, and Question proposed, That this House do now adjourn.—(*Angela Watkinson.*)

6.1 pm

Alan Johnson (Kingston upon Hull West and Hessle) (Lab): This debate is about the persecution of the Hazara community in Quetta city in the Pakistan province of Balochistan and its aim is to draw attention to their plight. The ultimate objective is to put pressure on the Pakistan authorities to do more to capture those who are responsible.

I sought this debate with my hon. Friend the Member for Southampton, Test (Dr Whitehead), who cannot be here this evening because of an engagement in his constituency, and the hon. Member for Milton Keynes South (Iain Stewart) who, with your permission, Mr Deputy Speaker, will make a contribution. I know that others who have members of the Hazara community in their constituencies wish to intervene and with your permission, Mr Deputy Speaker, I am perfectly happy for that to happen.

Like many other right hon. and hon. Members, we have constituents who are part of the Hazara community in the UK. The constituent who drew this matter to my attention, Muhammad Younas, is a typical Hazara: passionate about education, law-abiding and committed to public service. He works for a social enterprise, teaching and assisting those who need his help and making an important contribution to community relations in Hull.

We are extremely grateful to the Minister for agreeing to meet us last December to discuss the issue and for being here for the debate today. As we discussed it, there was consensus that it needed to be aired on the Floor of the House of Commons, which is why I am so pleased that the debate was granted today.

There are about 600,000 Hazaras living in Quetta city and many fled there from Afghanistan, where they were a specific target for the Taliban. Hazaras in Quetta are being killed practically on a daily basis and it has been estimated that about 600 have been killed so far, yet not a single perpetrator has been captured and brought to justice.

Mark Lancaster (Milton Keynes North) (Con): I am grateful to the hon. Gentleman for giving way and I congratulate him on securing the debate. His point is so powerful that it deserves underlining. Does he share my concern that while that statistic of more than 600 deaths and not a single conviction remains, it is very hard to take seriously the Pakistan Government's claim that they are tackling this matter?

Alan Johnson: The hon. Gentleman is right. I have huge respect for the country—I went to Pakistan when I was a Minister—and for the high commissioner, but I believe that that is the key point about the Hazara community: there is no sign of any of the perpetrators being brought to justice, and it is not simply the case that they are being held but the prosecuting authorities are not being successful. That is one of the major issues in this debate and the hon. Gentleman is right to draw attention to it.

[Alan Johnson]

The response of the authorities in Balochistan has been to restrict the movement of the Hazaras themselves—to forbid them entering certain districts and to apply travel restrictions—and to treat the murders with a mixture of complacency and complicity. Last September/October almost 50 Hazaras were taken from buses and wagons in separate incidents, lined up and killed. The Chief Minister of Balochistan responded with levity, saying in a television interview that he would send a truckload of tissue paper to the bereaved families. That is the kind of atmosphere in which the Hazaras are living. The authorities know that the Hazaras are a target for terrorist groups and that an al-Qaeda affiliate is seeking to make Pakistan, in their words, Hazaras' graveyard. They state that their mission is to eliminate "this impure sect" and people "from every city, every village...and corner of Pakistan."

Rehman Chishti (Gillingham and Rainham) (Con): I am grateful to the right hon. Gentleman for giving way. By way of declaration, Mr Deputy Speaker, I worked with Benazir Bhutto from 1999 to 2007. On the point about the Hazara community being affected, does the right hon. Gentleman agree that it is not the only community being affected? The Christian, Muslim, Sikh and Hindu communities are also suffering as a result of Pakistan's having been a front-line state in the war against Russia and then in the war against al-Qaeda after 9/11. As a result, radicalisation and sectarian violence have spread from Afghanistan to Pakistan, leading to the murders of Benazir Bhutto and Shahbaz Bhatti, the Christian Minister. Of course I understand the right hon. Gentleman's concern, but everyone has suffered as a result of the sectarian ethnic violence spreading from Afghanistan to Pakistan, not just the Hazara people.

Alan Johnson: I do accept that point; indeed, the high commissioner for Pakistan made the same point when he contacted me today about this debate. I shall say some things later about the difficulties that Pakistan is facing, but that must not detract from the fact that these killings are taking place on a daily basis. The authorities seem remarkably complacent about it and not a single perpetrator has been brought to justice.

While the movement of Hazaras is restricted, their pursuers walk freely in the city despite the heavy presence of the police, the army and the frontier corps who all have checkpoints in and around Quetta. The reason for that persecution is not just the Hazaras' religion—they are predominantly Shi'a Muslims—but their genetic link to the Mongol people, which allows them to be recognised by their physical appearance. Hazaras are also persecuted because have pursued higher education, enrolled in the army and occupied senior positions in government, the civil service and civic society more generally. They are the kind of law-abiding citizen who would play an important role in a free, democratic Afghanistan and a peaceful and prosperous Pakistan. Thus, they are the enemies of a whole range of terrorist groups.

The persecution—some would say genocide—carried out against the Hazaras has been well documented by the United Nations, the Human Rights Commission of Pakistan and organisations such as the New York-based monitoring body Human Rights Watch. However, there

is insufficient awareness nationally and internationally about what the Hazaras are going through, despite the best efforts of the Hazara community and organisations such as the Hazara Organisation for Progress and Equality, or HOPE, which seeks to raise these issues in Parliaments around the world.

The attacks are intensifying. Hazaras are murdered when they stay in Quetta and killed when they try to leave. Fifty five young Hazaras were drowned in the waters of Indonesia on 20 December when trying to escape their perilous existence. The Hazaras believe that the religious militant groups carrying out these killings are state sponsored, and there is evidence for that assertion. The Asian Human Rights Commission reported on 6 January that the Pakistan army had created a militant organisation to kill intellectuals, activists and Hazaras in Balochistan. I have seen a copy of an official letter from the Government of Balochistan informing the military authorities and the police in Quetta about the presence of a man called Sabir Mehsood, whose stated aim was to murder Hazaras, but no action was taken to apprehend him. Thus, more than 80 Hazaras were killed in Quetta by this man and his fellow operatives last year.

The international community cannot allow this persecution to continue. There are significant Hazara populations in countries around the world, particularly in Australia, and these countries should co-ordinate and intensify their efforts. I know that the Minister is fully engaged in trying to pressurise the Pakistani authorities to protect the Hazara community in Quetta, and I know that the Foreign Secretary is equally committed.

Pakistan is an old, valued and trusted ally of the United Kingdom and is seeking to renew its democratic credentials after years of military rule. It is a country beset by problems, and its citizens have suffered at the hands of terrorists more than any other country in the world, as the hon. Member for Gillingham and Rainham (Rehman Chishti) pointed out. However, the Pakistani Government must do more to root out state-supported terrorism wherever it exists. It undoubtedly exists in Quetta city, and the Hazaras are its principal victims. It is a good place to begin this process.

6.10 pm

Iain Stewart (Milton Keynes South) (Con): I am grateful for the opportunity to make a short contribution to the debate. I congratulate the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson) on securing it. I am happy to endorse all his points, which, in the interests of brevity, I will not repeat.

My interest in this issue, and that of my hon. Friend the Member for Milton Keynes North (Mark Lancaster), stems from our having a large Hazara population in Milton Keynes. The headquarters of the Hazara Community of Great Britain charity are located in Bletchley in my constituency. It is a close-knit, progressive community, and it certainly makes a valuable contribution to the local community and wider civic life of Milton Keynes.

Stella Creasy (Walthamstow) (Lab/Co-op): I congratulate my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson) on securing this debate. Like others, I have a Hazara community in my

constituency in north-east London. Does the hon. Gentleman agree that we can play an important role in supporting the Hazara community in Britain to come forward and raise concerns, and in engaging with the Foreign Office in making progress in Pakistan on some of these issues?

Iain Stewart: I am happy to endorse that point. My hon. Friend the Member for Milton Keynes North has already met a delegation from the community and the Minister. They are deeply concerned, as the hon. Lady implied, about the plight of their relatives and the broader community in Pakistan, amid what are daily reports of killings and persecution.

As the right hon. Member for Kingston upon Hull West and Hessle said, there are concerns that these attacks are not being dealt with appropriately by the authorities in Pakistan. I join him in imploring the Minister to do all he can to influence the situation. Just a few weeks ago, we all commemorated world holocaust memorial day. The campaign this year was, "Speak up, Speak out", and was aimed at challenging persecution and hatred wherever it existed in the world. This we must do for the Hazara people. I look forward to hearing what steps the Government are taking to address the situation.

Rehman Chishti: Will my hon. Friend give way?

Iain Stewart: I was about to finish, but I will certainly give way.

Rehman Chishti: Linked to the Hazara community, the other community that has suffered a lot as a result of radicalisation is the Christian community in Pakistan. We must do everything that we can to ensure that it gets its full right as well. Will he join me in paying tribute to Bishop Michael Nazir-Ali, the former Bishop of Rochester, who is from Pakistan and has done a lot on community cohesion and dialogue between all faiths?

Iain Stewart: I am happy to do that. I was at the end of my comments, so on that note, I shall conclude.

6.14 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): I thank the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson) for securing this debate and for his usual courtesy in forwarding to me a copy of his remarks earlier this afternoon. I also thank other colleagues who have taken part and expressed their concerns—the hon. Member for Walthamstow (Stella Creasy) and my hon. Friends the Members for Milton Keynes North (Mark Lancaster), for Milton Keynes South (Iain Stewart) and for Gillingham and Rainham (Rehman Chishti). We all share a passion for Pakistan and supporting human rights across a difficult and complex region. I have met and corresponded with several colleagues in the House on a number of human rights issues in Pakistan and welcome the opportunity to discuss them in a public forum.

Last December I spoke with the right hon. Gentleman and his Hazara constituent and was told about the day-to-day living conditions of the Hazara community in Quetta. I had previously met the constituents of my

hon. Friend the Member for Milton Keynes North, who raised similar concerns. I expressed my serious concerns about the discrimination of minorities in Pakistan and joined the right hon. Gentleman in condemning September's appalling attacks in Balochistan, which left so many innocent people dead.

Before talking about the Hazara community in more detail, I will take the opportunity to set some of the issues in context, as my hon. Friend the Member for Gillingham and Rainham suggested. Sadly, sectarian violence is not isolated to Balochistan. Tragically, across the country the Pakistani people have suffered from the scourge of sectarian violence. Sunni and Shi'a alike have endured terrible violence, as have other minority communities. I join the Pakistani Prime Minister, Yousuf Raza Gilani, in condemning this week's disgraceful attacks in Kohistan, which killed at least 18 Shi'a Muslims. It is vital that the perpetrators of all sectarian violence, including this week's vicious attack, are brought to justice.

The United Kingdom and Pakistan have a long history and a strong relationship founded on mutual respect, mutual trust, and mutual benefit. Our respect for Pakistan's sovereignty and territorial integrity is absolute, so we must be clear that the security of Balochistan, as with all provinces of Pakistan, is a matter for the people and Government of Pakistan. The improvement to regional security to which the international community is committed requires all countries to respect the sovereignty and territorial integrity of their neighbours.

Although sectarian violence across Pakistan is a growing concern, it is important to note the progress being made in a range of human rights areas, including removing reservations to human rights treaties. It is vital that Pakistan now works to ensure that it effectively implements the international human rights treaties to which it is a signatory. None of the communities of which we have spoken in the debate will truly be secure unless these advances are made.

At the dawn of Pakistan's independence, Muhammad Ali Jinnah, in his presidential address to the first Constituent Assembly, outlined his belief that in Pakistan there should be

"no discrimination between one caste or creed and another",

for Pakistan is founded with the

"fundamental principle that we are all citizens and equal citizens of one state".

I have met many Pakistanis who are working tirelessly to realise that vision today, and none was more courageous than Minister Shahbaz Bhatti, whose work towards peaceful, moderate change was met with such brutal violence. Since his assassination I have twice met his brother, Dr Paul Bhatti, and underlined the UK Government's support for human rights in Pakistan.

Human rights are intertwined with a wide range of issues, including education, stability and development. The UK's engagement with Pakistan is therefore broad and strategic, covering education, economic stability, security, and cultural co-operation. The Pakistani Foreign Minister, Hina Rabbani Khar, had a successful visit to the UK last week, during which I discussed security and economic development with her and raised my concerns over the rights of religious minorities, including the Hazara community.

[Alistair Burt]

We work with international partners and the Pakistani Government to tackle the shared challenge of extremism and to increase Pakistan's stability and prosperity. It is worth reminding all Members that Pakistan is on the front line of terrorism and makes bigger sacrifices in fighting it than any other country. In the 10 years since 9/11, more than 30,000 Pakistanis have been killed. The people of Pakistan will always have our sympathy, understanding and robust support in addressing terror.

The Pakistani Foreign Minister's visit to the UK reflects the depth of our partnership and friendship. My right hon. Friend the Foreign Secretary held wide-ranging discussions with her, within the framework of our enhanced strategic dialogue, which strengthens practical co-operation between our two countries. They discussed the progress being made to create between the UK and Pakistan a deeper and broader dialogue, including on human rights, which will strengthen our friendship and promote mutual prosperity and security.

The many links between the UK and Pakistan mean that we can engage honestly and directly with each other on many subjects: counter-terrorism, security policy, immigration, trade, development, education and the rule of law. The theme that underlines all that, and the focus of our attention this evening, is human rights.

As the constitution of Pakistan lays down, all Pakistani citizens should be able to live their lives without fear of discrimination or persecution, regardless of their religious beliefs or their ethnic group. I assure the right hon. Gentleman that we regularly reinforce to our colleagues in the Government of Pakistan at all levels the importance of upholding those fundamental rights, and our strategic dialogue enables Ministers such as myself and my right hon. Friend the Foreign Secretary to do so on behalf of all minority communities in Pakistan.

The Government of Pakistan have taken positive action: they have reserved quotas in the public sector and in Parliament for minorities; they have set up complaints procedures for those encountering discrimination; and they have removed reservations to international human rights treaties. We will continue to support those who wish to see reform in Pakistan, and to raise human rights with the Pakistani Government. As I said, I raised my concerns about human rights with Foreign Minister Khar last week.

In 2011 I twice held constructive discussions with the Pakistani Prime Minister's adviser on inter-faith harmony and minority affairs, Dr Paul Bhatti. Tomorrow, as some will know, marks the first anniversary of his brother's assassination, serving as a poignant reminder not only of the need to tackle terrorism in order to support Pakistani progress on human rights, but of the losses that they have suffered. There is a process in place to ensure that inter-faith committees meet in the various provinces. I have seen it in action, and we are keen to continue to support it.

The plight of the Hazara community is connected to the wider regional dynamic. Hazara people fleeing repression in 19th century Afghanistan formed the beginnings of Pakistan's Hazara. More refugees from Afghanistan followed throughout the 20th century, and Quetta's population is now estimated to be made up of one third Hazara, with 600,000 in total in Pakistan.

The presence of the Afghan Taliban in Quetta has amplified the repression of Pakistani Shi'a, including Hazara, in the region. We welcome the progress made by the Hazaras of Afghanistan since the fall of the Taliban in 2001. It has seen high-profile Hazaras occupy key positions in the Afghan Government. In Kabul, UK officials engage with a range of Hazara interlocutors and continue to promote an inclusive political process. The Hazara community in Iran has also complained of mistreatment, and we will continue to appeal to Iran, including through the United Nations and the European Union, to respect human rights. Those details give Members a sense of how the Hazara community is treated throughout the whole region.

The specific issues of Hazara rights and of sectarian violence in Balochistan were raised with the Balochi authorities and with parliamentarians by British officials in October. Local discussion of those issues has continued since, with our officials engaging with, among others, Balochi members of the National Assembly.

The plight of Pakistan's Hazara community, highlighted in this evening's debate, will be recognised in the 2011 Foreign and Commonwealth Office human rights report, which is due to be published this month. Media reports claim that almost 700 Hazaras have been killed in Pakistan since 2004. In 2011, the Hazara in Balochistan suffered a number of major attacks, including on 19 September when gunmen killed 26 Hazara pilgrims returning from Iran. Lashkar-e Jhangvi claimed responsibility for that attack and has waged a sustained campaign of violence against the community. On 4 October attackers killed 13 passengers, mostly Hazara, travelling on a bus in Quetta. A major attack during the Shi'a processions marking Ashura was anticipated but did not occur.

Nawab Aslam Raisani, Chief Minister of Balochistan, formulated a committee on September 22 to probe the killing of 29 pilgrims in Mastung. I remain concerned about the low-key response of Pakistan's authorities to September and October's violent attacks. It is vital that those responsible are brought to justice. In the long term we should like to see improvements in Pakistani citizens' access to justice throughout the country. The House may be assured that we will continue to press on these issues, in relation to that community and to others.

Enhancing the rule of law in Pakistan is vital to improving the plight of the Hazara community. A range of Government work is developing that is helping to improve the rule of law in Pakistan. For instance, we are developing a programme with Pakistan to enhance its ability to prosecute violent extremists, including working to enhance investigations, prosecutions, detentions, and legislation. The Department for International Development's transformational work to address poverty and education will help to enhance Pakistan's commitment to the rule of law. The UK is working with our European Union partners and the Government of Pakistan to look at ways of supporting reform and capacity building of Pakistan's rule of law.

My hon. Friend the Member for Gillingham and Rainham (Rehman Chishti) raised, in particular, the Christian community. That gives me the opportunity to say how we try to deal with human rights more generally across the region. Our experience is that picking out one community rather than another is not always the most helpful way to address the issue. Because human rights

is an important issue right across the board, we find that many minorities are subject to these problems. Ensuring that the rule of law runs across all communities and that Governments are devoted to improving access to the rule of law and the rights of minorities across the board means that no minority can be picked out against another and that where there are those who would like to claim that favourable treatment is offered by those outside, that is not the case.

All are made more secure by attention to the rule of law, and all are weakened, including any minority community, by a Government's failure to address the rule of law and human rights. That is why our policy is so determinedly aimed at the rights of communities across the board, whether it be those under pressure in Pakistan, Christian communities across the middle east, or individual communities such as the Hazara in Balochistan.

Alan Johnson: I am pleased that the plight of the Hazara will—for the first time, I believe—be covered in the Foreign and Commonwealth Office human rights document. I understand what the Minister is saying about the persecution of other religions. However, does he agree, that if no one raises the persecution of a specific group, we will never discuss any terrorist targets? Does he agree that it is very difficult to find another religion or ethnic group in Pakistan that has quite the same level of apparent compliance in these murders, with absolutely none of the perpetrators brought to justice? If there are other groups—although this is not a contest to see who has been treated worst—I would be very surprised. There is a specific issue about the Hazara that needs to be addressed.

Alistair Burt: I acknowledge the right hon. Gentleman's second point. He has referred to terrifying statistics about the absence of justice. As I said, we remain very concerned about the response of the Pakistani authorities to those statistics, and we will apply pressure in relation to them.

In response to his first point: absolutely. Hon. Members are bound to raise the issues of individual communities. The point of our approach is to set those cases in context so that we are not pitting one community against another by indicating that one is treated worse than another, and recognising that the absence of the rule of law and human rights can affect so many people. I think that we are all doing this in exactly the right way. The right hon. Gentleman and other hon. Members are absolutely right to raise certain different communities, as they have today. We are right in putting that into context and demanding justice for all, because unless there is justice for all, justice is denied for those who are outside that embrace.

The United Kingdom will continue to work with the leaders of Pakistan and its people—people who deserve to experience a stable and prosperous future, to enjoy vibrant democratic debate without fear of intimidation, and to live in a country where freedom of religion is not undermined by sectarian violence. We have a distinctive role to play in supporting that sort of Pakistan. I am grateful for the work of many Members of the House as we continue to work with Pakistan towards that vision.

Question put and agreed to.

6.29 pm

House adjourned.

Westminster Hall

Thursday 1 March 2012

[SIR ALAN MEALE *in the Chair*]

Northern Ireland Economy

[*Relevant documents: First Report from the Northern Ireland Affairs Committee, Corporation Tax in Northern Ireland, Session 2010-12, HC 558, and the Government response, HC 1767; and the Second Report from the Committee, Air Passenger Duty: Implications for Northern Ireland, HC1227.*]

Motion made, and Question proposed, That the sitting be now adjourned.—(Mr Shailesh Vara.)

2.30 pm

Mr Laurence Robertson (Tewkesbury) (Con): It is a pleasure to serve under your chairmanship today, Sir Alan. Usually, you and I jointly chair the all-party group on racing and bloodstock industries, so today's debate is a diversion, but I am sure that it is extremely important, just as our other debates are.

It is a pleasure to open this debate on the Northern Ireland economy on St David's day, and I am delighted to be doing so. I start by thanking all the members of the Northern Ireland Committee—both past and present—who have worked extremely hard in compiling the reports that we have produced, which I will refer to. I also thank the Committee staff, who work extremely hard.

This is a very important debate, as are all debates on the economy at this time. Just today, we have all seen bad unemployment figures throughout Europe. We hope that our own economy in the UK is starting to recover, but I think we all feel that there is a long way to go and that there will be some very difficult decisions to make, so, as I said, any debate on the economy is important. I am pleased to introduce this debate, which is about rebalancing the Northern Ireland economy.

As well as having the honour of chairing the Northern Ireland Committee, I have the privilege and pleasure of being joint chairman of the British-Irish Parliamentary Assembly. I am quite new to that role and I am the British chairman of the assembly. I mention that to demonstrate my friendship with the Republic of Ireland, given that I shall refer to that country in my remarks.

Of course, we are all aware of the difficulties that Northern Ireland has gone through. Most hon. Members would probably agree that those difficulties are due—at least largely and probably entirely—to the terrorism that existed in the Province for many years. There were 30 years of real, hard terrorism when people suffered terribly; lives have been shattered, and many lives were lost. If that was not bad enough, as a result prosperity in the Province has been a lot lower than it would and should have been otherwise. This debate is a contribution to the attempt to start turning that situation around.

When we discuss the economy in Northern Ireland, it is important to recognise that there are a number of bright spots. The unemployment rate is lower than in the rest of the UK and is falling, and there is a higher level of manufacturing production. Research and development investment in Northern Ireland increased

by 6% last year, albeit from a low base. Belfast is the second most attractive city in the UK after London for foreign direct investment. For 16 to 18-year-olds in Northern Ireland, there are better educational outcomes than in the rest of the UK, although there is a lower level of qualification among those in the working age population. This year there are increased tourism opportunities, with the Titanic anniversary, and next year there will be celebrations with Londonderry being the city of culture. These are all bright spots, and there are others that I have not mentioned.

However, we would be derelict in our duty if we did not recognise that there are problems, and one of them is the size of the public sector. Let us just consider employment. Of those who are employed, 27.7% work in the public sector, as against an average of 20.6% in the rest of the UK, which makes Northern Ireland's public sector the biggest of all the UK regions. Of course, that results in higher public spending, £10,706 per person in Northern Ireland as opposed to £8,845 in the rest of the UK—21% higher in Northern Ireland, which is a significant cost. There is no doubt in my mind that that increased cost is largely, if not entirely, due to the 30 years of the troubles.

If we look at the number of employed people, 67.9% of the working-age population in Northern Ireland are employed as opposed to 70.3% in the rest of the UK. That is another statistic that is not favourable for Northern Ireland. Productivity per job is only 85.3% of the UK average. If we look at gross value added, Northern Ireland, with GVA of £15,651, is again lower than the rest of the UK, which has GVA of £20,476. Indeed, Northern Ireland is the lowest region of the UK in terms of GVA, apart from Wales. The fall in GVA since the pre-recession peak has been more pronounced in Northern Ireland, and growth in Northern Ireland is projected to be slower than in the rest of the UK in the coming year.

There are a number of other problems. There will be a reduced rate of assistance from Europe from 2013, and there are also higher fuel and energy costs. Recently, the Select Committee visited the Coolkeeragh gas plant, which is just outside Londonderry. People at the plant highlighted a big problem that I hope the Minister will take on board; I have raised it in the Commons already. That problem is the carbon floor price. When it is added to the taxes and everything else coming from the EU, it could make Northern Ireland very uncompetitive in terms of energy production. I hope that the Treasury will take that point on board and consider what can be done to avoid penalising companies in Northern Ireland that are only doing the right things.

What do we need to do now? Obviously we must try to increase the prosperity of people in Northern Ireland, so that they are less dependent on taxpayers in the rest of the UK, and we need to do that not only to improve prosperity but to cement the peace that so many people have worked so hard to achieve. I am not for one moment suggesting that poverty is an excuse for violence or law-breaking of any kind—it certainly is not; but we must recognise that when people are unemployed, with time on their hands and nothing better to do, they are more likely to turn to activities that are not to be approved of. That is not an excuse, but we should recognise the fact that it is a likely outcome for some people. Increasing prosperity in the Province and giving

[Mr Laurence Robertson]

people opportunities to work or to receive education and training will surely divert people who might just turn the wrong way. That is very important and it is one of the things that we have stressed in our reports.

What changes are needed to increase prosperity in Northern Ireland? I have a list of suggestions. We probably all accept that we need to reduce the size of the public sector and increase the size of the private sector. Again, that raises the question of how we do that. One of the things that the Select Committee has looked at is trying to make Northern Ireland more competitive, so as to attract more inward investment. I shall turn to the corporation tax proposals shortly, but there are a number of other issues that I want to discuss briefly.

A short while ago, the Select Committee carried out an inquiry, and produced a report on air passenger duty. One of our concerns at the time was that Continental Airlines, the one and only carrier from Belfast to New York, was in serious danger of pulling out and stopping those flights. That really was a threat to the economy in Northern Ireland. We conducted a short inquiry and came up with the proposal that the APD for long-haul flights should be reduced, and the Government responded by reducing it to £12 per flight, which is the APD for local flights. Before that it was £60. For a family of four flying to New York from Belfast, that was £240 in tax before they had even got on the plane. The airline was carrying that cost, which made it extremely uncompetitive, and was threatening to pull out. It was a serious threat, and we lobbied hard for the Secretary of State for Northern Ireland and indeed the Treasury to try to do something about it urgently. I congratulate Ministers and the Government on responding so quickly and reducing the tax. We hope that we can move forward in that respect.

We also suggested that the policy for setting the rate of air passenger duty for long-haul flights be devolved to the Assembly. I am pleased that that is now the Government's policy and it will be enacted through the Finance Bill. I welcome that move, which is a step in the right direction.

We need to improve the planning situation in Northern Ireland. Again, that is a devolved issue, so I will not dwell on it too long. Everyone would accept that planning has to become more efficient. We have just heard of the new golf course near the Giant's Causeway finally being given planning permission, but it took 10 years to get to that point. It is hardly an incentive for new businesses to try to do anything good when they face that type of planning process, although I am aware that there were several objections to the planning application.

Ian Paisley (North Antrim) (DUP): The golf course is an important investment opportunity for Northern Ireland, and it does indeed turn the page for a part of the economy that has seen very dark days. Does the hon. Gentleman agree that the Government should encourage everyone in the public and private sectors, particularly the National Trust, which is a key stakeholder in the area, to get behind that tourism project in this year of tourism initiatives, and support a key investment in our locality?

Mr Robertson: I am grateful to the hon. Gentleman for his intervention. He is a very active member of the Select Committee. I entirely agree that the golf course is extremely important. It is a great investment and a great opportunity. I hope that Northern Ireland goes on to attract the Open Championship—not necessarily to that course, but to a course in Northern Ireland. It is important to move in that direction. I urge the Government to get behind the project. I know that it is a devolved matter, but there is great frustration with regard to the planning situation, as there probably is in most local authorities. There certainly is in mine, but it is particularly the case in Northern Ireland.

In about two weeks' time, we shall publish our report on our inquiry into the smuggling of tobacco, alcohol and diesel. Obviously, I cannot go into detail at the moment, but I can reveal a couple of figures. Fuel fraud costs Northern Ireland £70 million and tobacco fraud costs £42 million, making a total of £112 million, which could be in the pockets of the health service or the education service. Indeed, it could help to reduce taxes in Northern Ireland. That is something that we are looking at. I cannot go into too much detail at the moment, but it is a real issue. Not only does smuggling cost the economy a lot of money, but it provides opportunities for paramilitaries, ex-paramilitaries and people who are up to no good to engage in activities that do the economy, Northern Ireland and the UK no good at all.

On creating a genuinely shared future and reducing the cost of division, we have made huge progress—let us not forget that—but we need to do more. Yesterday, I read a report on the BBC website that claimed that when the agreement was signed, there were 22 peace walls, but there are now 48. Segregation of housing and education is not only divisive in an area that needs to end division; it is costly as well. We need to find an affordable way of dealing effectively with the past. I do not want to get into a debate about what the Secretary of State calls costly and open-ended inquiries. This is not the time or the place, but we have to find a way of dealing with the past effectively and more affordably.

I turn to the corporation tax report that we produced. We spent a lot of time looking at corporation tax in Northern Ireland. To be fair to everybody concerned, I note that not every member of the Committee agreed with the proposals that were made. However, many members did agree.

Ian Paisley: Does the hon. Gentleman agree that perhaps one reason why there was not unanimity was because there was a cloud of judgment over exactly what the Treasury is asking for in terms of costs? It is essential that we get absolute top-desk clarity from the Treasury on what the measure is going to cost; we need to be clear about how it is going to make that calculation. It is important that it takes on board the fact that Northern Ireland will have increased income tax and increased national insurance contributions so as to make the cost less for us as an Executive.

Mr Robertson: Indeed, that was one of the points that we made in our report. We were astounded that the Treasury did not have a figure that we could use to assess the cost. I will explain the background. Because of the Azores judgment in Europe, it appears that if

corporation tax is reduced for one area of a jurisdiction—not for all the jurisdiction—that part has to take the hit in terms of the outcome. In other words, if the tax take drops by, say, £100 million, it cannot be made up by Westminster. It has to be part of the block grant. We were astounded to find that the Treasury did not have that figure. Our report urges the Treasury to put a mechanism in place that will tell the Assembly—not so much us—what it will cost.

Corporation tax across the United Kingdom is on its way down. At the moment, it is 26%. In the Republic of Ireland, it is 12.5%. It is important to note that Northern Ireland is the only part of the United Kingdom to share a land border with another European Union state—the Republic, where there is a massive tax difference. The location of Northern Ireland is also important. It is an island off an island; it is peripheral. In my view, it certainly needs something that it can wave and advertise to attract inward investment, otherwise it is may be easier to invest in other mainland areas or countries with lower tax rates. It is not immediately obvious why one should come to Northern Ireland, but it is easy to see why people go to the Republic of Ireland. It is possible that Google, Facebook and Twitter were attracted to Dublin because of the very low rate of corporation tax. Of course, inward investment is extremely important, but if a company is making a profit and paying a percentage of that in taxation, it has less money to actually spend on reinvestment.

As I said, not all Committee members agreed, but interestingly the Irish Government agree. The present Taoiseach has said publicly that he would approve of Northern Ireland reducing its corporation tax to 12.5%. That is an amazing situation to find ourselves in. We are competing with the Republic and we want to compete even more strongly, and they are in favour of that. Perhaps it is a mark of the progress that has been made in the incredibly good relations that exist between the Republic of Ireland and this country. It is certainly to be welcomed.

Sammy Wilson (East Antrim) (DUP) *rose*—

Mr Robertson: I am happy to give way to the Minister.

Sammy Wilson: Does the hon. Gentleman also accept that perhaps the Irish Government are keen for the rate to be reduced in Northern Ireland because it gives them some defence when it comes to their argument with Europe about whether their rate of corporation tax should be increased?

Mr Robertson: I am sure the hon. Gentleman is right, and there may be political reasons why they want the same rate. There may be political reasons why the Irish Government want a lot of things the same across the island of Ireland. As the hon. Gentleman knows, I speak as a strong Unionist. However, the issue is bigger than any of those problems. The hon. Gentleman may be right in that case. He leads me to an important point.

Dr Alasdair McDonnell (Belfast South) (SDLP): Does the hon. Gentleman agree that the outcome, the product and the result are more important than any misgiving or misconception that there might be about the motivation?

Mr Robertson: I agree with the hon. Gentleman, who makes the point better than I did. The outcome is important.

It is significant that the hon. Member for East Antrim led me to Europe. When we received an application from Ireland for assistance last year, against all the pressure from Europe to increase its rate of corporation tax, Ireland resisted. No matter what else they had to do, the Irish Government knew that that was a crucial part of their economy. It was absolutely crucial in attracting foreign investment, and they clung, and are still clinging, to it. I wish them every success in doing so.

I said that the Irish Government agreed. Almost all the witnesses from whom we drew evidence also agreed. There were an awful lot of them, over a long period: the CBI, the Federation of Small Businesses, KPMG, PricewaterhouseCoopers and many others. They saw the proposal as an important step but they all stressed that there was not a silver bullet—there is not just one solution to transform the entire economy in Northern Ireland. Everyone said that. No one was pretending that corporation tax in itself is the complete answer, but they all saw it as a golden opportunity and felt that we had to go that way.

Because of the Azores ruling, we cannot change things here. Our Committee's recommendation is for the Assembly to be given the authority to set its own rate of corporation tax. If it is given that authority, and if the Treasury comes up with the deal, the figures and everything else, it will be up to the Assembly to decide what it wants to do. The issue will be out of our hands here at Westminster. That is the proposal, which I fully support.

I have concentrated on the Northern Ireland economy. Many things happening across the UK will affect the economy there, for example creating growth, reducing the budget deficit and reforming benefits, but I have not touched on them, because I have tried to concentrate just on Northern Ireland.

It is important to recognise that Northern Ireland has come a long way, thanks to the politicians in Northern Ireland and some of the leading politicians in the UK generally. Particularly, however, it is due to the resolve, determination, steadfastness and decency of all the people of Northern Ireland. The current generation and the next deserve to live in a more prosperous and peaceful society than did the previous two generations. That is what this debate is about, what the work of the Northern Ireland Affairs Committee is about, and what the proposals that I have made today are about.

2.52 pm

Ms Margaret Ritchie (South Down) (SDLP): I welcome the opportunity to debate the rebalancing of the Northern Ireland economy here in Westminster today. The Chair of the Select Committee on Northern Ireland Affairs has already referred to the report on corporation tax in Northern Ireland and the Government's response to it. The report, which was fairly far-reaching, set the course on which we should look again at our economy, to rebalance it between the public and private sectors. We fully accept that the public sector forms more than 70% of the Northern Ireland economy, but we also caution, from a party perspective, that we should not throw the

[Ms Margaret Ritchie]

baby out with the bath water. We are dealing with the legacy of conflict, and we must take all those various issues into account.

It is important to give an overview of the economic situation in Northern Ireland. According to research produced by the Northern bank, the economy's growth rate will struggle to reach 1.1% this year, compared with the UK average of 1.7%. The Northern bank's survey, which lowered the chances of falling back into a deeper recession, warned that growth and recovery were still fragile in Northern Ireland.

Seasonally adjusted data for Northern Ireland estimated that 784,000 people aged between 16 and 24 are in employment. That figure has increased by 2.9% in the past year and is now higher than the pre-recession employment level, recorded three years ago.

The research indicates that the unemployment rate in Northern Ireland is below the UK average and the fourth lowest rate among the twelve UK regions. The seasonally adjusted Northern Ireland unemployment rate showed a quarterly increase of 0.1%. However, the Northern Ireland rate, which is around 7.3%, remained below the UK average and was the fourth lowest of all UK regions. It is interesting to note the high youth unemployment, with some 18% of people aged 18 to 24 not in work. Northern Ireland is experiencing a sevenfold increase in long-term unemployment among 18 to 24-year-olds since the recession.

The economic inactivity rate for all people aged 16 to 64 is 2.3% lower than the rate some five years ago, but it remains the highest of all UK regions. A higher proportion of economically inactive persons aged 16 to 64 identify sickness or disability as their main reason for not wanting or not being able to work. Northern Ireland is ranked fourth highest among UK regions in terms of self-employment rates from April to June 2011. The average for the UK was 13.6%.

Those figures characterise and set the scene for the economic situation in Northern Ireland. With that economic backcloth, it is important that we discuss today the need to rebalance the economy in Northern Ireland and that we do so here, notwithstanding the devolution of governmental powers to the north, because many economic levers that can deliver a step change in our local economy remain in the hands of the Treasury in London. For that reason, I am pleased to see the Exchequer Secretary to the Treasury here to respond to the debate. He was involved with us in the early days of the corporation tax issue and came to Belfast around the end of last March to launch an important consultation document, for which there was cross-party support and subscription, for want of a better word.

Devolution has given us one significant economic lever: public expenditure, for which the hon. Member for East Antrim (Sammy Wilson) has ministerial responsibility in Northern Ireland; we have had certain tours de force at certain times in another place with him. We can now determine how to allocate within the block grant ourselves. We therefore have the capacity, even though we may not have properly used it yet, to target more resources at economic priorities.

Naturally, moving resources into priority areas, such as tourism and agri-food, which can yield the best returns for jobs and economic growth, comes at a cost

to other areas. We have been cautious and perhaps even—dare I say?—unimaginative to date. I hope that that will change. That is why my party has produced a comprehensive plan, called “Partnership and Economic Recovery”, which sets out in considerable detail how we could target more economic stimulus at priority areas.

We were unique for a political party in Northern Ireland in that we identified where the extra money could be found without looking to the Exchequer. However, while preparing “Partnership and Economic Recovery”, we realised how many economic levers were still in the hands of Westminster. For example, despite being the only part of the UK with a land border with the eurozone, Northern Ireland's Government are powerless to intervene in the numerous situations that place Northern Ireland at a unique economic disadvantage. One of them—the vastly differential corporation tax regimes north and south of the border, to the advantage of the south and the disadvantage of the north—has clearly caught the attention of London, for which we are grateful.

The Secretary of State for Northern Ireland deserves some credit for advancing our quest for corporation tax-varying powers—we realise that there are different views about that—albeit at a price. We hope that we are somewhere near a positive end of the journey. The Exchequer Secretary is well aware of the cross-party support for latitude on corporation tax. Perhaps he can provide us with an update on the ministerial working group on the issue and advise us whether he and his group, of which others here are also members, have reached any conclusions. If so, what might they be?

There is a strong belief that that one lever can bring about a significant step change in the growth of our private sector. However, corporation tax is only the tip of the iceberg, as is passenger duty and the differential application of the EU aggregates levy and its impact on our construction sector. I questioned the hon. Member for East Antrim in another place the other day on that issue, but perhaps the Exchequer Secretary will provide us with an update about the European Commission and where exactly those negotiations are at. That exemption is very important to our local industry and could act as an important stimulus to the construction industry.

We have no powers in Northern Ireland to depart from the overall UK position on all sorts of other matters that adversely affect our economy. We have long suffered the competitive disadvantage of a much more favourable agriculture and food regime south of the border, while we have been tied to a UK policy broadly hostile to the common agricultural policy. I hope that the eventual reform of the common agricultural policy will accommodate the needs of not only the local farming community in Northern Ireland, but the wider agri-food industry.

We have no power to vary indirect taxation or such things as excise duty on fuel, alcohol or tobacco. Excise duty anomalies alone have led to a wave of filling station closures in the north and the resurgent problem of cross-border smuggling. The Chair of the Northern Ireland Affairs Committee has already referred to the forthcoming report on fuel smuggling. We look forward to that report. There is no doubt that fuel smuggling is a vexatious issue that needs to be redressed and resolved on behalf of the wider community in Northern Ireland.

We are also tied to UK rates of motor taxation, which is something that stops us from doing more to help ourselves. I have not even mentioned the differential economic impacts of a UK welfare reform programme that is designed around perceived norms in the south-east of England.

It would be right in the context of arriving at the right solution on corporation tax to look at all the areas where the rigidity of the overall UK position prevents Northern Ireland from helping itself in its own economic development. We are not afraid of further devolution or further devolution of tax-varying powers, but we acknowledge that that could have implications for the block grant. Other hon. Members present today have already referred to that. We would like to know the consequences, although we accept the point that the Office for Budget Responsibility will have an overall remit to undertake such calculations.

Of course rebalancing the economy goes beyond the vital task of growing the private sector. As the Chair of the Select Committee has already mentioned, we also need to right-size the public sector and make it perform better. For decades, public sector workers maintained normality in Northern Ireland, and we owe those unsung heroes a debt of enormous gratitude. However, with peace, there is an opportunity to redesign a public sector aligned to the precise services that citizens now need. We are prepared to be radical on public sector reform. The Northern Ireland Executive can do much more good for themselves, but they will need the co-operation of Westminster in that reforming endeavour.

In that context, I should like to pay tribute to the Environment Minister in the north—his work has already been referred to by the Chair of the Select Committee—because he has responsibility for planning and local government reform. He has blazed a trail in prioritising timely decisions for major planning applications. For example, the decision on the golf course announced last week, which was mentioned by the Chair of the Select Committee and the hon. Member for North Antrim (Ian Paisley), will have a significant economic and job creation impact.

Ian Paisley: Will the hon. Lady unite the House and call on the National Trust to support that magnificent project for Northern Ireland, because it will lead to more tourists in an area where it has an economic interest?

Ms Ritchie: I thank the hon. Gentleman for his intervention. I am in no doubt that the planning application just approved, which took some 10 years to come to fruition, will have an economic impact on that part of North Antrim. I encourage my colleague the Environment Minister, who sits in another place, to try, subject to challenges and difficulties, to make similar decisions. It is important that all organisations act in the public interest for the people of Northern Ireland, so that there can be a sea change in terms of stimulants and economic development. There is no doubt that planning is playing its part as an improved public service that facilitates investment and growth. The tourist board can also make a contribution, as can Tourism Ireland.

Rebalancing the Northern Ireland economy is a necessary and worthwhile endeavour, but it will require a collective effort by not only the devolved Administration, but

London, too. We need to develop an economic agenda that will empower rather than alienate our work force. Some of us might have different views about the degree to which corporation tax should be lowered to attract foreign direct investment. No doubt, the Scottish agenda and the English regional agenda will play their part in bringing influences to bear upon on the Treasury.

Small indigenous businesses must be encouraged as well to provide opportunities for all. Perhaps the Government should consider the establishment of another working group with the Northern Ireland Executive to examine other areas where Northern Ireland could profitably be released from the UK system to further rebalance the economy.

It would be remiss of me not to mention the high priority that I attach to tourism development in the overall task of rebalancing our economy and stimulating job creation. Two out of our five signature tourism projects in Northern Ireland—the Mourne and St Patrick's—are centred in my constituency. Our open invitation to come to Downpatrick and walk in the footsteps of St Patrick is particularly relevant to both Britain and north America. In fact, the shadow Secretary of State, the hon. Member for Gedling (Vernon Coaker), will do just that next Friday. We very much welcome his visitation on that occasion.

That is why we were right to press for relief on the air transport duty issue. I note that that will be subject to provisions in the Finance Bill. We acknowledge that there will be reference to transatlantic flights and the Continental Airlines flight between Belfast International and Newark, New Jersey. What about flights that deal with the domestic market between Belfast City and Belfast International to airports in Britain?

To return to my original point about tourism development, I have often said that St Patrick was probably our greatest ever import and has the potential to be our greatest ever export. Our unique heritage can even help to rebalance our economy. May I say in the month of St Patrick's festival that our invitation—and my invitation to all hon. Members—to visit St Patrick's country remains open to all?

In conclusion, we very much welcome our participation in the debate today about rebalancing the Northern Ireland economy. We in the Social Democratic and Labour party want to play our part, along with the Government and the Northern Ireland Executive, to help to rebalance the economy. It is vital that we provide the necessary stimulus, seek to rebalance the economy and provide hope and expectation for this generation and future generations in Northern Ireland.

3.9 pm

Sammy Wilson (East Antrim) (DUP): It is a pleasure to take part in the debate. As the leader of the Democratic Unionist party in Westminster, my hon. Friend the Member for North Antrim (Ian Paisley), said yesterday, all is not gloom and doom in the Northern Ireland economy; indeed, according to the Office for National Statistics, Northern Ireland is a happy place, and its people are the happiest in the whole United Kingdom. I do not know whether that is to do with the fact that my party is the biggest and therefore has control of the Executive.

Stephen Pound (Ealing North) (Lab): The hon. Gentleman will have noticed that the person who most represents the delightfully happy people of Northern Ireland is a 65-year-old mother of four living just outside Larne. I wonder whether he knows the lady.

Ian Paisley: No—that's why she's happy.

Sammy Wilson: She is happy because she has such a wonderful public representative.

We should take those figures with some scepticism. If we use the same criteria, we find that the person who is typically happiest is a white male with five children who works only part time, and I am not so sure we want that as a recipe for the work force in Northern Ireland.

However happy people in Northern Ireland might be, there is a need to rebalance the economy. I should, however, make one point to the hon. Member for Tewkesbury (Mr Robertson). He talked about reducing the size of the public sector and increasing the size of the private sector. The truth of the matter is that any economy needs—

3.11 pm

Sitting suspended for a Division in the House.

3.24 pm

On resuming—

Sammy Wilson: I will not go back over the happy bit, because we have got that dispensed with, and I think we are all suitably happy.

My first point is that when we talk about rebalancing the Northern Ireland economy, there is a misconception that that means contracting the public sector and filling the gap with the private sector. If that is all we did we would be no better off. We would still have a cake the same size, but it would be divided differently. At present in Northern Ireland the public sector is too large relative to the private sector; but that is not a function of the public sector being too big. It is a function of the private sector being too small. If we are to improve the well-being of people in Northern Ireland we must grow the economy, but the part that must grow fastest is the private sector, because a certain level of provision for health, education, roads and so on, will always be required.

Naomi Long (Belfast East) (Alliance): I agree with the hon. Gentleman on that point. Does he agree with me that if the public sector is cut too quickly, without growth in the private sector, much of the good work to try to get people into employment is undone, perversely? Also, more demand for the public sector is created, because people become reliant on benefits and other things that require servicing by the state.

Sammy Wilson: That is correct. In the past three years when I have been Finance Minister in the Northern Ireland Executive we have cut spending on consultancy by 56%. That is a good result, as far as I am concerned, but of course many private sector consultancy firms do not see it as a good idea at all, because people have been laid off. That bears out the hon. Lady's point.

I am not complacent about the relative size of the public sector vis-à-vis the private sector, but we must

avoid a simplistic view of how to go about things. It should not be a case of squeezing out the public sector and filling the gap with the private sector. We should grow the private sector and use what we can, and the resources of the public sector, to encourage that.

Mr Laurence Robertson: I think that the hon. Gentleman would accept that my speech was based on the idea of growing the private sector. The Select Committee felt—not unanimously, but by and large—that cutting corporation tax to attract inward investment was a way of doing that. As a result of that the public sector would become a smaller percentage of the whole, without necessarily getting smaller.

Sammy Wilson: I am glad that the hon. Gentleman has clarified that, because I noted down his remark about reducing the size of the public sector. If he was speaking relatively, we are both arguing on the same lines.

My second point is that Northern Ireland still has a strong entrepreneurial spirit, despite all the years of trouble and how that put off private investment, and even drove out some of what was there. Indeed, the hon. Member for South Down (Ms Ritchie) talked about the level of self-employment in Northern Ireland, which is higher than elsewhere in the United Kingdom. That strong entrepreneurial spirit is growing, and many firms have weathered the current recession. The Business Secretary has visited Northern Ireland to see the work of Bombardier. That is a leading firm, internationally, in carbon fibre use in aircraft production, and it is growing; it is one of our biggest manufacturing employers. In my constituency there is F. G. Wilson, which sends generators around the world for Caterpillar, and is now back to its 2008 production levels, and Schrader Electronics, which provides a high proportion of the computerised valves for high-value motor cars, which tell drivers the car pressure. All the steel work for the Shard, which is being built down the road from here, is supplied by a firm in the back of beyond in County Fermanagh. It takes the steel in and ships it out, and because of the excellence of its manufacturing and engineering skills it can still compete for high-prestige jobs such as those that we can see from this building. I could go on.

The news is not all bad, and despite the recession there are many firms that have looked for ways to keep their work force together. One of Northern Ireland's big advantages is that by and large work forces tend to be very loyal, and employers recognise and try to reward that. For example, Creagh Concrete just outside Toomebridge lost 90% of its business in the Irish Republic and had to lay off half its work force. It started to look for new business and is now back practically to the same level of employment, despite being in the construction industry, by making prisons that are like Lego kits. In fact, when I visited, there was half a prison sitting out in the yard and the other half was being produced. It is then taken on site and put together with all of the facilities inside it. The firm is changing from low value to high value concrete products. I could go on—there are many other examples of the desire of firms in Northern Ireland to grow.

What I say to the Minister today, I say in that spirit. We do not come to this place pleading special cases for a basket case, or as fiscal Oliver Twists holding out our hands, always wanting more and not prepared to do anything to help ourselves. People in Northern Ireland,

entrepreneurs in Northern Ireland, want to help themselves and want to grow the economy. However, certain matters, as was pointed out by the hon. Member for South Down, rest with the Government at Westminster and therefore need attention.

Of course, there are matters on which the Northern Ireland Executive can act. It is not my place here to talk about them, or to talk about how adequately or inadequately they have been done. However, I have to respond to the hon. Member for South Down, who somehow thinks that the money allocated to Northern Ireland is not sufficient, not well spent and could be easily added to. She mentioned the fantastic document that her party produced on how we might raise revenue. I know that her first name is Margaret, but when I read the document I thought it was Margaret Thatcher reincarnated in Northern Ireland—the iron lady, though in the hon. Lady's case it might be more like the tin foil lady.

The document included a list of privatisations from which money could come. Let me just list some of them: the sale of allotments; the sale of the Speaker's house—I do not think it is his personal house, but there is a house in the grounds of Stormont; the sale of an airport that we do not own; and money from developers who are not building anymore. I could go on. Not one of them stacked up. We get the easy answers.

Dr Alasdair McDonnell: Does the hon. Gentleman accept that he has adopted many of those proposals in his current budgetary strategy?

Sammy Wilson: No, I do not think I have adopted any of them. The only one that was adopted was then condemned; namely, that we could maybe get some money from housing associations by cutting their grant and making them borrow more in the market. When that was adopted, the first party to condemn it was the party sitting to my left. Even when we adopt some of that party's ideas, it suddenly decides that they are not good ideas.

Ms Ritchie: Further to the point made by my hon. Friend the Member for Belfast South (Dr McDonnell), I make the simple point that it is my clear understanding that the budget review group that sits in another place in Belfast has adopted a lot of the proposals contained in the SDLP document, "Partnership and Economic Recovery". Perhaps the hon. Member for East Antrim might like to comment on that fact, rather than being disparaging.

Sammy Wilson: If I had anticipated the length of that intervention, I might have listed some of the things that had been adopted. I cannot think of too many, other than the one that has now been condemned by the party that first suggested it. I have to say that it is actually working quite well. We are getting more houses built for less money in the public sector, and of course that is a good idea.

Ms Ritchie: Will the hon. Gentleman give way?

Sammy Wilson: No, I will not give way. This debate is not about the internecine warfare that goes on in the Northern Ireland Assembly, much as I enjoy it. I am

sure that hon. Members do not want a rehash of the kind of budget debates we have in that other place. I will make one point, however, because there has been a call for more devolution of tax-varying powers in Northern Ireland. There seems to be a contradiction. On the one hand, the idea is that if we had tax-varying powers we could use them to spend more money on public sector projects. On the other hand, when we get those tax-varying powers it is not to put taxes up, but to bring taxes down. I do not know how we bring taxes down and spend more money as a result, but that is the equation put forward by the hon. Member for South Down, which I think is part of her party's policy. More recently, we have been told that motor tax were devolved to Northern Ireland, we would be able to avoid all the changes that we do not want to introduce in welfare reform. From the devolution of motor tax we could find—according to the SDLP's erroneous figure—£600 million. I would not like to be a motorist in Northern Ireland if we had to raise £600 million extra from a motor tax.

There many issues I do not run away from. The Executive and the Assembly in Northern Ireland cannot run away from their responsibility for the things that they have to do to try to help to rebalance the economy. Some things are done well, some things are not being done so well, and some things still have not even been started. Those are internal matters, and the Minister may make reference to them later on. However, we are well aware that where we have responsibility, that responsibility should be taken. However, certain matters reside here at Westminster, and they are important if we are to rebalance the economy in Northern Ireland.

The first matter is the debate on devolution of corporation tax and tax-varying powers in relation to corporation tax. I would be cautious about that. It is not that I would be opposed to it, but if it is devolved it must be devolved at a price that does not put further pressure on an already pressurised public sector budget in Northern Ireland. We have lived with the cuts. I am not one of those who believes that because of Northern Ireland's special circumstances we ought to be exempt from all of the financial difficulties that have to be faced by the rest of the people in the United Kingdom. I do not take that stance. It is an unreasonable stance for people from Northern Ireland to take.

We have lived with a £4 billion reduction in our budget in the next four years—a 40% reduction in the capital budget for expenditure in Northern Ireland in the four years. We have sought to ameliorate that by looking at what sources of revenue we could raise, what assets we could sell, how we could switch expenditure around, and where we could make savings. If, on top of that, as a result of the devolution of corporation tax, we were then hit with an additional burden—a burden that the Treasury estimates could be anything up to £500 million—that would not be either fair or sustainable. Given that the price would be paid immediately and the benefits would only be experienced in the medium term, that price would not be affordable. Nor would it produce, even in the medium term, the desired result of rebalancing the economy.

Mr Laurence Robertson: May I point out that devolving that power would cost absolutely nothing at all? The Select Committee's proposal for it to be devolved costs nothing. The action that the hon. Gentleman's Committee then takes is for him to judge.

Sammy Wilson: Of course that is true, but there is no point in devolving corporation tax if we are not going to do something about the rate of corporation tax. The whole idea is to try to give us the same advantage as there is across the land border in the Irish Republic. The estimated cost so far is approximately £500 million. However, we will be meeting the Minister and other Ministers soon to discuss this matter. There are ways of alleviating the cost of it. Built into it are indirect costs, for example assumptions about profit movements that Europe does not expect the Government to build in at this stage and, indeed, says could be looked at retrospectively once we see what happens. That would bring the bill down considerably.

No consideration has been given to the secondary effects, which my hon. Friend the Member for North Antrim mentioned, such as increased VAT, national insurance contributions and income tax. I am not holding out the begging bowl, but those are legitimate things that the Government could consider if they wish to aid and abet those of us in Northern Ireland who believe that it is important to change the balance in our economy. We must become less dependent on the public sector, and our economy must be more balanced and able to grow because of a strong, healthy, vibrant private sector that is not disadvantaged by a tax rate that is different from the one in other parts of the island.

The hon. Member for Tewkesbury rightly mentioned energy costs, which shows that he and his Committee have good soundings on the ground in Northern Ireland. High energy users in Northern Ireland are finding that we have the highest energy costs of any part of the United Kingdom. I do not want to name the high energy users: many are well known. I do not wish in any way to raise alarm about the situations in which they find themselves, but many are at present looking hard at their operations because of the rising cost of energy in Northern Ireland, with the carbon price floor being set by the Government. We can argue about whether all this is necessary: I am not getting into that debate, because hon. Members know that I probably take a different stance on these issues from many others. We could debate all day whether setting a carbon price floor is necessary to save the world in 50 years. All I can say is that when it does not exist in the Republic of Ireland or in many of our competitor countries, we are placed at a grave disadvantage.

Hon. Members should not forget that the Government are encouraging us to consider export markets, which we are doing, which means opening ourselves up to competition and competing in markets with firms that do not face these additional costs. I am not the only one saying this. Representatives throughout the UK are saying that it is having the same impact in their constituencies.

Mr Robertson: Does the hon. Gentleman agree that, if the energy is not produced in Northern Ireland—and assuming demand stays the same—it will just be produced somewhere else?

Sammy Wilson: Having two of the major power stations in my constituency, I know this already. They are considering what their investment will be in future. In a single electricity market and with that interconnection with the Irish Republic, of course, we could find ourselves

increasingly at the mercy of what happens in another country, with all the difficulties that that causes. The Government should consider what can be done with energy costs, because that is important.

On devolution of other tax powers, there may be occasions when we look specifically to have control over some things. I want to put on the record my appreciation, and that of the Northern Ireland Executive, for the work done by the Government on air passenger duty, particularly on direct long-haul flights from Northern Ireland—especially to north America—which was going to have an impact on our economy. Hon. Members have mentioned the importance of tourism, but it was not just about that; it was much more about the impact on foreign direct investment and inward investment, which was worth an awful lot in respect of our economic strategy. Around summertime last year, Northern Ireland Office Ministers worked with Treasury Ministers in the middle of the recess to get this thing resolved. It would be churlish not to show our appreciation for that work and for the way that it will now go through. That was an important measure.

I am not a great fan of devolution of more fiscal powers to the Northern Ireland Executive, but there will be occasions when we perhaps need to consider specific issues. I hope that a response will be forthcoming.

It is important to mention that the banking structure in Northern Ireland is not the same as in any other part of the United Kingdom. Some 95% of banking in Northern Ireland is done through Irish banks, which are in a poor state, or through Ulster Bank, which is an annexe of RBS. Many of the other banks that people have access to in the rest of the UK do not operate in any significant way in Northern Ireland. As a result, all the surveys about how businesses are faring in respect of banking show that Northern Ireland falls well below other parts of the UK, in respect of the terms that are offered, the availability or restriction of credit, or calling in loans.

If anything will crush the ability of the private sector to grow in Northern Ireland, it will be the absence of liquidity. The Northern Ireland Executive has considered various things, including loan guarantee funds, which the Department of Enterprise, Trade and Investment operates. We are considering how we can attract equity funds and what we can do to put some money into equity funds to get venture capital, especially for start-up businesses in Northern Ireland.

It is important that the banking sector operates properly in Northern Ireland. For example, here are some things that the Government could do. Why do not we have regional figures for how well Project Merlin is operating? I suspect that, although banks are meeting their targets throughout the UK, proportionally those targets are not being met in Northern Ireland. Could the Government do something in respect of credit easing? What could the Government do to ensure that the liquidity, which is generally pumped into the banking system, is reflected in the liquidity available to banks in Northern Ireland and, therefore, available to customers?

Naomi Long: The banks tell me how few people they turn down when applying for loans. However, the small businesses that say they cannot access finance say that they are dissuaded, at the first hurdle, from applying for loans and are told that, if they did, they probably would

not get them. A circular argument develops, with banks saying no one is asking and small businesses saying no one is getting.

Sammy Wilson: That is one reason why, when one looks at all the business surveys and the terms offered for loans, compared to the rest of the UK—I had the figures here somewhere, but I cannot dig them up at the moment—some 10% more businesses in Northern Ireland are saying that terms for loans have worsened between 2007 and 2011. Of course, on top of that many businesses have huge debts associated with property.

I listened to the chairman of RBS the other morning on Radio 4 saying how the bank had brought down its bad property debts. That is good from the point of view of the bank's record, but I know what that means in places such as Northern Ireland: a good, strong business with a core operation, but with some bad land loan attached to it, is squeezed to bring down the debt on the land and, in doing so, people are being put out of work and businesses are finding it impossible to expand, even where they have good markets. The Government have to address the banking issue in the longer run.

I will mention only one more thing, so that other Members have a chance to get in, and that is VAT. I understand Government reluctance to reduce the rate when VAT brings in a lot of revenue, but to do so would of course have very beneficial effects in stimulating the economy. The Government do not have to reduce VAT rates generally; specific reductions in the tourist sector, as in the Irish Republic, or in the building sector, so that people could put extensions on their houses and so on, could stimulate a lot of labour-intensive employment not only in those particular industries but wider afield—I am not saying for Northern Ireland specifically. Come the Budget, the Government should look at that.

Ms Ritchie: Does the hon. Gentleman agree that the forthcoming Budget on 21 March is an opportunity for the Government and the Treasury to look at VAT? We are not coming from Northern Ireland with a begging bowl, but we would like to see some mitigation of VAT on tourism or general products. If that was possible, we would be extremely grateful.

Sammy Wilson: As I said, a reduction should be targeted, and not at Northern Ireland in particular. For example, we are looking to grow tourism in Northern Ireland; we have great opportunities to do so over the next number of years, because it is one of the growth areas we have identified, but any such VAT reduction could benefit the whole United Kingdom,

As someone who values the Union, I do not want to see lots of the fiscal ties broken. Equally, I understand and said earlier that, if the home nation is facing particular difficulties, we must face them along with the rest. Being part of the Union and the Union family, however, also means that there is an obligation on that family: if there are specific problems in a particular part of the kingdom and remedies are available, those remedies must be given serious consideration. As a Unionist and as someone who believes that the Union is stronger when specific problems are recognised and action taken, I hope that the Government will respond positively to some of the suggestions made by me and other contributors to this debate.

3.52 pm

Naomi Long (Belfast East) (Alliance): I am glad to participate in the debate because rebalancing the economy of Northern Ireland has been on the agenda of my party and of many other parties for a considerable time. It must be realised, however, that the current economic climate—the challenges presented to public expenditure, the availability of finance from banks to fund growth in the private sector, including that of small and medium enterprises—has added urgency to the debate in recent years.

Others have laid out many of the statistics and problems, so I shall avoid repeating and rehearsing those arguments. It does bear saying, however, that the imbalance between the size of the public and private sectors in Northern Ireland is well documented, and it is not in the interests of the people of Northern Ireland to sustain that imbalance. I agree with the hon. Member for East Antrim (Sammy Wilson) that action to address the imbalance has to be focused on both growing the private sector and reforming the public sector to make it efficient, effective and supportive of growth. There are some good reasons why it would be foolish to pursue a project simply involving public sector cuts which, alone, cannot be the emphasis for reducing the overall imbalance. For example, the Northern Ireland economy is around 70% public sector in terms of gross value added or of gross domestic product, but public sector employment is around 30% of all employment. I acknowledge the mix of indices, but it illustrates that a quite significant element of our economy—probably more than a third and perhaps up to 40%—is effectively the private sector doing work for the public sector. The hon. Member for East Antrim referred to the effect of public sector efficiency savings on the private sector, which must be borne in mind as we consider how to rebalance the economy, its timing and how we phase any approach.

In my constituency, I have been told how public sector cuts and efficiency savings could, perversely, force contraction in some of the private sector, at least in the short term. We have already seen an example, which only this afternoon I raised with the hon. Member for East Antrim, in his other capacity in Northern Ireland; Departments seeking to reduce their expenditure are using Government-only facilities for training and so on. The impact is that many of the private conferencing centres, which have developed good business models, are being squeezed out, not because they are not competitive but because the impetus is to use Government and therefore subsidised facilities for training.

Over-reliance on the public sector is not good for Northern Ireland, leaving us more exposed and more vulnerable when there are public expenditure cuts than we would want to be the case. It can also have a dampening effect on business innovation, and the dynamics risk the absorption into the public sector of many of the graduates with the skills and abilities to set up their own businesses, because they believe it to be the more stable opportunity. The size of our public sector in Northern Ireland, compared with our private sector, can also create a clientist culture generally in society. When so many people directly or indirectly depend on the Government for their employment, the normal robust challenge faced by the Government from the private sector and others on economic policy can be dampened or squashed. People are afraid to challenge, because they recognise that their own jobs could be affected.

[Naomi Long]

It is not possible to have a proper debate about rebalancing the Northern Ireland economy unless we also look at the rebalancing of the UK economy more generally. Northern Ireland is dependent on economic subvention from the UK Treasury, but it is important to recognise that only three UK regions are net contributors to the Treasury. Northern Ireland is the most dependent of the other nine, and the imbalance and the reasons for it need to be scrutinised carefully. Clearly, a more active regional policy is needed by the Government, to promote a more even distribution of economic activity throughout the UK. It is not sufficient to concentrate wealth creation in the south-east and for the Treasury then to redistribute the proceeds among the other regions; to do that has considerable implications not only for the economic prospects of the regions and the individuals who live there, but for the health and well-being of those residing in less economically active regions. There is a correlation between the degree to which regions are contributors to the Treasury and their level of dependence on the public sector. For example, the regions most heavily dependent on subvention are the most acutely affected by cuts in public sector spending and by welfare reform.

Currently, the overall GVA of Northern Ireland is around 80% of the UK average. Successive Governments have nominally committed policy to regional convergence, but London and the south-east are still regarded as the main drivers of the UK economy. It appears that Governments have traditionally put a much higher premium on protecting and maintaining that position and then tolerating financial subsidy and dependence than on giving regions greater autonomy to become sustainable in their own right. Many of the levers to address the imbalance in the Northern Ireland economy are devolved, and other Members have already reflected that. While the Assembly and the Executive have rightly prioritised the economy in their work, it is worth noting that the Northern Ireland Assembly currently has no real financial incentive to deliver economic growth, as the level of the block grant is set independently of considerations of economic change.

Devolution of some tax-varying powers linked directly to economic growth should therefore be considered, because they would be not only positive in their own right, as with corporation tax or air passenger duty, but a positive step in developing a responsible and normalised system of government in Northern Ireland, under which the Executive can make decisions that influence economic outcomes and will benefit financially from making the right decisions. Greater access to those financial levers could encourage and facilitate creative local solutions for economic growth and prosperity, if implemented carefully. I take on board the caution expressed by the hon. Member for East Antrim about the risks attendant on devolution, and I understand the need for robust engagement with the Treasury to ensure that whatever price tag is attached is fair and reasonable and will not blight the economy in another way.

Alliance is therefore generally supportive of the devolution of corporation tax in Northern Ireland. Although we recognise fully that that alone is not a silver bullet for the challenges facing our economy, the Executive can make and implement many other interventions to co-ordinate with it and help it rebuild

the economy. As other hon. Members have recognised, revenue lost in the short term due to the lower rate of taxation would have to be met from the Northern Ireland block grant, under the terms of the Azores ruling in the European Court of Justice.

However, I firmly believe that without a reduction in corporation tax, there is little scope for a step change in Northern Ireland's economic condition. Despite more than 15 reviews of Government economic strategies since the mid-1950s, there has been no substantial reduction in the performance deficit between Northern Ireland and the UK. It is therefore important that the Treasury works closely with the Executive to consider the case in an open and transparent way, in order to ensure that it is affordable and build the confidence necessary to deliver it.

As well as making the case for a reduction in corporation tax, we must ensure continued investment across policy areas in Northern Ireland that have a strong impact on economic growth: capital investment, energy infrastructure, education and skills and research and development. It is vital that all those policy levers are fit for purpose and can be shown to produce the desired outcomes when the correct environment is created.

[MR LEE SCOTT *in the Chair*]

My party colleague, the Northern Ireland Minister for Employment and Learning, is also focused on ensuring that skills are prioritised and developed, and has been working closely with others to deliver the economic strategy. The information and communications technology working group, for example, is bringing together the Department for Employment and Learning, the Department of Enterprise, Trade and Investment, Invest NI, universities, further education and businesses to consider skills shortages and mismatches and find a plan to address them.

Reclassifying tourism as a priority skills area—I will return to tourism later—changes the funding formula and has been done in recognition of tourism's hugely increased potential from 2012 onwards. Research on potential changed skills needs under a lower level of corporation tax is also hugely important, as the kinds of job created by that reduction will be different from those we currently attract.

It is also important to note that Northern Ireland has had its largest increase in higher education places since 2000, and that they are all in science, technology, engineering and maths subjects. The role of science and technology in developing the economy has been given due recognition, and it is important that the Executive continue to do that. I say that not only as someone who was an engineer before becoming a politician but because I genuinely believe that science and technology hold opportunities to help regrow our economy and build on our strong base.

The Government have also started to consider the issue of air passenger duty, and I give them huge credit for how they have handled it. Differential rates across the land border with the Republic of Ireland created challenges for us in maintaining our direct international link with the US. The Government's timely intervention was hugely helpful not only in maintaining that link, which is important for both tourism and business, but in keeping a base on which we can build for the future. That is just as important as retaining the current link.

Long-haul flights have been dealt with, and a proposal is being considered to devolve the matter to the Assembly in order to allow them to consider future issues involving rates.

That is welcome, but we must also recognise the impact on regional connectivity, for example with the south-east, which is still the largest economic driver in the UK. We live in a region where the only option for business travel is flying. We pay a premium to access the south-east of England. Others can at least consider alternative means of transport, but that is not open to us, and it has a direct impact on our ability to grow the private sector. That continues to be a significant challenge, and I hope that the Government will consider it with a degree of sympathy.

Mr Laurence Robertson: The hon. Lady might mention at this point that it has been agreed that our next inquiry will be into aviation policy, for the reasons that she gave.

Naomi Long: The hon. Gentleman is one step ahead of me, as always. I thank him for bringing that point to my attention. I was about to say that the opportunity to consider aviation as part of the Committee's future studies is hugely important, because we can look at the interconnectedness of all aspects in terms of the economy and the ability to deliver new opportunities for Northern Ireland.

Another area in which Westminster has at least some control is banking, although, as the hon. Member for East Antrim indicated, that control is perhaps not as extensive as we would wish. Much has been said already that I do not wish to rehash. I will simply say that access to finance for growth continues to be a significant challenge for the private sector. Companies that are not just viable but extremely competitive, even in a difficult economic climate, and which wish to have liquidity in order to expand are finding it incredibly difficult. Even the figures that we can access in order to determine how well banks are distributing the money available are so opaque that it is difficult to hold banks to account. I mentioned in an intervention the circular argument being delivered. On one hand, banks say that money is available but that no one is applying; on the other hand, businesses say that they are being dissuaded even from applying. We need to cut through that and find out exactly what the situation is.

I will touch briefly on a couple of other economic issues. VAT has been mentioned. For a long time, my party has supported reducing VAT on renovations. We believe not only that it is environmentally sustainable but that it would help boost the local construction sector and create employment and jobs, allowing people to adapt their homes at a time when moving home is often not an option because they are trapped in negative equity. That option should be considered. I urge the Treasury to examine its potential impact carefully.

The differential rates of VAT between hotels in Northern Ireland and in the south must also be considered. Currently, VAT for hotel services is 20% in the UK, but about 9% in the Republic. The need to attract investment and encourage home-grown business is paramount to growing our economy and bringing opportunities for employment, and tourism is a hugely important part of that strategy for growth.

In my constituency, 2012 is an important year for tourism, with the centenary of the Titanic and the opening of the Titanic Belfast visitor centre. That is just one example of the opportunities out there. Many other Members are equally enthusiastic about the opportunities in their constituencies, and some have already exploited the opportunity in this debate to promote them with no shame. I do not blame them at all, because I wish to do the same for my constituency.

However, hotels in Northern Ireland, particularly those near the border, face a competitive disadvantage that makes life difficult. Given Northern Ireland's extremely positive reviews as a destination and the success of our golfers on the international stage, among other things, investment and support in the tourism sector would bring tangible benefits. I have referred to the fact that it is a priority skills area, which has created a step change in preparing people for employment. However, a VAT reduction would even up the playing field, resulting in long-term tax gains and supporting the strategy being developed by the Executive to grow our tourism industry.

The hon. Member for South Down (Ms Ritchie) mentioned the aggregates levy and some other areas where the land border and direct competition affect Northern Ireland business. Flexibility on such issues is needed. We cannot expect to be treated differently on all occasions, but some issues are significantly different in Northern Ireland and need to be considered in that context.

Several Members mentioned energy costs. It is important to recognise their impact, particularly on large energy-reliant businesses. They also have a general dampening effect on the economy, as energy bills eat a lot of profit that could be reinvested in other growth within business. However, there are opportunities to create new jobs. Although I agree with the hon. Member for East Antrim about energy costs, I know that he is perhaps less enthusiastic than I am about the green agenda. However, I do not think that he opposes creating new jobs in renewables, given Northern Ireland's rich natural resources and strong research and manufacturing base. As the environment is one of the economy's fastest growing sectors, embracing green energy technology will bring jobs to Northern Ireland, whether in building wind turbines or in harnessing local tidal and wave technology.

Research and development of renewable energy is a lucrative sector in Northern Ireland, and can become even more so. Opportunities for close working between the Department of Enterprise, Trade and Investment, and the Department for Employment in Northern Ireland, and the Department for Business, Innovation and Skills to try to develop that sector have real potential.

There are good news stories in the Northern Ireland economy. The hon. Member for East Antrim mentioned Bombardier.

Mr Nigel Dodds (Belfast North) (DUP): Does the hon. Lady agree that it is encouraging that the Northern Ireland Executive have set out in their programme for the Assembly's next term their aim to encourage industry to achieve 20% of electricity consumption from renewable sources? That is ambitious, and to be commended.

Naomi Long: I certainly commend that. If one is ambitious, there is always the risk of failure, but if one is pessimistic and the bar is not set high enough, no one

[Naomi Long]

reaches out and there is often under-achievement. It is good that the Executive have set robust targets. It is good for the environment, and for the economy, and it is important for our local engineering base that we continue to do that. Harland and Wolff in my constituency invests quite a lot of time in renewables, and has reinvigorated a site that is providing sustainable employment for the future. That is a model that should go forward.

In my constituency, Bombardier's work in creating employment during these challenging economic times has been impressive. The hon. Member for North Antrim (Ian Paisley) is still present, so I will name-check Wrightbus and its work with the Routemaster bus system, even here in London. It is novel to see a London bus being driven through County Antrim or County Down while it is being trialled, but it shows that Northern Ireland has something to contribute to the wider economy, and that is positive.

I want to close with an issue that is particularly close to my heart: the impact on the Northern Ireland economy of the sad reality that even so long after the Good Friday agreement and the St Andrew's agreement, we still live in a deeply divided and segregated society. There has been huge progress and forward momentum in Northern Ireland in recent years through the political process, and I believe that we should celebrate and recognise that progress, because it holds great hope for the future.

Northern Ireland has been entirely transformed from the place where I grew up in the 1970s, but it would be wrong to gloss over or ignore the significant challenges that remain as a legacy of the past. The first Northern Ireland peace monitoring report was issued yesterday, and sets out the extent to which division and segregation still impact on society. It comments positively on the stability of the political institutions, the reduction in the general level of violence, and the emergence of what the report describes as

“a confident and neutral urban culture”,

typified by the number of people who identify their city centres as both safe and shared. However, sadly, it also highlighted the degree to which paramilitarism is still a threat, the lack of a strategy for reconciliation and dealing with the past and its legacy, and the degree to which Northern Ireland remains a divided society at every level.

Much of the responsibility for tackling that segregation is a devolved issue, but it is impossible to rebalance the Northern Ireland economy and to grow our private sector without looking at the degree to which segregation impacts on our economic competitiveness as a region. A divided society costs us in many ways. Divisions damage us at the human level, and limit people's opportunities to mix with one another and to develop their social potential. They also hurt us socially; it is no accident that there is a high correlation between segregation and deprivation. We cannot ignore that if we are meaningfully to tackle social and economic deprivation. Divisions also hurt us environmentally. The Royal Institution of Chartered Surveyors argues that the divisions in Northern Ireland impact on our carbon footprint, which is one of the worst of any region of the UK, even those that also have significant rurality.

Divisions hurt us economically, hindering our labour market mobility, and acting as a deterrent to tourism and investment. They continue to limit somewhat our ability to attract and maintain the top talent. Finally and crucially, divisions cost us financially. My party, Alliance, estimated some time ago that the financial costs of division are around £1 billion per annum, and that figure was substantially validated by the Deloitte report in 2007, which suggested an upper estimate of £1.5 billion.

The costs of a divided society are apparent in a number of respects. There are direct costs for policing riots, civil disturbances and parades, as well as distortions to policing from the security threat, and costs for a wide range of agencies in repairing damaged buildings and facilities. Indirect costs include providing duplicate goods, facilities and services for separate sections of our community, either implicitly or explicitly, including a wide range of services such as schools, GPs surgeries, jobcentres, community centres, leisure centres and so on. Those costs are borne not just by the public sector, but by the private sector, and they act as a drag on development. Related to those indirect costs are hidden factors linked to divisions that impact upon the cost environment that Departments, agencies and businesses must respond to. There are opportunity costs of lost inward investment and tourism. The Northern Ireland economy has undoubtedly performed better in recent years, but it is still well below its potential capacity.

I believe strongly that there are moral and social imperatives for tackling sectarianism and segregation, but there are clearly also economic and financial imperatives. In the context of current financial pressures, the need for an overall strategy to look at government in Northern Ireland and to seek reform and efficiencies, not within existing divided structures, which could simply further balkanise the community, but in a way that increases sharing and co-operation, is a hugely important part of reinvigorating our economy, rebuilding our community, placing services on a more sustainable footing socially, environmentally and economically going forward, and making Northern Ireland a more attractive place in which to live, work and invest.

Those are primarily matters for the Executive, but the impact is significant in the context of this discussion. Any pressure and support from this place that can be brought to bear on the Executive in terms of delivering on that agenda will be hugely important. I believe that Northern Ireland has the potential to turn the economy round. I believe that the opportunity to rebalance it exists, and that now is the time to unlock that potential.

4.16 pm

Mr Nigel Dodds (Belfast North) (DUP): It is a pleasure to take part in this debate under your chairmanship, Mr Scott. I agree with much that has been said. There is great consensus among Northern Ireland Members on all sides. I welcome the Select Committee's excellent work on air passenger duty and corporation tax, which is the context in which this debate is taking place. The reports have been helpful to the debate, and I commend the Select Committee's Chair and members on what has been achieved so far.

It is right to begin by putting on the record and endorsing what my hon. Friend the Member for East Antrim (Sammy Wilson) said about the importance of

the link between Northern Ireland and the rest of the United Kingdom, because the matter must be put into the context of the enormous advantages that Northern Ireland gains from being part of the United Kingdom. That comment may not receive total consensus in Northern Ireland, but given what we have seen of the eurozone crisis and the impact of the global financial situation, being part of a much bigger economy—the United Kingdom economy—and out of the eurozone has been of enormous benefit to the United Kingdom and Northern Ireland. I commend the Government on that and, indeed, a previous Government who decided to stay out of the eurozone—certain sections decided to stay out and the then Prime Minister had to go along with that. It is important to say that at the outset.

It is also important to put on the record the fact that many good things are happening in Northern Ireland's economy. We have many advantages, and as a former Minister of Enterprise, Trade and Investment back in the early days of the restoration of devolution, I became well versed in repeating those advantages in meetings with potential investors and others. It is worth putting on the record the fact that Northern Ireland attracts the second highest amount of foreign direct investment of any region of the United Kingdom outside London and the south-east. That is a phenomenal achievement. Our population is 2.8% of that of the UK, but we receive 7% of the foreign direct investment that comes in to the United Kingdom. Invest Northern Ireland and those who work in the Department of Enterprise, Trade and Investment deserve credit for their work.

We have a relatively young, well-educated work force and, as has been mentioned, good competitive costs. We have a low rate of attrition in work force turnover; workers are loyal to their employers, and by and large, the infrastructure is good. I was delighted to hear the recent announcement about more investment in our roads. Northern Ireland is on the peripheries of the United Kingdom, but when looking at its own peripheral areas—indeed, those of any country—there is no doubt that the biggest single boost that can be given to the economy is investment in infrastructure. We will get people, particularly young people, to stay in those areas only if there are good transport links and it is easy for them to move freely, work in those areas and get their goods to market elsewhere.

The roll-out of superfast broadband is one of the Government's priorities, and the situation in Northern Ireland is one of the best in the United Kingdom, with extremely good coverage across the Province. As the Secretary of State for Culture, Media and Sport said the other day in a response to my question on that issue, Northern Ireland is well ahead of other parts of the United Kingdom, which is a positive point.

Air links have been mentioned, and it is important to stress the significance of Northern Ireland's dependence on the Heathrow link, given that we do not have alternatives such as rail. On the sale of BMI, the takeover bid has been launched, and I understand that International Airlines Group is the preferred bidder. A process is under way to look at that, and we need a meeting with the group's chief executive and others to discuss the takeover. From both a tourism and business point of view, we must recognise Northern Ireland's dependence on the maintenance of strong links between Belfast, Northern Ireland, and London, Heathrow, which is the still the main hub for long-haul business travel.

I do not mean to run down other air links involving low-cost airlines that fly to Gatwick, Stansted or Luton, because such links are important and serve different sectors of the market. However, if we want to ensure good links with business, we must maintain the connection with Heathrow. At the same time, we must develop direct long-haul routes out of Belfast, and I wish to put on the record our thanks to the Government and note the tremendous work that was done at local executive level in Northern Ireland and at Westminster—particularly in the Treasury—to deal with air passenger duty and maintain the link between Belfast and Newark, New Jersey.

The Northern Ireland Executive are committed to growing the private sector and supporting innovation, research and development, and creativity. They have set out plans to support £300 million of investment by business in R and D, to help 500 businesses to undertake R and D for the first time, and to support 200 projects through the creative industries innovation fund by 2015. That support has been set out in the programme for government and by the Department of Enterprise, Trade and Investment.

On skills and employability, the plans are to increase to 70% the proportion of young people who leave school having achieved at least five GCSEs at grade A to C, or the equivalent, including in English and maths; to deliver 210,000 qualifications at levels 2, 3, 4 and above by 2015, through further or higher education and essential skills training; to increase skills in subjects that are important to the Northern Ireland economy, such as science, technology, engineering and mathematics, and implement actions within the STEM strategy; and to improve support for companies and increase the number of people who gain skills in management and leadership. The Northern Ireland Executive have made important commitments to place growing the economy at the centre of the programme for government.

On business growth, the plans are to promote £330 million of investment and 6,300 jobs in locally owned companies—with 50% paying salaries above the private sector median—and a further 6,500 new jobs in new start-up businesses; to support projects that improve competitiveness, encourage diversification of the rural economy, improve the quality of life in rural areas and protect and enhance the environment, including through the introduction of national parks; and to invest in social enterprise growth.

I want to put on the record that in Northern Ireland, the Executive and political parties are working together to promote growth in the private sector and the economy. We do not come to this debate simply to set out the needs and challenges of Northern Ireland, although there are many. The hon. Member for Belfast East (Naomi Long) referred earlier to the division and segregation that continues to exist. Sadly, in many areas, such divisions will continue for the foreseeable future. We in Northern Ireland have come through difficult challenges and problems that cannot be dealt with or swept away in a matter of years or during the term of one Government, either in the Assembly or at Westminster. In many cases, those challenges will take generations to sort out.

The good thing, however, and the message that goes out from Northern Ireland is that although parties may be opposed on some of the details—we have seen a

[Mr Nigel Dodds]

flavour of that today and with certain parties who do not take their seats in this place—and we are diametrically opposed on many issues, for the first time in generations, indeed decades, we are working together within the context of the locally elected Assembly to try to make life better for the people of Northern Ireland whom we represent.

Today, most of the debates that take place in the Assembly, or in this place, are on economic and social matters, rather than the issues that used to blight us—those of violence, terrorism and political uncertainty. Those issues have not entirely gone away, and we are conscious of the threat from dissident terrorists. The good work done by Invest Northern Ireland, Tourism Ireland and the Northern Ireland Tourist Board could be undermined by a bomb planted somewhere, or if some incident takes place and gets into the headlines. When people see such things on the news they believe that the entire area or Province is up in flames—far from it. That was not true even during the bad times and the troubles, but such incidents can do a lot to undermine confidence and deter visitors or investment.

We must bear down strongly on dissident terrorism, and I welcome the Government's recognition that terrorism within Northern Ireland from dissident republicans should be viewed as a high priority in terms of the security threat. Although the focus, particularly during the run-up to the Olympics, is on the threat from extremist Islamists and others, there is still a threat within the United Kingdom from dissident republicans. However, that threat is being tackled, and the Treasury gave extra money—some £200 million—to the Northern Ireland Executive for that.

Naomi Long: Does the right hon. Gentleman agree that the security response is a hugely important part of the response to paramilitarism? We also need an economic response to help people invest more in their communities and get better jobs, which they do not want to see destroyed. That would be another way to insulate communities against paramilitarism and protect young people from being drawn into paramilitary activity.

Mr Dodds: The hon. Lady is absolutely right. She represents the constituency of Belfast East, and I represent Belfast North, which has more of the so-called peace walls than any other constituency. She and I share many of the challenges that come with representing a Belfast constituency and inner city areas, and I totally agree with what she said.

I was talking about tourism and the impact that violence on our TV screens has on attracting visitors. I believe, however, that the tourism industry has great potential to help grow the private sector. When the troubles—the violence—started in the late 1960s, the number of visitors coming to Northern Ireland, which had been growing very much during the '60s, dropped off massively overnight and stayed at that very low base for 30 to 40 years. There is massive potential to grow the numbers back to what they were previously. We are not even back to that point yet.

Ms Ritchie: As the right hon. Gentleman says, there is further potential to be developed in relation to tourism. Does he agree that part of what is required is the

development of the product assets themselves, as opposed to the marketing of them? If we develop the assets, we will ensure that marketing flows from that.

Mr Dodds: The hon. Lady has a point, but I think that it is a matter of doing both. We must have the product. That is why the number of signature projects that have been and are being developed in Northern Ireland is extremely important. Then, as everyone knows, we have to get out there and sell the product. We need a combination of both.

I congratulate the Executive on their aim to have, by the end of December 2013, 3.6 million visitors coming to Northern Ireland, with a revenue of £625 million. That will provide a major boost to employment. We are talking about investment in product. The Titanic signature project, which has been referred to and which opens on 31 March, is a very significant addition to the tourism product in Northern Ireland.

I am reflecting on the first meeting of the Northern Ireland Executive in 2007, after devolution was restored. The first item of major expenditure brought to the table was a proposal that I brought to invest and commit public funds, alongside private investment and European funds, to the Titanic signature project. I am delighted that that has come to fruition. Along with some other projects, it was derided, criticised and picked over at the time, but everyone now agrees that it will probably be the biggest tourist draw on the island of Ireland, apart from the natural attractions, such as the Giant's Causeway. It will be a massive addition to the tourism product. That was a far-reaching and visionary decision of the Northern Ireland Executive, taken at one of their first meetings in 2007.

Naomi Long: The right hon. Gentleman has been generous about taking interventions. Does he agree that, as is so often the case, there is still negativity, even about such important and positive projects, and that part of what we need to do is not just to market these things internationally to potential visitors, but to engage in some selling of confidence to local people that we can attract the tourist numbers required to sustain them? We need to build self-belief again in the people of Northern Ireland. We need to build the belief in them that it is a good place—a place worth visiting—so that they become ambassadors for the product that we have.

Mr Dodds: I agree. My hon. Friend the Member for East Antrim referred earlier to cynicism. I do not fault him for that. It is right to be cynical at times, especially when dealing with statistics, facts and figures coming from the Government and so on. It is right to interrogate people about that, but over the years there has been a tendency for cynicism to be almost the natural reaction to anything happening in Northern Ireland. To be frank, sometimes our local media do not help. There is a sense in which everything that happens is to be criticised and picked over, particularly in Northern Ireland. There is always someone there to do that.

With regard to the Titanic signature project, a report came out recently from the audit people saying, "We're not quite sure how this will all work out. We're not too sure, because we don't know how many visitors are going to come." Well, we could have told them that without doing all that work. Of course there are issues

to be looked at, but we must take some risks in trying to develop the private sector. That is the key point. Sometimes people say, "Oh, you've wasted this money and wasted that money. You've invested too much money in this and put too much money into that." Well, if we are to develop the private sector, we must encourage private investment, but sometimes we have to prime the pump. That will require some public investment, and it sometimes does not work out in exactly the way that we wish. That is part of the business of creating growth.

I am conscious that other hon. Members wish to speak. I will not take up too much more time, but I want to support the call, in the run-up to the Budget, for the Government here to help. I believe that there is a strong case, as the hon. Member for Belfast East said, for a VAT cut in relation to renovations, because the construction industry is a major employer in Northern Ireland. Proportionately, it is much more important there than it is elsewhere in the United Kingdom. In 2007, 46,800 people were employed in our construction sector. By September 2011, the number was down to 32,800.

Again, the Northern Ireland Executive have done their bit. The amount of capital investment that is going in now—that has been brought forward and speeded up—is significant. The recent announcement by the Minister of Finance and Personnel—my hon. Friend the Member for East Antrim—of an extra £600 million was significant. However, something such as a cut to the VAT rate on renovations would help us in Northern Ireland.

Also relevant are the effects of high energy prices and the high price of fuel and diesel in Northern Ireland on the economy locally. That is having a big impact on the haulage industry—on the private sector, never mind household budgets. The issue has been debated on a number of occasions recently and has also been raised at Prime Minister's Question Time. The fact is that people and businesses in Northern Ireland are paying a higher price for petrol and diesel than people in any other region of the European Union. If we are talking about rebalancing the economy and growing the private sector in Northern Ireland, that must be examined. Something must be done about it. When we add to it the high cost of car insurance, which is well above what people in the rest of the United Kingdom pay, and the high cost of energy generally, we have a case for saying that if we are to rebalance the economy, those things need to be addressed.

The issue of the banks and access to finance has been raised. I will not go into more detail on that, but I will draw the attention of the House to a couple of cases in my constituency. Recently, a couple of business men have come to me in despair. One of the businesses has now gone out of business completely—it had to fold. The other is struggling on. In both cases, the bank, having agreed a lending regime with them—this was the Ulster bank, part of RBS—came to them and said, "Well, we have this arrangement in place. You're servicing your debt. That's all very well, but we now need you to reduce overall the amount of your overdraft by x hundred thousand pounds." They were not massive figures in the scheme of things, but they were massive to those businesses. The bank said, "We now need you to reduce your overdraft by x hundred thousand pounds. We want that by the end of two months. If you don't do it, we're going to say, 'That's it. We're not going to lend to you

any more.'" Those business men come to me in despair—"How are we to get this money?" They gathered money from friends and relatives and from savings and selling things off. Then the bank came back to them and said, "Well, you've been able to do that. You can go a bit further. We're now asking for an extra amount of money."

As I said, a company in my constituency, right on one of the peace lines, in a very highly deprived area, employing some 25 people, was out of business as of last month. The guy who owned that business is now working as a sales rep for another company elsewhere. The banks have a very heavy responsibility in this, and it is all done to reduce their outlay. It is all driven at headquarters level. People meet the banks and they say, "We're sorry. There's nothing we can do. This is the policy. We're told that we have to do it." It is driving some businesses that are totally viable—they could trade away, work away and provide employment—out of business. That is a deplorable situation.

The Government have talked about the importance of rebalancing the economy. The Secretary of State for Northern Ireland has talked about that a lot. He has talked about the creation of an enterprise zone in Northern Ireland. I am delighted to see here the shadow Secretary of State, the hon. Member for Gedling (Vernon Coaker), and his deputy, the hon. Member for Ealing North (Stephen Pound). I note that neither the Secretary of State nor the Minister of State is here. I regret that, because the Secretary of State has talked a lot about—he has made it his priority—the creation of an enterprise zone for Northern Ireland. When we have queried what the creation of an enterprise zone actually means, it has appeared to mean Northern Ireland being open for business. It does not appear to amount to anything definite or concrete, other than his reliance on a cut in corporation tax.

In that context, let me raise the importance of regional aid in addressing the special circumstances in Northern Ireland. Currently, Northern Ireland has 100% assisted area status, but the Department for Business, Innovation and Skills is intent on removing that, while the Treasury is claiming that it is doing all that it can to rebalance the economy. BIS says that there is no longer an economic rationale to support Northern Ireland retaining its 100% assisted area status, but that fails to recognise the ongoing and unique situation in Northern Ireland, which has been outlined in great detail here today and is not experienced in any other region of the United Kingdom. It is particularly concerning that moves are being taken to remove our 100% assisted area status at a time when a consultation on rebalancing the economy is under way. It is inconceivable that while one part of the UK Government are seeking to rebalance the Northern Ireland economy, or grow our private sector, another part is taking steps that will have a significant detrimental effect on our ability to encourage private sector growth.

The potential loss of Northern Ireland's 100% assisted area status impacts on our ability to progress the UK Government's enterprise zone policy, particularly the capital allowance element, which is based on zones being within assisted areas for the five years from 2012. There are concerns, too, about proposals coming from the European Commission regarding assistance and regional aid being paid to large companies that are located in areas such as Northern Ireland. Any steps to remove regional aid for large companies would have a severe detrimental impact on Northern Ireland's ability

[Mr Dodds]

to support business competitiveness and to attract foreign direct investment. The Enterprise Minister in Northern Ireland is concerned about this matter and has been in regular contact with BIS, but if we are talking about rebalancing the economy and growing the private sector, all sections of the Government must do their bit. The Northern Ireland Assembly is, I believe, putting private sector growth at the heart of the programme for government. We will see in the forthcoming Budget what proposals come forward. Above all, though, BIS must do what it can to help.

I urge the Minister to work with his colleagues in BIS and the Northern Ireland Assembly to address the issues that have been outlined today, so that together we can grow the economy and make life better for all our people in Northern Ireland.

Mr Lee Scott (in the Chair): Before calling the next speaker, may I point out that because of the Division, we will start the wind-ups at 5.10? There are still two speakers left, so can they bear in mind the time?

4.43 pm

Dr Alasdair McDonnell (Belfast South) (SDLP): I welcome the chance to speak in this debate under your chairmanship, Mr Scott, and to put some of the challenges facing the Northern Ireland economy on the record of the House of Commons. I am very conscious of the time, so I will try to make my points without being quite as long-winded as some of my colleagues—[*Interruption.*] I am not talking about my hon. Friend the Member for South Down (Ms Ritchie)—[*Interruption.*] No. I was talking about the right hon. and hon. Gentlemen sitting to my right, who were eloquent but very long-winded.

The SDLP has long argued for—and indeed published—a series of constructive proposals and policies, which we believe go some way towards helping to build a reconciled, socially just and more prosperous society in Northern Ireland. Central to delivering sustained economic prosperity is the need for significant growth in the private sector. We are all agreed on that and I have not heard anyone here today saying anything different. However, as the hon. Member for East Antrim (Sammy Wilson) and the right hon. Member for Belfast North (Mr Dodds) have said, the banks are killing the private sector, and that includes Ulster Bank, which is part of the Royal Bank of Scotland. Like others here, I get at least two or three problems a week relating to Ulster Bank and RBS. Our private sector is shrinking.

One other issue that we need to consider—sometimes in the political context, this is difficult for some of my colleagues—is a much more proactive approach to building stronger business and trade links with business in the Irish Republic. We have not fully exploited every potential there or taken full advantage of every economic opportunity that exists in the island of Ireland as a whole. I want to see Northern business being able to take advantage of any market on the island. That does not preclude our belonging to the British market; the two things are not incompatible, but synergistic.

Achieving the growth in the private sector that we all so much desire is extremely challenging, particularly in the current financial climate, but it is a challenge that we must face and a problem that we must surmount. We cannot duck it, because it will not go away.

I am absolutely delighted to say that my friend, the hon. Member for East Antrim and the Minister for Finance at Stormont has complimented us on our fantastic documents—[*Interruption.*] Fantastic was the word he used. We appreciated it and we will return the favour in due course. Our documents, “New Priorities in Difficult Times” and “Partnership and Economic Recovery”—[*Interruption.*] No, no, the word was fantastic. The hon. Gentleman may have meant fantasist but he said fantastic. We are not looking for the negative; we are taking the positive. In those documents, the SDLP genuinely identified some of the tough choices and decisions that have to be made. We faced up to them and we should have been given credit for that rather than being abused for it. We pointed out the many opportunities for making public savings and how various types of jobs could be sustained and others could be created.

If we want to maximise the potential benefits that exist in the economy, we need to be ambitious and to exercise vision. In our document, we identified opportunities and potential for growth in education and skills training, finance, tourism and new technologies, including the biotech and nanotechnology areas.

The one area that I should like to bring to the Chamber’s attention is agrifood, which is a sector that we often forget about. It is an old industry. It is remarkable that the current Minister in the Irish Republic, Simon Coveney, has a plan, which he inherited from the previous Government when Brendan Smith was Minister for Agriculture, to double food exports within 10 years. There is no reason why we in Northern Ireland cannot take a leaf out of that book and do the same thing.

There are other aspects of the economy, such as renewable energy, which will help drive the expansion of the private sector. Others have already referred to the conversion of the old Harland and Wolff shipyard site in which many renewable energy machines, wind turbines, are being developed. That will not only reduce Northern Ireland’s dependence on fossil fuels, but put us in a stronger and more sustainable position economically in 10 or 15 years time.

If we are to attract greater foreign investment, we must invest in preparing our people, because that is the basic building block for rebalancing any economy. Others, particularly the hon. Member for Belfast East (Naomi Long), have also made reference to that. The key is the STEM subjects—science, technology, engineering and maths—in our schools, because they are our bridge to creating exciting and interesting careers for our young people. We also need to increase university places to stop the brain drain. At the moment, people are leaving; they go to England, Scotland, Wales or elsewhere to university and they never come back. We need whatever brainpower we have if we are going to lift ourselves out of the situation that we are in.

On that point, I appeal for a significant expansion of the Magee campus of the university of Ulster. That campus has worked very well, it is working well and it can work even better, providing an engine to drive forward the economy, particularly the economy west of the river Bann.

Huge opportunities for innovation exist in the renewable sector, which I will discuss briefly. Northern Ireland is perfectly placed to harness wind and wave energy, and biomass and biogas. And God knows, Mr Scott, that if

you were in Stormont you would understand why an industrialist has a plan to harness all the hot air coming out of Stormont on Mondays and Tuesdays. There is a conviction that much renewable energy can be captured there, but I will leave that to the future.

Sammy Wilson: Most of it is recycled in the first place—[*Laughter.*]

Mr Dodds: Does the hon. Member for Belfast South have any intention of leaving Stormont and devoting himself full-time to Westminster?

Dr McDonnell: I have never been afraid of hard work, and I can be wherever I am needed, whenever I am needed.

Maximising all that renewable energy will not only reduce our dependency on fossil fuels but it can be a key economic driver, and not just in Northern Ireland but on the island as a whole, where we have a single energy market. My hon. Friend the Member for South Down has talked about corporation tax; I will not delay proceedings by repeating the issues about corporation tax, but they are there. I took part in the Northern Ireland Committee when it discussed corporation tax and I commend the Chairman, the hon. Member for Tewkesbury (Mr Robertson), for his outstanding chairmanship and for delivering the report on corporation tax, as well as the report on air passenger duty. We produced the report on APD in a remarkably short time; I think that three or four weeks was all the time it took to produce it.

As I say, my hon. Friend the Member for South Down covered a lot of the points about corporation tax and the economic benefits, and I will not use the precious time left to me to repeat those points. APD is an area where the private sector is disproportionately hammered. Because a business happens to be in Northern Ireland, it should not be crucified in terms of the cost of transport links with the US and the continent.

Beyond corporation tax, the SDLP is keen to explore some possibility of creating bonds, and I certainly want to see a bond of £400 million or £500 million that could be used to pump-prime the construction industry in Northern Ireland. I have no doubt that there are ways and means by which that bond could be developed, but I will leave discussion of those ways and means until another day. Such a bond would allow our construction firms to get up off their knees and begin to build the schools, hospitals and the road infrastructure that we need. Yes, we would have to pay such a bond back, but it would be easier paying it back if we had the functioning infrastructure there in Northern Ireland. Such a bond would remove many of the bottlenecks that currently exist in our economy, allowing the dysfunctional parts of the economy to function again.

We have also been working with local companies, Invest Northern Ireland and the European Commission to find ways and means of successfully unlocking European research and development funds. Certainly framework 7, as it enters its last years, offers tremendous opportunities for research and development, and framework 8 will no doubt do the same. Unlocking funds for research and development would help to boost business links, the private sector and university spin-outs.

We need to grow the private sector rapidly, but I agree with the hon. Member for East Antrim that it is not a question of dismantling the public sector but of growing the private sector five-fold or six-fold. It is only by being ambitious and courageous in our thinking, our planning and our building of dynamic partnerships between business, Government and the education sector that we will become equipped to compete successfully in global markets in the future.

Before I end, I will repeat a point I made earlier, which was also made by a number of Members, particularly the hon. Member for East Antrim, regarding the banks. The banks are a disaster, and small businesses are being crucified and put out of business. Our single biggest challenge is a lack of liquidity in the banking system. I have experienced it myself—cheques are being bounced and companies are being driven into administration and bankruptcy. That is not good for the economy. In many cases, those companies are viable but they are being put to the wall. If anything can come out of this debate today, it is that we have to get some mechanism for tackling the banks.

4.54 pm

Ian Paisley (North Antrim) (DUP): I too will try to keep my remarks brief, to coincide with time as it runs out before us.

At the outset of my comments, I congratulate the hon. Member for Tewkesbury (Mr Robertson) on the very positive way that he introduced this debate. He did not put a foot wrong in making his comments about our economy. He also indicated that we are all signed up to these issues and that there are issues that we can find commonality upon and that we should be able to move forward on. If that is so, as I believe it is, we need to do that with haste and make progress. I welcome this debate on the economy and how we try to address some of the issues.

Many Members have referred to the fact that Northern Ireland is a happy region of the United Kingdom. Of course I agree with them, but I think that that actually says something about the potential of our country. The fact is that the political and constitutional issues that bestrode us for so long have been settled. We have a settled country now, and we have the ability to focus on our economic needs and the opportunity to flourish economically. We have an opportunity to seize the moment and take our country forward.

Those who talk down our economy should be dismissed. I do not say that lightly, but I believe that our First Minister was correct when he made the comment last week that we should not glibly talk down the economy and the advances that Northern Ireland has made. Northern Ireland has moved on in leaps and bounds, which are noticeable in our children and in economic terms. We should recognise and welcome that. I believe that we have a duty—nay, a responsibility—to realise and deliver the potential that Northern Ireland has, and constantly talking Northern Ireland down is bad for the economy. I believe that today is the day when we must stand up and be counted for Northern Ireland, and I hope that we can do so.

We must be honest in doing all that, however, and Members have said that there are difficulties, that there has been disadvantage and that we have a legacy of

[*Ian Paisley*]

violence. Of course we have to build on the fact that Northern Ireland faced decades of under-investment because of that legacy of violence, and we must address that legacy. But we are turning the page.

I had the joy one night of trying to answer a question that my daughter put to me. She is a teenager and she said, "Daddy, what were the troubles?" What a question to be asked as someone who grew up in the troubles and who knew, as a 15-year-old, why soldiers were being killed and murdered on our streets, why businesses were being put out of business and why our country was being torn apart? Today, 15 or 16-year-olds ask, "What were the troubles?" The fact of the matter is that our violent history has now become a foreign country. That is a good thing, and we should see it as a building block and something that gives us the momentum to move forward. I hope that we can move forward.

We have a land border problem with the Republic of Ireland where there is competition, but again that is an opportunity that we should address. Many Members have talked about the energy costs that our country faces and about how they create major disadvantage. We know those things, and we have to work in the context of those things.

I am delighted that many Members have referred today to the economic and tourism initiatives in my constituency, which is the most tourist-friendly part of the entire United Kingdom.

Naomi Long: Nonsense.

Ian Paisley: The hon. Lady is crying "nonsense", but she invited people to come to St Patrick's country. In fact, the only place where St Patrick put his feet was on Slemish mountain, so I welcome her to come to North Antrim any time, and I also welcome those tourists who want to come to North Antrim.

The golf resort that has been mentioned fits in with our Department for Regional Development strategy, our tourism strategy and the various economic strategies that have been put in place. It offers vast potential, but it does so 10 years after that potential was first identified. It offers that potential at a time now with approvals, when the economic climate has changed quite dramatically. But I believe that people are up to meeting the challenge, and I hope that Government will encourage them.

Again, those people who would talk that project down and say, "Oh, it's not the time for that type of proposal," or, "It's destructive of our natural environment," really have to be put in their place by our national Government, who can say to the likes of those organisations that may be opposed to the project, "Look, do you want Northern Ireland to go forward? Are you on the side of Northern Ireland? Or do you want to be in that bank of people who talk the place down?" I hope that we can get a collective view, and I congratulate the SDLP Minister who was able to get the case over the line, but he addressed, and people must address, the fact that many misnomers have been identified.

Some people said, "Oh, this is being built on the Giant's Causeway." It is not. It is closer to Bushmills than to the Giant's Causeway. A public representative today issued a statement that houses would be dotted

all over the causeway. That is rubbish. They are being built in the curtilage of Bushmills village. The previous Environment Minister, my hon. Friend the Member for East Antrim (Sammy Wilson), made sure that that was in the proposal.

Sammy Wilson: There is a certain irony in the National Trust objecting to a golf course that will attract hundreds of thousands of visitors to the area, when it has no difficulty raising revenue on its own estates by erecting 300-foot wind turbines.

Ian Paisley: I agree that someone might identify that as hypocritical. I do not know whether my hon. Friend is calling the National Trust a hypocrite, but it has not yet publicly objected. There could be suggestions of an objection. That would set things back, and we must avoid that at all costs. I welcome the fact that there will be even more holy ground in the golf mecca of North Antrim.

The hon. Member for Belfast East (Naomi Long) rightly, and with pride, mentioned Wrightbus in my constituency. When I walk down Whitehall in the morning and I see dozens of bits of Ballymena passing by in bright red, it fills me with pride that that represents 1,000 jobs in Ulster. I hope that the Minister will go to Boris, the Mayor of London, and say, "Increase that order. Get the 200 buses out there. Make sure that those buses continue to roll off the production line in Northern Ireland and generate more jobs." It fills me with pride.

A couple of years ago, I had the opportunity to visit Hong Kong, where I saw double-decker buses that were made in Northern Ireland. We were not importing from but exporting to Asia, and that is fantastic. That is the way in which we want to get our companies to work.

On the agri-sector, the hon. Member for Belfast South (Dr McDonnell) is right. It is the backbone of our economy. No matter which way we cut it, we are part of a £20 billion industry in food production across the United Kingdom. That is not to be sniffed at, but we have huge problems at a national level with regulation that unfortunately comes from Europe. Our Government must stand up to and address such regulation. I welcome some of the steps that are being taken by our Department for Environment, Food and Rural Affairs Ministers, but much more must be done to cut the red tape to allow our poultry and red meat industry and our value-added sector in food production to move forward and develop.

EU regulations, for example, on the number of fish that someone can land are destroying coastal jobs up and down the south and north Antrim coast of Ulster. That should be addressed at a national level. I hope that we will do more to help the 20,000 farm businesses in Northern Ireland. I hope that the Minister will join me to encourage our DEFRA Ministers to organise a round table discussion in Northern Ireland with all the agricultural stakeholders, so that we can put together a common agricultural policy reform plan that will help move our agri-economy forward.

We look forward to the national remedy that could be identified soon in our Select Committee report on fuel laundering and other forms of smuggling. For example, tobacco smuggling and fuel laundering in Northern Ireland accounts for some £200 million every year. That money could be far better spent by the Treasury in

Northern Ireland or other parts of the UK if it was not stolen from the pockets of the people of this kingdom. We have a duty to ensure that those issues are addressed.

I hope that the Government will drop their White Paper suggestion and potential policy for plain paper wrapping on tobacco products, as it could destroy 1,000 jobs in my constituency. That is a national matter—it has to come from here. Such a proposal must be dumped, because it will be disastrous for local jobs. I hope that we can come up with some positive suggestions to address fuel laundering and recoup some of the money that is lost.

This week started badly for my constituency, with the loss of 50 jobs in the construction sector at Patton Homes. Construction and house building is a measure of economic confidence. Whenever it slows down or stops, it shows that confidence is waning. We have to make sure that we encourage our developers, our house builders and the construction industry in the ways that have been identified by my hon. Friends the Members for East Antrim and for Belfast North (Mr Dodds). I hope that we can do that.

In conclusion, we should have the ability and the capacity to envision a better future for our economy and our country. We have a responsibility to do that. We should have the ability and the capacity as a country to cope with more than one major development project at a time. Sometimes, there is a view that we can deal with only one thing at a time. We must be able to adapt and show that we can deal with multiple, complex economic opportunities simultaneously.

As my hon. Friend the Member for East Antrim ably suggested today, we need to introduce significant reforms to our banking structure. I hope that in our next Select Committee report, after our aviation strategy, we will examine banking sector reform and consider whether the structure disadvantages Northern Ireland. If it does, as many of us believe, I hope that we can try to change it. Our economy has a chance. We are on the verge of writing a new chapter for our economy, but it will happen only if we are prepared to put our hands on the plough and drive it forward. The Democratic Unionist party will not be found wanting in that endeavour.

5.6 pm

Owen Smith (Pontypridd) (Lab): It is a pleasure to serve for the first time under your chairmanship, Mr Scott. I hope that Members here today and, perhaps more importantly, my constituents will forgive me, a Welshman, for speaking on St David's day in a debate on Northern Ireland. I have seen colleagues speaking in the other Chamber, but I am delighted to be here speaking about Northern Ireland. Perhaps it will be recalled that I worked in Northern Ireland for several years as an adviser to the previous Government in a period when we did not have devolution in place in Northern Ireland, but when we were working towards delivering that.

Today's debate has in many ways given us an insight into the radical changes that have taken place in Northern Ireland in the few short years between the period when I was working there and today. Of course, changes have taken place over a long period. The excellent, timely and passionate debate that we have had today on the economy of Northern Ireland is precisely the sort of

debate we ought to be holding in this place and in the Stormont Assembly. It is not about security, policing or the latest atrocity, but about the things that are the bread and butter of any society in any body politic: the economy. The crucial issues are about how people earn their living, and the standard of living that they are able to enjoy because of that economy.

The Labour party played a tremendous role—I played a small part—and successive Governments have played a role in supporting the people of Northern Ireland to make the decisions that have allowed normalisation, as it is called, and allowed changes to come about. The Opposition will continue to play its part in standing shoulder to shoulder, as it were, with the people and the parties of Northern Ireland to try to further the cause of peace and normalisation, as well as the economic development of Northern Ireland. I know that Government Ministers will also want to do that, alongside—he ought to be right hon.—my hon. Friend the Member for Gedling (Vernon Coaker), who is the shadow Secretary of State for Northern Ireland, and my hon. Friend the Member for Ealing North (Stephen Pound), who is a shadow Minister. They will play their part in trying to take matters forward.

It is a disappointment and a surprise—I feel I must mention it, given that hon. Members from Northern Ireland have mentioned it—that we do not have with us today either the Secretary of State for Northern Ireland or his deputy. That will surprise people in Northern Ireland. Although this is a Treasury debate, it is a Northern Ireland debate, too. It is disappointing that they are not here today. It is a feather in the cap of my hon. Friend the Member for Gedling, the shadow Secretary of State, that he is present. *[Interruption.]* The Minister may laugh, but in Northern Ireland people will not necessarily be laughing: I think they might be slightly concerned that the Secretary of State did not see fit to have someone here today.

There are many areas in which there is much agreement between the Government and ourselves, not just on policing and security and constitutional developments in Northern Ireland, but on the economy. We agree that there is, for all sorts of understandable and historical reasons, over-dependence on the public sector in Northern Ireland, and that too great a proportion of gross domestic product is spent by and in the public sector. We accept that the economy must be rebalanced over the long period and that we should build a robust, vibrant and wealth-generating private sector in Northern Ireland, as we must do in the rest of the UK. That means both building the indigenous, domestic private sector and attracting foreign direct investment from across the world. However, on some aspects of the economy, there are disagreements on what a Labour Government would do if we were in power and what the current Government are doing.

Let me first address the base line for the economy in Northern Ireland. As we have heard in today's debate, it is a complex picture—one cannot take a simple snapshot of Northern Ireland. The Northern Ireland economy has many great strengths, many of which were highlighted today by hon. Members. The right hon. Member for Belfast North (Mr Dodds), the hon. Member for Belfast East (Naomi Long) and my hon. Friend the Member for Belfast South (Dr McDonnell) all drew attention to

[Owen Smith]

the great strengths of the Northern Ireland economy. Northern Ireland attracted the second highest proportion of FDI out of all the regions in the UK.

I do not think anyone mentioned education. In my experience, Northern Ireland has a hugely educated work force, a hugely educated part of society and a young part of society. The transport and broadband infrastructure are crucial advantages. Lastly, the beauty and natural attractions of Northern Ireland—its people and topography—are wholly underexploited. We must do more to exploit the potential of tourism in Northern Ireland.

Of course, there are problems, just as there are in all parts of our economy. Gross value added per capita is lower in Northern Ireland than just about anywhere else in the UK—£15,000 or thereabouts per person versus £20,000 in England. Unemployment is a mixed picture. It is lower in Northern Ireland than in the UK—7.2% versus 8.2%. That is a legacy of the increase in employment in Northern Ireland, especially in retail and construction, which was part of the legacy of the ending of the troubles in the past decade. However, retail and construction are some areas that have suffered most in the economic downturn. Young people have also suffered in that period. My hon. Friend the Member for South Down (Ms Ritchie) highlighted that 18% of young people in Northern Ireland are unemployed, which is a price we should not be paying.

Of the people in work, we heard that around 30% of people working in Northern Ireland are in the public sector, versus 21% in the rest of the UK. We need to address that at some point. There is also a mixed picture for business in Northern Ireland, where indigenous, domestic start-up rates are low. FDI is, as we have heard, high, but its relative value is low, including the innovativeness of that FDI. On another metric—business expenditure on research and development—unfortunately the Province still does not fare well compared with the rest of the UK.

Many economic levers now sit with the Northern Ireland Executive, and that is absolutely right. Many of those levers are being pulled extremely effectively by the Northern Ireland Executive, but Westminster is still key. Under the current settlement, the Government in Westminster, whatever their complexion, still have to make critical decisions. What have the Government done since they took power in May 2010? The rhetoric has been extremely strong, and the volume of words produced about the Northern Ireland economy has been considerable. Notable, of course, is the document that many have referred to today, “Rebalancing the Northern Ireland economy”. The document talks about the need to reduce the deficit fairly while building enterprise.

Only this week, the Secretary of State for Northern Ireland returned to the theme and gave an interesting speech at Queen’s university Belfast. He said:

“I’ve said many times that re-balancing the economy here could take up to 25 years. But it has to be our priority...not by taking an axe to the public sector...but by creating the conditions that enable the private sector to grow.”

We would agree with him about that, but we would also suggest that he looks at the facts that pertain to Northern Ireland and what has happened to the economy on his

watch. Crucially, as we have heard again today, overall spending in Northern Ireland is being reduced by £4 billion over the spending period. We are seeing a 40% reduction in capital expenditure. Regarding public sector jobs—the ones I presume the Secretary of State did not want to take an axe to—he should read the report by the Office for National Statistics that came out today, which shows that 9,000 public sector jobs have been lost in Northern Ireland since the second quarter of 2010, when his Government came to power. There are now 218,000 public sector jobs in Northern Ireland, compared with 227,000 when the Labour Government left office.

I have a question for the Exchequer Secretary. We now know that 710,000 public sector jobs will be lost on this Government’s watch over the spending review. We do not have regional breakdowns for that figure, but the Irish congress of trade unions suggests that job losses in Northern Ireland could be as much as 26,000. Would the Minister care to offer his view as to how many public sector jobs will be lost in Northern Ireland on his watch? If he cannot answer that, will he go away and look at the issue? It is crucial that we have a clear understanding of the impact of the changes.

Another set of changes that is at the forefront of many people’s minds in Northern Ireland as we approach the Budget and the start of a financial year is welfare cuts. They will affect thousands of families across this country, including in Northern Ireland. I suggest that Ministers look at what the impact will be for ordinary families. The Library suggests that in Northern Ireland 5,000 families with young children, in which the parents are in part-time work, may lose as much as £4,000 a year as a result of the changes to the welfare thresholds. That is a huge amount of money for relatively low-paid families to lose. That is a measure of the impact of the Government’s changes. Those facts do not reconcile terribly well with the statement made in “Rebalancing the Northern Ireland economy” that the Government want their changes to be fair; they show that the Government are not being fair.

Mr Laurence Robertson: The hon. Gentleman will be aware that one of the indicators in Northern Ireland that is not as good as in the rest of the UK is the figure regarding the economically active. Given that the welfare cap will be £26,000, which one would have to earn £35,000 to bring home, is he aware that the median wage in the private sector in Northern Ireland is £20,000? That is a lot less than £35,000. What would be the incentive for people to go out to work if the cap was not to be there?

Owen Smith: We need to make work pay—there is no doubt about that—and we need to make work attractive. However, the hon. Gentleman will know that while the unemployment rate may be relatively better than that of the rest of the UK, one of the blacker marks of the Northern Ireland economy is that the economic inactivity rate is worse—27% versus 23%. Such things are neither simple nor straightforward, and they will prove to be difficult. However, we need to ensure that we apply changes fairly and proportionately.

The Exchequer Secretary to the Treasury (Mr David Gauke): May I be clear about the two points the hon. Gentleman has raised on public sector employment and

welfare cuts? Is he saying that if his party were in power, there would be no reduction in public sector jobs in Northern Ireland and no welfare cuts affecting Northern Ireland?

Owen Smith: No, I did not say that for a minute. We have not at any point said that there would not be any cuts. We have said that there would be cuts, although they would be on a different trajectory. I suggest that we would not have seen the same volume of cuts over the same period, because Labour Members do not believe, despite what the Secretary of State said in his remarks to Queen's university Belfast, that we can grow the private sector and liberate its surpluses by cutting the public sector. That is poor economics and it will not work. We also believe that such an approach has been demonstrated as not working by the facts on the ground. That is why we are borrowing an extra £158 billion in the current spending period: to pay for the failure to get the economy moving. That is the truth.

I hate to tell the Minister, but another area in which the Government are failing in Northern Ireland is in respect of enterprise and getting enterprise moving. When one turns the page in the "Rebalancing the Northern Ireland Economy" document from the section about fairness and enterprise, one comes to what the Government think are the principal measures required to strengthen the private sector and promote fairness in Northern Ireland. First among them is a scheme to help new businesses in countries and regions outside London, the east and the south. It will exempt new businesses from £5,000 of employer national insurance contribution payments. The document says that that will help up to 15,000 businesses in Northern Ireland. I hate to tell the Minister but that scheme has so far helped 461 businesses in Northern Ireland, according to the Government's own figures. That is just 3% of the target that was originally intended. I put it to him that that is a woeful performance.

Clearly, the Minister needs to consider the targeting of that scheme and whether he needs to revise it. I suggest that the Minister reads the bit elsewhere in the document that talks about the possibility of changing the parameters of that scheme and revising its targeting to expand it to all companies with fewer than 10 employees, as the Labour party suggests, as opposed to concentrating simply on start-ups. If he did that, those businesses might be able to get some of the billions of pounds that are currently languishing in the Treasury not being spent on incentivising enterprise.

Of course, the Minister could consider other tax possibilities. The document is quite insightful in showing us where the Treasury is contemplating different measures for Northern Ireland. One area is in respect of the annual investment allowances. It is very interesting that the document suggests that those annual investment allowances, which are designed to help capital intensive companies, manufacturing and so on, have been cut from £100,000 a year to £25,000 a year across the UK. Those are the sorts of companies one would have thought should be incentivised if one were serious about rebalancing the economy away from financial services towards a productive economy. Apparently, in Northern Ireland, it is a possibility that that allowance could go back up to £100,000. That is a very interesting idea and I urge the Minister to think about that, not only in Northern Ireland, but across the UK.

Of course, the corporation tax measure is the big bazooka that we are hearing about the Government rolling out. The document talks about driving down corporation tax in Northern Ireland to bring it in line with the 12.5% in the south, as Members here today have also mentioned. Labour places great faith in the fact that parties in Northern Ireland have expressed some support for that measure, as did some 75% of respondents to the document. During the debate, it has been instructive to hear hon. Members highlight the risks—

Mr Lee Scott (in the Chair): Order. May I politely remind the hon. Gentleman that I would like to give the Minister time to respond to this vital debate?

Owen Smith: I thought I had another minute until 25 past.

We, too, would highlight those risks in relation to corporation tax. It is very unclear what the dynamic effects will be on taxation or what the degree of volatility will be around corporation tax. It is a notoriously volatile tax, and Ministers in Northern Ireland and in the Treasury ought to be very mindful of that before opening this particular Pandora's box.

Such an approach is not a silver bullet or the only club in the Chancellor's bag. There are other things he could do. He could expand the NICs holiday; he could consider VAT across the board; or he could consider VAT in respect of the construction industry. Those are all familiar measures to the Minister. He knows that they are part of Labour's five-point plan. If he is to be a wise Treasury Minister, I suggest that he needs to look very hard at them and urge his colleague, the Chancellor, to think about changing course for the good of Northern Ireland and the rest of the UK by adopting some of them in the forthcoming Budget.

5.25 pm

The Exchequer Secretary to the Treasury (Mr David Gauke): It is a great pleasure to serve under your chairmanship, Mr Scott. I welcome the opportunity to debate the Northern Ireland economy and I am very grateful for the contributions of all those who have participated in this important debate.

As hon. Members are aware, across the UK we face difficult economic conditions and a tough challenge to restore the UK to prosperity. Critical to achieving that ambition is tackling the record deficit that we inherited—not that one would have noticed that point from the speech made by the hon. Member for Pontypridd (Owen Smith)—and rebalancing our economy away from debt-fuelled consumption and public spending towards sustainable private sector growth.

The Northern Ireland economy faces similar challenges, but recent history also means that it faces a different set of circumstances compared with the rest of the UK. That point has been made by a number of speakers, including the Chair of the Northern Ireland Affairs Committee, my hon. Friend the Member for Tewkesbury (Mr Robertson). Although the years of peace following the Good Friday agreement have seen prosperity on the rise in Northern Ireland, it still faces a number of difficulties. The Government are concerned that employment in Northern Ireland is overly reliant on the

[Mr David Gauke]

public sector. Private sector employment in Northern Ireland lags considerably behind the rest of the UK. The latest figures from the Office for National Statistics show that whereas 61% of people aged 16 to 64 are employed in the private sector in England, only 45% are in the private sector in Northern Ireland.

However, I am optimistic about the future of Northern Ireland. As we have heard, Northern Ireland already attracts a large share of UK foreign direct investment, and that is generating new employment. The Government, and in particular the Secretary of State for Northern Ireland, have been tireless in promoting more opportunities for private sector growth and employment as part of our commitment to rebalance the Northern Ireland economy. I doubt if there have been many, if any, Secretaries of State for Northern Ireland who have shown the focus and energy that the current Secretary of State has on that point. Indeed, he made an important speech this week on that very subject.

Vernon Coaker (Gedling) (Lab): Where is he?

Mr Gauke: I am sure the Secretary of State will enjoy reading this debate in *Hansard*. I do not think that a good test of a Secretary of State is whether they read the debate in *Hansard* or whether they sit mute during the course of a three-hour debate.

The Government have established a joint ministerial working group on rebalancing the Northern Ireland economy, consisting of Ministers of the UK Government and the Northern Ireland Executive, to consider issues raised by the consultation. We are committed to working with the Northern Ireland Executive to promote a more sustainable, private-sector led recovery in Northern Ireland. Of course, the issue of corporation tax is a key consideration when it comes to supporting private sector growth.

Analysis in the “Rebalancing the Northern Ireland Economy” consultation document shows that reducing the corporation tax rate in Northern Ireland has the potential to increase investment there. Furthermore, devolving any tax rate varying power must satisfy the Azores criteria, as a number of hon. Members pointed out. The Azores criteria are in the European Court of Justice judgment on *Commission v. Portugal*, which set out the conditions that need to be met to be compliant with EU law and, as noted in the Government’s consultation paper, it is expected that Northern Ireland would meet the Azores criteria of institutional, procedural and fiscal autonomy.

However, although strong support has been shown in favour of corporation tax devolution, it has not been unanimous. The process presents its own challenges in the form of administrative burdens on Her Majesty’s Revenue and Customs and businesses to ensure compliance. Designing a devolved regime is likely to be difficult and it will take time and involve extensive consultation with business. Bespoke rules are likely to be needed to cover a range of situations and forms of income, as well as a series of transitional rules. Furthermore, there are significant challenges in estimating the impact of corporation tax devolution on revenue, a point raised by a number of hon. Members, including the Chair of the Select Committee.

One issue with estimating total corporation tax revenue in Northern Ireland is that the only geographical data that companies currently provide is the address of the

country where they are registered, which may have no relationship to where their activity is undertaken. My hon. Friend the Member for Tewkesbury raised that point both this afternoon and in the Select Committee’s report, questioning why HMRC and the Treasury do not have the figures. An accurate system would depend on companies operating in Northern Ireland supplying apportioned data on profits, losses, expenses and allowances. For some, that would be simple; for others it could be costly and administratively burdensome. At present, there is no need—indeed, no point—for them to do so. That is why the numbers are estimates, rather than based precisely on what profits can be attributed to Northern Ireland.

Further costs associated with a reduction in corporation tax rates for Northern Ireland include the behavioural effects that could arise from a difference in corporation tax rates between Northern Ireland and the rest of the UK; for instance, through profit shifting, where companies artificially manipulate transactions so that their taxable profits arise in low tax jurisdictions, or tax motivated incorporations, meaning that companies adopt incorporated status to reduce their tax liability. The impact of those behaviours has the potential to be significant. “Rebalancing the Northern Ireland Economy”, states that indirect tax effects could be considered when calculating the adjustment to the block grant, as long as doing so complied with the Azores criteria and the UK fiscal framework; the hon. Member for North Antrim (Ian Paisley) raised that specific point. As the report recognises, designing an appropriate mechanism presents a number of significant challenges, and considerable work is needed to consider the issues involved.

The Government agree that further work is required for forecasting the potential costs of implementing a reduction in the rate of corporation tax in Northern Ireland and the type of systems that could be introduced to allow it to be monitored. Possible mechanisms will be looked at by the working group that was set up by the UK Government and the Northern Ireland Executive. However, no decision has been taken on whether to allow such effects to be taken into account in the event that corporation tax is devolved and the rate reduced. The working group had a meeting in December and there is another meeting next Wednesday, 7 March. I look forward to seeing the Finance Minister once again at that meeting, and I hope we can make progress on working together to assess the costs in this area.

Several responses to the consultation pointed out that devolution of corporation tax responsibilities could pose risks to relatively deprived regions elsewhere in the UK. The Government will need to consider that before taking a decision on whether to devolve corporation tax powers to the Northern Ireland Assembly. For instance, the issue of how a lower Northern Ireland rate might be ring-fenced in a manner that balances protection from avoidance or manipulation against burdens on companies will be considered further as part of the work plan. Here, as in the other devolved Administrations, the Government are seeking to strike a balance. We want to ensure the empowerment of all devolved institutions. At the same time, however, we must maintain the success of the shared economy on which all countries of the UK depend. We need to ensure that any proposals support the competitiveness of the UK by maintaining

incentives for businesses to trade, invest and be headquartered in the UK, while not imposing unreasonable burdens on them.

Air passenger duty was raised by a number of hon. Members. Last summer, the Northern Ireland Affairs Committee report into air passenger duty highlighted the unique geographical position of Northern Ireland, which of course shares a land border with the Republic of Ireland. It went on to note the serious effects of competition from substantially lower rates of duty in the Republic of Ireland, which threatened the viability of direct services between Belfast and the United States in particular. As the Committee observed, direct long-haul flights make an important contribution to the Northern Ireland economy, supporting trade and tourism.

The Government agree that direct long-haul services are vital to the future prosperity of Northern Ireland. In September, we took the decision to announce a cut in APD for direct long-haul flights from Northern Ireland. That change took effect from 1 November 2011. We have also reflected on the views expressed during the APD consultation, which ran until December last year. The Government of Northern Ireland are very clear in their desire for aspects of APD to be devolved, to provide a lasting solution to the unique challenges they face. In a direct response to that request, and in the unique circumstances that apply to Northern Ireland, on 21 February 2012, the Government announced that the power to set APD rates for direct long-haul flights departing from Northern Ireland will be devolved to the Northern Ireland Assembly, under the 2012 Finance Bill.

Additional points were made about scrapping APD on domestic flights. We have to bear in mind that we have a very big deficit. We have to be careful about reducing taxes. If we reduced or scrapped APD in such circumstances, it is difficult to see how it could apply for Northern Ireland only, and one has to take into account the overall cost. The Government response on APD is very clear. Devolution will allow the Northern Ireland Assembly to protect the crucial air link to the US, and offer a real chance for new long-haul services, which will support both business and tourism in Northern Ireland.

On other tax measures, in addition to corporation tax and APD, the Government will continue to consider the feasibility, legal constraints, potential timetable and impacts of other tax options. They include capital allowances, R and D tax credits and an employers' national insurance holiday, all of which received support from some respondents to the consultation. Several suggestions were made about the administration of individual measures, which the Treasury and HMRC will consider alongside other submissions on those policy areas. The joint ministerial working group programme will also consider those alternative tax measures alongside its main focus on corporation tax.

Specific measures were referred to in the debate. On the aggregates levy, there are ongoing discussions with the Commission. We expect a European Court of Justice judgment later this month, but I assure hon. Members that the Government remain committed to finding a solution.

The carbon price floor is a UK issue, but I know that there are particular concerns in Northern Ireland. The Economic Secretary is working on those matters, including

in the context of Northern Ireland. We heard a point about VAT—about targeted reductions for tourism, home renovations and so on. Both of those, if applied nationally—or, indeed, a general cut—would be very expensive. As has to be explained from time to time to the official Opposition, it would result in more borrowing, which the Government do not wish to see.

The Government have introduced a number of UK-wide measures that have benefited Northern Ireland. They include cuts in the headline rates of corporation tax, increases in the employers national insurance contribution thresholds, and increased R and D tax credits for small and medium-sized enterprises, as well as reforming the enterprise investment scheme and the venture capital trusts scheme to help provide access to finance. On the point about access to finance, we will say more in the Budget in a few weeks' time, but I hear the comments made by a number of hon. Members.

I appreciate that we are running out of time. I have not been able to address every point that has been raised during the debate, but I stress that it is vital that the Westminster Government and the Northern Ireland Executive continue to work together to restore the entire UK economy to prosperity.

Mr Dodds: Will the Minister address my point about regional aid and the consultation by the Department for Business, Innovation and Skills on assisted areas in Northern Ireland?

Mr Gauke: We are working with ministerial colleagues, and the whole Government are seeing what we can do. The right hon. Gentleman has made his points clear; they are on the record and we hear them.

The Government are working hard to rebalance the Northern Ireland economy. A ministerial working group is meeting next week to discuss many of the issues raised here today. We look forward to working together over the coming months to find the best way to meet hon. Members' concerns.

5.40 pm

Mr Laurence Robertson: I thank all hon. Members for taking part in a useful debate, and I thank the Minister for replying. I will be brief.

I know how the hon. Member for North Antrim (Ian Paisley) feels when he sees buses, bits of which were made in his constituency, going down Whitehall. I felt the same when I saw propellers, made by and large in my constituency, on various aeroplanes taking me to different parts of the world recently, including Hong Kong, Vietnam and Nigeria. That reinforces in me the idea that high-spend, high-tax economies are things of the past: if ever they had their day, they do not have it any more. We live in a competitive world. The only way that we will retain prosperity in the UK—in Northern Ireland and anywhere else—is by being competitive. That will not be achieved by spending more money than we earn.

Although the Minister has correctly outlined some of the difficulties in devolving the responsibility for corporation tax to Northern Ireland, I am convinced that they can be overcome. Nothing worth while is ever easy.

[Mr Laurence Robertson]

The option, of course, would be to reduce the corporation tax rate in the UK to 12.5%, which would be acceptable and simple to do. In the absence of that policy in the Budget—I imagine—the Minister needs to consider seriously devolving to Northern Ireland the power to vary the corporation tax rate. The hon. Member for

Pontypridd (Owen Smith), who spoke for the Opposition, is right. As I said, it is not a silver bullet, but it is a golden opportunity.

5.43 pm

Sitting adjourned without Question put (Standing Order No. 10(11)).

Written Ministerial Statements

Thursday 1 March 2012

COMMUNITIES AND LOCAL GOVERNMENT

Fire and Rescue Control Services

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): Today the Government are publishing the outcome of their invitation to fire and rescue authorities in England to submit their plans to improve the resilience, efficiency and technology in their control services following the termination of the last Government's FiReControl project in December 2010.

In contrast to the last Administration, the coalition Government are adopting a localist approach to help secure improvements in national resilience, rather than the flawed approach of FireControl which tried to impose a top-down regionalisation of the fire service.

As I announced in my statement of 13 December 2011, *Official Report*, column 89WS, the Government are making available £81 million for local improvements—up to £1.8 million for each authority—and additional funding of £1.8 million to secure benefits of national importance bringing total funding available to £82.8 million.

I would like to thank all the fire and rescue authorities that responded to this invitation and for their co-operation in sharing their plans. Most respondents agreed with the Government's preferred approach of achieving this through improvements and increased collaboration—in a locally determined manner, with some Government support. The plans submitted by fire and rescue authorities have reinforced this approach and shown how a localist approach will build resilience on a national scale.

Our approach also seeks to take steps to tackle the legacy of the empty regional fire control buildings which we have inherited and which, as the National Audit Office has observed, were a consequence of the flawed procurement process of the FiReControl programme. Some of these bids will make use of these legacy buildings; otherwise, we are separately seeking to dispose of the buildings for appropriate public or private sector use, to ensure value for money for the taxpayer.

This Government have also acknowledged the criticism of the National Audit Office of the FiReControl programme. As they stated in their report of 1 July 2011, HC1272;

“The FiReControl project was flawed from the outset because it did not have the support of those essential to its success—local fire and rescue services. The Department rushed the start of the project, failing to follow proper procedures. Ineffective checks and balances during initiation and early stages meant the Department committed itself to the project on the basis of broad-brush and inaccurate estimates of costs and benefits and an unrealistic delivery timetable, and agreed an inadequate contract with its IT supplier. The Department under-appreciated the project's complexity, and then mismanaged the IT contractor's performance and delivery. The Department failed to provide the necessary leadership to make the project successful, over-relying on poorly managed

consultants and failing to sort out early problems with delivery by the contractor. The Department took a firmer grip of the project from 2009 and terminated the contract in December 2010 to avoid even more money being wasted”.

(National Audit Office press release, *The Failure of the FiReControl project*, 1 July 2011)

In total, 23 bids were received from 44 of the 46 fire and rescue authorities. The London Fire and Emergency Planning Authority did not submit a bid as alternative arrangements had been agreed previously and resulted in London's fire control arrangements being provided from a new operations centre in Merton, which I had the pleasure of opening on 1 February. The Isles of Scilly fire and rescue authority did not bid because its control arrangements are already provided by Cornwall fire and rescue authority.

The bids outline a series of local proposals to:

Improve the efficiency of fire and rescue control rooms: for example, Staffordshire and west midlands fire and rescue authorities aim to combine the provision of control room services for both authorities sharing one common call handling and mobilising, command and control system, including a secondary control providing local resilience. Combining control services will provide the opportunity to improve efficiency;

Strengthen local resilience: for example, resilience for large incidents and spate conditions in Buckinghamshire, Cambridge and Suffolk will be enhanced due to greater numbers of control staff being on duty at any one time than had they worked in isolation and create a larger pool to “recall to duty” if required, thereby strengthening the building blocks of national resilience;

Improve the ability to interoperate with each other and with other emergency services and agencies; 36 fire and rescue authorities' submitted joint bids that involved collaboration with at least one other fire and rescue authority. The other eight fire and rescue authorities' submitted bids that involved collaboration with other emergency or local services;

Deliver cumulative financial savings of over £120 million by 2021; and

Provide a platform for further strengthening and improvement.

Each bid has been considered carefully in line with the criteria I set out in July for value for money, efficiency and resilience. The resilience aspects of each bid were assessed by the chief fire and rescue adviser. I am pleased to be able to announce that I will be providing funding this year to the following fire and rescue authorities:

Buckinghamshire
Cambridgeshire and Suffolk
Cornwall
Derbyshire, Leicestershire and Nottinghamshire
Devon and Somerset, Dorset, Hampshire and Wiltshire
Essex and Bedfordshire and Luton
Gloucestershire
Hereford and Worcester and Shropshire and Wrekin
Hertfordshire, Humberside, Lincolnshire and Norfolk
Kent
Isle of Wight and Surrey
Merseyside
Northamptonshire and Warwickshire
Oxfordshire and Berkshire
South and West Yorkshire
Staffordshire and West Midlands
Tyne and Wear and Northumberland

I rejected 13 requests for funding above the indicative amount of £1.8 million per fire and rescue authority. In those cases, I am awarding £1.8 million per fire and rescue authority. The submissions did not provide evidence of exceptional factors sufficient to justify a higher amount.

These allocations are in addition to early bids that I had already accepted from: a consortia of four fire and rescue authorities (for Lancashire, Cheshire, Greater Manchester and Cumbria); Durham and Darlington fire and rescue authority; and East and West Sussex fire and rescue authorities. I awarded the consortia of four authorities an additional £300,000 per authority above the indicative amount because their plans involve utilising the new control centre in Warrington and will deliver additional savings to the public.

There are three bids from English fire and rescue authorities which require further work before I can award any funding. I have asked officials to work with Avon fire and rescue authority, Cleveland fire and rescue authority and North Yorkshire fire and rescue authority with the aim of concluding matters by the end of June. I have set aside funding for them. We received one bid from a Welsh joint emergency services group which was out of scope for the funding and has therefore been rejected.

I am also announcing today that I am minded to provide some funding from the £1.8 million fund for interoperability to a collaborative partnership of 13 fire and rescue authorities which has submitted a bid to develop standard operating procedures. I have asked officials to work with the authorities concerned to significantly reduce costs and ensure proposals align and support wider work now under way on cross “blue light” service interoperability and have potential to be adopted across all fire and rescue authorities. We will be reviewing the further work under way on cross-service interoperability and will consider whether there is other essential work that ought to be funded from the £1.8 million interoperability fund.

My Department is writing today to fire and rescue authorities to notify them of the outcome of their bids. Where bids have not been accepted this communication will set out the next steps.

I am pleased to note that the Chief Fire Officers Association national resilience has developed a detailed peer support process designed to provide assistance and support to fire authorities with the implementation of their control room improvement plans. This will provide central support to single fire authorities, or groups of partnering authorities, to facilitate implementation of their proposals to improve or replace their fire control facilities. It will also include the provision of a sector owned central repository to collate and manage information that will aid all fire authorities with the improvement or replacement of existing fire control facilities, along with the provision of professional support and assistance to resolve problems or issues when required or requested to do so.

Documents accompanying this statement have been placed in the Library of the House and on my Department's website.

DEFENCE

Defence Transformation

The Secretary of State for Defence (Mr Philip Hammond):

As part of the defence transformation project, MOD has been developing a new operating model to implement the changes recommended in Lord Levene's defence reform report. This includes considering how to deliver

acquisition and enabling services more efficiently, effectively and professionally through Defence Equipment and Support (DE&S), the newly created Defence Infrastructure Organisation (DIO) and Defence Business Services (DBS). In doing so, we are looking to make use of relevant private sector expertise.

The Defence Infrastructure Organisation (DIO) was created on 1 April 2011, bringing together all aspects of defence infrastructure, asset management and facilities management under one organisation. The DIO transformation programme will determine both the future operating model and the most appropriate corporate structure for DIO to deliver the support our armed forces need at the best value for money while delivering savings in operating costs.

The DIO has recently conducted ‘soft’ market testing to explore prospective roles for the private sector, determine likely levels of interest from industry and review the commercial principles on which the private sector might be engaged. This exercise gave prospective partners the opportunity to examine a range of delivery options with varying degrees of private sector involvement. The results from the soft market testing process will be used to inform an analysis of the scope for greater private sector involvement in the delivery of DIO services to deliver value for money, and of the appetite of the private sector to enter into such contractual arrangements with MOD.

MOD is also committed to improving performance at Defence Equipment and Support, and ensuring that the organisation has the structures, management and skills it needs to provide the right equipment to our armed forces at the right time, and at the right cost. I have asked the Chief of Defence Materiel to examine options for increasing the role of the private sector in the management of DE&S. These options will be developed and tested further over the coming months, and I will update the House as our thinking matures.

The Defence Business Services (DBS) organisation was created on 4 July 2011 to provide a high quality and professional service to the Department across a range of corporate services, covering civilian human resources, finance, information and security vetting.

As the next step in improving efficiency and effectiveness in these services I now propose, following a competitive process, and subject to a 10-day standstill period, to appoint an external management team from Serco to take over the leadership of DBS. Serco will work with DBS staff to transform the organisation into a lean and effective shared services centre, building on private sector best practice. DBS will continue to be part of the Ministry of Defence and personnel working in DBS will be employed in the same way as all other MOD staff, with the same terms and conditions.

Over its four-year duration, the value of the contract is around £36 million; there is an option for the Department to extend this for a further year. The contract is based on a zero management fee with all Serco's earning being performance related. Serco will be strongly incentivised to drive down costs and deliver efficiencies and we expect savings of around £71 million to be achievable over the life of the contract.

Together, these three initiatives comprise a significant step in implementing the transformation of defence so it can best support Future Force 2020 as set out in the 2010 Strategic Defence and Security Review.

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Circuses (Wild Animals)

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): Following considerable public debate and concern about wild animals in travelling circuses, the Government are today setting out their approach to the use of performing wild animals in travelling circuses in England. We are confirming the intention to pursue a ban on the use of such animals on ethical grounds. This will take time and we have today published a consultation in which we propose establishing a licensing scheme to protect the welfare of such animals in the meantime.

The 2007 Radford report on circus animals concluded that there was insufficient scientific evidence to demonstrate that travelling circuses are unable to meet the welfare needs of wild animals presently being used in the United Kingdom. That position has not changed. Consequently, we are now looking at the means by which a ban could be introduced on ethical grounds.

We have always made it clear that the Government are minded to ban performing wild animals in circuses. However, at the time this was last debated in the House there remained legal uncertainties which still required resolution as they would have a bearing on the position in the UK. In particular, a legal challenge to the Austrian ban was unresolved, including the possibility of a referral to the Court of Justice of the European Union (CJEU). It was prudent for the Government to hold back from making any commitments to a ban at that time. In December 2011, the judgment by the Austrian Constitutional Court did not result in a referral to the CJEU and on that basis we have the legal confidence to make our intentions clear.

As we develop the details and legislative framework for the ban, the welfare of those wild animals currently in circuses is paramount, and for this reason we are consulting on a tough new licensing regime that we can put in place promptly.

For the licensing scheme, we intend to use powers that are already available in the Animal Welfare Act 2006. This will allow us to make sure the welfare-based licensing scheme is considered by the House before it rises for the summer.

Under the proposed licensing scheme, we propose that anyone responsible for a travelling circus that uses wild animals in performance:

- Must hold a valid licence before using their animals in performance or face prosecution;
- Must meet strict welfare standards or face enforcement action;
- Must prepare and follow care plans for every animal; and
- Must prepare a retirement plan for every animal.

The proposed welfare standards cover all aspects of life for a wild animal in a travelling circus environment, including:

- Accommodation and housing standards;
- Arranging for full veterinary care;
- Changing animals listed in collections;

- Controlling carefully who may access animals;
- Diet (including food storage, preparation and provision);
- Environmental and behavioural enrichment;
- Environment factors (such as noise and temperature);
- Welfare during training and performance.

Draft guidance is included in the consultation package. It sets out the practical steps that circuses would be able to follow in order to comply with the law. It explains the welfare standards which are based around the “five needs” established by the Animal Welfare Act 2006 (the need for suitable environment, diet, normal behaviour patterns, housing with or apart from other animals, and protection from pain, injury, suffering and disease) and applies them to the travelling circus environment.

Formal inspections would be undertaken by Government-appointed specialist vets before a licence may be issued or renewed. If a licence were issued, compliance checks would be carried out during the period of a licence, including a combination of announced and unannounced visits both to winter quarters and to tour sites.

I welcome views on the details of our proposed licensing regime. The consultation runs from 1 March to 25 April to help ensure regulations can be laid before Parliament in summer this year with a view to having systems in place to secure the welfare of wild animals in travelling circuses in time for the next touring season.

Once the consultation has closed, DEFRA will consider all responses and produce a summary response alongside setting out the next steps. The regulations will be laid before Parliament after consultation and be subject to parliamentary scrutiny. A copy of the consultation papers have been placed in the House Library.

Work to set out the ethical basis for a ban will proceed alongside the development of the licensing scheme.

FOREIGN AND COMMONWEALTH OFFICE

Diplomatic Security in Syria

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): I wish to inform the House that I have taken the decision on security grounds to suspend the services of the British embassy in Damascus and to withdraw all diplomatic staff

We have maintained an embassy in Damascus despite the violence to help us communicate with all parties in Syria and to provide insight into the situation on the ground. Throughout this time we have kept the security situation of our staff and embassy premises under intense and constant review. We now judge that the deterioration of the security situation in Damascus puts our embassy staff and premises at risk, and have taken the decision to withdraw staff accordingly. Our ambassador and diplomatic staff left Syria on 29 February and will return to the UK shortly.

British nationals who remain in Syria despite our longstanding and consistent message to leave the country should contact the embassy of any remaining EU member state if they require consular assistance.

My decision to withdraw staff from the British embassy in Damascus in no way reduces the UK's commitment to active diplomacy to maintain pressure on the Assad regime to end the violence.

We will continue to work closely with other nations to co-ordinate diplomatic and economic pressure on the Syrian regime through the Friends of Syria group and the European Union, building on the new EU sanctions agreed on 27 February which will restrict further the regime's sources of revenue.

We will give full support to former UN Secretary-General Kofi Annan in his role as the joint special envoy to Syria for the UN and the Arab League.

And we will also continue to work with the Syrian National Council, to encourage a more united and representative Syrian opposition and the vision of a peaceful, multi-ethnic and more democratic Syria.

HOME DEPARTMENT

Border Force

The Secretary of State for the Home Department (Mrs Theresa May): From today, the Border Force has been split from the UK Border Agency to become a separate operational command within the Home Office. We will finalise the detail of the operational and structural arrangements over the coming weeks, but I would like to inform the House of the high-level arrangements that we have put in place.

Brian Moore, chief constable of Wiltshire police, has taken up post as the interim head of the Border Force and, with the agreement of HM Treasury, I have designated him as the director of Border Revenue under section 6 of the Borders, Citizenship and Immigration Act 2009. Rob Whiteman will remain chief executive of the UK Border Agency. The Border Force will be responsible for entry controls and customs functions at the border, including our juxtaposed controls in France and Belgium. The UK Border Agency will be responsible for immigration casework, in-country enforcement activity, the immigration detention estate and our overseas immigration operations.

All obligations, commitments and undertakings given by the UK Border Agency will continue to be honoured by the Border Force where they relate to operations at the border. Relevant agreements, guidance and documentation will be amended in due course but for the time being should be read, where appropriate, as applying to the Border Force as well as the UK Border Agency.

John Vine, the independent chief inspector of the UK Border Agency, will be responsible for the inspection of both the UK Border Agency and the Border Force.

LEADER OF THE HOUSE

State Opening of Parliament

The Leader of the House of Commons (Sir George Young): Her Majesty the Queen will open a new Session of this Parliament on Wednesday 9 May 2012.

TRANSPORT

Mobility Scooters / Powered Wheelchairs

The Parliamentary Under-Secretary of State for Transport (Norman Baker): In 2010, the Department for Transport undertook a consultation into possible reforms of the use on the highway of mobility scooters and powered wheelchairs (referred to in legislation as "invalid carriages").

I am today publishing the Department's response to the consultation. A summary of the results of the consultation is also attached to that document.

I have concluded that no changes should be made regarding the following issues, which formed part of the consultation:

- speed limits and maximum permitted speeds;
- the minimum age for using a class 3 vehicle; and
- the law relating to the use of a mobility scooter by only one person.

I do not, at this stage, propose that there should be an alternative to the current arrangements for registering class 3 vehicles or any additional requirements for making vehicles conspicuous, such as adding reflective strips to vehicles or a requirement on users to wear high-visibility jackets. I have decided that the maximum unladen weight of class 2 powered wheelchairs should be increased to 150 kgs, but that the class 2 mobility scooter should stay at the current maximum unladen weight of 113.4 kgs.

I have also decided that the legal term "invalid carriage" should be replaced with a more suitable and contemporary term, and have asked officials to consider how this might be achieved, recognising that unfortunately, the term is set by primary legislation.

I indicated in parliamentary answers last autumn (26 October 2011, *Official Report*, column 249W and 27 October 2011, *Official Report*, column 284W) that I was considering the case for mandatory eyesight testing. I have concluded that this is not necessary for users of class 2 vehicles, but in response to points made by respondents to the consultation, I believe the position in respect of class 3 scooters requires further consideration. To that end, I intend to convene a meeting of interested parties to review the available evidence and options, including matters relating to insurance and the use of specialist training providers. I am conscious of the crucial role such vehicles play in some people's lives and that will be an important factor in deciding what further actions, if any, to take.

From 2013, the police will be able to record whether a vehicle has been involved in an accident on the public highway, but I have also asked officials to examine how current legislation aimed at reducing accidents could be better enforced.

The Transport Select Committee invited the Department to look into the carriage of mobility scooters on public transport. The Confederation of Passenger Transport has produced a code of practice regarding carriage on buses, while train operators have their own individual arrangements. I have asked my Department to work with transport operators and the industry to develop a kite marking scheme for public transport, which would enable a disabled person to have more confidence that they can travel with their mobility scooter—this work is currently underway. I have also asked officials to work with the industry on suitable designs for public transport. I will report back on this work as soon as possible.

I am also publishing today improved guidance and information for mobility vehicle users.

Written Answers to Questions

Thursday 1 March 2012

ATTORNEY-GENERAL

Euthanasia

Zac Goldsmith: To ask the Attorney-General what recent assessment he has made of the application of the Director of Public Prosecution's policy for prosecutors in respect of cases of encouraging or assisting suicide. [95843]

The Solicitor-General: The Director of Public Prosecution's assisted suicide policy provides clear guidance to prosecutors as to how to apply the existing law on assisted suicide. The policy outlines the relevant evidential and public interest factors which must be considered when deciding whether to bring criminal proceedings for assisted suicide. It sets out considerations that may be particularly relevant when deciding whether a prosecution for assisted suicide is in the public interest, and complements those contained in the Code for Crown Prosecutors.

Since December 2008 all cases of assisted suicide have been dealt with by prosecutors in the Special Crime and Counter Terrorism Division in the CPS.

Immunity From Prosecution

Mr Dodds: To ask the Attorney-General on how many occasions he was consulted on decisions to grant immunity from prosecution to assisting offenders as defined in the provisions of the Serious Organised Crime and Police Act 2005 in each year since 2007. [97797]

The Solicitor-General: The Attorney-General should be consulted by the Director of Public Prosecutions, the Director of the Serious Fraud Office or a prosecutor designated by them, before any decision is made on the granting of a full immunity under section 71 of the 2005 Act.

No immunity can be granted under section 71 of the 2005 Act by a Chief or Deputy Prosecutor at BIS or the FSA unless the Attorney-General has given consent to the granting of the immunity in accordance with section 71 (6)(c).

Information on the occasions where a Law Officer was consulted on such matters are not collated centrally and could be obtained only at a disproportionate cost.

Serious Organised Crime and Police Act 2005

Mr Dodds: To ask the Attorney-General what representations he has received on the operation of the provisions of the Serious Organised Crime and Police Act 2005 relating to the use of assisting offender evidence. [97104]

The Solicitor-General: The Serious Organised Crime and Police Act 2005 (SOCPA) gave designated prosecutors powers in relation to offenders who are prepared to assist the Crown. The Law Officers meet with prosecutors on a regular basis to discuss their cases, including those where they might need to exercise their powers under SOCPA 2005.

The policy responsibility for the operation of these provisions of the Act belongs with the Ministry of Justice.

LEADER OF THE HOUSE

Independent Parliamentary Standards Authority

Thomas Docherty: To ask the Leader of the House pursuant to the answer of 27 February 2012, *Official Report*, column 1W, on the Independent Parliamentary Standards Authority, whether (a) he and (b) the Deputy Leader of the House met representatives of the Independent Parliamentary Standards Authority in January 2012. [97594]

Sir George Young: The information is as follows:

(a) Yes

(b) No.

HOUSE OF COMMONS COMMISSION

Information and Communications Technology

Thomas Docherty: To ask the hon. Member for Caithness, Sutherland and Easter Ross, representing the House of Commons Commission, what estimate the House of Commons Commission has made of the number of hours that will be required to be worked by (a) Hardcat employees and (b) PICT staff to conduct the audit of IT on the Parliamentary Estate. [97445]

John Thurso: The estimated hours for conducting the current IT audit are 345 for Hardcat employees and 135 for PICT employees.

Thomas Docherty: To ask the hon. Member for Caithness, Sutherland and Easter Ross, representing the House of Commons Commission, on what date the audit of IT on the Parliamentary Estate (a) began and (b) is expected to be completed. [97446]

John Thurso: The audit began on 21 February and is due to be completed on 2 March. One day of preparatory work took place before 21 February.

Plants: Costs

Dr Thérèse Coffey: To ask the hon. Member for Caithness, Sutherland and Easter Ross, representing the House of Commons Commission, what the cost of provision of indoor plants and trees is; and which organisations provide them. [96685]

John Thurso: The cost of hire and maintenance of trees in Portcullis House in each of the financial years 2009-10 and 2010-11 was £32,500. Plantcare International provides this service.

The cost of providing indoor plants including floral displays in the financial year 2010-11 was £36,900. In 2009-10 it was £41,300. The main suppliers of these services were Greenways and Nora Wool.

All contracts are being re-examined as part of the savings programme as they come up for renewal. Significant savings are being sought on the contracts for the trees.

Recess: Operating Costs

Mr Spellar: To ask the hon. Member for Caithness, Sutherland and Easter Ross, representing the House of Commons Commission, what the additional cost to the House of Commons was of the difference in dates of the February recess between the two Houses for (a) security, (b) catering, (c) administration, (d) maintenance and engineering services and (e) other services. [96177]

John Thurso: No measurable cost to the House of Commons administration has arisen from the difference in dates of the February recess between the two Houses.

PRIME MINISTER

Aung San Suu Kyi

Kerry McCarthy: To ask the Prime Minister what recent discussions he has had with Aung San Suu Kyi on the situation in Burma. [97152]

The Prime Minister: I last spoke to Aung San Suu Kyi on 28 January to congratulate her on the incredible progress that had been made in Burma in recent weeks, and to seek her advice on how the international community should respond.

She was optimistic about Burma's prospects and we share that optimism. We agreed on the need to make progress on ethnic conflicts, the release of the remaining political prisoners, and the holding of free and fair by-elections in April.

We are concerned about reports of restrictions on campaigning in recent weeks, and urge the Government of Burma to do all they can to ensure that elections are indeed free, fair and credible.

WALES

Public Expenditure

Jonathan Edwards: To ask the Secretary of State for Wales whether the transfer of funding from Wales to HM Treasury as a result of the Housing Revenue Account Subsidy Scheme will be considered by the Commission on Devolution in Wales. [97202]

Mrs Gillan: Discussions are ongoing between the Government and the Welsh Government on Housing Revenue Account Subsidy arrangements for Wales. Any changes to the current arrangements would not require further devolution of functions, and therefore I would not expect the Commission on Devolution in Wales to consider this.

CULTURE, MEDIA AND SPORT

Broadband: Brighton

Caroline Lucas: To ask the Secretary of State for Culture, Olympics, Media and Sport pursuant to the answer of 21 February 2012, *Official Report*, column 791W, on broadband: Brighton and Hove, if he will (a) estimate the amount of public funding required to bring ultra-fast broadband to the Brighton and Hove area and (b) carry out a cost-benefit analysis of funding ultra-fast broadband in Brighton and Hove. [96904]

Mr Vaizey: The Department does not intend to make estimates of the amount of public funding required to bring ultra-fast broadband to any local authority area. Local authorities are best placed to assess their options for improving high-speed broadband access, in consultation with commercial communications providers. This is the approach adopted in the Super-Connected Cities Initiative by cities eligible to bid for the Urban Broadband Fund.

As the hon. Member may already be aware, East Sussex has an indicative funding of £10.64 million allocated out of the £530 million to bring superfast broadband to 90% of the population and standard broadband to everyone else.

Brighton and Hove is to be congratulated on achieving a broadband take-up of 80%, according to Ofcom data published last summer, with superfast broadband coverage of 92%.

Departmental Regulation

Simon Hart: To ask the Secretary of State for Culture, Olympics, Media and Sport what recent progress his Department has made on the Red Tape Challenge; and which regulations have been (a) abolished and (b) revised as part of the Challenge. [96996]

John Penrose: This Department has played a central role in the Red Tape Challenge, leading the Hospitality Food and Drink theme in partnership with other departments including, the Department for Environment, Food and Rural Affairs, the Home Office and the Department for Health. We will cut red tape in 62 of the 102 regulations which were looked at as part of this theme; 12 will be abolished, with a further 50 to be merged or simplified.

National Railway Museum

Chris White: To ask the Secretary of State for Culture, Olympics, Media and Sport what proportion of the photographic material held by the National Railway Museum is indexed and available to the public; what steps he (a) has taken and (b) plans to take to work with external partners on the task of indexing the collection. [97507]

Mr Vaizey: The National Railway Museums is a branch of National Museum of Science and Industry, which operates at arm's length from Government. This Department does not collate information on the collections and has not taken steps to work with external partners on the task of indexing them for availability to the public. I have asked their chief executive to write to my hon. Friend directly on this matter. A copy of the letter will be placed in both House Libraries.

Olympic Games 2012: Bexley

Mr Evennett: To ask the Secretary of State for Culture, Olympics, Media and Sport how many sports clubs in (a) Bexleyheath and Crayford constituency and (b) the London Borough of Bexley have received funding for Olympic legacy projects. [97148]

Hugh Robertson: Since April 2007, Sport England has invested a total of £5,169,593 of Lottery funding and £38,000 of Exchequer funding into the borough of Bexley. This includes funding for projects from the mass participation Olympic Legacy fund, Places People Play such as the Europa Centre in Crayford, the Bexley Cricket Club and Danson Park Bowls Consortium Ltd.

These figures do not reflect the large amount of funding channelled through County Sports Partnerships, local authorities and National Governing Bodies of Sport, where initiatives that have a county or region-wide remit may have assisted or benefited constituents and local sports clubs.

Public Libraries

Justin Tomlinson: To ask the Secretary of State for Culture, Olympics, Media and Sport what his strategy is for the future of the (a) library service and (b) standards and framework to support local delivery of library services. [96842]

Mr Vaizey: Arts Council England (ACE) has been given responsibility to advocate for and champion libraries' roles and the public value they provide. ACE will capture and disseminate good practice in making efficiencies and meeting the needs of communities. Where appropriate, libraries will be eligible for ACE strategic investment funding.

ACE will be leading a debate and research in 2012-13 on how libraries can respond to changing community needs and wider changes in society.

ACE's role on library development is one of providing advice and support. ACE has also launched the Libraries Development Initiative which has made grants totalling £230,000 to 13 library projects to help them explore ACE's vision of arts and culture working together.

ACE will shortly be writing to local authorities to make them aware of different ACE funding streams which can now be accessed by libraries.

We do not propose to reintroduce the 'public library service standards'. The Local Government and Public Involvement in Health Act 2007 gave local government greater flexibility in priority setting and greater discretion over how to meet them—the public library service standards were just 10 of over 1,000 indicators which authorities were no longer required to report performance against.

ENERGY AND CLIMATE CHANGE

Departmental Carbon Emissions

Caroline Flint: To ask the Secretary of State for Energy and Climate Change what reduction in carbon dioxide emissions his Department has made under the 10:10 initiative. [97928]

Gregory Barker: DECC signed up to the 10:10 campaign in November 2009, making a commitment to reduce our carbon emissions by 10% in 2010 compared to 2009. Under the new Government, we actually achieved more than double this—with a saving of 20.59% or 547 tonnes of CO₂.

Fuel Poverty

Andrew Gwynne: To ask the Secretary of State for Energy and Climate Change how many households in the (a) private rented, (b) social and (c) owner-occupied sector in (i) England, (ii) Tameside and (iii) Stockport were classed as being in fuel poverty in the latest period for which figures are available. [97866]

Gregory Barker: The breakdown by tenure for 2009, the latest year for which figures are available, is shown in the following table. This level of detail is available only at country level.

	(a) Private rented	(b) social	(c) Owner-occupied
Number of households in fuel poverty	693,000	762,000	2,509,000
Percentage of households in fuel poverty	21	21	17

In Tameside in 2009, approximately 19,400 or 21% of households were in fuel poverty. In Stockport, approximately 22,300 or 18% of households were in fuel poverty.

Green Deal Scheme

Mr Amess: To ask the Secretary of State for Energy and Climate Change what assessment he has made of (a) option 1, (b) option 2 and (c) option 3 of his Department's consultation document on levels of employment in the insulation industry, The Green Deal and Energy Change Obligation Consultation; and if he will make a statement. [97418]

Gregory Barker: Under the central policy scenario for the Green Deal, option 2 in the consultation, our analysis indicates that the insulation sector would support 65,000 jobs in 2015, a marked increase from current levels of c.27,000. Specific analysis of employment levels has not been carried out for the other options outlined in the consultation however broadly speaking employment levels would follow the levels of expected delivery of insulation measures.

Mr Amess: To ask the Secretary of State for Energy and Climate Change what estimate he has made of the quantity of carbon dioxide which would no longer be emitted with the introduction of the Green Deal in option 2 of his Department's consultation, The Green Deal and Energy Company Obligation; and if he will make a statement. [97419]

Gregory Barker: Under the central policy scenario for the Green Deal, option 2 in the consultation, the total CO₂ savings over the lifetime of the installed measures was estimated at 114 MtCO₂ and 53 MtCO₂ for non-traded and traded savings respectively.

These figures and the analysis behind them were published in the Draft Impact Assessment accompanying the recent Green Deal and Energy Company Obligation (ECO) consultation:

<http://www.decc.gov.uk/assets/decc/11/consultation/green-deal/3603-green-deal-eco-ia.pdf>

We are working with stakeholders to improve the data on which the Impact Assessment was based and updated analysis will be published in the summer.

Note:

Traded carbon emissions are those covered by the EU Emissions Trading Scheme.

Insulation

Mr Amess: To ask the Secretary of State for Energy and Climate Change what estimate he has made of the number of fully-trained solid wall insulation installers in (a) 2012, (b) 2013, (c) 2014 and (d) 2015. [97423]

Gregory Barker: DECC does not hold employment figures for the solid wall industry as a whole.

However, based on discussions with industry representatives, DECC estimates that by 2015 there could be between 8,000 and 10,000 competent solid wall installers operating under the Green Deal and Energy Company obligation. This is an increase from approximately 2,000 skilled operatives in 2011-12.

Mr Amess: To ask the Secretary of State for Energy and Climate Change with reference to the Green Deal and Energy Change Obligation Consultation, what recent estimate he has made of the number of cavity and loft installers who will need to retrain as solid wall installers to meet the targets set out in the consultation document; and if he will make a statement. [97509]

Gregory Barker: DECC does not have the responsibility for determining how many loft and cavity wall insulation installers will re-train as this is a matter for the market and the individuals concerned. However, discussions with industry representatives suggest that there are over 2,500 cavity wall and loft installers currently operating. Our analysis indicates that the insulation sector would support 65,000 jobs in 2015, a marked increase from current levels of c.27,000.

Mr Amess: To ask the Secretary of State for Energy and Climate Change what recent assessment he has made of the cost of re-training individuals in the insulation industry in fitting solid wall insulation; and if he will make a statement. [97510]

Gregory Barker: DECC is working with the Green Deal Skills Alliance, the Department for Business, Innovation and Skills, and industry representatives on the most cost-effective routes to training and up-skilling of existing operatives and new entrants.

Detailed announcements will be made on this shortly.

Renewable Energy

Caroline Flint: To ask the Secretary of State for Energy and Climate Change how much generation capacity from renewable energy sources was installed in each year between 1997 and 2011. [97953]

Gregory Barker: The following table shows the change in generation capacity from renewable sources in each year between 1997 and 2010. Similar data for 2011 will be available in July 2012 when the Digest of UK Energy Statistics (DUKES) is published. This table shows the change in capacity and includes capacity from new generators, increases to the capacity of existing generators, reductions in capacity of existing generators and closures.

	<i>Change in capacity compared to previous year (MW)</i>
1997	121
1998	172
1999	157
2000	234
2001	131
2002	54
2003	319
2004	313
2005	762
2006	498
2007	670
2008	1,101
2009	1,227
2010	1,172

Renewable Energy: Technology

Mr Jim Cunningham: To ask the Secretary of State for Energy and Climate Change what steps he has taken to encourage the development of early-stage renewable technologies. [97299]

Gregory Barker: The 2010 spending review allocated over £200 million to support low carbon technologies, of which up to £60 million was included to support the establishment of offshore wind manufacturing at port sites. In June 2011, the Department announced up to £20 million—subject to value for money assessments—to support the pre-commercial demonstration of marine array devices, and in July 2011 announced the allocation of up to £30 million for offshore wind technology development.

This funding for renewable technologies is part of a wider package of support which the Department is working on with other members of the Low Carbon Innovation Group¹.

The aim is to ensure that there is strategic alignment of public funding for the sector to maximise the benefits each funding stream generates.

The Renewables Obligation (RO) is another way that we support emerging technologies such as offshore wind and marine energy. Proposals in the recent consultation reviewing support levels reiterated our commitment to these technologies.

Non-financial support has also been put in place. For example, I chair the Marine Energy Programme Board which brings together technology developers, industrial manufacturers and the public sector to discuss accelerating the deployment of marine energy in the UK.

I also recently launched the UK's first Marine Energy Park in South West England which aims to create a collaborative partnership between national and local government, local enterprise partnerships, the regional universities and industry, including Cornwall's Wave

Hub, thereby driving forward marine energy projects. Other areas are now working towards becoming a Marine Energy Park, for example Caithness and Orkney and Northern Ireland.

¹ Includes Department for Business Innovation and Skills, Energy Technologies Institute, Technology Strategy Board, Carbon Trust, Research Councils UK.

Renewables Obligation

Nic Dakin: To ask the Secretary of State for Energy and Climate Change what assessment he has made of the effect of increases in the Renewable Obligation charges on energy intensive industry from April 2012. [95599]

Charles Hendry [*holding answer 29 February 2012*]: DECC estimates that in 2012-13 the Renewables Obligation (RO) will add 6% to the electricity bill of an average energy intensive user (compared to what the bill would be in the same year in the absence of policies). This compares to 5% in 2011-12, and is an increase of 1 percentage point.

In 2011 there was an increase of around 30% in wholesale electricity costs (which make up around 70-80% of the bill of an average energy intensive user), and this was driven by rising gas prices. This shows the importance of our action to increase the UK's renewable capacity in order to reduce our reliance on fossil fuel imports, and take us off the gas price hook. The RO and its successor scheme, Feed-in Tariffs with Contracts for Difference, aim to do this in the most cost-effective way possible for consumers.

Salix: Energy Supply

Caroline Flint: To ask the Secretary of State for Energy and Climate Change (1) how many applications for support from Salix loans for energy efficiency have been (a) submitted, (b) accepted and (c) rejected; [97955]

(2) how many organisations have received a Salix loan for energy efficiency; and what the amount of each such loan is. [97957]

Gregory Barker: Since the start of the Salix public sector energy efficiency loan scheme in 2004 a total of around 1,112 applications (from 776 organisations) across the UK have been submitted for loan funding. Of these around 1,016 have been accepted, supporting around 8,400 individual projects. The remaining 96 were rejected as they did not meet the scheme criteria. The average loan awarded to the 680 successful organisations has been £262,000.

WOMEN AND EQUALITIES

Disability: Crime

Mr Burley: To ask the Minister for Women and Equalities what steps she is taking to reduce disability hate crime. [96676]

Nick Herbert: I have been asked to reply on behalf of the Home Department.

No one should fear abuse for who they are, and tackling hate crime against disabled people is an issue that this Government take very seriously. We are improving the recording of such crimes, and working with the voluntary partners to encourage more victims to come forward. We will publish the Government's new action plan on hate crime shortly.

Equality and Human Rights Commission

Mr Stewart Jackson: To ask the Minister for Women and Equalities what the cost to the public purse was of the Equality and Human Rights Commission document entitled Human rights at home; and if she will make a statement. [97526]

Mrs May: Since the Equality and Human Rights Commission is an arm's length body, the following is based on information it has provided.

The cost of this report, excluding staff costs, was £14,964.

NORTHERN IRELAND

Anniversaries

Vernon Coaker: To ask the Secretary of State for Northern Ireland (1) what discussions he has had with the (a) Northern Ireland Executive and (b) Irish Government on the decade of commemoration; [97595]

(2) what progress he has made on talks to plan for the decade of commemoration; and if he will make a statement. [97596]

Mr Paterson: I regularly meet the First and Deputy First Minister and Irish Government to discuss relevant issues including the forthcoming decade of key anniversaries. The latest discussions with the First and Deputy First Minister were on the 27 February, and on 2 February with the Irish Government. The Minister of State, Northern Ireland Office, my right hon. Friend the Member for East Devon (Mr Swire), will continue his discussions in the coming weeks with individuals and groups involved in planning events.

Departmental Senior Civil Servants

Mr Thomas: To ask the Secretary of State for Northern Ireland how many senior civil servants left his Department and its public bodies in each month since May 2010; what their names are; what the rate of turnover of senior civil servants in his Department was during this period; and if he will make a statement. [96245]

Mr Paterson: Since May 2010, eight senior civil servants left the Northern Ireland Office and its public bodies. Of these, three retired; two returned to their parent organisation as their period of secondment/loan to the NIO came to an end; two began secondments with other organisations and will return in due course; and one left at the end of a fixed term contract. The monthly breakdown is as follows:

May 2010: One retired; One went on loan to another Government Department;

June 2010: One left at the end of their fixed term contract;

June 2011: One went on loan to another Government Department;

September 2011: One left at the end of their secondment;

October 2011: One left at the end of their loan;

November 2011: One retired;

December 2011: One retired.

In 2010, there were 13 senior civil servants in the NIO; the rate of turnover at that time would be calculated at 23%. In 2011, there were 11 senior civil servants in the NIO; the rate of turnover at that time would be calculated at 45%.

The names of the individuals concerned have not been released for reasons of personal privacy.

Economic Situation

Ms Ritchie: To ask the Secretary of State for Northern Ireland what recent progress the Ministerial Working Group on Rebalancing the Northern Ireland Economy has made. [97478]

Mr Paterson: The Ministerial Working Group on Rebalancing the Northern Ireland Economy will meet for the second time on 7 March, in line with the work programme we agreed at our first meeting in December, officials have been working intensively. They have made good progress on issues surrounding the potential devolution of corporation tax, including the potential costs, benefits, legislative options and time scales involved.

Organised Crime

Mr Dodds: To ask the Secretary of State for Northern Ireland what discussions he has had with Ministers in the Northern Ireland Executive on the operation of the Serious Organised Crime and Police Act 2005. [97244]

Mr Paterson: I have not had any discussions with Ministers in the Northern Ireland Executive on the operation of the Serious Organised Crime and Police Act 2005. Matters relating to the operation of this Act in Northern Ireland are the responsibility of the devolved Administration. The Northern Ireland Justice Minister and his Department work closely with the Secretary of State for the Home Department, my right hon. Friend the Member for Maidenhead (Mrs May), and her Department on such matters.

Politics and Government

Vernon Coaker: To ask the Secretary of State for Northern Ireland what progress is being made with bilateral talks following his letter to the party leaders in Northern Ireland asking for discussions on how to deal with the past. [97604]

Mr Paterson: Since May 2010, the Minister of State, Northern Ireland Office, my right hon. Friend the Member for East Devon (Mr Swire), and I have undertaken a wide range of meetings involving political parties, community organisations, academics and victims groups on this matter.

I have recently held further meetings with representatives of some of the Northern Ireland parties and will meet with others shortly. I continue to seek their views on how consensus on this difficult issue can be achieved. While the Government have a role to play, any successful outcome will only be possible if agreement is found from within Northern Ireland.

INTERNATIONAL DEVELOPMENT

Africa

Tim Farron: To ask the Secretary of State for International Development what funds his Department plans to allocate to support agricultural research and development in Africa in the 2010-12 Parliament. [97586]

Mr Duncan: The UK Government have allocated approximately £91 million to support agricultural research and development in Africa in the 2010-12 Parliament.

Brussels

Mr Thomas: To ask the Secretary of State for International Development on how many occasions (a) he, (b) other Ministers in his Department and (c) the Permanent Secretary in his Department have visited Brussels in an official capacity since May 2010; and if he will make a statement. [97660]

Mr Andrew Mitchell: Since May 2010 I have made three visits to Brussels; the Minister of State, my right hon. Friend the Member for Rutland and Melton (Mr Duncan), has made one visit; the Under-Secretary of State, my hon. Friend the Member for Eddisbury (Mr O'Brien) has made three visits; and the Permanent Secretary, Mark Lowcock, has made two visits.

Developing Countries: HIV Infection

Mr Jim Cunningham: To ask the Secretary of State for International Development what steps his Department is taking to help reduce delays in the availability of low-cost versions of new treatments for HIV in the developing world. [96740]

Mr O'Brien: In 'Towards zero infections: the UK's position paper on HIV in the developing world' published in May 2011 the UK Government outline our aim to reduce the costs of diagnosis and treatment. The UK is supporting UNITAID and the Clinton Health Access Initiative to work with originator and generic companies to negotiate sustainable reductions in drug prices, and to lower the unit costs of drug production. Our work with the Clinton Foundation to drive down treatment costs will generate enough cost-savings to purchase medicines for an additional 500,000 people by 2015.

UNITAID, with our financial support, is also achieving significant results in this field. For example they have supported the introduction of nine new priority HIV medicines which are now available for purchase through the World Health Organisation Prequalification programme; and there has been a 53% price reduction from 2008 to 2010 for a quality second line treatment regimen, and there are over 113,000 adults living with HIV who are now receiving quality second line medicines at these lower prices.

Global Fund to Fight Aids, Tuberculosis and Malaria

Mr Thomas: To ask the Secretary of State for International Development how many and what proportion of meetings of the Board of the Global Fund to fight AIDS, Tuberculosis and Malaria have been attended by

a UK Minister since May 2010; how many such meetings (a) he and (b) other Ministers plan to attend in 2012-13; and if he will make a statement. [97657]

Mr Duncan: Neither UK Development Ministers nor Ministers from other donor countries attend board meetings unless there is an extraordinary reason to do so. Ministers have not attended the Global Fund board meetings since May 2010 and there are no current plans to attend in 2012-13. A Department for International Development Official represents the UK/Australia on the board of directors and keeps Ministers fully abreast of the policy and governance issues. The chair of the Global Fund board is also a senior UK DFID official.

Somalia

Jo Swinson: To ask the Secretary of State for International Development what recent representations he has received on women's rights in Somalia; and if he will make a statement. [97465]

Mr Andrew Mitchell: I received letters from non-government organisations and MPs highlighting the importance of women's rights in Somalia in the run up to the London Conference on Somalia. I also discussed these issues during my recent visit to Somalia.

The Government recognise the serious human rights violations that women face in Somalia and we are committed to helping to address them. The London Conference on Somalia communiqué recognises the importance of women's participation in the political process and calls for action to address the human rights violations and abuses faced by women and children.

Equality and protection of women lies at the heart of our development programme in Somalia. We support women's inclusion in policy dialogue through our civil society funding; we have helped establish the first women's unit at the Attorney-General's Office in Somaliland; and our health support has seen a doubling of births attended by skilled birth attendants in Gedo region.

World Bank

Mr Thomas: To ask the Secretary of State for International Development whether he plans to propose a British candidate as next head of the World Bank, in succession to Robert Zoellick; and if he will make a statement. [97658]

Mr Andrew Mitchell: Britain supports an open, merit-based and transparent selection process for the next World Bank president.

At present, there are no credible British candidates to nominate but I would actively consider one if they were to emerge before the end of the nominations process on 23 March.

FOREIGN AND COMMONWEALTH OFFICE

Algeria

Ian Lucas: To ask the Secretary of State for Foreign and Commonwealth Affairs what steps his Department has taken to support the parliamentary elections in Algeria in May 2012. [96770]

Alistair Burt: We welcome the decision by Algerian authorities to invite election observers to supervise the parliamentary elections on 10 May. We are encouraged by the number of organisations and non-governmental organisations which have expressed an interest in participating and hope that a diverse range of domestic and international observers will be able to take part.

The Algerian Government have invited the EU to monitor elections and the UK supports this initiative. As in previous Algerian elections, we expect polling stations to be set up around the UK to enable UK-based Algerian nationals to take part.

Burkina Faso

Ian Lucas: To ask the Secretary of State for Foreign and Commonwealth Affairs how many electoral observers from the UK will be present during the parliamentary elections in Burkina Faso in May 2012. [97437]

Mr Bellingham: There is no UK mission in Burkina Faso. However, we plan to send our non-resident ambassador, the British High Commissioner to Ghana, and our ambassador to Côte d'Ivoire to observe the parliamentary elections, which we understand have been delayed until November. They will be part of an informal election observation team along with other EU Heads of Mission based in Ouagadougou.

Ian Lucas: To ask the Secretary of State for Foreign and Commonwealth Affairs what steps his Department has taken to support the parliamentary elections in Burkina Faso in May 2012. [97438]

Mr Bellingham: The British Government, along with our international partners, support the democratic process in Burkina Faso and are committed to peace, security and stability across the whole of West Africa. There are no plans for the EU to send either an official observation or technical mission to monitor the Burkinabe elections, which we understand have been delayed until November.

While there are no plans for Britain to provide financial support to the electoral process, our non-resident ambassador to Burkina Faso, the British High Commissioner to Ghana, and our ambassador to Côte d'Ivoire will, together with local EU Heads of Mission in Ouagadougou, form an informal observer team. We believe the African Union may be sending a formal observer mission to cover the elections.

Christianity

Guto Bebb: To ask the Secretary of State for Foreign and Commonwealth Affairs what recent steps his Department has taken on discrimination against Christians abroad. [96917]

Mr Jeremy Browne: I refer the hon. Member to the answer given by the Secretary of State for Foreign and Commonwealth Affairs, the right hon. Member for Richmond (Yorks) (Mr Hague), to the right hon. Member for Paisley and Renfrewshire South (Mr Alexander) on 9 February 2012, *Official Report*, column 365W.

Conflict Resolution

Mrs Moon: To ask the Secretary of State for Foreign and Commonwealth Affairs pursuant to the answer of 2 February 2012, *Official Report*, column 757W, on conflict prevention, when he expects to publish the updated National Action Plan on Women, Peace and Security. [97247]

Mr Bellingham: The Revised UK Government National Action Plan on UNSCR 1325 Women, Peace and Security was published on 28 February and a copy placed in the Library of both houses.

Mrs Moon: To ask the Secretary of State for Foreign and Commonwealth Affairs pursuant to the answer of 2 February 2012, *Official Report*, column 757W, on conflict prevention, to how many diplomatic posts in his Department's overseas network the Women, Peace and Security toolkit has been distributed; and what assessment he has made of the utility of the toolkit. [97248]

Mr Bellingham: The Women, Peace and Security Toolkit has been distributed to all Departments in London. The toolkit is aimed at helping Posts develop country based activity on women, peace and security issues.

The toolkit highlights practical work that can be done on this issue across our worldwide network. At six pages, it is very accessible, and includes guidance to post on prevention, participation and protection issues, as well as further information on access to resources and cross Government training. Civil society organisations have contributed to the development of the toolkit.

We have had good responses from Posts to the toolkit, for example, the UK Delegation in Vienna to the Organisation for Security and Co-operation in Europe (OSCE), proposed the use of the Toolkit as an example of best practice at a recent OSCE Forum for Security Co-operation. Stakeholder feedback will be taken into account before the toolkit is updated later this year.

Departmental Recruitment

Jeremy Lefroy: To ask the Secretary of State for Foreign and Commonwealth Affairs what plans he has to encourage people leaving the armed forces to apply for positions in his Department. [97643]

Mr Bellingham: In line with the Government-wide recruitment freeze, the Foreign and Commonwealth Office (FCO) is only recruiting externally for a limited number of business-critical positions. The FCO has no plans specifically to encourage people leaving the armed forces to apply for these positions. All external recruitment into the FCO is based on merit, and all campaigns must be fair and open, in accordance with Civil Service Commission principles. Our recruitment policies and processes are designed to encourage applications from the widest possible range of backgrounds, including former armed forces personnel.

Dogs: Meat

Justin Tomlinson: To ask the Secretary of State for Foreign and Commonwealth Affairs what steps his Department is taking to encourage countries engaging in the trade and consumption of dog meat to cease such activities. [96280]

Mr Jeremy Browne: I continue to raise UK concerns over animal welfare with countries engaged in the trade and consumption of dog meat. I have raised this with the Governments of China and the Philippines. Our ambassador in Seoul also recently raised our concerns with the South Korean Government. They are aware of our view on this particular issue. However, in the absence of international norms, laws or agreements governing the trade and consumption of dog meat, the UK has no legal grounds to intervene or take trade measures against countries where consumption of dog meat is regarded as culturally acceptable. We also welcome the work that non-governmental organisations such as Animal Asia Foundation, International Fund for Animal Welfare and the Royal Society for the Prevention of Cruelty to Animals undertake in Asian countries.

East Africa

Jeremy Lefroy: To ask the Secretary of State for Foreign and Commonwealth Affairs what plans he has to use the Conflict Pool to fund peace and stabilisation activities in eastern Africa in the next three years. [97242]

Mr Bellingham: Conflict Pool allocations over the next three years have not yet been approved by the National Security Council. Once approved, Parliament will be informed through a written ministerial statement from the Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Richmond (Yorks) (Mr Hague), the Secretary of State for International Development, my right hon. Friend the Member for Sutton Coldfield (Mr Mitchell), and the Secretary of State for Defence, my right hon. Friend the Member for Runnymede and Weybridge (Mr Hammond). In light of the British Government's tri-departmental Building Stability Overseas Strategy, the Conflict Pool is moving towards multi-year funding to provide greater certainty for conflict prevention priorities. In the financial year 2011-12, the Conflict Pool funded nearly £27 million of activities in eastern Africa. Over the next three years in eastern Africa, our planned Conflict Pool activity is likely to fall into the following broad areas.

A key focus will be reducing violent conflict and instability within Somalia and on its borders, in pursuit of HMG's wider security (counter-terrorism and maritime security) and development objectives. Similarly, within Sudan and South Sudan, to reduce violent conflict and instability in both countries and to support the British Government's regional security and development objectives.

We will also support Kenya, in the run-up to, during, and after the elections in 2012, and in the longer-term—so it is increasingly able to address national and regional security concerns. We will also support Ethiopia's relative stability to be increasingly sustainable.

Egypt

Guto Bebb: To ask the Secretary of State for Foreign and Commonwealth Affairs what steps his Department is taking to protect Christians in Egypt from persecution; and if he will make a statement. [96914]

Alistair Burt: The British Government continue to emphasise to the Egyptian Government the importance of protecting religious freedom and minorities, establishing the conditions for pluralist and non-sectarian politics, and enshrining the freedom of religion for all faiths in the new constitution and in law.

In response to sectarian violence in Egypt, the Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Richmond (Yorks) (Mr Hague), issued a statement on 10 October. He also called the Egyptian Foreign Minister to raise our concerns and discuss the action that the Egyptian Government was taking to address sectarian tension, and maintain law and order while respecting minority rights. The Deputy Prime Minister also raised the issue with the Egyptian Prime Minister during his visit to Egypt on 20 October. The British embassy in Cairo maintains an open communication channel with representatives of the Coptic Church and arranged for the Parliamentary Foreign Affairs Committee to meet a representative of the Church during the Committee's visit to Egypt in February.

Somalia

Jo Swinson: To ask the Secretary of State for Foreign and Commonwealth Affairs what discussions he had on inviting representatives from Somali civil society to the London conference on Somalia on 23 February 2012. [97462]

Mr Bellingham: The objective of the London Conference on Somalia was to re-energise the international community's approach to Somalia. As such, it was attended by representatives of Governments or international organisations active and influential on Somalia.

However, we were active in consulting civil society and the Somali Diaspora in the weeks before the conference. I hosted a seminar for academics and non government organisations on Somalia on 2 February, and on 9 February I met community leaders at the Finsbury Park Mosque. On 8 February, Chatham House hosted an event for Somali leaders and Somalia experts attended by the Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Richmond (Yorks) (Mr Hague), and on 20 February the Prime Minister met representatives of the Somali Diaspora at 10 Downing street. On the eve of the conference, the Secretary of State for Foreign and Commonwealth Affairs hosted a reception for the Somalia Diaspora at Lancaster House, the same venue that played host to the Conference itself the next day.

Jo Swinson: To ask the Secretary of State for Foreign and Commonwealth Affairs how many (a) men and (b) women were members of the Somali delegations to the London conference on Somalia on 23 February 2012. [97463]

Mr Bellingham: A total of eight Somali delegations attended the London Conference on 23 February. These delegations consisted of 29 men and one woman.

Jo Swinson: To ask the Secretary of State for Foreign and Commonwealth Affairs what recent reports he has received on the rights of women in Somalia; and if he will make a statement. [97464]

Mr Bellingham: The Foreign and Commonwealth Office receives regular reports on the parlous state of women's rights in Somalia. Somalia is widely regarded as being one of the worst places in the world to be a woman, not only because they are widely excluded from politics, or because of the continued practice of female genital mutilation, but because maternity health care is very limited, meaning that many women die needlessly in childbirth. The humanitarian crisis caused by last year's drought in the Horn of Africa has increased the vulnerability of women to sexual violence by predatory armed groups.

In the run up to the London Conference on Somalia, I personally met a number of women activists to hear their views. The conference communiqué called for women's inclusion in the political process, and for action to address the grave human rights violations suffered by women in particular. We stand ready to work with the Transitional Federal Government and other Somali partners to implement these commitments.

Syria

Nicky Morgan: To ask the Secretary of State for Foreign and Commonwealth Affairs what discussions he has had with (a) the Syrian government, (b) the United Nations and (c) the rest of the international community about allowing humanitarian organisations, including the International Committee of the Red Cross, access to Syria; and if he will make a statement. [97564]

Alistair Burt: The Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Richmond (Yorks) (Mr Hague), attended the 'Friends of Syria' meeting in Tunis on 24 February, where more than 70 countries discussed humanitarian access. The Secretary of State for Foreign and Commonwealth Affairs supported the call by the Friends of Syria for the Syrian Government to immediately cease all violence and to allow free and unimpeded access by the UN and humanitarian agencies, including the International Committee of the Red Cross (ICRC).

Discussions on access for Humanitarian organizations into Syria are being led by the UN. Baroness Amos, as head of the UN Office for the Co-ordination of Humanitarian Affairs, and Humanitarian Envoy to Syria is currently in the region working on plans to facilitate the movement of humanitarian assistance. The Secretary of State for International Development, my right hon. Friend the Member for Sutton Coldfield (Mr Mitchell), has been in regular contact with Baroness Amos and the ICRC and the Department for International Development is participating in the UN-led Syria Humanitarian Forum to ensure the UK is providing all necessary support in line with the assessed needs in the country.

Turks and Caicos Islands

Thomas Docherty: To ask the Secretary of State for Foreign and Commonwealth Affairs pursuant to the answer to the hon. Member for Romford of 23 February 2012, *Official Report*, columns 943-4W, on the Turks and Caicos Islands, what the cost to the Government was of the Turks and Caicos Coastal Radar System; and from which departmental budget that expenditure came. [97585]

Mr Bellingham: The majority of the costs of the coastal radar station have been funded by the Turks and Caicos Islands Government, including the building, tower and radar equipment.

In order to ensure that the radar station can become operational as soon as possible, and so that it can play a role in assisting the Marine Unit of the Royal Turks and Caicos Islands Police Force to operate more effectively, the FCO agreed to fund the cost (£207,672) of the replacement items of electronic equipment which includes installation, testing and training.

Western Sahara

Cathy Jamieson: To ask the Secretary of State for Foreign and Commonwealth Affairs what assessment he has made of the application of the Geneva Conventions to the conflict between Western Sahara and Morocco. [97421]

Alistair Burt: We do not consider there to be an armed conflict within the meaning of the Geneva Conventions. Since 1991, there has been a UN monitored ceasefire in Western Sahara, a disputed territory whose status we regard as undetermined. At present, the territory is under the de facto administration of Morocco. The UK is fully supportive of the continuing UN process to provide a mutually acceptable political solution for the parties to ongoing negotiations which will provide for the self-determination of the people of Western Sahara.

The UK supported the adoption of UNSCR 1979 which stressed the importance of improving the human rights situation in Western Sahara. We regularly raise the issue of human rights with the Moroccan authorities.

Cathy Jamieson: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will discuss with the Moroccan Ambassador progress on a referendum on independence from or integration with Morocco in Western Sahara. [97447]

Alistair Burt: The Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Richmond (Yorks) (Mr Hague), has no plans to discuss progress on a referendum on the status of Western Sahara with the Moroccan ambassador. However, Ministers in this Government and our ambassador in Rabat have established a strong dialogue on the issue of Western Sahara with the Moroccan authorities.

This Government strongly support UN-led efforts to encourage Morocco and the Polisario Front to agree a long lasting and mutually acceptable political solution that provides for the self-determination of the people of Western Sahara.

Cathy Jamieson: To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make it his policy to support the establishment of a UN Council for Natural Resources in Western Sahara. [97452]

Alistair Burt: The Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Richmond (Yorks) (Mr Hague), has no plans to support the establishment of a UN Council for Natural Resources in Western Sahara. However, we are aware that Morocco and the Polisario Front have discussed issues relating to natural resources as part of the negotiation process. We would look to support proposals resulting from those discussions.

Morocco, as the de facto administering power of Western Sahara, is obliged to ensure full compatibility with international law with regards to any agreements concerning the natural resources of the disputed territory.

DEPUTY PRIME MINISTER

Departmental Air Travel

Mr Crausby: To ask the Deputy Prime Minister how many times he has taken flights within the UK on official business since August 2010; what class of travel he used; and who accompanied him on each such flight. [96759]

The Deputy Prime Minister: I refer the hon. Member to the answer I gave on 21 February 2012, *Official Report*, column 772W.

WORK AND PENSIONS

Action for Employment Contracts

Paul Blomfield: To ask the Secretary of State for Work and Pensions what contracts with his Department and its agencies A4e (a) is bidding for and (b) has been awarded but have not yet commenced either independently or in partnership with other companies. [97481]

Chris Grayling: This information is commercially sensitive and not available as it would prejudice negotiations.

Charities

Jim Shannon: To ask the Secretary of State for Work and Pensions what discussions (a) he and (b) officials in the Cabinet Office have had with charities on the sharing of information between organisations which support people on benefits. [92032]

Chris Grayling: DWP shares information about its benefits and services with charitable organisations that support benefit claimants through our advisers and intermediaries website, our monthly stakeholder bulletin, and our monthly Touchbase e-zine. In addition, we speak with a number of the main national organisations that support our claimants, as part of our ongoing dialogue that supports operational delivery.

Children: Day Care

Stephen Timms: To ask the Secretary of State for Work and Pensions what support towards childcare costs is available for those working fewer than 16 hours per week from the Flexible Support Fund; whether it is time-limited; and what the conditions for entitlement are. [97467]

Chris Grayling: Lone parents in receipt of a qualifying benefit, such as income support (full list in footnote), are eligible to apply for support from the Flexible Support Fund towards the cost of child care, at a maximum of £87.50 per week for one child and a maximum of £150 per week for two or more children.

This subsidy is paid for a maximum period of 52 weeks from when the customer first starts work. No further funding is generally provided after that. To be considered for a child care subsidy the parent must be moving into employment or self employment.

The job must be:

undertaken on the recommendation of the adviser as an agreed step on their action plan for return to the labour market;

for up to 16 hours;

waged employment or self employment i.e. not voluntary work or work experience

be expected to last at least five weeks and be based in the UK (subject to UK employment legislation and taxation).

Note:

Attendance allowance

Bereavement benefits

Widowed parent's allowance

Widowed mother's allowance

Bereavement allowance

Widow's pension

Carer's allowance

Child tax credit

Disability living allowance

Employment and support allowance

Housing benefit/council tax benefit

Incapacity benefit (or invalidity benefit if claim prior to 1995)

Income support

Industrial injuries disablement benefit

Jobseeker's allowance

Maternity allowance

Pension credit

Retirement pension

Severe disablement allowance

War disablement pension; and/or

War widows/widower's pension

Children: Maintenance

Dame Anne Begg: To ask the Secretary of State for Work and Pensions pursuant to the contribution by the Minister for Disabled People of 1 February 2012, *Official Report*, column 916, what estimate he has made of how the £200 million that the Minister for Disabled People has stated will be saved as a result of his Department's proposals to charge parents with care and non-resident parents for use of the statutory maintenance service will arise in terms of (a) the cost savings per annum in the current spending review period and the following one,

(b) cost savings per annum attributable to fewer parents with care choosing to use the statutory system, (c) cost savings per annum as a result of more non-resident parents choosing maintenance direct arrangements and (d) annual revenue raised as a result of charging (i) parents with care and (ii) non-resident parents to use the statutory service. [95231]

Maria Miller: Based on assumptions about charges and the behaviour of both parents with care and non-resident parents, a total of £234 million in savings are projected by 2014-15 compared to the 2010-11 baseline. This estimate comprises the following:

£12 million from fewer parents choosing to use the statutory service;

£71 million from charging—around a third of which is assumed to come from the parent with care;

£4 million from non-resident parents choosing maintenance direct arrangements;

£147 million from efficiencies, including those from CMEC becoming part of DWP not a non-departmental public body.

Further details will follow in the impact assessments which will accompany the charging regulations.

Employment and Support Allowance

Julian Smith: To ask the Secretary of State for Work and Pensions what assessment he has made of the benefits of allowing Jobcentre Plus advisers to contribute to the assessment of people in receipt of employment and support allowance. [97460]

Chris Grayling: Information provided by personal advisers working for Jobcentre Plus is not specifically sought as part of the work capability assessment evidence gathering process. The role of the personal adviser is to support an individual to move towards employment, not to make an assessment of benefit entitlement.

However, DWP decision-makers have to consider all the available information before making a decision on benefit entitlement. Any evidence available, including that provided by claimants and advisers, is both very important and fully considered.

Employment Schemes

Stephen Timms: To ask the Secretary of State for Work and Pensions what assessment he has made of the reasons for the difference in the projected and actual number of referrals to mandatory work activity; and if he will make a statement. [97466]

Chris Grayling: Statistics released on 15 February 2012 showed that between May and November 2011, there were 24,010 initial referrals to the mandatory work activity scheme. The Department has not set out an expectation for the number of referrals to the scheme. On 10 May 2011, the Minister for Welfare Reform (Lord Freud) set out to the House of Lords that the Department had funding for around 19,000 mandatory work activity places per year, *Official Report, House of Lords*, column 863. However, this figure refers to the number of places available for claimants to start on the scheme, not the number of referrals expected to be made, and so is not comparable to the figures released on 15 February 2012.

Not every claimant referred to mandatory work activity starts on the scheme. This can be for a variety of reasons; for example, they may cease to claim jobseeker's allowance before the start of their placement, their circumstances may change, or they may remain on jobseeker's allowance and fail to start a placement. Where a claimant fails to participate in mandatory work activity without good cause, this results in the sanction of jobseeker's allowance for three months. This rises to six months for a second breach.

We have not released statistics on the number of claimants who have started an MWA placement. We are currently considering what further information might be provided for future statistical releases.

Employment Schemes: Young People

Sheila Gilmore: To ask the Secretary of State for Work and Pensions how many young people aged between (a) 16 and 18 and (b) 18 and 25 years have undertaken Get Britain Working work experience in (i) the UK, (ii) Scotland and (iii) Edinburgh since January 2011. [97664]

Chris Grayling: Official statistics for the work experience strand of the Get Britain Working measures, up to and including November 2011, were published on 15 February 2012.

Between January and November 2011 in Great Britain, there were 32,200 starts to a Get Britain Working work experience placement. Of these 32,200:

in Great Britain, 50 were aged 16 or 17 and 31,540 were between 18 and 25;

in Scotland, 10 were aged 16 or 17 and 2,280 were aged between 18 and 25;

in the City of Edinburgh local authority, less than 10 were aged 16 or 17 and 140 were aged between 18 and 25.

Source:

Data Source: DWP LMS opportunities evaluation database February 2012. Due to Data Protection protocols, values less than 10 are not revealed to avoid unnecessary disclosure and any figures above 10 are rounded to the nearest 10.

Sheila Gilmore: To ask the Secretary of State for Work and Pensions (1) how many young people aged between (a) 16 and 18 and (b) 18 and 25 years who undertook Get Britain Working work experience have obtained permanent employment with the employer with which they undertook that work experience in (i) the UK, (ii) Scotland and (iii) Edinburgh since January 2011; [97665]

(2) how many young people aged between (a) 16 and 18 and (b) 18 and 25 years who undertook Get Britain Working work experience have obtained permanent employment with an employer other than that with which they undertook work experience in (i) the UK, (ii) Scotland and (iii) Edinburgh since January 2011. [97666]

Chris Grayling: The Department does not hold information on the number of young people who participated in work experience and obtained permanent employment broken down by whether their employer was one with which they undertook their placement or not.

The available statistics on work experience participant outcomes were published on 9 November 2011. These showed that 51% of those who started on the programme in January-March 2011 were not in receipt of benefit 13 weeks later.

Housing Benefit: Private Rented Housing

Caroline Flint: To ask the Secretary of State for Work and Pensions what recent estimate he has made of the proportion of tenants in the private rented sector who are in receipt of housing benefit. [95998]

Steve Webb: Accurate estimates of the proportion of tenants in the private rented sector who are in receipt of housing benefit are not available. For instance the 2009-10 Family Resources Survey (FRS) reported that 25% of households in the private rented sector were in receipt of housing benefit¹. This is an underestimate owing to under-reporting of benefit receipt.

Our more recent estimate derived from combining the FRS and administrative data is that around one-third of households in the private rented sector are in receipt of housing benefit. There remains considerable uncertainty around this estimate. This estimate used the number of claims to housing benefit from the Single Housing Benefit Extract (SHBE) expressed as a proportion of the number of benefit units renting in the private rented sector from the FRS, excluding from the number of benefit units non-dependants in the same household with no rental liability. These non-dependants would not be present in the SHBE data.

Benefit units were used because households can include a number of people not related who share the living accommodation, one or more of whom might have a separate claim to housing benefit.

¹ Table 3.5:

http://research.dwp.gov.uk/asd/frs/2009_10/frs_2009_10_report.pdf

Notes:

1. SHBE is a monthly electronic scan of claimant level data direct from local authority computer systems.
2. Benefit unit is defined as a single adult or couple living as married and any dependent children.

Jobseeker's Allowance

Julian Smith: To ask the Secretary of State for Work and Pensions what discussions he has had on the support available for people not in receipt of jobseeker's allowance but looking for employment. [97461]

Chris Grayling: Working or non-benefit customers can still access light touch support through Jobcentre Plus, for example using the Jobseekers Direct service to search online for jobs and volunteering opportunities. Providing this free job brokerage service helps to maintain a healthy and dynamic labour market by providing vacancy information to a wide range of people.

Stephen Timms: To ask the Secretary of State for Work and Pensions for what reason the words "Where you are providing support for JSA participants, which is work experience, you must mandate participants to this activity. This is to avoid the National Minimum Wage Regulations, which will apply if JSA participants

are not mandated” have been removed from paragraph 14, chapter 3 of the Work Programme Provider Guidance. [97468]

Chris Grayling: All the Department’s guidance is constantly reviewed.

Social Security Benefits: Industrial Diseases

Tracey Crouch: To ask the Secretary of State for Work and Pensions what proportion of claims under the Diffuse Mesothelioma scheme were paid within (a) six weeks, (b) three months and (c) six months in the latest period for which figures are available. [97521]

Steve Webb: The information as requested is not available and could be provided only at disproportionate cost.

Tracey Crouch: To ask the Secretary of State for Work and Pensions how much has been paid in compensation under the Diffuse Mesothelioma scheme, broken down by (a) year and (b) region; how many payments were made in each (i) year and (ii) region; and what the average payment was in each case. [97522]

Steve Webb: The information is in the table:

	Total payments made (£)	Number of payments	Average award (£)
2008-09	5,500,000	360	15,520
2009-10	6,900,000	490	13,890
2010-11	9,300,000	500	18,490
2011-12	6,800,000	360	18,600

Notes:

1. Regional data is not available.
2. Awards were first made from October 2008. 2011-12 is latest available data: payments to and including December 2011.
3. Total payments have been rounded to nearest £100,000; number of payments have been rounded to nearest 10; and average awards have been rounded to nearest £10.

Source:

DWP statistical and accounting data.

Universal Credit

Mr Frank Field: To ask the Secretary of State for Work and Pensions what recent progress he has made on introducing the universal credit. [97600]

Chris Grayling: We are making good progress towards the delivery of universal credit in 2013. Design work is well under way, and is being continually tested with staff and claimants.

Subject to the passage of the Welfare Reform Bill, development of the necessary IT systems will continue in parallel with planning for implementation and migration.

Work Capability Assessment

Tom Greatrex: To ask the Secretary of State for Work and Pensions how many people are presently waiting longer than 13 weeks to undergo a work capability assessment since completing the ESA 50 questionnaire. [95556]

Chris Grayling: There are currently 37,909 ESA initial referrals open and awaiting an assessment that are in excess of 13 weeks from the date that the questionnaire was returned.

However, Atos Healthcare and the Department are negotiating a realignment plan to ensure the increases in outstanding referrals are cleared as soon as possible and additional practitioners are being recruited and trained to address this.

Work Programme: Scotland

Tom Greatrex: To ask the Secretary of State for Work and Pensions pursuant to the answer of 23 February 2012, *Official Report*, column 889W, on work programme: Scotland, which organisations were used by the JHP Group when delivering mandatory work placements in Scotland in (a) 2011 and (b) 2012. [97557]

Chris Grayling: The Department does not hold details of organisations which have provided mandatory work placements for the JHP Group. Furthermore, we cannot provide details of these organisations. The information requested could potentially damage the commercial interests of organisations offering work placements and impact on the ability of the Department to obtain services to help people make the transition into work.

EDUCATION

Schools: Finance

Mr Crausby: To ask the Secretary of State for Education how many students (a) in care, (b) leaving care and (c) on income support have accessed the Bursary Fund since its inception. [96156]

Mr Gibb: This data is not currently available. Provided the necessary regulations are put in place, data collection will be in place during the academic years 2012-13 and 2013-14 although it will only show the total number of vulnerable group bursaries and not a breakdown of the categories.

TREASURY

Customs: Cross Border Cooperation

Mr Raab: To ask the Chancellor of the Exchequer with reference to the EU Council Act of 18 December 1997 drawing up the Convention on mutual assistance and co-operation between customs administrations, on how many occasions since 1998 (a) pursuing officers from another EU member state have continued their pursuit into UK territory without prior authorisation under Article 20 of the Convention, (b) customs officers from another EU member state have conducted covert investigations on UK territory under Article 23 of the Convention and (c) UK authorities have participated in joint special investigation teams under Article 24 of the Convention. [97654]

Mr Gauke: HMRC records show the number of occasions as follows:

- (a)—nil
- (b)—nil
- (c)—nil

Departmental Manpower

Mr Thomas: To ask the Chancellor of the Exchequer how many full-time equivalent staff in his Department spend at least 75 per cent. of their time assisting financial mutuals and co-operatives; and if he will make a statement. [97627]

Mr Hoban: In line with the Government's wider transparency agenda the Treasury's organisation chart is published at:

http://www.hm-treasury.gov.uk/d/hmt_orgchart.pdf

The Government are committed to promoting mutuals and fostering diversity within financial services. Responsibility for financial mutuals and co-operatives lies in the Financial Services group.

Equitable Life Assurance Society: Compensation

Mrs Moon: To ask the Chancellor of the Exchequer whether registered Equitable Life policyholders will receive details of the calculation used to decide the level of compensation they are awarded. [97842]

Mr Hoban: All policyholders receiving a payment from the Equitable Life Payment Scheme receive a statement setting out how their payment was calculated.

Mrs Moon: To ask the Chancellor of the Exchequer whether pre-September 1992 Equitable Life annuitants will receive compensation; and what proportion of the (a) caseload and (b) expenditure of compensation is represented by people in this group. [97843]

Mr Hoban: Pre-September 1992 annuitants are not eligible for the Scheme, and therefore no assessment of the caseload or expenditure has been made.

Mrs Moon: To ask the Chancellor of the Exchequer what assessment he has made of progress towards meeting the objective of targeting the oldest policyholders in the Equitable Life Scheme; and what proportion of the (a) caseload and (b) expenditure of compensation is represented by over 75 year-olds. [97844]

Mr Hoban: The Scheme has recently published a progress report on its website:

<http://equitablelifepaymentscheme.independent.gov.uk/faq/question71.htm>

setting out the progress it has made to date. The report published by the Independent Commission on Equitable Life Payments suggests that there are c.37,000 non With-Profits Annuitants over 75, who are due payments of £107million.

Mrs Moon: To ask the Chancellor of the Exchequer what proportion of registered Equitable Life policyholders will receive compensation of £500 or less. [97845]

Mr Hoban: The Independent Commission on Equitable Life Payments suggested that around 238,000 non With-Profits Annuitants will receive a payment of £500 or less from the Scheme.

Members: Correspondence

Mr Winnick: To ask the Chancellor of the Exchequer when he plans to reply to the letter from the hon. Member for Walsall North of 2 February 2012 sent to the Department for Business, Innovation and Skills and transferred to his Department, on the transparency of criteria used in establishing conveyancing panels of solicitors and licensed conveyancers. [97455]

Mr Hoban: I have replied to the hon. Member.

Moody's Investors Service

Jonathan Ashworth: To ask the Chancellor of the Exchequer (1) pursuant to the answer of 22 February 2012, *Official Report*, column 840W, on Moody's Investors Service, other than the requirement to submit a draft ratings assessment to his Department in advance of publication, what communications took place between his Department and Moody's Investors Service on (a) 12, (b) 13 and (c) 14 February 2012; who was involved in those communications; and what their purpose was; [97559]

(2) if he will place in the Library a copy of the (a) draft ratings assessments submitted by Moody's Investors Services to his Department in advance of formal publication of its assessment on 14 February 2012 and (b) communications that his Department submitted to the agency in response to those draft assessments. [97561]

Mr Hoban: Consistent with the requirements of European legislation (No 1060/2009 of 16 September 2009), Moody's Investors Services informed Treasury officials on 13 February 2012 of their intention to announce a change in the outlook of the UK sovereign rating and. shared a draft press release in confidence in order for the Treasury to draw attention to any factual errors contained within that release.

The Moody's press release is available on their website. Credit rating agencies have ultimate editorial control over the form and content of all their publications. Consistent with practice under previous Administrations, it would be inappropriate to release information shared in draft and would constitute a breach of confidence that would be detrimental to future relations with the organisation sharing that information.

Revenue and Customs: Finance

Bridget Phillipson: To ask the Chancellor of the Exchequer if he will commission an independent review of his decision to reduce spending at HM Revenue and Customs during this Parliament. [97072]

Mr Gauke: HM Revenue and Customs' settlement for this spending review period is in line with spending reductions agreed with other Departments. However, recognising its important role in reducing the deficit, HMRC's settlement reinvests over £900 million of savings. This investment will allow HMRC to better tackle evasion, criminal attacks, unpaid tax debt and avoidance and bring in additional revenues of £7 billion a year by 2014-15.

JUSTICE

Action for Employment

Paul Blomfield: To ask the Secretary of State for Justice what contracts with his Department and its agencies A4e (a) is bidding for and (b) has been awarded but have not yet commenced either independently or in partnership with other companies. [97483]

Mr Kenneth Clarke: A4e are bidding for:

Community Payback Services as part of a joint venture with MITIE, called ComPACT.

A4e have been awarded framework agreements (zero value) for:

Probation Trust Payment By Results Pilot schemes;

Public Sector Prison Payment By Results Pilot schemes;

Innovation Payment By Results Pilot schemes.

Compensation: Industrial Diseases

Tracey Crouch: To ask the Secretary of State for Justice what the average duration was of a civil compensation claim case brought by a person with mesothelioma in the latest period for which figures are available; and what the average claim was. [97523]

Mr Djanogly: Personal injury cases, while logged onto the administrative computer systems used in the county courts, cannot be distinguished from other types of cases brought for an unspecified amount of money. Exact identification of personal injury cases and whether compensation is being sought for mesothelioma would require the inspection of individual case files at disproportionate cost.

Tracey Crouch: To ask the Secretary of State for Justice what progress has been made in speeding up civil compensation claims for people with mesothelioma. [97524]

Mr Djanogly: The Government have implemented several changes in recent years to improve the processing of compensation claims in mesothelioma cases. In addition the Government continue to work with the insurance industry which recently introduced an Employers' Liability Tracing Office (ELTO), which will maintain a comprehensive electronic database of all new and renewed EL policies, old EL policies that have a new claim made against them, and all successful traces.

Tracey Crouch: To ask the Secretary of State for Justice pursuant to the answer to the hon. Member for Jarrow of 27 July 2010, *Official Report*, column 915W, on mesothelioma: compensation, if he will publish the advice received. [97588]

Mr Djanogly: The advice referred to in my previous answer was internal policy advice from officials which it would not be appropriate to publish.

Departmental Contracts

Mr Slaughter: To ask the Secretary of State for Justice whether his Department applies a fit and proper persons test in (a) awarding and (b) maintaining existing contracts; and what its policy is on the assessment of fit and proper persons in relation to such contracts. [97348]

Mr Kenneth Clarke: The Ministry of Justice uses the government standard Pre-Qualification Questionnaire (PQQ) to determine the suitability of a company or individual to deliver services to the Department. The PQQ includes questions about the appropriateness of companies and individuals providing a service and covers areas including criminal convictions, fraudulent activity and bankruptcy. These questions can lead to automatic exclusion from further participation in the procurement competition. Our policy is to ensure these checks are undertaken before a contract is awarded. Follow up checks are not routinely undertaken during the contract period.

Departmental Pay

Fabian Hamilton: To ask the Secretary of State for Justice how many officials in (a) his Department and (b) the non-departmental public bodies for which his Department is responsible are paid (i) £100,000 and (ii) £142,500 or more per annum. [97028]

Mr Kenneth Clarke: The information is as follows:

(a) As of 30 September 2011, there are 40 officials within the Ministry of Justice and its agencies (including the National Offender Management Service and Her Majesty's Courts and Tribunals Service) earning £100,000 or more per annum and 10 officials earning £142,500 or more per annum (full-time equivalent).

(b) As of 30 September 2011, there are 14 officials within the Ministry of Justice's non-departmental public bodies earning £100,000 or more per annum and four officials earning £142,500 or more per annum (full-time equivalent).

Employment Tribunals Service

Caroline Lucas: To ask the Secretary of State for Justice (1) how many costs awards were made by employment tribunals against (a) claimants and (b) respondent employers in each quarter of 2011-12 to date, by the sum awarded; [96831]

(2) how many deposit orders were made by employment tribunals in each quarter of 2011-12 to date. [96832]

Mr Djanogly: In employment tribunals, applications/orders for costs (in Scotland, expenses) can be made at any time during the proceedings, for example where a party has brought or conducted proceedings in a manner that is vexatious, abusive, disruptive or otherwise unreasonable or misconceived.

Statistical data is collated on costs awards made and this information is published annually in the Employment Tribunals Annual Statistics, which are freely available online:

<http://www.justice.gov.uk/publications/statistics-and-data/tribunals/employment-tribunal-and-eat-statistics-gb.htm>

Her Majesty's Courts and Tribunals Service (HMCTS) does not report quarterly on costs awards made. However, using preliminary administrative data available, the following tables set out a breakdown of the costs awards made in

employment tribunals, respectively, in each of the first two quarters of 2011-12. Information on the third or fourth quarters is not yet available.

Table 1: Costs awarded in quarter 1 April to June 2011

Costs	No. of cases awarded to claimant	No. of cases awarded to respondent	Costs	No. cases awarded to claimant	No. of cases awarded to respondent
< £200	1	5	£6,001-£8,000	1	7
£201-£400	2	10	£8001-£10,000	1	9
£401-£600	3	17	£10,000+	0	0
£601-£800	2	4	All	36	101
£801-£1,000	6	4	—	—	—
£1,001-£2,000	10	14	Maximum award	—	£10,000
£2,001-£4,000	6	16	Median award	—	£1,800
£4,001-£6,000	4	15	Average award	—	£2,852

Table 2: Costs awarded in quarter 2 July to September 2011

Costs	No. of cases awarded to claimant	No. of cases awarded to respondent	Costs	No. cases awarded to claimant	No. of cases awarded to respondent
< £200	1	6	£6,001-£8,000	3	6
£201-£400	1	11	£8001-£10,000	4	7
£401-£600	7	25	£10,000+	2	3
£601-£800	1	7	All	28	146
£801-£1,000	0	19	—	—	—
£1,001-£2,000	6	16	Maximum award	—	£36,466
£2,001-£4,000	1	31	Median award	—	£1,383
£4,001-£6,000	2	15	Average award	—	£3,227

Notes:

- There are five cases with cost awards over £10,000, four of them are subject to final determination at a County Court. One of the cases has costs awarded against two respondents totalling approx. £12,000. All judgments are available at the Public Registry in Bury St Edmunds.
- This data includes costs awards, but does not include awards/orders made covering preparation time or wasted costs.

Caveats:

These data are management information, and as such subject to change. Only minimal data cleansing has been performed on this data. HMCTS does not normally publish quarterly cost data, so the figures are provisional, with final figures to be collated and validated on an annual basis and published in the ET Annual report.

Where a claim or response—or any part thereof—in an employment tribunal is deemed by an Employment Judge to have “little reasonable prospect of success”, the judge may make an order requiring the relevant party to pay a deposit as a condition of being permitted to continue to take part in the proceedings relating to that matter.

Based on administrative data that are collated centrally, there were 410 deposit orders made in the calendar year 2011. Information by quarter is not currently available in this format. To provide that information, a report would have to be commissioned centrally, exported separately into each employment tribunal office and collated centrally once data was extracted. This information could be provided only at disproportionate cost.

Ian Murray: To ask the Secretary of State for Justice how many employment tribunal cases were struck out in each year since 2004. [97589]

Mr Djanogly: An employment tribunal claim or case can be made on a number of different grounds, known as jurisdictional complaints. Any claim (or indeed any

response to a claim) can be struck out in whole or in part during a pre-hearing review, so long as the relevant criteria are satisfied. A strike out is also possible without the need for a hearing where there has been non-compliance with an order of the tribunal, again so long as the relevant criteria are satisfied.

Her Majesty's Courts and Tribunals Service publishes data on employment tribunal receipts and disposals annually and quarterly. These data include a breakdown of how many jurisdictional complaints (as opposed to claims/cases) were disposed of during the relevant period; and the manner of that disposal (for example, whether/how the complaint was determined at a final hearing, conciliated by ACAS, withdrawn or otherwise).

Using that publicly available data, the following table shows the total number of jurisdictional complaints disposed of during the financial years 2004-05 to 2010-11 and for the first two quarters of 2011-12 (rounded). It also shows the number of complaints that were dismissed at a pre-hearing review (which includes being struck out), and the number that were struck out otherwise than at a hearing.

Total number of jurisdictional complaints disposed of 2004-05—first two quarters 2011-12

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Total jurisdictional complaints disposed of	147,000	160,600	176,400	157,500	172,900	227,000	244,000	111,700
Jurisdictional complaints dismissed at a preliminary hearing ¹	2,100	2,500	2,900	3,800	3,400	4,600	5,000	2,500

Total number of jurisdictional complaints disposed of 2004-05—first two quarters 2011-12

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Jurisdictional complaints struck out not at a hearing ²	10,500	16,200	37,800	17,600	12,000	20,100	25,500	16,300

¹ 'Jurisdictional complaints dismissed at a preliminary hearing' are complaints dismissed (including struck out) at a pre-hearing review. For 2004-05 and 2005-06 these cases were recorded as "dismissed at hearing (out of scope)".

² Jurisdictional complaints struck out not at a hearing will include complaints struck out because of non-compliance with an order of the tribunal. For 2004-05 and 2005-06 these cases were recorded as "disposed of otherwise".

Equivalent information on claims/cases (as opposed to jurisdictional complaints) is not readily available and could be provided only at disproportionate cost. Data on the proportion claims/cases that were struck out at a pre-hearing review, and those that were otherwise dismissed, are not collated centrally and would similarly be available only at disproportional cost.

The Employment Tribunal and Employment Appeal Tribunal Annual Statistics Reports contain (at Table 2) details of the outcome of jurisdictional complaints and can be found online:

<http://www.justice.gov.uk/statistics/tribunals/employment-tribunal-and-eat-statistics-gb>

Legal Profession: Fees and Charges

Julian Smith: To ask the Secretary of State for Justice what discussions he has had on further regulation of the no-win no-fee insurance sector. [97454]

Mr Djanogly: A fundamental reform of no win no fee conditional fee agreements is being taken forward in part 2 of the Legal Aid, Sentencing and Punishment of Offenders (LASPO) Bill. This includes provisions to abolish recoverability of success fees and after the event (ATE) insurance premiums from the losing side. It also contains provisions to ban the payment and receipt of referral fees in personal injury cases.

My officials and I have had a number of discussions with stakeholders, representing both claimants and defendants, about various aspects of the reforms and how the insurance market might respond. These discussions will continue as we finalise the detail of the proposals in time for implementation in April 2013.

Magistrates: Payments

Stephen Gilbert: To ask the Secretary of State for Justice what assessment he has made of the effect of the reduction of the mileage allowance for magistrates working in rural areas. [97453]

Mr Djanogly: There has been no reduction to the mileage allowance for magistrates and therefore no assessment made on the rural impact of such a reduction.

Witnesses: Payments

Michael Fallon: To ask the Secretary of State for Justice whether he plans to (a) review the allowances for expert witnesses and (b) reduce the discretion court administrators can exercise over such allowances. [97357]

Mr Djanogly: The Legal Services Commission (LSC) who are responsible for the administration of the legal aid scheme, do not contract with or pay expert witnesses

directly. They are instructed and paid by legal aid solicitors. Following the consultation "Proposals for the Reform of Legal Aid in England and Wales" new rates for expert witness services in legal aid cases came into force on 3 October 2011 via two Funding Orders for civil and criminal work. The rates apply to all legal aid cases where certificates are issued on or after that date. The new rates were based on the LSC's benchmark rates, subject to a 10% reduction in line with similar changes made to solicitors' rates.

At the present time, the Government have no plans to reconsider any of the new rates. In the longer term, the Government intend to proceed to putting in place a more detailed and prescriptive scheme of fixed and graduated fees for experts.

Expert witnesses who attend court in criminal cases are entitled to an allowance from central funds. There are no plans to change the guideline rates or to reduce the discretion court staff exercise when assessing claims.

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Animal Welfare: Hares

Mike Crockart: To ask the Secretary of State for Environment, Food and Rural Affairs what plans she has to provide the same level of protection to hares in England during the breeding season that they receive in Scotland. [97378]

Richard Benyon: DEFRA has asked the Law Commission to review wildlife legislation. The review will cover issues such as whether or not Ministers should be given powers to make close seasons for animals such as hares. Meanwhile, I am writing to organisations whose members are likely to control hares, to encourage them to draw up best practice guidance for minimising welfare impacts during necessary control, including consideration of a voluntary close season.

Bovine Tuberculosis

Joseph Johnson: To ask the Secretary of State for Environment, Food and Rural Affairs whether she plans to test the carcasses of culled badgers for bovine tuberculosis. [96612]

Mr Paice: We do not propose to check whether the badgers are infected with TB. We already have evidence on the typical prevalence of TB in badgers in areas of high TB incidence from the randomised badger culling trial.

Dangerous Dogs

Gordon Henderson: To ask the Secretary of State for Environment, Food and Rural Affairs if she will review her policy on dangerous dogs and consider the merits of a dog registration system that includes a cost differential for neutered and un-neutered dogs. [96921]

Mr Paice: I am pleased to say that we are close to finalising a package of measures to tackle irresponsible dog owners. We are considering the benefits of compulsory microchipping of dogs along with requiring the details of non-prohibited dogs to be held on a central database. We will be announcing these measures very shortly. Under existing laws, all prohibited dogs that the courts allow their owners to keep must be neutered and registered on a national database.

Dogs

Jane Ellison: To ask the Secretary of State for Environment, Food and Rural Affairs (1) what recent representations her Department has received on (a) stray dogs, (b) dangerous dogs and (c) responsible dog ownership; [96802]

(2) what recent discussions she has had with representatives of local authorities on dog control issues; [96803]

(3) what recent discussions she has had with the Greater London authority on dog control issues. [96804]

Mr Paice: DEFRA takes the issue of irresponsible ownership of dogs very seriously and we have made it a priority to deal with the issue. DEFRA has received numerous representations from MPs, peers, stakeholders and individual members of the public on this issue. DEFRA Ministers and officials have met with a range of key stakeholders with an interest in irresponsible dog ownership, including representatives from local authorities and the Greater London Authority.

Dogs: Electric Shock Equipment

Simon Reeve: To ask the Secretary of State for Environment, Food and Rural Affairs how soon after the publication of the research into electric dog collars an announcement on her Department's policy on the use of such collars will be made. [96538]

Mr Paice: The findings of the research into the effects of electronic training devices on dogs are not due to be published until the spring. It is not possible to say at this stage when an announcement will be made, as we do not yet know what the research's analysis will conclude.

Livestock: Waste Disposal

David Mowat: To ask the Secretary of State for Environment, Food and Rural Affairs what guidance to regulate the disposal of carcasses infected with BSE (a) was in place in 1996 and (b) is in place. [96034]

Mr Paice: In 1996, the statutory options for disposal of carcasses infected with BSE were rendering, incineration or burial. At the time, the Government's policy for disposing of BSE suspects was by incineration wherever

possible. When burial was permitted it should have complied with the then applicable Codes of Good Agricultural Practice in order to protect the water, soil and air.

The current legal requirements are set down in EU Regulation 1069/2009 and require BSE infected carcasses, as category 1 material, to be disposed in an approved incinerator, either directly or following processing by pressure rendering.

David Mowat: To ask the Secretary of State for Environment, Food and Rural Affairs what steps her Department is taking to ensure that prions from previous disposals of carcasses infected with or believed to be infected with BSE are not released into (a) the environment and (b) upwind of or near residential areas. [96098]

Mr Paice: It was Government policy to dispose of BSE suspects by incineration wherever possible. When burial was permitted it should have complied with the then applicable Codes of Good Agricultural Practice in order to protect the water, soil and air.

The former Scientific Steering Committee (later succeeded by the European Food Safety Authority) which was set up by the European Commission to cover consumer health and food safety issues provided the following scientific opinion which was adopted at its meeting on 24-25 June 1999:

"For animals and materials that carry an actual or suspected TSE risk, incineration or burning after previous rendering at least "133°C/20Y3 bars" (or validated equivalent) are considered to be the safest ways of disposal".

Nature Conservation

Simon Hughes: To ask the Secretary of State for Environment, Food and Rural Affairs what steps she is taking to prevent species loss in (a) the UK, (b) Europe and (c) the rest of the world; and if she will make a statement. [97387]

Richard Benyon: Our wildlife strategy for England, Biodiversity 2020, which we published last August, highlighted species recovery as a priority area. I am responding for England as this is a devolved matter.

We support the European Biodiversity Strategy, and internationally the UK's Darwin Initiative is widely admired and has contributed over £80 million on 729 biodiversity projects in 155 countries since 1992. We intend to announce a further round of successful projects shortly.

DEFENCE

Action for Employment

Fiona Mactaggart: To ask the Secretary of State for Defence what contracts his Department has with A4e; and what the (a) purpose and (b) monetary value is of each such contract. [97018]

Peter Luff: The Ministry of Defence does not have any contracts with A4e.

Afghanistan: Armed Forces

Jeremy Lefroy: To ask the Secretary of State for Defence what the current operations allowance is for members of the armed forces serving in Afghanistan; and whether an enhanced operational allowance will continue to be paid to all those serving on future operations in that country. [97644]

Mr Robathan: The aim of the operational allowance is to recognise the significantly increased and enduring nature of the danger in specified operational locations. Our armed forces are currently deployed to the most demanding areas of conflict. It is right that they receive allowances, such as the tax free operational allowance, for the day-to-day demands of a deployment in Afghanistan.

The current single rate of the operational allowance, doubled by the coalition Government in May 2010, is £29.02 per day tax free. This equates to £5,280 for a typical six month tour of duty. While we keep the locations for which the operational allowance is payable under constant review we have no current plans to change it for personnel in Afghanistan.

Air Training Corps: Expenditure

Mrs Moon: To ask the Secretary of State for Defence how much was spent on non-core activities by the Air Training Corps in each region in the last period for which figures are available; and if he will make a statement. [95980]

Mr Robathan: The information requested is not held in the format requested and could be provided only at disproportionate cost. Air Cadet Organisation activities are funded through a combination of public and non-public, self-generated funding.

Armed Forces: Mental Health Services

Chris Ruane: To ask the Secretary of State for Defence pursuant to the answer of 21 February 2012, *Official Report*, column 774W, on armed forces: mental health services, how often the four working groups examining joint working with the US on rehabilitation practices have met since they were established. [96924]

Mr Robathan: Since being set up in October 2011, the four working groups have conducted most of their business by a combination of teleconferences and email. Formal meetings have taken place as follows:

Working Group 1 (Transition from Military to Civilian Life) has held four teleconferences.

Working Group 2 (Mental Health) has held four teleconferences.

Working Group 3 ("Wounded Warrior" Rehabilitation) has held two teleconferences.

Working Group 4 (Military Family Support) has held one teleconference.

Between meetings, working group members have also corresponded regularly by telephone and e-mail.

Armed Forces: Pay

Damian Collins: To ask the Secretary of State for Defence further to the letter to the hon. Member for Folkestone and Hythe of 11 January 2012, when the review into irregularities in pay of service personnel will be concluded; and if he will make a statement. [97277]

Mr Robathan [*holding answer 28 February 2012*]: The review into the inadequate application of Qualification Point (QP) Bars for Navy Personnel, which resulted in overpayments being made, is ongoing. This is a complex matter and Ministry of Defence officials are working to resolve it as soon as practically possible.

Armed Forces: Psychology

Chris Ruane: To ask the Secretary of State for Defence whether his Department has developed online resources to improve psychological (a) testing and (b) training in the armed forces. [96782]

Mr Robathan: The Ministry of Defence uses a variety of methods for providing briefing and instruction on mental health issues, including paper-based questionnaires and face-to-face assessment and instruction, as well as online resources where these are appropriate and available. As improved online systems are developed, we will consider making increased use of them when assessed to be the most suitable means of provision.

Chris Ruane: To ask the Secretary of State for Defence which universities his Department is working with to improve psychological testing and training in the armed forces. [96783]

Mr Robathan: The Ministry of Defence (MOD) has a close working relationship with King's College London, primarily through the King's Centre for Military Health Research (KCMHR), which is the leading civilian UK centre of excellence for military health research. The MOD's own Academic Centre for Defence Mental Health (ACDMH) is also based at King's College, and works closely with KCMHR on a range of research aimed at understanding and improving the mental health of the UK armed forces. This currently includes a major study, funded by the US Department of Defence, of a possible mental health screening tool using UK armed forces personnel returning from operations.

Armed Forces: Retirement

Hazel Blears: To ask the Secretary of State for Defence how long on average a service leaver spends with a resettlement adviser on the conclusion of his or her service. [97498]

Mr Robathan: Resettlement advice is provided through a number of sources including resettlement information staff, service resettlement advisors and career consultants within the auspices of the Career Transition Partnership. While the majority of contact will be generated by the service leaver, the resettlement process starts with a mandatory resettlement brief no earlier than two years before leaving. This will be followed up by a one-to-one interview, approximately six months prior to discharge.

As each service leaver is provided with tailored resettlement support to meet individual needs it is not possible to estimate the average amount of time they will spend with a resettlement adviser but this is likely to be several days over an extended period.

Army: Training

Jeremy Lefroy: To ask the Secretary of State for Defence what plans he has for the development of the role of the British Army training unit in Kenya. [97241]

Mr Robathan: The British Army Training Unit Kenya (BATUK) delivers high quality, light role, Infantry training, together with a limited amount of protected mobility training, in an appropriately challenging environment which is relevant to current and future operations. There are no plans to change this role.

Chinook Helicopters

Angus Robertson: To ask the Secretary of State for Defence (1) what assessment he has made of progress made by Project Julius; and whether the project is on time; [96363]

(2) when the Project Julius avionics upgrade for the Chinook helicopters will receive its release to service; [96364]

(3) when project Julius-upgraded Chinooks will be deployed to Afghanistan. [96365]

Peter Luff: Julius introduces a digital “glass” cockpit and new crewman’s workstation across our current fleet of Chinook helicopters that provide the core heavy-life element of the UK rotary wing fleet. These modifications will allow pilots to determine what flight and tactical information is displayed to them at any given time, improving the ergonomics of the cockpit. Modified aircraft completed numerous developmental test flights during 2011. These were largely successful but some technical issues were identified, which is not unusual during such activities. The Ministry of Defence and industry have an established plan to resolve these issues and deliver the aircraft to service shortly. Once introduced into service, their use and deployment will be determined by prevailing military needs and priorities.

Departmental Senior Civil Servants

Mr Thomas: To ask the Secretary of State for Defence how many senior civil servants left his Department and its public bodies in each month since May 2010; what their names are; what the rate of turnover of senior civil servants in his Department was during this period; and if he will make a statement. [96253]

Mr Robathan: I am able to advise that 50 senior civil servants left the Ministry of Defence during the period May 2010 to December 2011. This figure includes those that have retired, resigned, died in service or left on voluntary early release terms. The figure does not include individuals who have been permanently transferred to other Government Departments or who have transferred on temporary loan. Details are as follows:

	Number
<hr/>	
2010	
May	1
June	0
July	2
August	1
September	2
October	2
November	4
December	1
<hr/>	
2011	
January	2
February	0
March	5
April	1
May	0
June	0
July	9
August	7
September	4
October	4
November	1
December	4

For reasons of personal privacy, it would not be appropriate to provide the names of senior civil servants who are no longer in Government employment.

The turnover of senior civil servants during the period May 2010 to December 2011 is assessed as 19.42%.

Large Goods Vehicles

Mr Llwyd: To ask the Secretary of State for Defence (1) how many (a) 7.5 tonne, (b) 17 tonne and (c) 44 tonne trucks there were at MOD Bicester in each year since 2005; [97264]

(2) on what date the TMS computer system was adopted as a normal business practice by his Department. [97295]

Peter Luff [*holding answer 29 February 2012*]: Information on the number of 7.5 tonne 17 tonne and 44 tonne vehicles operating from Logistic Service Bicester in each year since 2005 is not held.

The Transport Management System (TMS) is a vehicle management system currently being introduced into a number of DE&S sites that operate vehicle fleets. Sites that are already using TMS include Logistic Services Bicester and Logistic Services Donnington. It is planned that TMS will achieve full operational capability by 31 December 2012.

Military Decorations

Mr Swayne: To ask the Secretary of State for Defence what timetable he has set for the reconstituted Medal Review; and if he will make a statement. [96155]

Mr Robathan: I refer my right hon. Friend to the answer I gave on 20 February 2012, *Official Report*, column 599, to my hon. Friend the Member for Gosport (Caroline Dinenege).

Ministry of Defence Police: Gosport

Caroline Dineneage: To ask the Secretary of State for Defence what assessment he has made of the effect of reductions to the budget of the Ministry of Defence Police on Gosport and its surrounding area. [96731]

Mr Robathan: Possible options to adjust our future requirement for Ministry of Defence Police services and capabilities are still under consideration.

Veterans

Chris Ruane: To ask the Secretary of State for Defence what recent research his Department has (a) evaluated and (b) funded on helping returning veterans to successfully re-assimilate into society. [96788]

Mr Robathan: The Ministry of Defence (MOD) remains committed to ensuring that service leavers transition to civilian life is made as smooth as possible, and is open to the evidence presented by the many different strands of research that is available. For example, we have consulted the CHAIN (Combined Homelessness and Information Network) survey, funded by the Department for Communities and Local Government, which has collected data from the London homeless population over the last three financial years and the Howard League's Independent Inquiry into Former Armed Service Personnel in Prison. In addition, independent research has been undertaken by the King's Centre for Military Health Research looking at the incidence rate of post traumatic stress disorder for the UK armed forces.

Service leavers who are entitled to use the Career Transition Partnership's (CTP) suite of resettlement services are surveyed at six months and 12 months after leaving the armed forces in order that we can understand their post-discharge circumstances. In addition, in 2011, the Ministry of Defence in conjunction with the Department for Work and Pensions and Her Majesty's Revenue and Customs undertook research of early service leavers (ESL), those who left the armed forces having served less than four years and therefore were not entitled to CTP resettlement provision. This subsequently led the MOD to consult with industry to establish industry trials of resettlement provision for ESL. The trials began in early 2012 and will run for 12 months.

Chris Ruane: To ask the Secretary of State for Defence what information his Department holds on the proportion of returning veterans who were (a) divorced, (b) alcohol dependent, (c) drug dependent, (d) homeless and (e) self harming in the latest period for which figures are available. [96836]

Mr Robathan: The great majority of service personnel make a smooth transition to civilian life, and there is no requirement for the Ministry of Defence to hold detailed information on them. However, we recognise that the move from service to civilian life can be difficult for some personnel. As a result we hold some information on those who have left the armed forces and have approached us in need of our help. The Veterans Welfare Service is able to provide a range of support to vulnerable

service leavers and to all war pensioners and Armed Forces Compensation Scheme recipients and their families for as long as they need it.

We also work closely with other Government Departments such as the Department of Health and the Department for Communities and Local Government to provide support and treatment when it is required. The Government support research into the circumstances of veterans in order to ensure that policies are effectively targeted.

Veterans: Finance

Chris Ruane: To ask the Secretary of State for Defence what assistance his Department gives to returning veterans to improve their financial management skills. [96787]

Mr Robathan: We are well aware of the importance of ensuring that the service community are aware of all the financial support and advice that is available to them and a wide range of services are provided. All service leavers are entitled to some form of resettlement advice, regardless of rank and length of service. This advice includes financial aspects of resettlement briefings, to which spouses and partners are also invited, covering budget and debt management. Some 70 briefings are delivered across the UK and overseas each year. Included in the brief is advice on managing pension schemes and the charity-led 'Benefits and Money Advice' service. Early service leavers, before they leave, are also briefed on the many types of state, charitable and ex-services support which exists for them. Service personnel are also signposted to the Financial Services Authority's 'Money Made Clear' website.

In addition, veterans who receive significant sums of money through the Armed Forces Compensation Scheme are provided with generic advice at the Defence Medical Rehabilitation Centre at Headley Court to provide them with a better understanding of basic personal financial issues. We are also working with the White Ensign Association and service charities to establish methods of improving access to independent financial advice for all service personnel. Standard Life Charitable Trust and the Royal British Legion are in the process of setting up a web-based training and education programme for personnel on money issues which is expected to be in full operation this summer.

Veterans: Health Services

Chris Ruane: To ask the Secretary of State for Defence how much his Department spent on monitoring the health and well-being of returning veterans in each of the last 10 years. [96790]

Mr Robathan: In 2003, the Ministry of Defence (MOD) commissioned research into the health of military personnel deployed to Iraq. In 2006, the study was extended for a further three years and broadened to include all subsequent Iraq deployments as well as deployments to Afghanistan. This research programme now follows a cohort of over 20,000 serving and former members of the armed forces. Earlier this year the study was extended for a further three years to maintain the database and further explore the data obtained in phases 1 and 2.

MOD funding to the King's Centre for Military Health Research to conduct the Health and Wellbeing Survey since 2003 and going forward is as follows (exclusive of VAT):

<i>Contract period</i>	<i>Funding (£)</i>
May 2003 to May 2006	2,585,000
September 2006 to January 2010	2,310,000
February 2010 to January 2013	1,260,000

BUSINESS, INNOVATION AND SKILLS

Business: Government Assistance

Alun Cairns: To ask the Secretary of State for Business, Innovation and Skills if he will publish data on the regional take-up of the Enterprise Finance Guarantee. [96763]

Mr Prisk: The Department for Business, Innovation and Skills (BIS) publishes a regional breakdown of Enterprise Finance Guarantee lending figures on a quarterly basis on the BIS website. This is available from the following link:

<http://www.bis.gov.uk/policies/enterprise-and-business-support/access-to-finance/enterprise-finance-guarantee/efg-statistics>

Consumers: Protection

Justin Tomlinson: To ask the Secretary of State for Business, Innovation and Skills with reference to the proposed remit of the Financial Conduct Authority, whether the Office of Fair Trading will retain responsibility for the Consumer Codes Approval Scheme. [96846]

Norman Lamb: The Government plan to publish their response to the consultation on the reform of consumer institutions, including the future of the Consumer Code Approvals Scheme, in March this year.

Mr Thomas: To ask the Secretary of State for Business, Innovation and Skills how many full-time equivalent staff work on consumer protection issues for 75 per cent. or more of their working time in (a) his Department and (b) the Office of Fair Trading; and if he will make a statement. [97629]

Norman Lamb: The consumer and competition policy part of the Department has responsibility for consumer protection issues. There are 49 members of staff that are working in that area. No records are kept as to how much time individual staff members spend working on particular activities.

The Office of Fair Trading (OFT) is organised on a matrix basis, with delivery groups undertaking a broad range of different types of work, and its cost centres do not directly correspond to its functions. It does not record how much it spends each year on particular functions such as consumer protection, nor how much time individual staff spent working on particular functions.

Departmental Internet

Helen Goodman: To ask the Secretary of State for Business, Innovation and Skills what public services his Department delivers online only. [96888]

Norman Lamb: The Department for Business, Innovation and Skills provides the Queens Awards application and Export Control licensing services online only.

Departmental Regulation

Simon Hart: To ask the Secretary of State for Business, Innovation and Skills what recent progress his Department has made on the Red Tape Challenge; and which regulations have been (a) abolished and (b) revised as part of the challenge. [96998]

Mr Prisk: To date, of over 1,200 regulations considered so far under Red Tape Challenge, we have agreed to scrap or substantially overhaul well over 50%. BIS has announced deregulatory plans for the retail, manufacturing and employment-related law themes.

The 123 Red Tape Challenge reforms made, or about to be made, so far across all departments are set out in the Government's latest Statement of New Regulation published on 28 February 2012. Many further changes will be, announced and implemented in the coming months.

Food: Research

Tim Farron: To ask the Secretary of State for Business, Innovation and Skills how much he plans to spend on research on global food security in the next five years. [97278]

Mr Willetts [*holding answer 28 February 2012*]: As stated in the Biotechnology and Biological Sciences Research Council Delivery Plan 2011-2015, the total anticipated Research Councils' investment on Global Food Security over the spending review period is £450 million. The breakdown of this figure is given in the following table. No data are available for funding beyond the current comprehensive spending review (CSR) period which ends in March 2015.

<i>Research Councils' contribution to the Global Food Security programme</i>	
	<i>£ million</i>
Biotechnology and Biological Sciences Research Council	416
Economic and Social Research Council	8.1
Medical Research Council	10
Natural Environment Research Council	15
Total	450

Green Investment Bank

Mr Jim Cunningham: To ask the Secretary of State for Business, Innovation and Skills what steps he has taken to attract private sector capital from (a) pension funds and (b) other investors to invest in the Green Investment Bank. [97300]

Mr Prisk: Designed to address the long-standing problem of under-investment in the green economy, a key element of the remit of the Green Investment Bank will be to mobilise additional private sector capital, including from pension funds and other investors, in the financing of green projects. We are not seeking private sector investment in the Green Investment Bank itself, which will be capitalised by the Government with £3 billion over the spending review period.

Imports: Safety

Mr Thomas: To ask the Secretary of State for Business, Innovation and Skills what recent assessment he has made of (a) the quantity of faulty or unsafe goods entering the UK (i) in total and (ii) through (A) Felixstowe, (B) Heathrow, (C) Gatwick and (D) Dover and (b) of the extent to which such goods have contributed to (1) injuries, (2) deaths, (3) fires and (4) consumer or business detriment in the latest period for which figures are available; and if he will make a statement. [97631]

Norman Lamb: This Department does not maintain data on the quantities of faulty or unsafe goods entering the UK. Nor does it collect data on the effects of those goods. However, research carried out for the Local Better Regulation Office (LBRO) in 2009 estimated that the impact on the UK's consumers, public services and businesses of unsafe and incorrect goods was £155 million each year.

The Department for Business, Innovation and Skills (BIS) Enforcement at Ports Pilot Project that stemmed from the 2009 Consumer White Paper has made a significant contribution to understanding the issue, and has been considered as part of the Government's consultation on reforming the consumer landscape. The Government plan to publish their response, in March this year.

Intellectual Property: Animation

Mark Field: To ask the Secretary of State for Business, Innovation and Skills what estimate his Department has made of the monetary value of the intellectual property owned by the UK animation industry. [95658]

Norman Lamb: I refer the hon. Member to the reply given by the Under-Secretary of State for Culture, Communications and Creative Industries, the hon. Member for Wantage (Mr Vaizey), on 27 February 2012, *Official Report*, column 42W.

Sponsorship responsibility for the animation industry rests with the Department for Culture, Media and Sport (DCMS). The Department for Business, Innovation and Skills has made no estimate of the value of animation, but animation activity is included in estimates of output of creative industries made by DCMS, and in the software investment estimates published by the Office of National Statistics (ONS) as part of National Accounts. These show that the creative industries contribute 2.89% of gross value added (GVA) in the UK in 2009 and during that period the contribution made by software and computer services was approximately £960 million.

Lifelong Education

Mr Graham Stuart: To ask the Secretary of State for Business, Innovation and Skills when he plans to announce new funding arrangements for the (a) Diploma in Teaching in the Lifelong Learning Sector and (b) Certificate in Teaching in the Lifelong Learning Sector. [97642]

Mr Hayes: The Skills Funding Agency is responsible for funding post-19 further education and skills training. This includes funding the Diploma in Teaching in the Lifelong Learning Sector and the Certificate in Teaching in the Lifelong Learning Sector.

The funding rates for these qualifications for the 2012/13 academic year will be confirmed by the end of March 2012.

Redundancy

Ian Murray: To ask the Secretary of State for Business, Innovation and Skills what the average length of negotiation for collective redundancies was in each year from 2000 to 2011. [97568]

Norman Lamb: The Government do not collate data on the duration of collective redundancy consultations. The recently conducted call for evidence on the collective redundancy rules sought to gather data on this issue. However, too few respondents provided information on this point to allow the Government to provide a reliable estimate.

Teachers: Training

Mr Graham Stuart: To ask the Secretary of State for Business, Innovation and Skills when he plans to announce further details of the bursary for initial teacher training in the further education sector. [97553]

Mr Hayes: Following the Department's announcement on 23 February 2012 of bursaries for initial teacher training in the further education sector, further details regarding the bursaries and the overall level of support available for the 2012/13 academic year will be confirmed by the end of March 2012.

Trade Descriptions Act 1968

Mr Thomas: To ask the Secretary of State for Business, Innovation and Skills what assessment he has made of the annual consumer detriment caused by breaches of the Trades Descriptions Act 1968 in the most recent year for which figures are available; and if he will make a statement. [97661]

Norman Lamb: The Trade Descriptions Act 1968 was repealed in large part and replaced in 2008 by the Consumer Protection from Unfair Trading Regulations 2008 (S.I.2008/1277).

The Department for Business, Innovation and Skills does not carry out annual assessments of consumer detriment caused by breaches of the regulations which fall within its policy responsibilities. The Office of Fair Trading enforces the Consumer Protection from Unfair Trading Regulations 2008 and assesses the consumer benefit arising from some of this enforcement work

where possible. It has also in the past conducted assessments of the overall detriment from consumer problems (these are not necessarily limited to those problems that would have been covered by the Trade Descriptions Act or are covered by the Consumer Protection from Unfair Trading Regulations). This was last carried out in 2008 and is available at:

http://www.offt.gov.uk/shared_offt/reports/consumer_protection/oft992.pdf

Unfair Dismissal

Ian Murray: To ask the Secretary of State for Business, Innovation and Skills what the evidential basis was for his decision to increase the qualification period for unfair dismissal from one to two years. [97593]

Norman Lamb: A full assessment of the impact of extending the qualifying period has been made and approved by the Regulatory Policy Committee. Copies of the “Government Response to the Consultation on Resolving Workplace Disputes” are available in the Libraries of the House.

The aim of extending the qualifying period is to improve business confidence in recruiting staff and to give more time to get the working relationship right. Responses to consultation and business organisation surveys indicate that the current qualifying period for unfair dismissal can adversely affect business confidence to hire and retain staff.

We also estimate that the change will bring about a reduction of around 2,000 employment tribunal claims per year, which will save business £4.7 million per year.

TRANSPORT

A64

Miss McIntosh: To ask the Secretary of State for Transport what representations she has received on the eligibility of the A64 for (a) the Regional Growth Fund, (b) the Local Sustainable Transport Fund and (c) any other transport infrastructure fund; and if she will make a statement. [97605]

Norman Baker: None, beyond those which the hon. Member herself has made.

Blue Badge Scheme: Fraud

Mr Sheerman: To ask the Secretary of State for Transport (1) how many convictions there were for the misuse of disabled persons’ Blue Badges in each of the last five years; [97780]

(2) what steps she is taking to curb the misuse of disabled persons’ Blue Badges; [97781]

(3) how many incidents of forged Blue Badge disability passes were notified to her Department in the latest period for which figures are available. [97782]

Norman Baker: The Blue Badge scheme is administered and enforced by local authorities. Through the use of an annual survey, the Department for Transport asks local authorities for information on misuse of badges

and the number of prosecutions. However, we do not receive sufficient data to produce a robust national estimate. We publish, instead, the figures received at local authority level. These can be found at

<http://assets.dft.gov.uk/statistics/tables/dis0301.xls>

The Department does not collect information on forged Blue Badges. The National Fraud Authority has estimated that Blue Badge fraud currently costs £46 million per year. The Department has recently implemented major reforms to the Blue Badge scheme to tackle rising levels of fraud and abuse. This has included introducing from 1 January 2012, a new badge design that is harder to forge and to alter, and a new Blue Badge Improvement Service. The service is establishing a central data store of badges to enable quicker and easier on-street enforcement checks, as well as other improvements. We have also amended regulations to ensure those most in need are issued with badges and to increase local authorities’ powers in terms of refusing to issue badges and to withdraw them in cases where badges are being misused. Further information on the reforms can be found on the Department’s website at

<http://www.dft.gov.uk/topics/access/blue-badge/reform-of-the-blue-badge-scheme/>

Departmental Public Expenditure

Richard Fuller: To ask the Secretary of State for Transport how much private sector capital her Department’s programmes for infrastructure investment have attracted since May 2010. [93154]

Norman Baker: Since May 2010 local authority transport contracts supported by the Department utilising private finance have been awarded with a total capital value of £854.3 million.

Further contracts which will involve private sector investment are currently in procurement. These have a total capital value of over £7 billion.

In addition, in December 2010, the Department sold a 30-year concession for the operation and maintenance of High Speed 1 for £2 billion.

Departmental Regulation

Simon Hart: To ask the Secretary of State for Transport what recent progress her Department has made on the Red Tape Challenge; and which regulations have been (a) abolished and (b) revised as part of the Challenge. [97303]

Mike Penning: Within the ‘Road Transport’ Red Tape Challenge theme:

DFT has considered 533 regulations, of which 376 were judged to be still live.

Of these 376, the Secretary of State for Transport, my right hon. Friend the Member for Putney (Justine Greening), announced plans on 15 December 2011, *Official Report*, columns 132-33WS, to scrap or improve 142 regulations—breakdown as follows:

	Keep as is	Improve	Scrap	Move ¹
Number	226	84	58	8
Percentage	60.1	22.3	15.4	2.1

¹ Moved regulations predominantly relate to another theme, and will be resolved in a different part of the Red Tape Challenge.

An implementation plan has been developed and the Department has to date implemented improvements under the challenge to the following regulations:

- Disabled Persons (Badges for Motor Vehicles) (England) Regulations 2000
- Goods Vehicles (Community Authorisations) Regulations 1992
- Goods Vehicles (Community Authorisations) (Modification of the Road Traffic (Foreign Vehicles) Act 1972) Regulations 2002
- Public Service Vehicle Operators (Qualifications) Regulations 1990
- Public Service Vehicle Operators (Qualifications) Regulations 1999
- Road Transport (Passenger Vehicles Cabotage) Regulations 1999
- Public Service Vehicles (Community Licences) Regulations 1999
- Goods Vehicles (Licensing of Operators) Regulations 1995
- Goods Vehicles (Licensing of Operators) (Temporary Use in Great Britain) Regulations 1996
- Goods Vehicle Operators (Qualifications) Regulations 1999
- Workplace Parking Levy (England) Regulations 2009
- Passenger Car (Fuel Consumption and CO₂ Emissions Information) Regulations 2001.

The last two in this list involved improved implementation without changes to the regulations themselves.

Some 400 regulations are being considered under the 'Rail and Maritime theme' which was put in the public spotlight in November/December 2011. Analysis of proposals is being undertaken and an announcement will be made in due course.

The 'Aviation theme' is due to go live on the Red Tape Challenge website in June.

Driving: Licensing

John Woodcock: To ask the Secretary of State for Transport what steps the Vehicle and Operator Services Agency (VOSA) take following identification of an MOT testing station as a poor performer; and what proportion of MOT testing stations inspected by VOSA have lost their licence in each of the last three years. [97198]

Mike Penning: VOSA identifies poor performing MOT testing stations through a transparent and proportionate disciplinary points system published in the MOT Testing Guide. VOSA cessate individual testers called Authorised Examiners (AEs) from carrying out MOT tests, not the test stations. AEs ceased in the last three years are 111 in 2008-09, 90 in 2009-10, and 89 in 2010-11 all after appeal.

Electric Vehicles: Safety

Lilian Greenwood: To ask the Secretary of State for Transport (1) what her policy is on measures to be fitted to electric, hybrid and other quiet vehicles to safeguard blind, partially sighted and vulnerable pedestrians and road users; [97160]

(2) what research her Department plans to carry out on the risks posed by electric, hybrid and other quiet vehicles to the safety of vulnerable pedestrians and other road users. [97161]

Norman Baker [*holding answer 28 February 2012*]: The Department for Transport undertook research into the risks posed by electric and hybrid electric vehicles to the safety of vulnerable pedestrians and other road users. The research found no evidence of a higher accident rate for these vehicles. Metered noise test results and a panel of visually impaired subjects did, however, find that these vehicles tended to be quieter than conventional vehicles at speeds below 12 mph and, as a consequence, their approach was harder to detect audibly at these speeds. The research report can be found on the Department's website at:

<http://assets.dft.gov.uk/publications/assessingtheperceivedsafetyriskfromquietelectricandhybridvehicles/PPR525assessingtheperceivedsafetyriskfromquietelectricandhybridvehicles.pdf>

A number of vehicle manufacturers are fitting or developing added sound for electric and hybrid vehicles to increase their audibility. The Department for Transport welcomes this precautionary action by vehicle manufacturers. The Department is engaged with international bodies developing standards for added sound. Such standards should, in particular:

address the audibility of these vehicles at low speeds;

ensure that systems enable effective identification of vehicle approach; and

ensure that systems are acceptable in all vehicle markets while avoiding unnecessarily increasing public exposure to excess traffic noise.

Lilian Greenwood: To ask the Secretary of State for Transport (1) what assessment she has made of the merits of requiring any noise-emitting devices fitted to electric, hybrid or quiet vehicles to be clearly recognisable and as distinctive as the sound of a vehicle; [97063]

(2) what her policy is on requiring that electric, hybrid and quiet vehicles deemed to be near silent to be regulated to generate a warning noise to indicate their presence to vulnerable pedestrians and road users; [97064]

(3) if she will introduce regulation to require that electric, hybrid and quiet vehicles are fitted with a warning noise to indicate their presence to vulnerable pedestrians and other road users. [97065]

Norman Baker: Although the Department's research found no evidence of a higher accident rate for electric and hybrid electric vehicles, the vehicles were found to be quieter than conventional vehicles, and harder to detect audibly, at speeds below 12 mph. A number of vehicle manufacturers are fitting or developing added sound systems to address this and the Government welcome this as a positive measure to assisting the road safety of vulnerable pedestrians, and other road users.

The European Commission published in December 2011 a draft proposed regulation to tighten vehicle noise limits in order to reduce the adverse health impacts of road traffic noise. The proposal includes requirements for added sound systems on electric and hybrid electric vehicles where manufacturers fit them. These requirements are based on draft UNECE recommendations that address the audibility of these vehicles at low speeds and ensure they are effective at enabling identification of vehicle approach.

During the completion of the Department's research, and in discussions, visually impaired stakeholders indicated a preference for added sound to be similar to that of conventional vehicles. The Department is currently engaged in discussions on the UNECE recommendations and will be seeking to ensure that such vehicles can be clearly heard and identified by the target audience in sufficient time and that use of bells, chimes, sirens, music or other sounds that

"confuse the identification of a vehicle and/or its operation" be prohibited.

Government Car and Dispatch Agency

Thomas Docherty: To ask the Secretary of State for Transport (1) how many cars are (a) owned and (b) leased by the Government Car and Dispatch Agency; [96340]

(2) what proportion of cars (a) owned and (b) leased by the Government Car and Dispatch Agency are UK-manufactured. [96341]

Mike Penning [*holding answer 27 February 2012*]: There are 111 cars owned by the Government Car and Dispatch Agency and 19 cars are leased, giving a total car fleet of 130. The figures are for the total agency fleet, not just the ministerial fleet.

At the end of March 2010 the total car fleet was 239.

The proportion of cars owned by the Government Car and Dispatch Agency which are UK manufactured = 38 (34.23%)

The proportion of cars leased by the Government Car and Dispatch Agency which are UK manufactured = 8 (42.1%)

High Speed 2 Railway Line

Bill Esterson: To ask the Secretary of State for Transport what assessment she has made of the potential effect on the (a) economic viability and (b) value for money of High Speed 2 of running trains on non-high speed track between Lichfield and North Cheshire. [97656]

Justine Greening: The initial phase of HS2 will include a direct connection close to Lichfield between the high speed line and the West Coast Main Line to enable through-running high speed trains to continue at conventional speeds to serve stations north of Birmingham. The benefits of reduced journey times and increased connectivity will support economic growth in the North West, and form an important part of the phase 1 business case.

No decisions have been taken on the phase 2 route to Manchester and Leeds.

Large Goods Vehicles: Safety

Ian Austin: To ask the Secretary of State for Transport what assessment she has made of the review by Transport for London on dangerous road junctions and the effect that the trial of longer lorries will have in London. [97082]

Mike Penning: I understand Transport for London (TfL) are currently undertaking a review of cycle safety at all junctions on Barclays Cycle Superhighways and major junctions on the TfL road network. Any decision regarding cycle safety in London would be for the Mayor and TfL to take forward.

The research into the possible introduction of longer semi-trailers included the potential effects in urban environments.

Ian Austin: To ask the Secretary of State for Transport if she will consider introducing a mandatory requirement that any consultation her Department issues on the use of road space will have a specific question included on the effects the policy will have on the safety of cyclists. [97168]

Mike Penning: No. There are already mandatory Government-wide processes in place related to consultations about regulatory changes. Where such changes might affect the use of roads, it is routine to consider the safety effects for all categories of users.

Liverpool Port: Finance

Mr Denham: To ask the Secretary of State for Transport pursuant to the written ministerial statement of 26 January 2012, *Official Report*, column 26WS, on the City of Liverpool Cruise Terminal, what funding for the City of Liverpool Cruise Terminal will be subject to the rules on state aid; whether European Regional Development Fund funding will be taken into account when assessing funding against the rules on state aid; what steps she (a) has taken and (b) plans to take to obtain state aid clearance in order for her Department to lift its objection to turnaround operations at the City of Liverpool Cruise Terminal; and when she plans to obtain such clearance. [97591]

Mike Penning: The Department for Transport's objection to turnaround operations at the City of Liverpool Cruise Terminal will be lifted if an appropriate repayment of UK Government grants is made.

Lifting the restriction itself will be a matter for the Department for Communities and Local Government, and will require State Aid clearance. The Government will seek this clearance in the coming weeks. I understand that the European Commission will take into account European Regional Development Fund grants as well as other sources of funding in arriving at its decision.

Liverpool Port: Safety

Bill Esterson: To ask the Secretary of State for Transport what assessment she has made of the potential effects on maritime safety of a turnaround cruise facility at Liverpool. [97655]

Mike Penning: The Mersey Docks and Harbour Company (Peel Ports) is the harbour authority responsible for safety in this area. The provisions of the Port Marine Safety Code, merchant shipping regulations and the international conventions on ship safety are sufficient to assure the safety in port areas of ships and other port users.

Motor Vehicles: Testing

John Woodcock: To ask the Secretary of State for Transport pursuant to the written ministerial statement of 1 February 2012, *Official Report*, columns 72-4WS, on garage customer experience, what discussions she has had with the industry on using the Motor Codes scheme to improve customer experience. [97205]

Mike Penning: I have frequent meetings with the motor industry on a wide range of issues.

John Woodcock: To ask the Secretary of State for Transport what the average frequency of Vehicle and Operator Services Agency inspections of MOT testing stations was in the latest period for which figures are available; and what assessment she has made of trends in the frequency of such inspections over the last five years. [97254]

Mike Penning: In 2007 VOSA moved to a targeted risk-based enforcement process. In 2007-08 all MOT test stations were visited to assess their potential risk of non-compliance. MOT test stations rated as high and medium risk were programmed for a site assessment visit every 18 months and the low risk MOT test stations every three years. In 2010-11 VOSA completed 9,440 site assessments (approximately 50% of MOT test stations). Assessment of the previous three years' data suggests that the balance of frequency versus the risk to the public was justified for each of the segments.

Older People

Paul Maynard: To ask the Secretary of State for Transport what proportion of her Department's expenditure was spent on services for the elderly in the latest period for which figures are available. [95645]

Norman Baker: The Department does not record or report expenditure based on age groups, it is therefore not possible to determine what proportion of expenditure is spent on services for the elderly.

Railways: North West

Julie Hilling: To ask the Secretary of State for Transport what effect Transpennine electrification has had on the business case for the Northern Hub. [95929]

Mrs Villiers: Network Rail is carrying out further development work on each element of the Northern Hub package. As part of this work it will carry out an assessment of the impact of electrification. This work has yet to be completed but Network Rail will report in time for a decision on Northern Hub to be made by July 2012 as part of the High Level Output Specification.

Julie Hilling: To ask the Secretary of State for Transport if she will ensure that the outputs of the Northern Hub scheme are fully delivered in Control Period 5. [95930]

Mrs Villiers: The extent to which the Northern Hub outputs will be delivered in Control Period 5 will be dependent on value for money assessment and affordability.

Railways: Theft

Maria Eagle: To ask the Secretary of State for Transport what estimate she has made of the cost of (a) replacing stolen cables from railways, (b) compensating train operating companies for delays due to cable theft and (c) repairing damage due to cable theft to railways in each of the last 10 years. [97470]

Norman Baker: Complete records of costs due to cable theft are available for the last three years and are as follows: £10,931,350, £12,132,860, and £11,618,472 respectively for 2009-10, 2010-11 and 2011-12¹. The breakdown of these costs into the components requested is not available.

¹ These data are up to and including 4 February 2012 (Period 11).

Rescue Services

Katy Clark: To ask the Secretary of State for Transport what estimate she has made of the potential savings to the public purse of planned changes to the Marine and Coastguard Agency. [97257]

Mike Penning: A full assessment was made of potential savings as part of the comprehensive spending review. A summary of the Maritime and Coastguard Agency's planned budget is set out in the following table:

	<i>Resource budget (net of income)</i>			
	<i>2011-12</i>	<i>2012-13</i>	<i>2013-14</i>	<i>2014-15</i>
				<i>£ million</i>
Programme (this includes search and rescue helicopter current contract costs but excludes provision for the future contract)	106.9	113.8	90.2	77.0
Admin	12.9	11.9	11.0	10.3
Total	119.8	125.7	101.2	87.3
Capital	9.3	9.5	9.7	9.9

Katy Clark: To ask the Secretary of State for Transport whether any existing Marine Rescue Co-ordination Centres will be closed prior to the proposed new configuration being tested. [97550]

Mike Penning: The sequence and provisional closure dates for the Maritime Rescue Co-ordination Centres (MRCCs) which will close are outlined in the document "Blueprint for Future Coastguard Organisation in the UK"; this document supported my statement to the House on 22 November 2011. A copy of this document is available in the Libraries of the House.

The closure of the MRCCs at Clyde and Yarmouth are driven by external factors outside the control of the Coastguard Modernisation Programme. These factors are included in the sequence and provisional closure dates outlined above.

The Maritime and Coastguard Agency (MCA) is a minor occupier at both these sites where tenancy agreements are coming to an end and are not being extended by their respective landlords.

Therefore these MRCCs will close in advance of the new 'National Network' being fully operational.

In order to ensure that we maintain at least the same quality of Search and Rescue service as at present interim arrangements will use our current systems and pairing arrangements. These measures will be appropriately resourced and robustly tested prior to the closure of the MRCCs.

Where it is within the control of the MCA the dates and sequence of closure will be driven by operational requirements during the implementation of the programme and, as such, are subject to ongoing review.

Road Signs and Markings

Julian Smith: To ask the Secretary of State for Transport what estimate her Department has made of the average cost of installing a brown tourist sign on the Highways Agency maintained road network. [97459]

Mike Penning: All new traffic signs on the Highways Agency maintained road network, including brown signs, must be erected in accordance with the Traffic Signs Regulations and General Directions 2002 (TSRGD).

No calculation of the average costs to provide brown tourist signs has been made, as the costs can vary depending on site specific circumstances. The agency are, however, developing a cost schedule for installation of brown signs to ensure all quotes are consistently provided and there is transparency in how they are built up.

CABINET OFFICE

Action for Employment

Fiona Mactaggart: To ask the Minister for the Cabinet Office what contracts his Department has with A4e; and what the (a) purpose and (b) monetary value is of each such contract. [97042]

Mr Maude [holding answer 27 February 2012]: As part of my Department's transparency programme, details of contracts above the value of £10,000 are published on Contracts Finder:

<http://www.contractsfinder.co.uk>

Hospitals: Death

Andy Burnham: To ask the Minister for the Cabinet Office how many NHS patients died of starvation in NHS hospitals in each of the last 10 years. [97473]

Mr Hurd: The information requested falls within the responsibility of the UK Statistics Authority. I have asked the authority to reply.

Letter from Stephen Penneck, dated February 2012:

As Director General for the Office for National Statistics, I have been asked to reply to your Parliamentary Questions asking how many NHS patients died of starvation in NHS hospitals in each of the last 10 years. [97473]

Internationally accepted guidance from the World Health Organisation requires any condition that contributed directly to a death to be recorded on the death certificate. Starvation, or 'effects of hunger', would not appear as the primary underlying cause of death, as the primary cause field in such cases is used to indicate the mode of death (e.g. lack of food, neglect, suicide). Deaths with a cause of starvation are therefore identified by the appearance of ICD-10 code T73 (effects of hunger) in the secondary cause field.

Table 1 provides the number of deaths where the effect of hunger was a secondary cause of death, where the death occurred in an NHS hospital in England and Wales between 2001 and 2010 (the latest year available).

Death certificates record the place where a person dies, but do not tell us anything about the length of a person's stay in a particular establishment. Where a person died in an NHS hospital due to starvation, it is likely that they were admitted to hospital already suffering from starvation rather than due to a lack of food following admission.

Table 1. Number of deaths where the secondary cause of death was 'effects of hunger', NHS hospitals, England and Wales, 2001-10

	Deaths
2001	1
2003	1
2004	2
2005	3
2006	1
2007	2
2008	6
2009	2
2010	4

Notes:

1. Cause of death from starvation was defined using the International Classification of Diseases, Tenth Revision (ICD-10) code T73 (effects of hunger), where this code appeared as the secondary cause.

2. Figures include deaths of non-residents.

3. Figures are for deaths registered in each calendar year.

Mesothelioma: Death

Tracey Crouch: To ask the Minister for the Cabinet Office how many people died of mesothelioma, in each primary care trust in each of the last five years. [97520]

Mr Hurd: The information requested falls within the responsibility of the UK Statistics Authority. I have asked the authority to reply.

Letter from Stephen Penneck, dated February 2012:

As Director General for the Office for National Statistics, I have been asked to reply to your Parliamentary Question asking how many people died of mesothelioma, broken down by PCT in each of the past five years. [97520]

Table 1 provides the number of deaths registered where the underlying cause of death was mesothelioma, for each Primary Care Organisation in England between 2006 and 2010 (the latest year available).

A copy of Table 1 has been placed in the House of Commons Library.

The Health and Safety Executive (HSE) publishes regular reports on mesothelioma and asbestos-related disease incidence and mortality, which include information on estimates of the future burden of deaths caused by mesothelioma in Great Britain. Further information is available at:

<http://www.hse.gov.uk/statistics/causdis/asbestos.htm>

HOME DEPARTMENT

Action for Employment

Paul Blomfield: To ask the Secretary of State for the Home Department what contracts with her Department and its agencies A4e (a) is bidding for and (b) has been awarded but have not yet commenced either independently or in partnership with other companies. [97482]

Damian Green: Within the Home Office including its Executive agencies, A4e is bidding for one contract. The outcome of that procurement process will be made known in due course once completed. A4e has not been awarded any contracts either independently or in partnership with other companies which have not yet commenced.

Animal Experiments

Diana Johnson: To ask the Secretary of State for the Home Department how many contracts have been awarded under the Development Collaborative Business Project portal for the Animals in Science Regulation Unit; on what dates these contracts were awarded; and what the duration is of each contract. [96434]

Damian Green: The Collaborative Business Portal was originally procured in January 2003 and a contractual agreement was put in place at this time.

Under the normal contract renewal cycle, the contract for the Collaborative Business Portal is currently undergoing a retender exercise. The Home Office has taken this opportunity to carry out a strategic review of its needs with regard to information exchange and security and will put in place appropriate tools to deliver a range of information exchange services using approved procurement processes. The requirements for the Animals in Science Regulation Unit application process are included in this. The Collaborative Business Portal is a business critical tool. Therefore, in order to allow time for the review to be completed and to ensure continuity of service, an interim extension to Fincore's service contract was agreed in December 2011. This will expire on 31 December 2012.

Diana Johnson: To ask the Secretary of State for the Home Department what budget was allocated to the Development Collaborative Business Project portal for the Animals in Science Regulation Unit. [96435]

Damian Green: The budget for the development work on the Collaborative Business Portal to facilitate the Animals in Science Regulation Unit application process is £130,000. A further £42,000 has been allocated to this project for data transfer.

Diana Johnson: To ask the Secretary of State for the Home Department (1) how many contracts have been awarded under the Development Collaborative Business Project portal for the Animals in Science Regulation Unit for sums below the procurement threshold of (a) £101,323 and (b) £156,442; [96436]

(2) how many contracts have been awarded to Fincore Ltd under the Development Collaborative Business Project portal for the Animals in Science Regulation Unit; and how many other bidders met the minimum bidding criteria for these contracts. [96437]

Damian Green: No specific contracts have been awarded for the development work on the Collaborative Business Portal for Animals in Science Regulation Unit as an existing contract has been re-used.

Antisocial Behaviour Orders: Birmingham

Steve McCabe: To ask the Secretary of State for the Home Department (1) how many antisocial behaviour orders issued by (a) Billesley, (b) Bournville, (c) Brandwood and (d) Selly Oak local government wards in Birmingham were breached in (i) 2010 and (ii) 2011; [95986]

(2) how many antisocial behaviour orders were imposed on people with addresses in (a) Billesley, (b) Bournville, (c) Brandwood and (d) Selly Oak local government wards in Birmingham in (i) 2010 and (ii) 2011. [95987]

James Brokenshire: Antisocial behaviour orders (ASBOs) are issued by courts. Data on the number of ASBOs issued and the number proven in court to have been breached are compiled by the Ministry of Justice. These centrally collected data do not, however, identify the areas in which ASBO recipients reside and are not collated below Criminal Justice System (CJS) area level.

Asylum

Mr Spellar: To ask the Secretary of State for the Home Department how many legacy asylum cases were (a) under consideration and (b) resolved by the UK Border Agency in 2011. [89858]

Damian Green: As stated in the House of Commons oral evidence taken before the Home Affairs Committee, work of the UK Border Agency Tuesday 20 December 2011, during 2011 (a) 23,000 cases were under consideration and (b) 7,700 were resolved. Of this figure 4,500 have been granted leave to remain in the UK, 700 have been removed and 2,500 have been resolved through data cleansing, consisting of incorrect and duplicate computer records.

British Nationality

Mr Stewart Jackson: To ask the Secretary of State for the Home Department pursuant to the answer of 6 February 2012, *Official Report*, column 91W, on British nationality, on how many occasions section 40 of the British Nationality Act 1981 has been used to revoke British citizenship since 2009; and if she will make a statement. [94694]

Damian Green [holding answer 21 February 2012]: Since the start of 2009 deprivation of British citizenship orders have been issued against a total of 13 individuals.

In 2011 orders were issued against six individuals.

In 2010 orders were issued against five individuals.

In 2009 orders were issued against two individuals.

This information has been provided from local management information and is not a National Statistic. As such it should be treated as provisional and therefore subject to change.

British Nationality: Terrorism

Mark Pritchard: To ask the Secretary of State for the Home Department how many British citizens have had their citizenship revoked as a result of being convicted of (a) treason and (b) acts of terrorism in the last 10 years. [91654]

Damian Green [*holding answer 26 January 2012*]: In the last 10 years, 15 people have been deprived of their British citizenship on the grounds that it was ‘conducive to the public good’ to do so (the relevant legal test for deprivation action).

The British Nationality Act 1981 was amended in 2006 to the legal test set out above, and statements were made to Parliament at the time explaining that the power would be available for use in cases including those involving national security and extremism.

For reasons of confidentiality, the Home Office does not routinely comment on individual cases and so it is not appropriate to indicate how many individuals have been deprived for the specific reasons set out in the question.

This information has been provided from local management information and is not a National Statistic. As such it should be treated as provisional and therefore subject to change.

Broker Direct

Karl McCartney: To ask the Secretary of State for the Home Department whether Ministers in her Department have had recent meetings with members of the (a) board and (b) senior management of (i) Broker Direct and (ii) Zurich UK. [91332]

Damian Green [*holding answer 23 January 2012*]: Home Office Ministers have meetings with a wide variety of partners, as well as organisations and individuals in the public and private sectors, as part of the process of policy development and delivery. As was the case with previous administrations, it is not the Government’s practice to provide details of all such meetings.

Demonstrations: Parliament Square

Mr Amess: To ask the Secretary of State for the Home Department (1) how many complaints about the encampment in Parliament square her Department has received in each month since September 2011; from whom; and if she will make a statement; [92152]

(2) if she will ask the Commissioner of Police for the Metropolis to prepare a report for her Department on the encampment in Parliament square; how many persons have been (a) arrested and (b) prosecuted for any offences connected with the encampment in the latest period for which figures are available; and if she will make a statement; [92153]

(3) what discussions she has had since September 2011 with the Mayor of London on removal of (a) tents and (b) other objects located on the pavements of Parliament square; and if she will make a statement. [92376]

Nick Herbert: The Home Office has received two complaints about the encampment in Parliament square from members of the public since September 2011.

Ministers have not had discussions with the Mayor of London about the encampments and other objects on the pavements of Parliament square. However, the Minister for Crime and Security, my hon. Friend the Member for Old Bexley and Sidcup (James Brokenshire), has met

with the Deputy Mayor for Policing to discuss this issue. Home Office officials have also met with the Greater London Authority and other relevant agencies to discuss the implementation of the Police Reform and Social Responsibility (PRSR) Act.

The Metropolitan Police Service reports that two people were arrested on 16 January 2012 for the offence of failing to comply with the requirements of the PRSR Act 2011. One person was summonsed for the same offence. One person was arrested for a public order offence.

The tents and other structures on Parliament square have denied access to a historically important public space which everyone has the right to enjoy. Parliament took action through the PRSR Act 2011 to allow the tents to be cleared away and to open the square for all to use—including those who wish to demonstrate peacefully. My Department has engaged extensively with the Greater London Authority, Westminster city council and the Metropolitan police with regards to the encampment in Parliament square. Operational decisions to clear the square were a matter for the relevant agencies.

Mr Amess: To ask the Secretary of State for the Home Department (1) if she will instruct the Commissioner of Police for the Metropolis to report on the police operation of 16 January 2012 in Parliament square; how much that operation cost; how many police officers were involved; how many arrests were made; how many (a) males and (b) females have been charged, and for what offences following that operation; and if she will make a statement; [93368]

(2) what information the Metropolitan police had when planning the police operation in Parliament square on 16 January 2012 on potential court injunctions protecting individuals involved in demonstrations in Parliament square; and if she will make a statement; [93369]

(3) what the cost of the policing operation in Parliament square has been since 16 January 2012; what estimate she has made of the costs of the operation in the next six months; if she will request a report from the Commissioner of Police of the Metropolis on the (a) length of time that the operation will continue and (b) number of police officers currently involved in the operation by rank; and if she will make a statement. [93370]

Nick Herbert: The permanent camp on Parliament square denied access to a historically important public space which everyone has the right to enjoy. Parliament took action, through the Police Reform and Social Responsibility Act 2011, to allow the tents to be cleared away and to open the square for all to use—including those who wish to demonstrate peacefully. The Metropolitan Police Service led an operation to enforce the Act provisions on 16 January 2012. Three people were arrested. The tents and storage equipment belonging to one protestor were not removed due to a High Court injunction that is in place, pending a Judicial Review hearing. The detail of this operation, the decision to enforce the Act provisions and the resources involved are operational matters for the Metropolitan Police Service, which will continue to uphold the law as part of its normal duties.

Departmental Regulation

Simon Hart: To ask the Secretary of State for the Home Department what progress her Department has made on the Red Tape Challenge; and which regulations have been (a) abolished and (b) revised as part of the Challenge. [97235]

Damian Green: Following the Red Tape Challenge the Home Office will consult on proposals to decentralise or simplify the regulatory requirements of the Licensing Act 2003 for late-night refreshment, temporary event notices and certain businesses with minimal alcohol sales such as bed and breakfast establishments. Changes will be subject to the outcomes of the consultation and parliamentary approval.

The Home Office is reconstituting the Poisons Board, an advisory body established in statute, which will make recommendations for specific legislation for products affected by the Poisons Act 1972. The Home Office is on track to deliver universal portability of Criminal Records Bureau checks with an immediate checking service for employers via an online facility available from early 2013.

Deportation: Tamils

Dame Joan Ruddock: To ask the Secretary of State for the Home Department if she will review her policy of enforcing removals to Sri Lanka following reports that Tamils have been detained and tortured after removal from the UK. [97563]

Damian Green: The UK Border Agency has considered recent reports and at present has no substantiated evidence of mistreatment by the Sri Lankan authorities of enforced returnees from the UK.

The UK Border Agency's returns policy to Sri Lanka is kept constantly under review and decisions are taken in the light of prevailing circumstances. Returns are only enforced when it is safe to do so and when the agency and the courts are satisfied that the individual has no international protection needs.

Domestic Violence

Kate Green: To ask the Secretary of State for the Home Department how much funding her Department provided for domestic violence reduction programmes in each of the last three years. [95904]

Nick Herbert: The Home Office has provided funding for specialist services to support victims of domestic violence over the past three years. Stable funding for domestic violence has been committed until 2015.

The amount for each year is as follows:

2009-10: over £6 million

2010-11: over £6.9 million

2011-12: over £6 million

For the financial years 2009-10, a proportion of the funding identified may have also covered sexual violence.

EU Justice and Home Affairs Council

Mr Raab: To ask the Secretary of State for the Home Department on how many occasions the Government (a) requested and (b) was requested to provide information about groups posing a threat to law and order and security pursuant to EU Joint Action 97/339/JHA in each of the last five years. [97606]

Nick Herbert: The Government do not collect this information centrally.

Illegal Immigrants: Employment

Mr Spellar: To ask the Secretary of State for the Home Department how many illegal working civil penalties were (a) levied and (b) paid in 2011; and what the levels were of the penalties levied. [89853]

Damian Green: From January to September 2011, the latest date of publication of the UK Border Agency statistics, a total of 1,111 illegal working civil penalties were levied. In the same period a total of £5.1 million was collected. The £5.1 million collected does not relate directly to the penalties issued in 2011, as some of the payments will relate to penalties issued in previous years.

The following table provides a breakdown of the levels of penalties issued between January and September 2011. The original value of penalties issued will be subject to change as penalties may be reduced, increased, cancelled or reissued after consideration of any statutory objection and/or an appeal.

<i>Level of penalty issued</i>	<i>Number of penalties at each level</i>
£5,000 or less	641
£5,001 to £10,000	294
£10,001 to £15,000	99
£15,001 to £20,000	40
£20,001 to £25,000	15
£25,001 to £30,000	9
£30,001 to £35,000	3
£35,001 to £40,000	2
£40,001 to £45,000	3
£45,001 to £55,000	1
£55,001 to £65,000	1
£65,001 to £75,000	0
£75,001 to £85,000	1
£85,001 to £95,000	1
£95,001 to £149,999	0
£150,000	1
Total	111

The data provided in the reply are sourced from a UK Border Agency management information system which is not quality assured under National Statistics protocols.

Immigrants: Detainees

Priti Patel: To ask the Secretary of State for the Home Department pursuant to the answer of 10 January 2012, *Official Report*, column 168W, on immigrants detainees, if the UK Border Agency is still seeking to deport the 36 former detainees who were released. [89939]

Damian Green: The UK Border Agency is seeking to deport 35 out of the 36 former detainees who were released during the period June to December 2011. We are unable to pursue deportation for one former detainee because they do not meet the deportation criteria.

This information is taken from Internal Management Information and is subject to change.

Priti Patel: To ask the Secretary of State for the Home Department pursuant to the answer of 10 January 2012, *Official Report*, column 168W, on immigrants: detainees, (1) what were the criminal convictions held by those 36 former detainees who were released; and for what length of time those detainees released had been held in an immigration removal centre; [89971]

(2) who authorised the release of the 36 former detainees. [89972]

Damian Green [*holding answer 16 January 2012*]: The criminal convictions of the 36 detainees released between June and December 2011 and the length of time held in an immigration removal centre is outlined in the following tables:

<i>Offence</i>	<i>Number</i>
Burglary (aggravated/breaking and entering)	1
Theft	2
Crimes against a minor (all other not listed)	2
Drug offences	4
Motoring Offences other	2
Motoring Offences serious	2
Possession of a false Instrument	13
Seeking/Obtaining Leave by Deception	1
Rape	1
Sex Offences not Listed Elsewhere	2
Robbery (including street)	2
Offences Against the Person (assault)	2
Violent Crime (inc ABH/GBH)	2
Grand total	36

<i>Length in IS detention in years</i>	<i>Number</i>
2 to 3 years	9
3 to 4 years	19
4 years and over	8
Grand total	36

Of the 36 detainees released from an immigration removal centre, only four were released by the UK Border Agency. An immigration judge authorised the release of the other detainees.

This information is taken from Internal Management Information and is subject to change.

Immigration

Nicholas Soames: To ask the Secretary of State for the Home Department how many people from each country entered the UK under the Tier 1 (a) entrepreneur and (b) investor sub-category in 2011. [97576]

Damian Green: The requested information is not yet available.

Data relating to persons entering the UK under the Tier 1-Entrepreneur and Tier 1-Investor schemes, by nationality, are published annually in table 'ad.03.w' of the Home Office statistical release 'Immigration Statistics'. The latest published data relate to the calendar year 2010 and are available from the Library of the House and from the Home Office Science website at:

<http://www.homeoffice.gov.uk/publications/scienceresearchstatistics/researchstatistics/immigrationasylumresearch/immigrationq4-2011/>

Data for the calendar year 2011 are due for publication in August 2012.

Members: Correspondence

Mr Winnick: To ask the Secretary of State for the Home Department for what reason the UK Border Agency took a month to inform the hon. Member for Walsall North that written authorisation was required in case reference S1153849 and CTS ref M494/12. [97456]

Damian Green: Correspondence submitted by Members of Parliament to the UK Border Agency is dealt with in target date order. The Cabinet Office target is to respond to 95% of letters from MPs within 20 working days. The response issued under M494/12 was completed on the specified target date of 10 February.

Police and Crime Commissioner

Mr Hanson: To ask the Secretary of State for the Home Department how many people attended the police and crime commissioner roadshow in (a) Lancaster, (b) Crewe, (c) Birmingham, (d) Leicester, (e) Derby, (f) Portsmouth, (g) Reading, (h) London, (i) Ipswich, (j) Cambridge and (k) Leeds. [97066]

Nick Herbert: The Home Office is holding 17 events for the range of partners that Police and Crime Commissioners (PCCs) will need to engage with including senior representatives of local authorities, police, police authorities and Criminal Justice partners. The events aim to help partners prepare for the introduction of PCCs in November 2012. Some 1,000 senior representatives have attended the 11 events held to date.

Prisoners: Foreign Nationals

Frank Dobson: To ask the Secretary of State for the Home Department how many foreign nationals serving prison sentences in England and Wales are subject to deportation orders at the end of their sentences; and what estimate she has made of the cost to the public purse of their imprisonment in the last 12 months. [90295]

Damian Green [*holding answer 19 January 2012*]: As of 9 January 2012, there are 5,178 foreign national offenders currently serving a custodial sentence in England and Wales, who are being considered for deportation at the end of their custodial sentence.

The cost of detaining an individual in prison is £102 per night.

Figures are based on internal management information and are subject to change.

Frank Dobson: To ask the Secretary of State for the Home Department how many of the foreign nationals serving prison sentences in England and Wales and subject to deportation orders were convicted of (a) terrorist offences, (b) murder, (c) manslaughter, (d) rape and (e) grievous bodily harm. [90296]

Damian Green [holding answer 19 January 2012]: The following table sets out the number of foreign national offenders currently serving a prison sentence in England and Wales who are being considered for deportation by the UK Border Agency, broken down by the offences requested.

Primary offence	Number of individuals currently serving a sentence and being considered for deportation
Attempted Murder	76
Attempted Rape (Adult or Minor)	32
Manslaughter	63
Murder	625
Rape	422
Rape on a Minor	104
Terrorist Offences	7
Violent Crime (inc ABH/GBH)	403

Figures are based on internal management information and are subject to change.

Stalking

Mr Llwyd: To ask the Secretary of State for the Home Department how many responses she has had to the consultation issued by her Department on stalking; and if she will make a statement. [96199]

Nick Herbert [holding answer 27 February 2012]: We received a total of 156 responses to the consultation, including from victims and their families, stalking charities, the police, criminal justice professionals and members of the public.

Youth Custody

Dr Huppert: To ask the Secretary of State for the Home Department what assessment she has made of the effect of the disparity between the definition of a child in the Police and Criminal Evidence Act 1984 and the UN Convention on the Rights of the Child on the rules governing whether 17 year olds can be strip searched without an adult being present. [97122]

Nick Herbert [holding answer 28 February 2012]: None.

COMMUNITIES AND LOCAL GOVERNMENT

Cala Homes: Legal Aid Scheme

Mr Raynsford: To ask the Secretary of State for Communities and Local Government how much expenditure his Department has incurred, including external legal advice and costs, on legal proceedings relating to Cala Homes since May 2010. [R] [95984]

Robert Neill [holding answer 23 February 2012]: All litigation cases against the Department are managed by the Treasury Solicitors Department under a service level agreement.

Our records show that there are five cases in which Cala Homes (South) Ltd are party to proceedings against the Secretary of State for Communities and Local Government. The total cost of the cases from 7 May 2010 to 31 January 2012 is around £309,000. The matter of costs in some of these proceedings is yet to be settled.

As I have outlined in previous answers to the right hon. Member, this Administration is spending less on legal expenses than the last Administration. The departmental spend on external services from 7 May 2010 to 31 March 2011 was £2,260,000 and from 1 April 2011 to 31 January 2012 was £1,679,000, compared to £4,800,000 in 2009-10.

Community Relations

Kate Green: To ask the Secretary of State for Communities and Local Government when details of the additional funding for English for Speakers of Other Languages provision for adults not in or actively seeking employment, as referred to in his publication 'Creating the conditions for integration', will be notified to those institutions that are to receive the additional funding. [97272]

Andrew Stunell: The Department for Communities and Local Government has offered up to £10 million to support English language provision for those adults with little or no English, and who are not seeking employment, as set out in 'Creating the conditions for integration'.

I would refer the hon. Member to the written ministerial statement made on 29 February 2012, *Official Report*, column 31WS, by the Minister for Further Education, Skills and Lifelong Learning, the hon. Member for South Holland and The Deepings (Mr Hayes), entitled English for Speakers of Other Languages.

Council Tax Benefits

Mr Jim Cunningham: To ask the Secretary of State for Communities and Local Government what progress he has made in formulating policy on council tax benefit localisation; and if he will make a statement. [97301]

Robert Neill: The Government have consulted on the approach to localising support for council tax and published their response to the issues raised in December. The Local Government Finance Bill currently before the House will deliver the framework for local authorities to put in place local council tax support schemes from April 2013. In addition, a design tool to assist local authorities in modelling their schemes has been developed, and is being published today on the Department's website on the Localising Council Tax Support webpage at:

<http://www.communities.gov.uk/localgovernment/localgovernmentfinance/counciltax/>

Councillors: Pensions

Brandon Lewis: To ask the Secretary of State for Communities and Local Government what information his Department holds on local authority pension schemes for local councillors. [94550]

Robert Neill: My Department does not hold information on which local authorities have chosen to grant their councillors access to the Local Government Pension Scheme under powers provided to them in 2002.

However, I would draw the attention of the hon. Member to a recent report by the Taxpayers' Alliance which has undertaken some research into this issue:

<http://www.taxpayersalliance.com/home/2012/01/research-1-5-council-tax-council-pensions.html>

Departmental Carbon Emissions

Caroline Flint: To ask the Secretary of State for Communities and Local Government what reduction in carbon dioxide emissions his Department has made under the 10:10 initiative. [97925]

Robert Neill: The Department for Communities and Local Government achieved a 17.7% reduction in carbon emissions as part of the Prime Minister's 10% Carbon Reduction Commitment.

This equates to a reduction of 3,851 tonnes of CO₂.

Departmental Senior Civil Servants

Mr Thomas: To ask the Secretary of State for Communities and Local Government how many senior civil servants left his Department and its public bodies in each month since May 2010; what their names are; what the rate of turnover of senior civil servants in his Department was during this period; and if he will make a statement. [96255]

Robert Neill: As part of the spending review settlement, the DCLG Group is making a collective 33% real terms saving against its running costs by 2014-15. This equates to savings of over £200 million by 2014-15. In addition, the Department will save a further £190 million from the closure of the Government offices for the regions, taking overall savings on administrative running costs to 42% across the DCLG Group by 2014-15.

These savings reflect the coalition Government's agenda of decentralisation, ending the micromanagement of local government, the abolition of regional government, and the broader need to tackle the deficit left by the last Administration.

This has entailed a streamlining of the Department; that restructuring was undertaken in an open, fair and prompt way, starting at the highest levels of senior management. A total of 46 senior civil servants have left the Department for Communities and Local Government in the period 1 May 2010 to 31 January 2011.

The breakdown of these individuals by month is as follows:

	<i>Number of senior civil servants leaving in month</i>
<hr/>	
<i>2010</i>	
May	0
June	1
July	2
August	0
September	0
October	0
November	2
December	0
<i>2011</i>	
January	2
February	7
March	0
April	7
May	2
June	6
July	1
August	9
September	0
October	0
November	6
December	0
<i>2012</i>	
January	1

Please note in addition to the 46 senior civil servants who left the Department for Communities and Local Government in the reference period, an additional 20 senior civil servants employed by the Department, but based in the Government Office for the regions, left the Government office for the regions directly or the Department after subsequently transferring in. They have not been included in the 46 figure above.

For reasons of personal privacy, it would not be appropriate to provide the names of senior civil servants who are no longer in government employment.

The turnover rate of senior civil servants in the Department for Communities and Local Government in this period has been calculated at 43.4%.

The Department for Communities and Local Government does not hold the information requested for its public bodies centrally.

Fire Services

Julian Smith: To ask the Secretary of State for Communities and Local Government what discussions he has had with the Secretary of State for Business, Innovation and Skills on the support available for employers of on-call retained firefighters. [97458]

Robert Neill: Ministers within the Department for Communities and Local Government regularly meet colleagues from the Department for Business, Innovation and Skills to discuss a range of matters.

Fire and rescue authorities are responsible for engagement with local employers. My Department has produced the Retained Duty System Employers' Information Toolkit to support fire and rescue authorities in engaging with local employers in raising awareness about the duty system, and encouraging their support to release staff

to become retained duty firefighters. The Department has also produced the Recognition Scheme for Primary Employers of Retained Duty System (On-Call) Firefighters, to recognise employers who have agreed to make staff available for retained duty system service.

First-Time Buyers: Greater London

Mr Evennett: To ask the Secretary of State for Communities and Local Government how many first-time buyers in (a) Bexleyheath and Crayford constituency and (b) the London borough of Bexley participated in part-buy part-rent housing schemes in each of the last five years. [96427]

Grant Shapps: This information is collected only in respect of sales by private registered providers and is not available for other organisations such as local authorities or developers.

Information on the sales of social housing made by the private registered providers is collected via the Continuous Recording (CORE) Sales log. Information is collected on the type of product through which the property was sold. Shared ownership products—where the purchaser owns a share of the property and pays rent on the remainder—are normally offered to people who are first-time buyers.

The following table gives the number of private registered provider sales through shared ownership schemes over the past five years in the London borough of Bexley:

	<i>Number of shared ownership sales</i>
2006-07	46
2007-08	79
2008-09	95
2009-10	21
2010-11	24

Source:

CORE sales log. Prior to 2010-11 CORE was only completed by private registered providers with more than 250 units of stock.

Figures are not available at constituency level.

More generally and in addition to shared ownership homes, our FirstBuy equity loan scheme will help almost 10,500 aspiring home owners by spring 2013. Government and 100 house builders are providing £400 million to help first-time buyers buy a new build property in England, with a 20% equity loan which reduces the deposit needed to just 5%.

Housing: Energy

David Morris: To ask the Secretary of State for Communities and Local Government (1) what steps his Department is taking to encourage developers to design more energy efficient homes; [95483]

(2) what steps he is taking to promote energy efficiency in (a) new housing, (b) existing housing and (c) houses of multiple occupancy. [95484]

Andrew Stunell: The Carbon Plan, published in December 2011, sets out what the Government are doing to ensure that housing makes its full contribution to meeting the first four carbon budgets and the 2050 carbon reduction target. This includes:

(a) a commitment that all new homes constructed to the 2016 Building Regulations in England must meet a 'zero carbon' standard, which will include a specific fabric energy efficiency standard. Proposals to introduce this energy efficiency target for new housing from 2013 were published on 31 January 2012. Local authorities can already use the Code for Sustainable Homes if they wish to secure higher levels of energy efficiency in new homes in their area. The Government require that all new social housing funded by the Homes and Community Agency is built to Code level 3.

(b) The launch of the Green Deal in late 2012 to help existing homes of all tenures to improve their energy efficiency at no upfront cost, to be paid for instead through the resulting fuel cost savings, via a charge on fuel bills. This will be supported by a range of measures to stimulate demand for the Green Deal in all tenures, including proposals to use the Building Regulations to trigger a requirement for additional energy efficiency improvements where specified works are planned and Green Deal finance is available as an option to cover the upfront cost to householders.

(c) Government will work with the private rented sector (including houses in multiple occupation) to encourage uptake of energy efficiency measures through the Green Deal. From 2016 private landlords will not be able to unreasonably refuse their tenants' requests for consent to energy efficiency improvements. The Energy Act 2011 contains provisions for a minimum energy efficiency standard for private rented housing from 2018. Use of these regulation making powers is conditional on there being no net or up-front costs to landlords. If these powers were used, landlords would be required to reach the minimum standard or carry out the maximum package of measures fundable under the Green Deal and energy company obligation.

Housing: Repairs and Maintenance

Bill Esterson: To ask the Secretary of State for Communities and Local Government what estimate he has made of the number of private homes in England which are in urgent need of home repairs for reasons of (a) crime prevention and (b) electrical or gas safety; and what assessment he has made of the effect that changes in his Department's financial settlement to local government have had on the ability of local authorities to make payments to householders in respect of such repairs. [97326]

Andrew Stunell [holding answer 29 February 2012]: The English Housing Survey estimated that in 2009 21% of all dwellings in England had a serious 'Category 1' hazard, under the Housing Health and Safety Rating System. For privately owned dwellings the figure was 22.8%, or 4.2 million homes. Category 1 hazards include a risk of entry by intruders, and risks related to gas and electrical safety, along with other risks such as excess cold.

It is for local authorities to decide the circumstances in which to give discretionary assistance to householders, what form that assistance may take (e.g. grants, loans, equity release schemes etc.) and what, if any, conditions to attach. Local authorities also have powers, under the Housing Act 2004, to assess the risks and hazards in residential properties using the Housing Health and Safety Rating System. If a property is found to contain serious (Category 1) hazards, the local authority has a duty to take the most appropriate action. This could range from trying to deal with the problems informally at first to prohibiting the use of the whole or part of the dwelling.

In 2010-11, The Housing Strategy Statistical Appendix showed that 48,600 private sector dwellings with Housing Health and Safety Rating System Category 1 hazards

were made free from hazards as a result of action by local authorities. That action could include financial assistance, advice, and enforcement action.

I would add that my Department is providing £1.6 billion of funding over the spending review period to help councils ensure council housing meets the Decent Homes standard.

Legal Aid Scheme

Mr Raynsford: To ask the Secretary of State for Communities and Local Government how much his Department has spent on external legal advice since May 2010. [R] [95985]

Robert Neill [*holding answer 23 February 2012*]: The departmental spend on external legal services (which is broader than spending on legal advice) from 7 May 2010 to 31 March 2011 was £2,260,000 and from 1 April 2011 to 31 January 2012 was £1,679,000. This spending includes litigation fees paid to the Treasury Solicitors Department, counsel and solicitors' fees for legal advice, and payments to the Office of the Parliamentary Counsel.

As I have indicated in previous answers to the right hon. Member, the comparable spend in 2009-10 was £4.8 million. I also refer the right hon. Member to my answer of 12 December 2011, *Official Report*, column 483W, which outlines the number of open cases open at any one time and the nature of Government litigation, reflecting the Department's quasi-judicial functions.

Details of all expenditure over £500 are published, each month, on the Department's website. Legal advice is coded under 'Legal Consultancy' and 'Legal Fees':

<http://www.communities.gov.uk/corporate/transparency/ingovernment/spenddata/>

Local Government: Disability

Richard Burden: To ask the Secretary of State for Communities and Local Government what recent discussions he has had with representatives of local authorities on the statutory responsibilities of those authorities in respect of equal access to services by people with learning disabilities; and if he will make a statement. [95760]

Andrew Stunell: The Government recognise the importance of ensuring equal access to services for people with learning disabilities and encourages their involvement in service planning and design.

Under the Public Sector Equality Duty, councils are required to understand how different people will be affected by their services, so those services meet the needs of their communities. It is up to individual authorities to decide how to do this. The Best Value Duty requires local authorities to consult¹ representatives of a wide range of local persons, including those who use or are likely to use services provided by the authority.

My officials have had discussions with a wide range of external partners, including representatives of local authorities to consider how the provision of Changing Places toilets might be improved on a voluntary basis. These toilets provide extra facilities for people with profound and multiple learning disabilities.

¹ The duty to consult is contained in section 3(2) of the Local Government Act 1999.

Office of the Deputy Prime Minister: Government Procurement Card

Oliver Colvile: To ask the Secretary of State for Communities and Local Government pursuant to the answer to the hon. Member for Burton of 13 October 2011, *Official Report*, column 483W, on freedom of information, whether his Department holds receipts or invoices associated with the Office of the Deputy Prime Minister's Government Procurement Card transactions in respect of Mr Chu's China Palace restaurant. [81609]

Robert Neill: The available records for the transaction made in 2006 have been placed in the Library of the House. It has not been possible to identify records relating to the transaction made in 2004. Certain details, including details of other transactions, names of members of staff below the senior civil service, and card and account numbers have been redacted for reasons of personal data protection and safeguarding security.

Mr Marcus Jones: To ask the Secretary of State for Communities and Local Government pursuant to the answer of 13 October 2011, *Official Report*, column 483W, on freedom of information, whether his Department still holds any receipts or invoices associated with the Office of the Deputy Prime Minister's Government Procurement Card transactions at (a) Star City Pty Ltd for £456.03, (b) Doyles Seafood Quay for £457.94 and £37.46 and (c) Sydney Aquarium for £74.63. [81649]

Robert Neill: It has not been possible to identify from departmental archives the individual receipts or invoices still held relating to these transactions.

However, as the Under-Secretary of State for Communities and Local Government, my noble Friend, Baroness Hanham, remarked on 17 January 2012, *Official Report, House of Lords*, column WA122, Ministers in this Administration are of the view that such transactions—which are all associated with the visit of Lord Prescott when Deputy Prime Minister—did not represent value for money for the taxpayer.

HEALTH

Departmental Regulation

Simon Hart: To ask the Secretary of State for Health what progress his Department has made on the Red Tape Challenge; and which regulations have been (a) abolished and (b) revised as part of the Challenge. [97236]

Mr Simon Burns: To date, of over 1,200 regulations considered so far under Red Tape Challenge, the Government have agreed to scrap or substantially overhaul well over 50%.

The Red Tape Challenge reforms made, or about to be made, so far across all Departments are set out in the Government's latest Statement of New Regulation published on 28 February 2012. Many further changes will be announced and implemented in the coming months.

Diabetes: Leicester

Keith Vaz: To ask the Secretary of State for Health how many people with diabetes in Leicester primary care trust area did not receive the nine healthcare checks recommended by the National Institute for Health and Clinical Excellence guidelines in 2011. [97332]

Paul Burstow: The full data set requested is not available. Participation in the National Diabetes Audit

(NDA), which audits diabetes registrations in primary and secondary care, is not mandatory. The following table is drawn from the 2009-10 NDA dataset and shows the total number of registrations and the number of registrations where all nine care processes recommended by the National Institute for Health and Clinical Excellence have not taken, place, for Leicestershire primary care trusts (PCTs) and nationally:

PCT	Total registrations in national diabetes audit	Total registrations where all nine care processes have not been completed	
		Number	Percentage
Leicester City PCT	19,094	8,543	31
Leicestershire County and Rutland PCT	26,032	10,028	28
National	1,929,985	962,957	33

Diseases

Mr Andrew Smith: To ask the Secretary of State for Health when he plans to publish a public consultation on the UK rare disease plan. [97259]

Mr Anderson: To ask the Secretary of State for Health when he expects to publish the draft UK rare disease plan; and what the reason is for the time taken for its publication. [97260]

Mr Simon Burns: The consultation on the UK Plan for Rare Diseases is being produced jointly by the four nations of the United Kingdom. It has been important for the document to accurately capture and reflect the subtle differences in the health care systems of each country. This has taken some time. However, the consultation was launched on 29 February 2012 for a 12 week public consultation.

Drugs: Delivery Services

Huw Irranca-Davies: To ask the Secretary of State for Health whether his Department monitors the number of emergency direct deliveries made by medicines manufacturers to pharmacies in England. [97189]

Mr Simon Burns: The Department does not monitor the number of emergency deliveries made by medicine manufacturers to pharmacies.

Health Services: Bexley

Mr Evennett: To ask the Secretary of State for Health how many people in (a) Bexleyheath and Crayford constituency and (b) the London Borough of Bexley were registered with (i) a GP and (ii) an NHS dentist in each of the last five years. [97147]

Mr Simon Burns: Figures for the number of patients registered with general practitioners (GPs) are not available by parliamentary constituency or London borough. The following table shows the number of patient

registrations at GP practices in the Bexley primary care trust area in each of the five most recent years for which figures are available.

	Number
2006	223,474
2007	222,019
2008	223,043
2009	227,177
2010	227,944

Source:

NHS Information Centre for Health and Social Care General and Personal Medical Services Statistics

The information for dental patient registrations is not available in the format requested. Under the current dental contractual arrangements, patients do not have to be registered with a national health service dentist to receive NHS care. The closest equivalent measure to 'registration' is the number of patients receiving NHS dental services ('patients seen') over a 24 month period.

The following table shows the number of patients seen by an NHS dentist in Bexley primary care trust area in the five most recent 24-month periods for which figures are available.

24 month end date	Patients seen
31 December 2007	97,719
31 December 2008	92,837
31 December 2009	94,895
31 December 2010	101,139
31 December 2011	106,617

Source:

NHS Dental Statistics for England—2011-12

Health: Screening

Andy Burnham: To ask the Secretary of State for Health what assessment he has made of the participation of private providers in the delivery of the NHS Healthchecks programme. [97650]

Paul Burstow: Primary care trusts are responsible for commissioning the services necessary to deliver the NHS Health Check programme in a way that meets the

needs of their local population. They will choose different providers to deliver the checks depending on the characteristics of their local population. No assessment has been made of the participation of private providers in the delivery of the NHS Health Check programme.

HIV Infection

Mr Jim Cunningham: To ask the Secretary of State for Health what assessment he has made of the role of private sector companies in identifying and supporting new ways to prevent and treat HIV in (a) the UK and (b) developing countries. [96741]

Paul Burstow: The Department welcomes the role that private and third sector organisations play in identifying and supporting new ways to prevent and treat HIV in the United Kingdom and developing countries. This includes welcoming the work of organisations like Gilead Sciences Ltd, and their Halve It coalition, which is working to reduce undiagnosed and late diagnosis of HIV.

Internationally, the Government are supporting the International Partnership for Microbicides (IPM) to develop microbicides. The UK Government also supported the establishment of the Medicines Patent Pool through our contributions to UNITAID. This has the potential to support access to more appropriate and affordable anti-retrovirals (ARVs) in developing countries by setting incentives for product adaptation and generic production.

The UK continues to encourage the pharmaceutical industry to engage actively with the Medicines Patent Pool to support the availability of ARVs in order to help achieve the internationally agreed target to increase coverage of life saving treatment to reach 15 million people with HIV by 2015.

Mr Jim Cunningham: To ask the Secretary of State for Health what assessment he has made of the development of paediatric formulations to address unmet needs for children living with HIV in (a) the UK and (b) developing countries. [96742]

Paul Burstow: The Department has made no such assessments. In the United Kingdom, clinicians provide HIV paediatric treatment and care in line with European guidelines supported by the British Children's HIV Association.

The choice of drugs is a clinical decision and depends on available formulations suitable for the individual child, taking into consideration age, developmental level and carer circumstances. It is up to manufacturers to decide to develop, paediatric formulations of medicines.

The UK Government are supporting research on the delivery of antiretroviral therapy to children in Africa. In partnership with the private sector, this has included assessing the acceptability of different paediatric formulations of antiretroviral therapy.

Mesothelioma: Research

Tracey Crouch: To ask the Secretary of State for Health how much funding has been allocated to research on mesothelioma in the current spending cycle. [97511]

Mr Simon Burns: No specific funding has been allocated for research into mesothelioma in the current spending review period. The usual practice of the Department's National Institute for Health Research (NIHR) is not to ring-fence funds for expenditure on particular topics; research proposals in all areas compete for the funding available. The NIHR welcomes funding applications for research into any aspect of human health, including mesothelioma. These applications are subject to peer review and judged in open competition, with awards being made on the basis of the scientific quality of the proposals made. In all disease areas, the amount of NIHR funding depends on the volume and quality of scientific activity.

The NIHR Clinical Research Network (CRN) is currently hosting four studies in mesothelioma that are recruiting patients. Details can be found on the UK CRN portfolio database at:

<http://public.ukcrn.org.uk/Search/Portfolio.aspx?Level1=1&Level2=8&Level3=27&Status=34>

The NIHR is currently working with the British Lung Foundation on building capacity for research into mesothelioma and other asbestos-related diseases.

Multiple Sclerosis: Drugs

Ben Gummer: To ask the Secretary of State for Health how many primary care trusts prescribed the Tysabri form of the drug natalizumab between December 2009 and January 2012; and what quantity was prescribed by each such trust. [97206]

Mr Simon Burns: Natalizumab (Tysabri) is licensed for use in patients with highly active relapsing-remitting multiple sclerosis despite treatment with interferon beta or those with rapidly evolving severe relapsing-remitting multiple sclerosis. The British National Formulary states that treatment should be initiated and supervised by a specialist. Therefore, natalizumab is used mainly in secondary care.

The latest information available from the Prescribing Analysis and CosT tool system indicates that Tysabri has been prescribed once in primary care between October 2011 and December 2011. As there might be a data protection issue with releasing information where the drug has only been prescribed once, we have not named the primary care trust.

Ben Gummer: To ask the Secretary of State for Health how many primary care trusts prescribed the Fampyra form of the drug fampridine between October 2011 and January 2012; and what quantity was prescribed by each such trust. [97207]

Mr Simon Burns: Fampridine (Fampyra) is licensed for use in multiple sclerosis to improve walking in patients who have a walking disability and treatment is usually initiated and supervised by a specialist doctor experienced in the management of multiple sclerosis. Therefore, fampridine is used mainly in secondary care.

The latest information available from the Prescribing Analysis and CosT tool system indicates that fampridine has been prescribed once in primary care between October 2011 and December 2011. As there might be a data

protection issue with releasing information where the drug has only been prescribed once, we have not named the primary care trust.

NHS: Drugs

Huw Irranca-Davies: To ask the Secretary of State for Health if his Department will conduct an impact assessment of the financial effects of branded medicine shortages on medicines (a) pharmacy, (b) wholesale and (c) manufacturing businesses. [97169]

Mr Simon Burns: While we have not conducted an impact assessment of the financial effects of branded medicine supply issues, recognition has been made in the Community Pharmacy Contractual Framework funding for extra time that pharmacy staff spend sourcing medicines.

Huw Irranca-Davies: To ask the Secretary of State for Health whether his Department has sought advice on the legal standing of the Pharmaceutical Services Negotiating Committee list of medicines in short supply; and if he will publish any such advice. [97190]

Mr Simon Burns: The joint best practice guidance refers to the Pharmaceutical Services Negotiating Committee's (PSNC) Branded Shortages List. This published list ensures that all pharmacies and wholesalers are aware of the latest supply position. This list is a matter for the PSNC.

Huw Irranca-Davies: To ask the Secretary of State for Health whether the review and consolidation of medicines legislation in the UK will include measures to strengthen regulations governing the continuous supply of branded medicines to patients. [97191]

Mr Simon Burns: The Medicines and Healthcare products Regulatory Agency's (MHRA) project to consolidate and review medicines legislation brings together existing and complex medicines legislation, and takes the opportunity to rationalise the legislation to improve the coherence of the regulatory framework.

The legislation consolidates the existing requirement for the maintenance of appropriate and continued supply of medicinal products by marketing authorisation holders and distributors so that the needs of patients are met. We have carried out a consultation (our ref MLX 375) which closed in January on a proposed text of the consolidation and are currently assessing the responses. We are not proposing any change in the area of continued supply of medicine under Article 81 of Directive 2001/83/EC and, to date, nothing has come up in our assessment of responses which indicates that a change is necessary.

The Department, the MHRA and pharmaceutical supply chain stakeholders are working collaboratively to better understand and mitigate the impact of supply difficulties to ensure that patients receive the medicines they need. In February 2011 the group published joint guidance, "Best Practice for Ensuring the Efficient Supply and Distribution of Medicines to Patients".

The guidance provides a sound basis for helping to ensure that patients get their medicines when they need them.

Mr Lammy: To ask the Secretary of State for Health what steps his Department is taking to ensure that drugs discovered and developed by British scientists are accessible by patients within the UK. [97201]

Mr Simon Burns: The Government are committed to ensuring that national health service patients are able to access the clinically and cost-effective drugs that their doctors consider are appropriate for them.

We also want to see more drugs and medical technologies developed in the United Kingdom for the benefit of UK patients.

The Government's 'Strategy for UK Life Sciences' sets out how we will support closer collaboration between the NHS, industry and universities, driving growth in the economy and improvements in the NHS.

We will ensure that the NHS realises its role as an engine for innovation by developing the package of proposals to support the adoption and diffusion of innovation set out in the NHS Chief Executive's review—'Innovation, health and wealth, accelerating adoption and diffusion in the NHS'.

We are also working to put in place a new framework for medicines pricing, to include value-based pricing for new medicines. Value-based pricing will give NHS patients better access to effective and innovative treatments, at a price that delivers value to the NHS. The new medicines pricing system will be introduced from January 2014, following the end of the 2009 Pharmaceutical Price Regulation Scheme.

Huw Irranca-Davies: To ask the Secretary of State for Health how many (a) individuals and (b) businesses have faced legal, regulatory or professional sanctions for not abiding by his Department's Guidance on Best practice for ensuring the efficient supply and distribution of medicines to patients. [97251]

Mr Simon Burns: The joint best practice guidance is not legally enforceable. However, the Department continues to work collaboratively with supply chain stakeholders to deal with implementation issues and to ensure that patients can continue to obtain their prescription medicines quickly and conveniently.

NHS: Repairs and Maintenance

Andy Burnham: To ask the Secretary of State for Health what the cost of maintenance backlogs was in the NHS in each financial year since 2006-07. [97518]

Mr Simon Burns: The information requested is shown in the following table:

	<i>Total backlog maintenance (£ million)</i>
2006-07	3,740
2007-08	4,044
2008-09	4,085
2009-10	4,096
2010-11	4,166

Backlog maintenance is the amount of investment needed to bring the estate up to a satisfactory standard. It is reduced through either capital investment or the disposal of the estate.

The Department collects data on backlog maintenance annually from the national health service trusts through its Estates Returns Information Collection. The data collected has not been amended centrally and its accuracy always remains the responsibility of the contributing NHS organisations.

NHS organisations are locally responsible for the provision and maintenance of their facilities. This includes planning and investment to reduce backlog maintenance.

Organs: Donors

Alex Cunningham: To ask the Secretary of State for Health what steps he is taking to increase the number of organ donors. [97409]

Mr Simon Burns: Since the publication of the report by the Organ Donation Taskforce in 2008, a great deal of work has taken place to strengthen the donation programme and increase the number of organs available for patients. People may sign up to the Organ Donor Register when they register with a new general practitioner; when applying for a new passport; when applying for a European Health Insurance Card, a Boots advantage card or a driving licence. NHS Blood and Transplant (NHSBT) also publicises the need for more people to register as donors through public awareness campaigns, on their organ donation website and on their national helpline.

There are now over 200 highly trained Specialist Nurses for Organ Donation based in hospitals across the country and NHSBT is continuing to train and recruit more staff into this vital role. Clinical Leads for Organ Donation have also been appointed in every acute hospital working closely with hospital Organ Donation Committees to increase donation rates.

A Transitional Steering Group (TSG), chaired by Chris Rudge, has also been established to help maintain the momentum. The TSG will be focusing on the six big wins—optimising deceased donation rates through undertaking brainstem death testing and considering donation after cardiac death in all appropriate circumstances, increasing consent rates, increasing donation from emergency medicine, timely referral of donors and better donor management.

Alex Cunningham: To ask the Secretary of State for Health what his policy is on the introduction of a system under which people would need to opt-out of being an organ donor. [97410]

Mr Simon Burns: The Organ Donation Taskforce examined the case for moving to an opt-out system in 2008. They recommended against it, concluding that while such a system might have the potential to deliver benefits, it would present significant difficulties.

Action is being taken to strengthen the donation programme and we are seeing significant improvement in donor rates. We need to give time for these improvements to be worked through fully and assess their success before looking to change the system further.

Pregnancy: Counselling

Kate Green: To ask the Secretary of State for Health (1) what steps his Department plans to take to ensure that the views and expertise of professional health bodies are gathered during its forthcoming consultation on pregnancy choices counselling; [97265]

(2) what steps his Department plans to take to ensure that the views of women are gathered during its forthcoming public consultation on pregnancy choices counselling. [97266]

Paul Burstow: The forthcoming public consultation on pregnancy counselling will be open and anyone will be able to contribute. It will canvass views from a wide range of health professionals and the public, so that their responses can then inform the Government on future policy and any subsequent regulations on this issue.

The public consultation will take place over a period of 12 weeks and a notice of commencement together with a closing date will be posted on the Department's web site.

The views of professional health bodies are crucial and the Department will contact key external partners to obtain their views on this issue. We also welcome the views of women particularly those who have considered or undergone an abortion or considered this option.

Prescription Drugs

Paul Uppal: To ask the Secretary of State for Health what steps have been taken by his Department to ensure that the demand for prescription medications is met. [97200]

Mr Simon Burns: There are existing legal duties on manufacturers and distributors to ensure appropriate and continued supplies of medicines to pharmacies within the limits of their responsibilities, so that the needs of patients are met. The Department continues to work closely with supply chain stakeholders to ensure patients receive the medicines they need.

Streptococcus: Screening

Naomi Long: To ask the Secretary of State for Health (1) what discussions he has had with his counterpart in Northern Ireland on the compulsory screening of pregnant women for group B streptococcus in Northern Ireland; [97416]

(2) what consideration he has given to the compulsory screening of pregnant women for group B streptococcus. [97417]

Paul Burstow: Ministers in this Department have not had any direct discussion with Ministers in the Northern Ireland Executive regarding introducing a national screening programme for group B streptococcus (GBS) carriage in pregnancy in Northern Ireland.

The UK National Screening Committee (UK NSC) advises Ministers and the national health service in all four United Kingdom countries about all aspects of screening policy, including screening policy for GBS

carriage in pregnancy. The UK NSC is currently reviewing the evidence for screening for GBS carriage in pregnancy against its criteria. A public consultation on the screening review will open in spring 2012.

Transplant Surgery

Glyn Davies: To ask the Secretary of State for Health if he will establish an international conference of countries with high levels of organ transplantation to consider ways in which the number of organs available for transplantation can be increased. [97171]

Mr Simon Burns: The Organ Donation Taskforce looked at successful donation programmes, particularly from Spain and the United States of America, in preparing its Report and recommendations in 2008. Drawing on this, implementation in the United Kingdom has focused on strengthening the donation infrastructure. In addition, the European Commission meets regularly with member states, including the UK, as part of a six year (2009-15) Action Plan to identify how the number of donated organs for transplant can be increased across the European Union looking at international evidence of success within and outside the EU.

Glyn Davies: To ask the Secretary of State for Health (1) if he will consider re-establishing the Organ Donation Taskforce to consider how the implementation of its recommendations to increase availability of organ donation for transplantation can be built on; [97172]

(2) what steps he is taking to ensure implementation of the recommendations of the Organ Donation Taskforce in increasing the availability of organs for transplantation. [97173]

Mr Simon Burns: Since the publication of the Organ Donation Taskforce report in 2008, good progress has

been made with donor rates having increased by some 31% and continuing to rise. In order to maintain progress, we have established a Transitional Steering Group (TSG), chaired by Chris Rudge, the former National Clinical Director for Transplantation. The TSG will support action up to 2013 at national, regional and local levels focusing work on increasing consent rates and optimising donation in all appropriate circumstances. A post 2013 plan is being developed by NHS Blood and Transplant to support the momentum for improvement and it is likely former Organ Donation Taskforce members will be asked to contribute to the development of the future work programme.

Alex Cunningham: To ask the Secretary of State for Health what discussions he has had with transplant surgeons on the quality of organs available for transplant; and what plans he has to encourage more donations from people after brain death. [97184]

Mr Simon Burns: It is for surgeons to make judgments about the suitability of donated organs for transplant. Guidance is available that sets out the risks and benefits of when an organ should be used. Ultimately, this is a decision for the clinician, the patient and their family.

NHS Blood and Transplant are working to raise the profile of and improve the systems for organ donation within every hospital trust. In order to do this they have established a network of specialist nurses for organ donation who are based at hospitals throughout the country. They work closely with intensive care and emergency department staff to identify both brain death, and circulatory death potential donors, as well as supporting bereaved families through the organ donation process. Once the specialist nurse is informed of a potential organ donor they are responsible for giving information and support to the donors relatives during the donation process.

Ministerial Correction

Thursday 1 March 2012

HEALTH

Maternity Services: Expenditure

Ms Abbott: To ask the Secretary of State for Health how much was spent on maternity services in each (a) region and (b) NHS trust in (i) 2010 and (ii) 2011. [94510]

[Official Report, 20 February 2012, Vol. 540, c. 695-98W.]

Letter of correction from Anne Milton:

Errors have been identified in the written answer given to the hon. Member for Hackney North and Stoke Newington (Ms Abbott) on 20 February 2012. The 2009-10 figure given Barking and Dagenham PCT should be '8,335'; for Barnet PCT '21,662'; and for Bassetlaw PCT '5,114'.

The full answer given was as follows:

Anne Milton: This information is not collected in the format requested. The Department collects accounting data based on commissioning, of secondary health care by financial year. Information regarding expenditure on the purchase of secondary health care relating to maternity services by strategic health authority (SHA) region and primary care trust in 2009-10 and 2010-11 is set out in the following tables.

Table 1: Expenditure on the purchase of secondary health care relating to maternity services by SHA region

Region	2009-10	2010-11
North East SHA	101,419	114,257
North West SHA	329,607	346,241
Yorkshire and Humber SHA	268,088	262,697
East Midlands SHA	178,459	206,929
West Midlands SHA	258,973	277,764
East of England SHA	259,029	265,409
London SHA	462,634	479,526
South East Coast SHA	164,272	167,141
South Central SHA	174,318	179,337
South West SHA	210,592	233,049

Source:

2009-10 and 2010-11 PCT Audited Summarisation Schedules

Table 2: Expenditure on the purchase of secondary health care relating to maternity services by primary care trust (PCT)

Organisation	2009-10 purchase of secondary health care: Maternity	2010-11 purchase of secondary health care: Maternity
Ashton, Leigh and Wigan PCT.	14,306	14,807
Barking and Dagenham PCT	87,335	2,733
Barnet PCT	217,662	22,577
Barnsley PCT	10,747	13,449
Bassetlaw PCT	5,414	5,488
Bath and North East Somerset PCT	6,651	7,075
Bedfordshire PCT	20,207	19,997
Berkshire East PCT	19,557	20,517
Berkshire West PCT	23,810	24,777

Table 2: Expenditure on the purchase of secondary health care relating to maternity services by primary care trust (PCT)

Organisation	2009-10 purchase of secondary health care: Maternity	2010-11 purchase of secondary health care: Maternity
Bexley NHS Care Trust PCT	9,864	12,720
Birmingham East and North PCT	21,132	22,410
Blackburn with Darwen PCT ¹	7,672	0
Blackburn with Darwen Teaching Care Trust Plus PCT ¹	0	8,759
Blackpool PCT	5,297	4,973
Bolton PCT	15,303	15,885
Bournemouth and Poole PCT	15,996	16,306
Bradford and Airedale PCT	28,654	30,987
Brent Teaching PCT	17,563	17,399
Brighton and Hove City PCT	8,974	8,871
Bristol PCT	27,293	26,778
Bromley PCT	10,663	13,734
Buckinghamshire PCT	22,598	24,384
Bury PCT	9,836	9,566
Calderdale PCT	10,155	10,171
Cambridgeshire PCT	21,386	24,109
Camden PCT	15,481	12,756
Central and Eastern Cheshire PCT	18,790	23,164
Central Lancashire PCT	24,766	20,753
City and Hackney Teaching PCT	17,992	19,027
Cornwall and Isles of Scilly PCT	16,221	14,922
County Durham PCT	19,690	20,291
Coventry Teaching PCT	17,068	19,199
Croydon PCT	21,650	22,736
Cumbria PCT	14,812	14,104
Darlington PCT	3,691	3,783
Derby City PCT	16,336	14,628
Derbyshire County PCT	20,244	22,968
Devon PCT	29,703	41,385
Doncaster PCT	13,111	13,755
Dorset PCT	11,898	12,356
Dudley PCT	12,872	16,925
Ealing PCT	13,831	15,140
East and North Hertfordshire PCT ²	26,386	0
East Lancashire Teaching PCT	17,725	18,187
East Riding of Yorkshire PCT	10,945	10,156
East Sussex Downs and Weald PCT	11,632	12,659
Eastern and Coastal Kent PCT	26,575	25,749
Enfield PCT	18,103	18,332
Gateshead PCT	4,745	7,081
Gloucestershire PCT	20,507	20,915
Great Yarmouth and Waveney PCT	5,521	7,466
Greenwich Teaching PCT	22,776	19,636
Halton and St Helens PCT	15,243	15,526
Hammersmith and Fulham PCT	12,368	11,114
Hampshire PCT	46,550	49,187
Haringey Teaching PCT	11,728	15,332
Harrow PCT	7,010	8,589
Hartlepool PCT	4,135	3,891
Hastings and Rother PCT	6,130	8,371
Havering PCT	8,688	10,184
Heart of Birmingham Teaching PCT	21,827	21,345
Herefordshire PCT	7,919	6,587

Table 2: Expenditure on the purchase of secondary health care relating to maternity services by primary care trust (PCT)

Organisation	£000	
	2009-10 purchase of secondary health care: Maternity	2010-11 purchase of secondary health care: Maternity
Hertfordshire PCT ²	0	58,224
Heywood, Middleton and Rochdale PCT	12,862	11,852
Hillingdon PCT	10,809	15,001
Hounslow PCT	13,476	13,540
Hull PCT	17,481	13,908
Isle of Wight NHS PCT	6,244	3,605
Islington PCT	14,846	10,543
Kensington and Chelsea PCT	4,817	4,339
Kingston PCT	8,916	10,961
Kirklees PCT	25,131	23,994
Knowsley PCT	6,806	7,876
Lambeth PCT	21,666	22,603
Leeds PCT	43,244	35,893
Leicester City PCT	19,060	21,377
Leicestershire County and Rutland PCT	26,966	36,883
Lewisham PCT	24,006	24,006
Lincolnshire Teaching PCT	28,515	37,903
Liverpool PCT	24,436	28,166
Luton Teaching PCT	10,629	14,280
Manchester PCT	24,658	23,861
Medway PCT	12,089	11,551
Mid Essex PCT	12,806	14,897
Middlesbrough PCT	6,485	8,887
Milton Keynes PCT	14,029	13,578
Newcastle PCT	7,511	7,910
Newham PCT	27,358	25,936
Norfolk PCT	26,316	27,910
North East Essex PCT	14,683	14,831
North East Lincolnshire Care Trust Plus PCT	5,103	5,189
North Lancashire Teaching PCT	6,583	6,526
North Lincolnshire PCT	8,552	8,633
North Somerset PCT	9,114	9,061
North Staffordshire PCT	4,969	5,887
North Tyneside PCT	20,636	22,901
North Yorkshire and York PCT	27,441	27,763
Northamptonshire Teaching PCT	26,780	31,165
Northumberland Care PCT	8,912	9,369
Nottingham City PCT	13,663	14,035
Nottinghamshire County Teaching PCT	21,781	22,482
Oldham PCT	12,462	12,084
Oxfordshire PCT	20,383	22,224
Peterborough PCT	8,054	11,609
Plymouth Teaching PCT	9,051	12,115
Portsmouth City Teaching PCT	7,990	7,707
Redbridge PCT	9,649	10,413
Redcar and Cleveland PCT	4,902	6,658
Richmond and Twickenham PCT	9,413	11,139
Rotherham PCT	13,596	13,690
Salford PCT	11,502	14,815
Sandwell PCT	16,668	16,422
Sefton PCT	9,238	10,216
Sheffield PCT	36,928	36,955
Shropshire County PCT	8,843	9,338
Solihull NHS Care Trust PCT	8,744	9,707
Somerset PCT	19,692	23,798

Table 2: Expenditure on the purchase of secondary health care relating to maternity services by primary care trust (PCT)

Organisation	£000	
	2009-10 purchase of secondary health care: Maternity	2010-11 purchase of secondary health care: Maternity
South Birmingham PCT	19,424	20,087
South East Essex PCT	17,935	14,854
South Gloucestershire PCT	11,473	10,844
South Staffordshire PCT	30,398	31,928
South Tyneside PCT	4,064	4,425
South West Essex PCT	24,344	15,211
Southampton City PCT	13,157	13,358
Southwark PCT	23,369	23,017
Stockport PCT	12,029	14,446
Stockton-on-Tees Teaching PCT	9,210	9,195
Stoke on Trent PCT	11,692	12,519
Suffolk PCT	29,035	30,500
Sunderland Teaching PCT	7,138	9,866
Surrey PCT	49,248	49,444
Sutton and Merton PCT	16,532	21,986
Swindon PCT	8,747	9,171
Tameside and Glossop PCT	12,501	13,552
Telford and Wrekin PCT	7,437	7,895
Torbay Care PCT	5,634	7,330
Tower Hamlets PCT	19,691	18,457
Trafford PCT	16,297	17,358
Wakefield District PCT	17,000	18,154
Walsall Teaching PCT	15,850	15,429
Waltham Forest PCT	15,598	16,952
Wandsworth PCT	17,835	22,341
Warrington PCT	7,435	7,466
Warwickshire PCT	15,581	19,312
West Essex PCT	10,744	11,521
West Hertfordshire PCT ²	30,983	0
West Kent PCT	25,468	27,287
West Sussex PCT	24,156	23,209
Western Cheshire PCT	12,358	16,268
Westminster PCT	6,939	6,283
Wiltshire PCT	18,612	20,993
Wirral PCT	16,690	16,031
Wolverhampton City PCT	13,807	16,598
Worcestershire PCT	24,742	26,176

¹ In April 2010 Blackburn with Darwen PCT became Blackburn with Darwen Teaching Care Trust Plus PCT.

² In April 2010 East and North Hertfordshire PCT and West Hertfordshire merged to become Hertfordshire PCT.

Source:

2009-10 and 2010-11 PCT Audited Summarisation Schedules

The correct answer should have been:

Anne Milton: This information is not collected in the format requested. The Department collects accounting data based on commissioning, of secondary health care by financial year. Information regarding expenditure on the purchase of secondary health care relating to maternity services by strategic health authority (SHA) region and primary care trust in 2009-10 and 2010-11 is set out in the following tables.

Table 1: Expenditure on the purchase of secondary health care relating to maternity services by SHA region

Region	£000	
	2009-10	2010-11
North East SHA	101,419	114,257
North West SHA	329,607	346,241
Yorkshire and Humber SHA	268,088	262,697
East Midlands SHA	178,459	206,929

Table 1: Expenditure on the purchase of secondary health care relating to maternity services by SHA region

Region	£000	
	2009-10	2010-11
West Midlands SHA	258,973	277,764
East of England SHA	259,029	265,409
London SHA	462,634	479,526
South East Coast SHA	164,272	167,141
South Central SHA	174,318	179,337
South West SHA	210,592	233,049

Source:

2009-10 and 2010-11 PCT Audited Summarisation Schedules

Table 2: Expenditure on the purchase of secondary health care relating to maternity services by primary care trust (PCT)

Organisation	£000	
	2009-10 purchase of secondary health care: Maternity	2010-11 purchase of secondary health care: Maternity
Ashton, Leigh and Wigan PCT.	14,306	14,807
Barking and Dagenham PCT	8,335	2,733
Barnet PCT	21,662	22,577
Barnsley PCT	10,747	13,449
Bassetlaw PCT	5,114	5,488
Bath and North East Somerset PCT	6,651	7,075
Bedfordshire PCT	20,207	19,997
Berkshire East PCT	19,557	20,517
Berkshire West PCT	23,810	24,777
Bexley NHS Care Trust PCT	9,864	12,720
Birmingham East and North PCT	21,132	22,410
Blackburn with Darwen PCT ¹	7,672	0
Blackburn with Darwen Teaching Care Trust Plus PCT ¹	0	8,759
Blackpool PCT	5,297	4,973
Bolton PCT	15,303	15,885
Bournemouth and Poole PCT	15,996	16,306
Bradford and Airedale PCT	28,654	30,987
Brent Teaching PCT	17,563	17,399
Brighton and Hove City PCT	8,974	8,871
Bristol PCT	27,293	26,778
Bromley PCT	10,663	13,734
Buckinghamshire PCT	22,598	24,384
Bury PCT	9,836	9,566
Calderdale PCT	10,155	10,171
Cambridgeshire PCT	21,386	24,109
Camden PCT	15,481	12,756
Central and Eastern Cheshire PCT	18,790	23,164
Central Lancashire PCT	24,766	20,753
City and Hackney Teaching PCT	17,992	19,027
Cornwall and Isles of Scilly PCT	16,221	14,922
County Durham PCT	19,690	20,291
Coventry Teaching PCT	17,068	19,199
Croydon PCT	21,650	22,736
Cumbria PCT	14,812	14,104
Darlington PCT	3,691	3,783
Derby City PCT	16,336	14,628
Derbyshire County PCT	20,244	22,968
Devon PCT	29,703	41,385
Doncaster PCT	13,111	13,755
Dorset PCT	11,898	12,356
Dudley PCT	12,872	16,925
Ealing PCT	13,831	15,140
East and North Hertfordshire PCT ²	26,386	0
East Lancashire Teaching PCT	17,725	18,187

Table 2: Expenditure on the purchase of secondary health care relating to maternity services by primary care trust (PCT)

Organisation	£000	
	2009-10 purchase of secondary health care: Maternity	2010-11 purchase of secondary health care: Maternity
East Riding of Yorkshire PCT	10,945	10,156
East Sussex Downs and Weald PCT	11,632	12,659
Eastern and Coastal Kent PCT	26,575	25,749
Enfield PCT	18,103	18,332
Gateshead PCT	4,745	7,081
Gloucestershire PCT	20,507	20,915
Great Yarmouth and Waveney PCT	5,521	7,466
Greenwich Teaching PCT	22,776	19,636
Halton and St Helens PCT	15,243	15,526
Hammersmith and Fulham PCT	12,368	11,114
Hampshire PCT	46,550	49,187
Haringey Teaching PCT	11,728	15,332
Harrow PCT	7,010	8,589
Hartlepool PCT	4,135	3,891
Hastings and Rother PCT	6,130	8,371
Havering PCT	8,688	10,184
Heart of Birmingham Teaching PCT	21,827	21,345
Herefordshire PCT	7,919	6,587
Hertfordshire PCT ²	0	58,224
Heywood, Middleton and Rochdale PCT	12,862	11,852
Hillingdon PCT	10,809	15,001
Hounslow PCT	13,476	13,540
Hull PCT	17,481	13,908
Isle of Wight NHS PCT	6,244	3,605
Islington PCT	14,846	10,543
Kensington and Chelsea PCT	4,817	4,339
Kingston PCT	8,916	10,961
Kirklees PCT	25,131	23,994
Knowsley PCT	6,806	7,876
Lambeth PCT	21,666	22,603
Leeds PCT	43,244	35,893
Leicester City PCT	19,060	21,377
Leicestershire County and Rutland PCT	26,966	36,883
Lewisham PCT	24,006	24,006
Lincolnshire Teaching PCT	28,515	37,903
Liverpool PCT	24,436	28,166
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Medway PCT	12,089	11,551
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Middlesbrough PCT	6,485	8,887
Milton Keynes PCT	14,029	13,578
Newcastle PCT	7,511	7,910
Newham PCT	27,358	25,936
Norfolk PCT	26,316	27,910
North East Essex PCT	14,683	14,831
North East Lincolnshire Care Trust Plus PCT	5,103	5,189
North Lancashire Teaching PCT	6,583	6,526
North Lincolnshire PCT	8,552	8,633
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North Tyneside PCT	20,636	22,901
North Yorkshire and York PCT	27,441	27,763
Northamptonshire Teaching PCT	26,780	31,165

Table 2: Expenditure on the purchase of secondary health care relating to maternity services by primary care trust (PCT)

Organisation	£000	
	2009-10 purchase of secondary health care: Maternity	2010-11 purchase of secondary health care: Maternity
Northumberland Care PCT	8,912	9,369
Nottingham City PCT	13,663	14,035
Nottinghamshire County Teaching PCT	21,781	22,482
Oldham PCT	12,462	12,084
Oxfordshire PCT	20,383	22,224
Peterborough PCT	8,054	11,609
Plymouth Teaching PCT	9,051	12,115
Portsmouth City Teaching PCT	7,990	7,707
Redbridge PCT	9,649	10,413
Redcar and Cleveland PCT	4,902	6,658
Richmond and Twickenham PCT	9,413	11,139
Rotherham PCT	13,596	13,690
Salford PCT	11,502	14,815
Sandwell PCT	16,668	16,422
Sefton PCT	9,238	10,216
Sheffield PCT	36,928	36,955
Shropshire County PCT	8,843	9,338
Solihull NHS Care Trust PCT	8,744	9,707
Somerset PCT	19,692	23,798
South Birmingham PCT	19,424	20,087
South East Essex PCT	17,935	14,854
South Gloucestershire PCT	11,473	10,844
South Staffordshire PCT	30,398	31,928
South Tyneside PCT	4,064	4,425
South West Essex PCT	24,344	15,211
Southampton City PCT	13,157	13,358
Southwark PCT	23,369	23,017
Stockport PCT	12,029	14,446
Stockton-on-Tees Teaching PCT	9,210	9,195

Table 2: Expenditure on the purchase of secondary health care relating to maternity services by primary care trust (PCT)

Organisation	£000	
	2009-10 purchase of secondary health care: Maternity	2010-11 purchase of secondary health care: Maternity
Stoke on Trent PCT	11,692	12,519
Suffolk PCT	29,035	30,500
Sunderland Teaching PCT	7,138	9,866
Surrey PCT	49,248	49,444
Sutton and Merton PCT	16,532	21,986
Swindon PCT	8,747	9,171
Tameside and Glossop PCT	12,501	13,552
Telford and Wrekin PCT	7,437	7,895
Torbay Care PCT	5,634	7,330
Tower Hamlets PCT	19,691	18,457
Trafford PCT	16,297	17,358
Wakefield District PCT	17,000	18,154
Walsall Teaching PCT	15,850	15,429
Waltham Forest PCT	15,598	16,952
Wandsworth PCT	17,835	22,341
Warrington PCT	7,435	7,466
Warwickshire PCT	15,581	19,312
West Essex PCT	10,744	11,521
West Hertfordshire PCT ²	30,983	0
West Kent PCT	25,468	27,287
West Sussex PCT	24,156	23,209
Western Cheshire PCT	12,358	16,268
Westminster PCT	6,939	6,283
Wiltshire PCT	18,612	20,993
Wirral PCT	16,690	16,031
Wolverhampton City PCT	13,807	16,598
Worcestershire PCT	24,742	26,176

¹ In April 2010 Blackburn with Darwen PCT became Blackburn with Darwen Teaching Care Trust Plus PCT.

² In April 2010 East and North Hertfordshire PCT and West Hertfordshire merged to become Hertfordshire PCT.

Source:

2009-10 and 2010-11 PCT Audited Summarisation Schedules

ORAL ANSWERS

Thursday 1 March 2012

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Thursday 1 March 2012

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**not later than
Thursday 8 March 2012**

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