

John McDonnell speech – Queen’s Speech Debate

John

McDonnell MP, Labour’s Shadow Chancellor, speaking in the Queen’s Speech debate in the House of Commons today, said:

***CHECK
AGAINST DELIVERY***

“Thank
you Mr Speaker,

I beg to
move the amendment in my name and that of my honourable and right honourable
colleagues.

I
have been in the House now for 20 years, never have we seen such a threadbare
scrap of a document as this Queens Speech.

Let’s
be grateful for small mercies, it’s a pleasure to note what has not been
mentioned in this vacuous notelet.

Despite
being promised in the Conservative manifesto, we have heard no plans for
legislation to end the triple lock.

We
have heard nothing about legislation to end winter fuel payments.

We
have heard no legislative plans for the so-called dementia tax.

Nothing
of the policy to take food from the mouths of infants and younger primary
school children.

Even the
flagship grammar schools policy seems to have been ditched from the Queen’s
Speech.

I
want to thank the millions of voters who rejected the Conservatives, they
have
been prevented the Tories from implementing in full the cuts they promised.

Instead

the Government has been reduced to a grubby back-room deal and pork barrel politics in an attempt to cling onto office.

The result is that we have a Queen's Speech devoid of content which offers no solutions to the pressing issues facing Britain today.

The Queen's Speech says, and I quote,

"My ministers will strengthen the economy so that it supports the creation of jobs"

The reality Mr Speaker, is that we are witnessing, to quote the Governor of the Bank of England, the weakest UK business investment in half a century.

The growth of insecure, low paid, low skilled jobs. 1 million on zero hours contracts.

The Queens Speech promises to "invest in the NHS, schools and other public services".

The reality is that this couldn't be further from the truth.

Spending per pupil remains set to fall.

Police officers, firefighters and border guards will be cut.

And the NHS, already at breaking point, has been promised no new money.

Not our words Mr Speaker but those of the British Medical Association.

The Chancellor has, in various interviews, bemoaned the fact that he was hidden away during the election campaign and that his record on the economy was not the central plank of the Conservatives' campaign.

I agree.

I wish he had been more to the fore in the campaign and his record more widely exposed.

Because if it had been, Labour would be in government now.

I don't believe that, so far, the Rt Hon gentleman has been afforded his proper place in history.

For those Hon Members who were not in this place 8 years ago, let me explain that the Chancellor was, prior to 2010, the Shadow Chief Secretary to the Treasury.

And as an ardent neo-liberal, the Chancellor, in his role as Chief Secretary, was the Architect of Austerity.

It was he who designed the detail of the economic programme rolled out by his mentor George Osborne after 2010.

He has been at the heart of the Austerity cabinet throughout this period.

He should not hide his light under a bushel.

In his recent Mansion House speech he referred to his Government's record as, "a record of which we are proud".

The foundation of the chancellor's record is his adherence to neo-liberalism – trickle-down economics.

A theory which argues that, if you cut taxes for the rich and for corporations, and turn a blind eye to tax avoidance and tax evasion, then somehow this wealth will somehow trickle down to the rest of society.

The Chancellor has certainly adhered to tax cuts for the rich and for corporations.

Corporation tax, capital gains tax, Inheritance Tax and the Bank levy have all been slashed.

Independent analysis demonstrates that OBR costings of tax cuts introduced by the Conservatives on these four measures alone since 2010 will have cost tax payers over £70bn between last year and the end of this Parliament.

The corporation tax cuts were meant to lead to a large scale increase in Business investment in our economy.

But last year business investment fell for the first time since 2009 and remains lower than in the rest of the G7, with the exception of Italy.

Corporations are now sitting on £580 billion of earned income that they are not investing.

Some have been exposed as being involved in share buy-backs to boost performance statistics and bonuses.

Seven years of Tory austerity have done nothing to address the grotesque and widening levels of wealth inequality in the UK.

A report last year by Credit Suisse found that the richest 1% of people in the UK now own almost a quarter of the country's wealth.

The Sunday Times Rich List told us that the richest 1000 families in the UK had more than doubled their wealth since the financial crash.

This is the record of which the Chancellor is so proud.

Let's measure the impact of this record on the rest of society.

It's important we do because this Queen's speech promises just more of the same.

This could have been the Queen's Speech that ended austerity once and for all. It certainly doesn't.

Is it a matter of pride for the Chancellor that nearly one and a quarter million food parcels were handed out by food banks last year?

Are we to be proud of a government that can't feed its people?

How can anyone be proud that over 77,000 households were in temporary accommodation this year- an almost 8% increase on last year?

Rough sleeping has increased by 134% since this Government came to power.

There are 1.2 million households on the housing waiting lists.

Nearly

70,000 children are being brought up in temporary accommodation whilst house building has fallen to its lowest level since the 1920s?

Are we to

be proud that we have a government that can't adequately house its population?

Is it a proud

record that four million children are trapped in poverty in our country?

Two

thirds of these children are in working families.

And it's

not just children.

The

latest figures show that 14 million people are living in poverty in the UK.

This includes

nearly two million pensioners – the very people the Conservatives were going to

hit with ending the triple lock, means testing winter fuel payments and introducing a dementia tax.

Over 80%

of the austerity measures have fallen on women.

But some

of the hardest hit have been disabled people.

According

the Joseph Rowntree Foundation, almost half of those in poverty are disabled or

live in a household with a disabled person.

The

brutality of the Work Capability Assessment has been associated with over 590 suicides.

Is it a

record to be proud of that his cap on public sector pay has contributed to wages falling by 10% since 2008?

We have

witnessed the longest fall in wages on record.

Nearly

six million people earn less than the living wage.

People

were shocked when the RCN revealed nurses pay had fallen by 14%, forcing some

nurses to rely on foodbanks.

Is it something to be proud of that the UK is the only major developed country that has seen economic growth but falling wages?

Yesterday we had the chaos of mixed messages coming out from Number 10 and the Treasury over hints that the pay cap was to be scrapped.

Last night the coalition of the Tories and the DUP voted down our motion to support public sector workers securing a fair pay rise.

Ministers have been quick to praise the devotion and bravery of our emergency services in the aftermath of the tragedies we have seen in recent weeks.

But last night they could not extend that generosity to give those men and women that put their lives on the line to keep us safe, a pay rise.

The proper governance of this country is being undermined by the disputes between the PM and the Chancellor.

Let's look at the desperate state of our public services.

How can anyone take pride in:

Spending per pupil set to fall by 8% between 2015-16 and 2019-20

Over 46,000 children's operations have been cancelled over the last four years

Police numbers have been cut by 20,000 since 2010

Firefighter posts have been cut by 10,000 since 2010

20,000 soldiers cut from 2010.

So we have a government that can't feed our people, can't house our people or protect our children and older people from poverty.

It cannot ensure that when people go to work they earn enough to live on.

And it can't maintain our basic public services.

That's a government that doesn't deserve to remain in office.

All this suffering by ordinary people under austerity to protect the rich and the corporations has been for what?

On the government's own metrics it has significantly failed.

They promised that the deficit would be eradicated in five years- now it will be 15 years at best.

They have added £700 billion to the national debt, leaving £1.7 trillion of debt for future generations.

In the first quarter of this year growth has fallen to 0.2% while inflation has increased to 2.9% – below wage growth.

Last year saw the slowest rate of business investment since 2009.

Wages are lower today than when the Tories took office in 2010.

Unsecured debt per household will reach a record high this year.

It's not just the Labour Party that is highlighting the consequences of the Tories' failed economic approach.

Last week, the Governor of the Bank of England warned of "weaker real income growth".

He spoke about "markedly weak investment" and "rapid consumer credit growth".

And worryingly he warned that "the extent to which the UK's [current account] deficit has moved closer to sustainability remains an open question", as we continue to rely on the "kindness of strangers" to fund us.

The Bank's Chief Economist said last week that 7 per cent of the entire workforce could be on zero-hours contracts in a decade.

The Director of the Institute for Fiscal Studies has called the lost wage growth in this country "completely unprecedented".

The IFS have also referred to the "unacknowledged risks to the quality of public services" under the Conservatives, and judge that their austerity plans would be so harsh as to potentially be undeliverable.

A Queen's speech which is devoid of any serious measures to address the economic challenges facing this country and the pressures ordinary people and our public services are under.

Austerity continues to impact on our schools, health services, emergency services and peoples living standards.

In the Autumn Budget, it will be interesting to see how the Chancellor covers the black hole derived from his last disastrous budget. At least £2bn we are aware of and according to some commentators growing to anything up to £7bn.

In particular it would be helpful if the Chancellor explained today how he covers the cost of the £1bn grubby bribe to the DUP to keep his party clinging onto office.

£100m a vote the cost of the deal.

If I were a Tory backbencher I would start to negotiate now for a slice of that action.

After the miraculous discovery of funds for the DUP deal I don't expect to hear much more about magic money trees from the other side.

£1bn found for the DUP but nothing to address the fundamentals of our weak and precarious economy which is now faced with the challenges of BREXIT.

Increasingly people are waking up to the fact that a government lacking a strong and stable

leadership is incapable of securing a deal which protects our jobs and economy.

Divisions
at the top of Government, a Cabinet divided.

Rows
between members of the Government's negotiating team are breaking out on a daily basis as they position themselves for their own leadership challenges.

As a
result we witness weekly changes of direction in the Government's own negotiating stance.

That
includes even changes in direction by the Chancellor.

Only
weeks ago he was threatening no deal – walking away to set the UK up as a tax haven off the coast of continental Europe.

Now it is
reported he is potentially looking to the customs union and a long and uncertain transition period.

Only
months ago he went along with the Government prioritising immigration control over the protection of jobs and the economy. Now he claims to want a jobs first
BREXIT.

All this,
the failed and deeply unpopular austerity programme, the deeply divided rudderless cabinet and the directionless Brexit negotiating strategy, a content-less Queen's speech surely confirm it is time for this government to go.

It's time
for change.

As the
Labour Party demonstrated during the general election campaign: there is an alternative.

We can
address the deep-rooted problems our economy faces.

The
Labour Party has forged ahead with a serious, credible alternative to the Governments failed approach.

Our
society can afford decent public services.

We are
the fifth largest economy in the world.

If we
have a fair tax system, we can end the cuts in schools budgets.

We can
end the horrific sight of children sleeping on chairs in hospital corridors.

We can
end the bedroom tax and the punitive benefits sanctions regimes.

And we
can do that – as confirmed by the IFS – while remaining on target to
eliminate
the budget deficit in accordance with our Fiscal Credibility Rule.

But it's
not just about a fairer tax system: we need a government to invest what's
needed to secure our future.

Not the
derisory numbers floated by the Chancellor in the Autumn Statement with so
little to back them up.

A
serious, long-term vision of the economy which tackles the regional
disparities
and the changes taking place in the labour market.

A
commitment to drive up productivity by increasing investment – as demanded by
the CBI and many others – and delivering a serious industrial strategy.

It's a
transformative programme we look forward to implementing in Government.

This
Queen's Speech does nothing to solve our problems.

It
confirms a Government isolated from the real world in which our people live.

Labour's
amendment today sets out the alternative our country so desperately needs.

I urge
all Honourable members to support the amendment."