

Mr Redwood's response to the debate on the Address, 21 June

John Redwood (Wokingham) (Con): This Parliament has been given a mighty task by the electorate. A year ago, the voters decided that they wanted to take back control of our laws, our borders and our money. They charged us with that duty, and they recommissioned us collectively in the election just held. Eighty-two per cent. of them voted for the two main parties, which both said that they would deliver Brexit as the referendum requested.

I agree with my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke). This Parliament has a duty to have its debates, its disagreements and its arguments, but to do things in the right way. It would ill become this Parliament if it precipitated an early party-based crisis and went back to the electors to seek a new mandate. The electors had criticisms of all our parties. They did not give any party the result it wanted. They knew what they were doing, and it is the duty of this Parliament to do some governing, and some criticism of governing, as are our mutual roles. There is nothing to stop us doing that.

On that central issue that dominates the Queen's Speech, it is clear that the British public have resolved again—they resolved in the referendum and in the election. Had they changed their minds since the referendum, they would have voted for the Liberal Democrats, who gave them a very clear option to say in effect: "Change your mind. Here is the way to do it." The Liberal Democrats were very honest about this in the election: they said not only that they wanted a second referendum, but that they would want us to rejoin the European Union. They could not see circumstances in which they would change their mind on that. The electorate said that that was not the way they wished to go.

Those who say that the Queen's Speech is thin clearly have not understood it. This is perhaps the most important Queen's Speech I have seen in my time as a Member of Parliament. There is fundamental legislation to give this Parliament back, on behalf of the people, powers over all our lawmaking. Parliament will then be invited to go on to make substantial amendments to how we run agriculture and fishing, how we conduct international trade, and how we carry out many of our arrangements. The purpose of the legislation will be to amend and improve on European schemes that we are currently unable to amend, or able to amend only with the agreement of all 28 member states, which is very unlikely.

I campaigned in the election on a different slogan from the one recommended by Conservative Front Benchers. My slogan was "prosperity not austerity". I did that deliberately, because I believe we have had enough austerity, and I want to see the promotion of higher living standards and better family incomes as our main purpose. I am conscious that schools and social care in my area need more public money support. That is true of many of my hon. Friends in English constituencies. The good news is that the Government are

coming to the same conclusion, and I look forward to the public spending statements and Budget statements that will make more money available for our priorities. We will clearly need more money for the health service—the Government have promised substantial new sums—and we will need to commit to substantial sums for our healthcare over the years ahead.

The Brexit issue is relevant. It was not misleading in the Brexit referendum for the leave side to say that there will be money to spend when we cancel our contributions. I look forward to our negotiators making it very clear to our friends in the European Union that we will pay our contributions up to the point when we leave, but that we do not owe them any great bill, and we certainly will not be paying contributions once we have left. That money is then available for this Parliament, on the advice of the Government, to decide how to spend. I would be happy if we began to spend a bit of it even before March 2019 when we come to the end of our contributions, because there is a need now and our borrowing is under very good control. As we have heard, borrowing is down by three quarters since the programme began after the big crash—the programme was initiated by the Labour Government, then continued by the coalition and the Conservative Government. We need to be prudent and sensible—there is no magic money tree, and we cannot spend all the money we would like to spend, or all the money envisaged in the Labour party manifesto—but to relax in those areas where the public services clearly need it. I believe that that is possible, given the Brexit context.

I was conscious in the election that young people were critical of the Conservative party. They were often very attracted to the Labour party's offers. The Labour manifesto offered attractive financial changes for current students and those who have accumulated student debt that they have not yet got rid of. I would like Conservatives to take on board the fact that we need to provide a better offer to students and young people, so that next time we can engage rather better with the younger person vote than we do today.

There is one ambition on which younger people above all would like the Conservatives to do better. We are uniquely well placed to help more of them to become homeowners. It is a worrying social change in our country that many people in the 25-to-40 age range feel that they cannot afford to buy a property. We have good schemes to help with deposits and mortgage affordability, and we have schemes to help with the affordability of homes, but it is not enough and we need to do so much more. We need to redouble our efforts to show that we understand that ambition, and that we wish to empower young people.

In practice, the Government are working hard in a number of important ways to help young people. The phenomenal job-generation powers of the economy since 2010 have been extremely helpful, because the first thing a young person graduating or leaving school needs is a job. The training and qualifications support that we are putting in place is very important, because we do not want them to have any old job. We want them to go into jobs that allow them to grow into more responsible and better qualified roles, which can lead to much better pay.

We in this House are in practice—although we like to pretend that we are

not-completely united in wanting people to have good employment and better paid jobs. The issue is how quickly people get there, what Government can do and what people and private institutions have to do for themselves to bring that about. I am pleased that the Government have a number of schemes—on technical qualifications and on student support—but we need to do far more, because we need to show young people that we are on their side when it comes to launching them on a path to better paid and better qualified employment.

Sir Peter Bottomley (Worthing) (Con): Does my right hon. Friend also agree that employment taxation is far too high? If we take the total cost to an employer of employing somebody and see what the employee is left afterwards, the gap is enormous—there is not even a single word to cover it, although some would call it a wedge. The gap is enormous and we ought to bring it down.

John Redwood: I quite agree. I have always believed that lower tax rates are the answer, and I think there are areas where we could lower the tax rates and get in more revenue, which is exactly what we need to do. We need more money for the public services, but we need more incentives, we need people to be able to retain more of what they earn and we need employers to be able to afford the extra employees, so that is very important.

Ian Paisley (North Antrim) (DUP): Will the right hon. Gentleman give way?

John Redwood: I am not allowed very long and I wish others to join in the debate.

My last point is that when we look at our massive balance of payments deficit—£70 billion on trade account with the EU last year—we see how much scope there is when we are allowed to run, for example, our own fishing and farming policy, to substitute home production and home supply for imported supply. That will create jobs, reduce food miles and make a much better contribution to our economy, because a big part of the £70 billion trade deficit last year was in food and drink and fishing. It is almost unbelievable that the country with far and away the richest fishing ground in the whole EU, and which used to be a major exporter of fish before we joined the European Economic Community, is now a net importer of fish and has so few active fishing boats. I am quite sure that this House, on a multi-party basis, can sit down and design a much better fishing policy than the one we have struggled under for 40 years or more in the EEC and the EU, one that will create more jobs, more capacity, more investment and more home fishing. As I put it, we can have a policy that is kinder to the fish and kinder to the fishermen and women, and it is our task to design it.

Of course we are going to have lots of political disagreements, and I am never shy of political argument, as colleagues will know, but we also have a unique opportunity to show that where it matters—on jobs, prosperity, home ownership and promoting better opportunities for our young people—there are huge opportunities in Brexit. Let us, for example, start with a fishing policy and an agricultural policy that are better for Britain and better for all of them.