

## My interventions in the Opposition Day debate on the cost of living

I read that last the U.K. government is encouraging more domestic oil and gas from the North Sea to ease the squeeze, cut CO<sub>2</sub> in gas use and generate a lot more tax revenue. As the exchanges beneath reveal it is still hard work getting Opposition MPs to want us to produce our own with all the obvious benefits that brings. Why do so many MPs want to stop the U.K. prospering?

**Rt Hon Sir John Redwood MP (Wokingham) (Con):** Most of my constituents still have gas boilers. Renewables will work one day, but the immediate crisis is that we are short of gas. Do we have our own or do we have foreign gas? If we have our own, we get tax revenue.

**Stephen Flynn: Shadow SNP Spokesperson (Business, Energy and Industrial Strategy):** It is interesting to hear that we are short of gas when I regularly hear the opposite from the Minister for Energy, Clean Growth and Climate Change. That is the important point: Government Members can try to disagree with their own Government on these matters, but in real terms we are self-sufficient. Scotland is self-sufficient when it comes to oil and gas, but we can and must go so much further on renewables. If the right hon. Gentleman wants to hang around, he will hear me speak about that in due course.

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**Rt Hon Sir John Redwood MP (Wokingham) (Con):** Would the spokesman and his party now agree that we need to get a lot more gas and oil out of the North sea, which would generate tax revenue that the Treasury could use to ease the squeeze, instead of paying huge sums of money to Qatar and Russia for liquefied natural gas?

**Stephen Flynn: Shadow SNP Spokesperson (Business, Energy and Industrial Strategy):**

The right hon. Gentleman makes an interesting point. Of course, he will be cognisant of the fact that when the oil and gas comes out of the ground it goes into the hands of multinational countries. Do we want to be in a situation in which that gas benefits us here, rather than those abroad? Absolutely. Should we be importing from Russia? Absolutely not, and the Government have been right to take action on that. Nevertheless, what I want to see from his Government, which he should want too, is a turbocharging of investment in renewables. When are they going to come forward with their energy security strategy? I have heard talk about it in the paper, but there has been no clarity whatsoever. I shall come back to that later in my speech.

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**Rt Hon Sir John Redwood MP (Wokingham) (Con):** Over the last year, the economy has grown a lot faster because the Treasury did not hike tax rates but instead went for growth. That was a great policy, so why reverse it? Is there not a danger that these tax rises and massive increases in energy prices will slow the economy down too much? If that happens, the Government will have a revenue problem.

**Helen Whately, the Exchequer Secretary:** If my right hon. Friend will give me a little time, I will come on to the importance of growth to our economy, which is the right answer for the longer term in ensuring that we improve people's standard of living.

Pressures on household finances are not generally the consequence of one single price rise; they are typically affected by an amalgam of different factors. Remedying the pressure on households therefore requires taking action on a range of fronts, not just on energy bills. Again and again, that is what this Government have done and are doing. We are acting in dozens of ways to support working families. For instance, over the winter, the £500 million household support fund has helped vulnerable households with the cost of essentials such as food, clothing and utilities. Local authorities in England have allocated the lion's share of that funding to ensuring that it reached those who needed it most, with 50% ring-fenced for households with children. Additional funding was allocated to the devolved Administrations, including the Scottish Government, in the usual way.

We have also reduced the universal credit taper rate and increased universal credit work allowances by £500 to ensure that work pays. This is essentially a £2 billion tax cut for the lowest paid in society. It is helping around 2 million households to keep an average of an extra £1,000 per annum in their pocket. Next month, the national living wage is increasing by 6.6% to £9.50 an hour, again benefiting more than 2 million workers and meaning an increase of over £1,000 in the annual earnings of a full-time worker on the national living wage. And we are committed to going further, so the national living wage will reach two thirds of median earnings for those over 21 by 2024, provided that economic conditions allow. We have supported working families in other ways too: doubling free childcare for eligible parents, which is worth around £5,000 per child every year, and introducing tax-free childcare, which will provide working parents with 20% support on childcare costs up to £10,000.