

HOUSE OF COMMONS

Debates 10 January 2012

Scotland's Constitutional Future

5.9 pm

The Secretary of State for Scotland (Michael Moore): With permission, Mr. Speaker, I would like to make a statement on Scotland's constitutional future in the United Kingdom.

In May 2011, the Scottish National party won a significant electoral victory—a victory that this Government have openly acknowledged. The SNP has consistently campaigned for Scottish independence, and its 2011 manifesto included a pledge to hold an independence referendum. As a Scot, I think that it is vital that the Scottish people make a clear decision about our future within the United Kingdom: a decision made in Scotland, by the people of Scotland. At present, however, there is a lack of clarity about the referendum, its outcome, and what the implications of that outcome would be, all of which creates economic uncertainty. That is bad for jobs and investment.

Since last year's election, we have been asking the Scottish Government to set out their plans for a referendum, but so far they have not done so. In particular, they have not said anything more about their legal power to deliver a referendum. This is not an issue that can be ducked. To legislate for a referendum on independence, the Scottish Parliament must have the legal power. It is this Government's clear view that the Scottish Parliament does not have that legal power.

Scotland's future within the UK will be the most important decision we, as Scots, take in our lifetime. It is essential that the referendum is legal, fair and decisive. As a Government, we have been clear since May 2011 that we will not stand in the way of a referendum on independence, but neither will we stand on the sidelines and let uncertainty continue. Any referendum must let all of us in Scotland determine our future clearly and decide whether to stay part of the longest, most successful partnership of nations in history. That is why we are publishing a consultation to seek views on how to deliver a legal, fair and decisive referendum. For a referendum to take place, legislation is required. That will ensure that any referendum, on any issue, is subject to detailed consideration and debate, and to clear and consistent regulation.

In 2010, the Scottish Government published plans to legislate for a referendum on independence. We have considered those plans carefully against the devolution settlement in Scotland as set out in the Scotland Act 1998. The 1998 Act is clear: the Scottish Parliament cannot legislate on matters reserved to this Parliament. Among the issues that are reserved is the constitution, including

“the Union of the Kingdoms of Scotland and England”.

Any Act of the Scottish Parliament that “relates to” a reserved matter is quite simply “not law”. Whether or not a Bill “relates to” a reserved matter depends on its purpose and effect. We are clear that the Scottish Government's purpose in bringing forward a referendum is to secure independence. Their intended effect is to secure a mandate for negotiating this. Both purpose and effect relate directly to the reserved matter of the Union. Any distinction between a binding or advisory referendum is artificial. As the law stands, an independence referendum Bill is outside the competence of the Scottish Parliament. Such a Bill could be challenged in court, and it is our view that the Scottish Government would lose. The consultation paper that I am publishing today sets out

different ways to deliver a legal, fair and decisive referendum. It explains how the powers for a referendum could be devolved under the section 30 order-making provisions in the Scotland Act 1998, which is our preferred approach. It also invites views on devolving the powers using other legislation, including the current Scotland Bill, and seeks opinions on the possibility of running the referendum directly.

Given the clear legal problem that exists, we want to work with the Scottish Government to provide the answer. This is not about the mandates of Scotland's two Governments, or about who calls the shots. It is about empowering the people of Scotland to participate in a legal referendum. That means that the UK Government are willing to give the Scottish Parliament the powers to hold a referendum, which it cannot otherwise do legally. As well as being legal, however, a referendum must be fair and decisive. For those reasons, the rules of the referendum must be demonstrably above board. The referendum should be overseen by those who have neutrality and the proven expertise to inspire confidence in the fairness of the process, such as the Electoral Commission.

These issues are not for politicians alone to consider. That is why the consultation process that starts today will let people express their views on when a referendum should be held, what question should be asked, who should be entitled to vote and how the campaign should be run. It will be open to all people in Scotland—and, indeed, outwith Scotland—to make their views clear, rather than rely on the opinions of politicians. It is in everyone's interests that the two Governments take on board the needs of Scotland and the opinions of its people, work together, and deliver the legal, fair and decisive referendum that is in our common interests.

The Government believe passionately in the United Kingdom. For over 300 years our country has brought people together in the most successful multi-national state the world has known. This Government are clear that independence is not in the interests of Scotland. The United Kingdom brings strength to Scotland; Scotland brings strength to the United Kingdom. We recognise that this is not a view shared by all, but politicians from both sides of the debate owe it to everyone in Scotland to ensure that the referendum is delivered in a legal, fair and decisive way.

The future of Scotland must not be worked out in secret, behind closed doors, nor determined by wrangling in the courts. It is my task to ensure that this referendum is made in Scotland by the people of Scotland for the future of Scotland. I commend this statement to the House.

Margaret Curran (Glasgow East) (Lab): I thank the Secretary of State for sight of the statement before its announcement this afternoon. As a consequence of the result of the Scottish elections in May, we accept that the Scottish National party has a clear mandate to ask the people of Scotland whether they want to remain part of the United Kingdom. There is absolutely no doubt that this referendum will take place; what all the political parties must now do is work together to make sure that the referendum is fair, legal and commands the complete authority of the Scottish people.

In the light of the Secretary of State's statement, we have some further questions and concerns that I hope he will address in his response. I begin by asking the Secretary of State how he plans to take forward his proposals and his plans for consultation on the section 30 order.

Secondly, I understand that without publishing any of their own legal advice, the Scottish Government are contesting the authority of the legal advice held by the Secretary of State. What assurances can he give the Scottish people that the advice he holds rests on a sound foundation—a foundation that is robust and authoritative on this issue? To ensure maximum transparency, does he plan to publish his legal advice, and would he recommend that the Scottish Government do the same?

Thirdly, Scottish Labour is clear that any question on separation must be a straight yes or no choice. We therefore welcome yesterday's acknowledgement by the Deputy First Minister of the Scottish Government that this is also the preference of the Scottish National party. Will the Secretary of State confirm that this is the position of the coalition parties, too? If so, it is important to recognise that, in respect of Scotland, all four major political parties are in agreement that there should be a straight choice of a yes-no referendum. That is a highly significant development.

Fourthly, will the Secretary of State confirm with absolutely clarity today whether the UK Government support the involvement of the Electoral Commission in the conduct of the referendum? The Electoral Commission has overseen referendums in Wales and the rest of the United Kingdom this very year, and it has the highest level of confidence and respect in overseeing the referendum as a non-partisan arbiter. We are of the opinion that it is the body best placed to oversee the referendum. Does the Secretary of State share that view?

Which Minister will lead the consultation? Will it be the Secretary of State himself, or will it perhaps be the Chancellor? The United Kingdom Government appear to have sent out the wrong signal by allowing the Chancellor, rather than the Secretary of State for Scotland, to take the lead on a vital Scottish issue in the Cabinet.

As the First Minister asserted last May, the sooner the vote on the future of Scotland is held, the better. Scotland's economy is flatlining. One in four young Scottish men is out of work. We are told that Scotland now faces record levels of child and family poverty. What we cannot afford to do is spend the next four years obsessing about the process of a referendum. Now is the time for parties to work together, get on with the debate, and get on with deciding where Scotland's best future lies.

The Scottish people face a momentous decision in the referendum. What Labour will not do is sit back and support a process that turns into a petty fight between the two elements that Scotland rejects—separation and the Tories. Scotland deserves better than politicians bickering about the process. We must move as quickly as possible to a debate of substance that puts Scotland's people and Scottish interests first.

Michael Moore: I entirely agree with what the hon. Lady has just said about the need for us get on with the debate, and to ensure that the Scottish people and Scottish interests, not the interests of politicians in different political parties, are at the heart of it.

I am delighted to confirm that—as the hon. Lady will see if she reads the consultation paper, and as is clear from the fact that I made the statement today—I will lead for the Government, working with all my colleagues.

As I acknowledged in my statement, the Scottish National party secured an important victory in the elections last year. It had set out its clear intention of holding a referendum, but what was not so clear was how it would do that. As I have said, we believe the legal position to be that the Scottish Parliament does not have the power to conduct any kind of referendum, and it is therefore important for us to work with the Scottish Government to ensure that we can get on with this historic decision.

The hon. Lady asked how we would consult. The consultation document offers people throughout Scotland the opportunity to write and involve themselves in the process. I will of course be going out and about in Scotland myself, and I am sure that many others will also involve themselves in the debate. It is important that everyone in Scotland is able to feel part of the process.

The hon. Lady will be aware of the ministerial code and the convention followed by successive Governments that legal advice is neither acknowledged nor published. However, I ask her to look carefully at the consultation document and to note the authority that we are bringing to bear, namely sections 29 and 30 and, in particular, schedule 5 of the Scotland Act. I believe that careful examination of those documents will lead to only one clear conclusion: that there is no legal authority for any referendum. We must ensure that that issue is resolved.

The hon. Lady asked whether I, like her, support a simple, straightforward yes-no question on Scotland's place in the United Kingdom. That is indeed what we are recommending. As for the issue of oversight, I think it entirely fair and reasonable for the process of a referendum to be overseen by a body that has widespread experience, is neutral, and is seen to be above and beyond the fray. The Electoral Commission seems to me to fit the bill, but I look forward to hearing the reactions of others during the consultation.

Mr John Redwood (Wokingham) (Con): What do the Government propose should happen to the shared debts and the shared membership of the European Union were Scotland to leave the Union?

Michael Moore: The right hon. Gentleman asks an important question. I am sure that it is one of many that will be at the heart of the debate about Scotland's future when we come to the referendum itself, but for now I want to ensure that we can get on with the proper substantive debate.

Mr Jack Straw (Blackburn) (Lab): May I pick up on the important point made by the right hon. Member for Wokingham (Mr Redwood)? During the referendum campaign, there will be claim and counter-claim about the adverse or beneficial effects for the people of Scotland, and by extension for the people of the other parts of the United Kingdom, of separation or retention of the Union. Will the Secretary of State consider, in consultation with all the parties, drawing on the experience of the Office for National Statistics, the Statistics Authority and the Office for Budget Responsibility and deciding whether a body should be set up to provide authoritative factual information about the consequences of separation and union, so that when there is an argument it is at least an argument on a common currency?

Michael Moore: The currency question will, of course, also be an issue in the referendum debate. The right hon. Gentleman draws on a lot of experience of the relevant legislation, and he makes an important point. When we hold the substantive debate—which must happen sooner rather than later—it is important that we can turn to agreed sources of information. We can consider that issue at a later date, but I accept the point the right hon. Gentleman makes.

Sir Menzies Campbell (North East Fife) (LD): I am well aware of the convention that Governments do not publish legal advice, but, as my right hon. Friend has pointed out, this is a decision that can almost be described as unique because it would bring to an end hundreds of years of history. May I therefore urge him to reconsider whether the advice received by the Government should be published so as to achieve the clarity that the right hon. Member for Blackburn (Mr Straw) spoke about in relation to statistics?

I welcome today's announcement, especially because political, economic and social uncertainty for the next two years would be deeply damaging to the people of Scotland. Does my right hon. Friend join me in wondering why those who are so confident of the case for independence are so unwilling to countenance a referendum now? Could it be that the bravehearts are no longer quite so brave as before?

Michael Moore: My right hon. and learned Friend makes an important point: over the past few months they have been strangely quiet about the need to get on with this referendum on an issue for which they have campaigned over many generations.

I am grateful to my right hon. and learned Friend for welcoming today's announcement. In respect of the legal advice, may I advise him to look carefully at the consultation paper and the clear view about the authority in the Scotland Act? I am absolutely certain that that opinion is right, and as a result we need to ensure that the Scottish Parliament has the authority to pass a referendum Bill and get on with addressing this most important decision.

Angus Robertson (Moray) (SNP): I am grateful to the Secretary of State for his timeous sharing of the statement in advance of his making it today.

Last year, the Scottish National party won an historic landslide victory on a platform to hold a Scottish independence referendum in the second half of the Scottish Parliament. The Conservative party, the Liberal Democrats and the Labour party opposed an independence referendum, and each one of those parties lost heavily in the election, so why are this Westminster Government trying to dictate terms about the referendum to the democratically elected Scottish Government, who have a mandate on this issue? Specifically, why are the Westminster Government seeking to dictate the date of the referendum and the questions on the ballot paper, and why are they seeking to exclude 16 and 17-year-olds from this important and historic referendum?

Michael Moore: I do not know how often I have to acknowledge the SNP's victory of last year before the hon. Gentleman hears me say it, but I am happy to repeat that I recognise its victory of last year. I am surprised that he has such a problem with the law, however, because I am sure that an independent Scotland would want to be governed under the rule of law. Therefore, I think it is in all our interests to ensure that the legal basis of any referendum is clear. I am saying to him that it is not there—it is not possible to have a legal referendum. It does not matter whether it is “advisory”, “legally binding” or whatever one calls it: a referendum has to be legal, and the authority is not there. What I am offering the hon. Gentleman, the First Minister and all his party is a way by which all of us in Scotland can get on with this decision without needing to have it made by the courts, rather than by people going to the ballot box.

The hon. Gentleman referred to the terms on which we might do this. I repeat: we are consulting. We are asking people across Scotland—and those elsewhere who may have an opinion—to tell us what they think of our proposals. We want to do this together, between the two Governments, and I hope he will encourage his colleagues there to get alongside us and work with us.

As far as the date is concerned, there is no date in the consultation paper and the draft section 30 order that we are publishing. Regarding the ballot paper, I heard the Deputy First Minister say yesterday that she preferred having a single question, so it is quite useful to get on and do what she, as well as the rest of us, wants to do.

On the franchise, we are suggesting that the same franchise that was the right basis on which the First Minister and all his colleagues in the Scottish Parliament were elected should be used to determine this historic decision. As far as 16 and 17-year-olds participating is concerned, there is an entirely fair debate about their role in the electoral system generally, but it should not be focused around a single electoral event to suit one party or another. Let us just get on with the debate on the fairest of terms; that is what we are offering.

Mr Bernard Jenkin (Harwich and North Essex) (Con): I welcome my right hon. Friend's statement, simply because it is high time that the debate about Scottish nationalism that has been raging in Scotland should be debated here in Westminster, too. However, does he agree that there can be no question of holding a referendum that is legal, fair and decisive unless the proposal on the ballot paper is absolutely clear? Generally, I have to say I favour post-legislative referendums.

Michael Moore: It is important that we have a legal referendum that is conducted fairly, and that is decisive. I would like to see it sooner, rather than later. It is damaging to Scotland and its economy, affecting jobs and investment, if we simply have a long delay. I want to ensure that we have a proper debate about when that should be, and in this consultation we set out the way we can sort the date of the referendum, by agreement.

Ann McKechnin (Glasgow North) (Lab): There has already been a great deal of noise as a result of this afternoon's statement, but it is very clear that the people of Scotland will not take to people playing games with their constitutional future. They will expect both Administrations to work together to find a solution to the problem that the Secretary of State has indicated today. Will he provide us with more information about how he will consult and negotiate with the Scottish Government? Will this matter be referred to the joint ministerial council and, if required, be subject to its dispute procedure?

Michael Moore: I am grateful to the hon. Lady for her welcome for this. I absolutely agree that people in Scotland will not thank any of us, from any political party—whether we were elected in Scotland to serve here in the House of Commons, or to serve in the Scottish Parliament—playing politics with this most important process, leading to the most important decision we will ever take as a country. I therefore agree with her that it is important, as I have set out in my statement today and as we say in the consultation paper, that the two Governments work together. I spoke earlier this afternoon to the First Minister and asked him to consider carefully what is in the consultation paper. I look forward to meeting him early on to discuss it further.

Mark Lancaster (Milton Keynes North) (Con): Given the economic implications of an independent Scotland for my constituents, when will the English finally get a say on the future of the Union?

Michael Moore: I have to say to my hon. Friend that it is important that the people of Scotland decide their place in the United Kingdom. I am confident that when they do so they will vote to stay within the United Kingdom.

Michael Connarty (Linlithgow and East Falkirk) (Lab): May I commend the Secretary of State for the balance with which he has approached this, unlike the leader of the sulking six from the SNP on my left? It is very important that we get it clear that this is not the end of the debate about the powers for Scotland; this is only about the referendum on being in or out, which I happen to think is 13 years too late, as it should have been on the ballot paper in the first devolution referendum. Is it clear that we can continue with the debate, for some of us aspire to give more powers to Scotland within the United Kingdom?

Michael Moore: I absolutely agree that there is a legitimate debate to be had about the powers that Scotland has within the United Kingdom. We have spent a long time on this in this House and their lordships will now consider the Scotland Bill, which will significantly enhance the powers of the Scottish Parliament, creating much greater financial accountability and giving it much greater economic powers. I believe that the debate on devolution will continue; all of our parties, be it the Labour party, the two parties in the coalition or the SNP, will continue to debate it. However, when

we have extended the powers of the Scottish Parliament it has always been on the basis of a vigorous debate, where parties set out their stalls, there is a coming together as we develop consensus, as we did in the constitutional convention and in the Calman commission, and then legislation based on that consensus. That offers the best model for giving further powers to the Scottish Parliament, but we now have huge uncertainty because of this prospect of an independence referendum. I want to get rid of the uncertainty. Let us get on with the debate about Scotland's place in the United Kingdom.

Malcolm Bruce (Gordon) (LD): Further to that point, does my right hon. Friend accept that the dynamic of transferring power from Scotland to England is something for which our party, the Liberal Democrats, has fought for decades and has delivered for Scotland, that that process can continue only within the dynamics of the United Kingdom and that it should not be used to confuse a question about whether the people of Scotland can decide whether to stay in the United Kingdom? Does he welcome, as I do, the indication from the SNP that finally it will stop confusing the electorate of Scotland and give us a straight question: are we going to stay in the UK or not?

Michael Moore: I absolutely agree with my right hon. Friend. Various suggestions about “devo max” have been thrown around without any definition of what it might be and nobody has been willing to stand up and say that it is actually what they want to put forward themselves. Of course I agree with him that the Liberal Democrats have proudly proposed ways to modernise the United Kingdom constitution, and all parties in this House will continue to do that. What matters for now is that we get on and have a clear and decisive decision about our future, and I welcome the Deputy First Minister's comments yesterday.

Anas Sarwar (Glasgow Central) (Lab): I broadly welcome the Secretary of State's statement. Clearly the SNP won a mandate for a referendum, but now that it has won that mandate it is no longer the SNP's or Alex Salmond's referendum, but Scotland's referendum, because Scotland's political future is way more important than any political party or individual politician. So does the Secretary of State agree that all political parties, and civic society, must come together in the best interests of the people of Scotland and decide when that referendum should take place?

Michael Moore: First, may I congratulate the hon. Gentleman on his new role within the Scottish Labour party? I am sure that he will be travelling the length and breadth of the country to make the case that he was just making, among other things. As for his central point, I agree that it is important that all parties, and those of none, get involved in this debate, so that all the people of Scotland are engaged in resolving the process and then getting on with the real debate.

Mrs Eleanor Laing (Epping Forest) (Con): Given the astounding arrogance of the SNP in refusing to acknowledge that the Scottish Government simply do not have the legal power to hold a referendum, is the Secretary of State aware that most people, in all parts of this United Kingdom, welcome the fact that he and the Prime Minister have taken the initiative to allow a referendum and let the voice of the Scottish people be heard—not at some historically sentimental point in the future but as soon as the consultation is cancelled—because Scotland and the UK need clarity and certainty now?

Michael Moore: My hon. Friend expresses her disappointment in her usual characteristic style. I, too, hope that the Scottish National party and the Scottish Government will engage constructively and recognise the fact that it is in the interests of people across Scotland that the two Governments work together, get rid of this legal problem and get on with having the referendum on Scotland's place in the United Kingdom.

Pete Wishart (Perth and North Perthshire) (SNP): Will the Secretary of State please pass on our most sincere and deepest gratitude to his right hon. Friend the Prime Minister, because his clumsy and inappropriate steps into the constitutional question have led to thousands of people giving their support to the SNP and the independence cause? There are lots of the Secretary of State's friends on the Front Bench and lots of his Tory friends on the Back Benches—will he encourage them to come to Scotland? The yes to independence cause needs to hear from the Conservatives.

Michael Moore: There was me hoping that the new year would bring a generous new spirit from the hon. Gentleman but, as ever, I am to be disappointed. I love the fact that he wants to get on with the debate—that would make a refreshing change from where the SNP has been for the past seven months.

Mark Menzies (Fylde) (Con): As the Secretary of State will no doubt be aware, a number of respected economic institutions, including Citigroup, have highlighted that the prolonged uncertainty over Scotland's future is costing investment and, ultimately, jobs in Scotland. When the Secretary of State next meets the First Minister of Scotland, will he ask him what he is fearful of in putting the decision in front of the people of Scotland now?

Michael Moore: I might put it slightly differently. I have already suggested to the First Minister—and I intend to continue this discussion—that whatever our differences about the future of Scotland, it is important that we have a proper debate. I believe Scotland is far stronger as part of the United Kingdom and that the United Kingdom is much the stronger for having Scotland as part of it, whether we think about the economy, our defence, our welfare system and our international clout as Scots within the United Kingdom. I hope that we will get on with that debate, but in the meantime let us get a legal, fair and decisive referendum in progress.

Mrs Anne McGuire (Stirling) (Lab): Over the past 30 or so years, the one constant in constitutional development in Scotland has been the fact that the Scottish National party has held to the position that its only position is independence for Scotland. Does the Secretary of State agree that it is faintly surreal that now that the Administration in Edinburgh have been offered the opportunity to have a legal basis on which to hold a referendum that might give them their life's ambition, they now appear to be rejecting it? Is that not an utterly bizarre position for a party that has not participated in the constitutional development of Scotland over the past 30 years?

Michael Moore: The right hon. Lady makes an important point. In all the discussions over many decades about enhancing Scotland's powers within the United Kingdom, the SNP has set its face against being part of that process. Occasionally, late in the day, it has joined in, but it has mostly turned its back. That is one thing, but to turn its back on a process that would enable a referendum on its life cause and its entire mission in politics is very odd indeed. I hope that when SNP members reflect carefully on the proposition, they will see that it is very reasonable and sets out a fair basis on which we can get on with the referendum and ensure that all people across Scotland can make this most historic of decisions. I believe that when they do, they will decide to stay within the United Kingdom.

Mr William Cash (Stone) (Con): Given that Scotland is in the European Union by virtue of a United Kingdom treaty as implemented by the Westminster European Communities Act 1972, does the Secretary of State accept that if there were to be an independence yes vote, that would require a referendum of the United Kingdom as a whole?

Michael Moore: Until almost to the end of that question, I thought that for once I might be in agreement with my hon. Friend on a matter to do with Europe. He is right to raise the issue of

Europe because Scotland's membership of the European Union, were we to become an independent country, could not be taken for granted. There would have to be a process for getting into the EU, which is vital for our economy. On that basis, I hope we will find common cause.

Mr Brian H. Donohoe (Central Ayrshire) (Lab): I seek an assurance from the Secretary of State regarding the uncertainties that arise by virtue of the time being taken to get to the point where we have a referendum, which are very damaging for inward investment possibilities. Right now I am trying to get inward investment of some size into my constituency, but it is highly probable that as a consequence of all this the high levels of unemployment in my constituency will remain. Can he assure me that this process will take place sooner rather than later?

Michael Moore: The hon. Gentleman makes a really important point about his constituency. I am aware that huge decisions are being contemplated not just for his part of Ayrshire but for all parts of Scotland, and investors do not like uncertainty. We have seen the Citigroup report and the observations of the CBI and the Institution of Mechanical Engineers. It is bad for Scotland and for the UK to have this uncertainty. I want to see the referendum sooner rather than later and we will do everything in our power to ensure that we can do that.

Mrs Anne Main (St Albans) (Con): I am really pleased that my right hon. Friend the Prime Minister has grasped this particular thistle. If there is an intention to build HW2, or Hadrian's Wall 2, surely we need to know because many large projects will stop short of Scotland should the Scots not wish to be part of the Union.

Michael Moore: I do not know how many questions the Secretary of State for Transport took on High Speed 2, but that was a clever and ingenious further question. My hon. Friend is entirely right to highlight that for High Speed 2 to get to Scotland, everybody would need to work together, but with an independent Scotland who knows what they might think of that. Let us not forget that it is not just High Speed 2 that is relevant. Lots of defence projects in Scotland are hugely dependent and are part of the Scottish economy, whether they are on the Clyde or in Fife. For many reasons I think that Scotland should continue to be within the UK.

Ian Lucas (Wrexham) (Lab): Is it the UK Government's position that the referendum should take place within 18 months of today?

Michael Moore: No. If the hon. Gentleman looks at the consultation paper, he will see that no date was set in the consultation. I certainly believe it should be sooner rather than later and I hope to persuade the Scottish Government and people across Scotland that we should have it as soon as possible. However, 18 months is not the position of the Government and is not in the consultation document.

Mr Alan Reid (Argyll and Bute) (LD): I welcome the statement. The Electoral Commission is independent and is the only body with the expertise to oversee this referendum. Does my right hon. Friend agree that it would be an outrage if the referendum proceeded as per the SNP's draft Bill whereby it would be overseen by a body that would not be independent of the Scottish Government? The SNP has a mandate to hold a referendum not to rig a referendum.

Michael Moore: I absolutely agree that it is vital that people can have confidence in the referendum process, that it has a legal basis, that it is fair and that it will get a clear, decisive outcome. The role of a body such as the Electoral Commission will be vital because only through its neutrality, independence and experience can we get the necessary confidence so that the process and rules are

not an issue. I hope that as we discuss and debate this issue across Scotland people will agree that the commission is the right body to oversee the referendum.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): The Secretary of State has already responded to a question this afternoon about the eligibility of 16 and 17-year-olds to vote in the referendum. I have only had a chance to have a fairly cursory look at the draft order attached to his consultation paper, but perhaps he can clarify whether it will be the case that European citizens living in Scotland will be eligible to vote in a referendum but 16 and 17-year-olds will not. I understand the pressures of government, but will he support his own party's policy—it has been a long-standing proponent of 16 and 17-year-olds having the vote—and support the rights of 16 and 17-year-olds to vote?

Michael Moore: What we are proposing is the same franchise as was good enough for the First Minister and every MSP in the Scottish Parliament. I find it slightly strange that people would argue that was not somehow a legitimate franchise on which to be elected. As to my own party's position, I was clear about that earlier on, but I also made the point—I hope the hon. Lady would accept this—that we can argue about the role of 16 and 17-year-olds in the democratic process legitimately for all elections and all referendums and electoral events; to pick it out on one moment and to apply it in these particular circumstances would, I think, be wrong. But let us have the debate; let us see what people across Scotland believe.

Mr Speaker: Seeking now single supplementary questions of stunning succinctness, my eyes look no further than Dr Julian Lewis.

Dr Julian Lewis (New Forest East) (Con): I knew that would be the case. Does the Secretary of State believe that there is any danger of the SNP boycotting a legitimate referendum, and if so, what would be the outcome if the vote were in favour of remaining in the United Kingdom?

Michael Moore: The hon. Gentleman invites me to consider a hypothetical question, which I do not believe will be the reality. I think it is important—and I believe it would be very strange if the Scottish Government did not—that they engage in the process of discussing this and that they consider the aspects that we are putting forward in the consultation today about providing a legal basis for a referendum and having a fair process and a decisive outcome. I think that that is important, and it would seem very strange if the Scottish Government were to turn round and say they did not want to be part of that process.

Mr Jamie Reed (Copeland) (Lab): Deciding about independence is, of course, the sovereign right of the Scottish people and has consequences for the rest of the citizens of the United Kingdom. Will the Secretary of State raise with the Scottish Government the precise date upon which the radioactive materials from Scotland stored in my constituency will be returned to Scotland in the event of independence? *[Interruption.]*

Michael Moore: A colleague says from a sedentary position that that is a toxic question. The hon. Gentleman raises one of many issues that we have had sight of this afternoon that perhaps need to be debated when we get on to the referendum. What I am trying to do is make sure that, reasonably and quickly, we get on to that very referendum.

Louise Mensch (Corby) (Con): Corby is the fastest-growing town in England and it boasts one of the largest concentrations of people of Scottish heritage and descent south of the border. I am grateful to my right hon. Friend for saying that people outwith Scotland will be consulted during the

consultation, but will he assure me that Scots who live outside of Scotland will get the chance to have their voices heard?

Michael Moore: We will not restrict this consultation to people who consider themselves Scots. Wherever they might live—in Monaco or elsewhere—they will be entitled to take part in this consultation. When it comes to the vote, I think that, following internationally agreed precedents, it would be important that it is the people in Scotland who make that decision.

Lindsay Roy (Glenrothes) (Lab): What approaches has the Secretary of State made so far to discuss referendum issues with the Scottish Government, and what has been their response?

Michael Moore: As I mentioned, I spoke to the First Minister earlier this afternoon, and I hope we will be able to meet soon to discuss the proposals that we have set out in the consultation. We have, of course, for some time been discussing with colleagues in the Scottish Government when they were going to bring forward their own proposals on a referendum. None has been forthcoming, although I hear that today they might be hurrying that up. We have provided the basis for a discussion, and I hope the two Governments can work well together for the people of Scotland.

John Thurso (Caithness, Sutherland and Easter Ross) (LD): My right hon. Friend and a number of other hon. Members have referred to the uncertainty, particularly over jobs and investment. Can I tell my right hon. Friend that mature opinion in the far north, whether it be in favour of the United Kingdom or in favour of independence, recognises that uncertainty and wishes to see it resolved. Will he therefore ensure that his consultation goes to those of mature political opinion throughout Scotland and ignores the bleatings of those in the nationalist playpen opposite?

Michael Moore: I think everybody in Scotland, whatever their temperament, will be welcomed to be part of the consultation, but I agree with my hon. Friend that many from both sides of the debate want the clarity and the legal certainty that we are offering and to get on with the debate—which, after all, has been the reason the SNP has existed for decades. I still am not sure why it is resisting a way forward. I hope that when we discuss the detail, it will agree with us and we will resolve this and get on and have the referendum.

Ian Paisley (North Antrim) (DUP): I welcome the forthright and determined approach that the Government are taking to ensure that the most important constitutional issue to affect our nation is being taken by the scruff of the neck, quite frankly, and driven by those on the Front Bench. Does the Minister accept that uncertainty about the Union in Northern Ireland caused decades of economic hardship, and that the sooner we get this matter resolved for the rest of the kingdom, the better; and that it is absolutely essential that the Government harness all the support from across the House—on the Opposition Benches as well as the Government Benches—and from our colleagues in Scotland to ensure that, together, we maintain the Union?

Michael Moore: May I, with all due deference to the hon. Gentleman, say that I would not, for very obvious reasons, draw a comparison necessarily between the experience in Northern Ireland and the really sensitive challenges that Northern Ireland has faced over a very long period and the experience in Scotland and the rest of the United Kingdom. Where I would agree with the hon. Gentleman is that uncertainty is bad for business; it is bad for Scots and others in the UK planning their lives and their future. I want to get that uncertainty resolved and get on with the actual referendum, during which I am confident Scotland will vote to continue to be part of the United Kingdom.

Several hon. Members*rose*—

Mr Speaker: Order. I am keen to accommodate the interest of colleagues, as always, but time is pressing and we do have a Second Reading of an important Bill, so I appeal again for brevity from Back and Front Benchers alike.

Mr James Clappison (Hertsmere) (Con): Can my right hon. Friend confirm that the UK opt-out from the single currency is an opt-out for the UK, and that new candidate countries for the European Union are committed, as a matter of law, to sign up to the introduction of the euro?

Michael Moore: The hon. Gentleman makes a very important point.

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): There has been a great deal of speculation in advance of this statement about so-called sunset clauses. Will the Secretary of State make it absolutely clear whether he has completely ruled out setting a date or setting some time scale within the order that transfers responsibility to the Scottish Government?

Michael Moore: The hon. Lady makes an important point. We have said in the consultation paper—I have said it many times already—that we want this sooner rather than later. We have shown in the draft section 30 order that it would be possible to include a date by which this should be completed. What we have not done is say what that date should be, or the time period leading up to that from the point when we debate it. So we will get on with that process, but it is important that we agree that.

Bob Stewart (Beckenham) (Con): My constituency is in Beckenham in Kent, but I am a Scot, and I am surrounded by Scots. I have got a Stewart there, my hon. Friend the Member for Penrith and The Border (Rory Stewart), and a Stewart there, my hon. Friend the Member for Milton Keynes South (Iain Stewart). I am a Stewart; I am half a Stewart; and I have got a half-Scot beside me in the Father of the House. We are very interested in what happens in Scotland, and I would like to ask the Secretary of State how we can put our views forward properly about what happens to our ancestral homeland. *[Interruption.]*

Mr Speaker: Order. Having heard the question from the hon. Member for Beckenham (Bob Stewart), I am all ears; I want to hear the Secretary of State's answer.

Michael Moore: The hon. Gentleman was right to say the Stewarts have a proud tradition in Scotland, as do many, many others—I do not wish to get into a battle of the clans. I encourage the hon. Gentleman to take a copy of the consultation, and I look forward to his contribution to it.

Gordon Banks (Ochil and South Perthshire) (Lab): We have already heard this afternoon about the SNP's preference for 16 and 17-year-olds to be able to vote in this one-off referendum. Can the Secretary of State tell me whether there has been any impediment, over the past five years, to the SNP Government in Holyrood lowering the voting age to 16 or 17 for Scottish council elections?

Michael Moore: The Scottish Parliament can determine all the appropriate arrangements on devolved matters. What I have said clearly today is that it cannot do that on a referendum about independence. It is important that we sort this out, but I agree that we should judge this by how people have acted rather than by what they complain about now.

Mr Ben Wallace (Wyre and Preston North) (Con): Some 1.9 million Scots voted for Unionist parties in 2010, compared with 480,000 who voted for the Scottish National party. Westminster Scottish MPs have every right to speak for Scotland with an equal, if not greater, mandate. Has my right hon. Friend given any consideration to the tens of thousands of service personnel working in

Scottish regiments or in the British Army, posted abroad or in England, and whether they will be allowed a vote or a say in the future of the United Kingdom?

Michael Moore: My hon. Friend has, of course, represented people in both Scotland and England and he speaks with authority on these matters. I entirely take his point about mandates. He raises an important point about the involvement of defence personnel and I look forward to his contribution to the consultation.

Mr Tom Harris (Glasgow South) (Lab): I welcome today's statement. What discussions has the Secretary of State had with Ministers about the possibility of a clarity Act, which might be seen as a somewhat less heavy-handed mechanism to force our nationalist friends to ignore their own base instinct and to offer the Scottish people the fair and honest referendum we deserve?

Michael Moore: Nobody here intends to be heavy-handed or to force anything. What we want to do is find agreement that will enable us here at Westminster to ensure that the Scottish Parliament has the powers to conduct the referendum and that it does so in a fair and decisive way. We are starting a consultation period today. I look forward to everybody contributing to it.

James Wharton (Stockton South) (Con): The Secretary of State has indicated that he believes that only those who are on the electoral register in Scotland should get to vote in any referendum. Does that extend to registered overseas voters who remain on the Scottish register? If it does, will he look at the possibility of extending that facility to those Scots who find themselves living not abroad, but elsewhere in the United Kingdom?

Michael Moore: As I have said on a number of occasions, we are proposing that the franchise should be that which elects the Scottish Parliament.

Gemma Doyle (West Dunbartonshire) (Lab/Co-op): The leader of the Scottish Labour party called today for cross-party talks in Scotland on issues including the date of the referendum. I know that the Secretary of State has already welcomed cross-party talks. Can he confirm that the Liberal Democrats would be willing to participate, and that he in his role as Secretary of State would participate in such talks?

Michael Moore: I am sure the new Scottish Labour leader will be talking to our colleague, Willie Rennie, the leader of the Scottish Liberal Democrats, but I agree with the principle. We should all be talking together so that we can ensure that we get the right process for the referendum, we make it legal, we ensure that there is a fair process beyond reproach and that we get a clear-cut outcome. That is in all our interests and I welcome the principle that we should all meet to talk.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): Surely the clear message today from the statement is to the Scottish Government to engage in the consultation, because it gives the clearest opportunity for the people of Scotland to have clarity in a debate that is based on the issues and not one that is dragged through the courts.

Michael Moore: I entirely agree with my hon. Friend.

John Robertson (Glasgow North West) (Lab): A good new year to you, Mr Speaker, and to all Members of the House.

Fuel poverty is rising, child poverty is rising and pensioner poverty is rising. We have seen from the arrogance of Members on the Scottish National party Benches that this matter is going to end up in court. How much will the consultation and the referendum cost the British taxpayer?

Michael Moore: I reciprocate the wishes of the hon. Gentleman for a happy new year and hope we may all be in a good mood throughout it. Of course there will be a cost to any democratic process, but it is clear that we have a major historic decision to make. I am keen that we get on with that and that we do it in a clear, fair and decisive way.

Iain Stewart (Milton Keynes South) (Con): During the consideration of the Scotland Act 1998 in this place, the then Scottish Secretary, Donald Dewar, said:

“A referendum that purported to pave the way for something that was ultra vires is itself ultra vires.”—[*Official Report*, 12 May 1998; Vol. 312, c. 598.]

In the absence of his being able to publish legal advice, does my right hon. Friend agree that that statement makes it perfectly clear where the law stands?

Michael Moore: As ever, my hon. Friend has been assiduous in his homework, for which I commend him. Indeed, the late sadly lost leader, Donald Dewar, when he debated it from the Dispatch Box all those years ago, set out clearly what he believed would or would not be allowable within the law. I think the Act was well written. It is clear and I invite everybody to scrutinise it. I believe that when they do, they will come to the same conclusion as we have. Therefore we need to get on and provide a legal basis for the referendum.

Stewart Hosie (Dundee East) (SNP): The Scottish Secretary made great play of what he called uncertainty threatening business investment, so he will be aware of the Wood Mackenzie report today, which shows record North sea investment planned for 2012 and consistently high investment going beyond 2014, which rather gives the lie to the allegation that he made. Will he come clean with the House? Can he name one company that has threatened not to invest, or will he finally do the right thing and apologise for his scaremongering?

Michael Moore: The hon. Gentleman is not usually so churlish. He should understand better than almost anyone else, because he studies these things carefully,

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that businesses take decisions on a very long time scale. They are looking for certainty. They want confidence in the future, and as we have seen with the Citigroup report, the Institution of Mechanical Engineers and the CBI, which the last time I looked spoke for many businesses across Scotland and the UK, uncertainty is bad for business and bad for jobs. Let us get rid of that uncertainty. I cannot understand why the hon. Gentleman and his friends do not want to resolve this and get on with the real debate.

David Mowat (Warrington South) (Con): The Secretary of State will have seen today's press reports which say that apparently, as of this week, the Scottish First Minister is applying the finishing touches to his own referendum plans and will publish them in the next month. If that turns out to be the case, would the Secretary of State agree that at last we were making some progress?

Michael Moore: I hope that on the basis of the early conversation that we have had and the intent on my part that we should have further discussions, we will be able to consider the proposals that

we have set out in detail this afternoon. It makes common sense and it is the most reasonable proposition on earth that we should get the two Governments working together to provide a legal, certain basis for the referendum, and then we can get on and have this most profound debate about our future in Scotland.

Sheila Gilmore (Edinburgh East) (Lab): I welcome the commitment from the Secretary of State to the broadest negotiation and widest discussion within Scotland on the subject, but I hope he will agree that it is unwise to conduct the debate through statements made in the media or on television programmes, even by people as exalted as the Prime Minister.

Michael Moore: Over the coming weeks we will have many different ways of contributing to the debate, whether we are politicians or people across Scotland. I look forward, whether in my own constituency or any other part of Scotland, to people looking at the consultation, engaging with the issues and giving us their views. It is not about politicians. It is about the people of Scotland.

Glyn Davies (Montgomeryshire) (Con): Relentless debate in Scotland led by the Scottish Government about Scottish independence causes great uncertainty throughout the United Kingdom, including in Wales. We cannot afford this distraction. Does my right hon. Friend agree that the issue should be dealt with as quickly as possible to ensure that Governments throughout the United Kingdom, including devolved Governments, concentrate and focus on growth, jobs and the things that we really need?

Michael Moore: Yes.

Mr Iain McKenzie (Inverclyde) (Lab): It will come as no surprise that I welcome and agree with the Secretary of State's desire to hold a referendum as soon as possible. Does he agree that the desire of the SNP Government in Scotland to hold a referendum as late as possible is an indication of their inability to answer the many, many questions that have been put to them by the Scottish people on separatism?

Michael Moore: As I have said a few times this afternoon and many times elsewhere, it is a real curiosity for a party that has always existed for one purpose to be so reticent about getting on with the debate about Scotland's future within the United Kingdom or as a separate country. I hope that we will now get a proper, constructive, reasonable engagement where we can get on with that real debate.

Jeremy Lefroy (Stafford) (Con): Does my right hon. Friend agree that a referendum should not involve a sterile discussion of costs and benefits or political advantage, but the great strengths that Scotland brings within the United Kingdom and that being part of the United Kingdom brings to Scotland?

Michael Moore: I absolutely agree with my hon. Friend.

Mr Mike Weir (Angus) (SNP): In answer to an earlier question, the Secretary of State again went on about the uncertainty caused by the lack of a referendum, but when the Prime Minister's spokesman was asked about this this morning, the only thing he could refer to was a Citigroup report, the same one that the Secretary of State referred to, which is specifically on renewables. But if he looks at it he will know that Gamesa, SG, Doosan Babcock, Mitsubishi, Aquamarine Power, EDP Renewables and Repsol—

Madam Deputy Speaker (Dawn Primarolo): Order. The statement has been going on a long time already and Members still wish to speak. The hon. Gentleman knows very well that he should be brief.

Michael Moore: The hon. Gentleman needs to pay attention to people at the CBI and others and recognise that it is self-evident that when there is uncertainty about the constitutional future of Scotland, investment decisions will become difficult. I want to get all question of uncertainty removed from the debate. I cannot understand why they seem so reluctant to get on with it.

Jo Swinson (East Dunbartonshire) (LD): The SNP at Holyrood has a political mandate to hold a referendum on independence, so I welcome my right hon. Friend's plans to devolve the powers so that it can be held legally and fairly, but does he agree that page 28 of the SNP manifesto clearly shows that that mandate is for a simple yes-no question, so that there is no confusion, no legal chaos, just a decisive result, decided by the voters, not the courts?

Michael Moore: There have been a number of months where the prospect of two questions has been bandied around, although when pressed Ministers were unable to answer how one would determine which result to pay heed to if both were given yes votes, particularly if independence got, say, 51% and extra powers got 80%. Apparently, independence would have won. We need a single, clear question, and I am glad that after many months of skirting around this, the Deputy First Minister yesterday conceded that point and said she wanted a single question herself.

Graeme Morrice (Livingston) (Lab): I welcome the Secretary of State's statement. Could he therefore confirm that if the UK Government devolve the power to hold a referendum on separation, as he has said, to the Scottish Government, Alex Salmond would have no excuses left whatsoever for not getting on this year, or next year at the very latest, with holding a referendum on Scotland's future?

Michael Moore: I want that referendum to take place sooner rather than later. We are offering to fix a problem that exists and make sure that we can get on and conduct that referendum in a reasonable way. I hope that we will be able to work together with the Scottish Government to get those issues resolved and get on with that debate.

Mary Macleod (Brentford and Isleworth) (Con): I welcome the statement and congratulate the Government on their leadership on this important matter to Scotland and the UK. What reassurance has the Secretary of State had from the Scottish National party and the First Minister that they will work with the UK Government on this and accept a fair, legal and decisive referendum?

Michael Moore: I hope that the Scottish National party will engage with this. I am pretty sure that it will because when it gets the chance to study the detail, it will see that what we are offering is a very reasonable process by which we can get rid of the legal uncertainty and have a fairly conducted and decisive referendum.

Jim McGovern (Dundee West) (Lab): Further to an earlier question about the manifesto, is the Secretary of State aware that nowhere in the SNP manifesto, as far as I am aware, does it say that a referendum will take place in the second part of the Parliament? It says only that a referendum will take place. It constantly tells us that it has an overwhelming mandate to hold a referendum in the second half of the Parliament; that is strictly not true.

Michael Moore: The manifesto was clear. It was about a straightforward question on independence, not about the timing. We believe this should happen sooner rather than later, and I look forward to the responses that we get from people across Scotland.

Fiona Bruce (Congleton) (Con): Given the references that we have heard in the public debate on this matter to legally binding referendums and consultative referendums, does the Secretary of State agree that that is a totally false distinction?

Michael Moore: My hon. Friend has put her finger right at the heart of the issue. There is no distinction in the legal status of referendums in Scotland between one that might be considered advisory or consultative on the one hand, and a so-called legally binding one on the other. The Scottish Parliament does not have the power to have a referendum on independence. We are offering a way by which we can devolve that power on a fair and reasonable basis that will ensure that we get a clear and decisive outcome.

Katy Clark (North Ayrshire and Arran) (Lab): The Secretary of State will be aware that the SNP is putting a significant amount of effort into fundraising, given that this is basically everything that they are all about. What does he think his role should be in ensuring that there is a full debate in Scotland? Does he agree that many people in Scotland have not really given proper consideration to the arguments for and against separation?

Michael Moore: The hon. Lady gets to the heart of the issue about how we would conduct the referendum when it takes place and the need for it to be done on a basis that is recognised and not challenged by people who are either participants or voters. It is important that spending limits and all other aspects of the rules of the process are clear. It is for that reason that we are suggesting that the Electoral Commission might be, or would be, the appropriate way to oversee the process. I hope that as we debate this people will agree on that point.

Mr Philip Hollobone (Kettering) (Con): My constituents in Kettering deserve a say on the future make-up of the United Kingdom just as much as the Secretary of State's constituents in Berwickshire, Roxburgh and Selkirk. The way to overcome the legal challenge is not to devolve the powers to the Scottish Government, but to hold a UK-wide yes or no referendum with the result announced in two parts, one the result from Scotland and second the result from everywhere else, because it may well be that Scotland votes to stay, but the rest of the country invites Scotland to leave.

Michael Moore: If I may say so, I regret the slightly discordant tone of my hon. Friend's observation. I have answered the point several times already. It is important that we follow the democratically appropriate route and the internationally recognised way of doing this and allow for self-determination within Scotland on this important issue.

Dr William McCrea (South Antrim) (DUP): I welcome the Secretary of State's statement. Can he assure me that this Government will be robust in its defence of the Union?

Michael Moore: I am absolutely committed to Scotland remaining part of the United Kingdom. When we can get on to that debate, I will be clear in arguing the case on that, day in and day out. At the moment we have to get to that debate, and today we have offered a reasonable and straightforward way that we might do that.

Mr Russell Brown (Dumfries and Galloway) (Lab): My hon. Friend the Member for Dundee West (Jim McGovern) is exactly right. The SNP manifesto last year made no reference whatsoever

to the second half of the Parliament, but does the Secretary of State feel that if the legal powers are transferred and the SNP has a good showing in May's local government elections, the First Minister might just take a gamble, ignore the second half of the Parliament and go for a snap referendum?

Michael Moore: I am not going to speculate on the election results in May, but I agree that we should get a clear basis for the referendum and get it sooner rather than later.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): The Secretary of State has made a big issue of a point of law, but in June last year, Professor Stephen Tierney, professor of constitutional theory at Edinburgh university, said:

“The Scottish Parliament has the authority to stage a referendum.”

Does the Secretary of State agree that Scotland's democratic Parliament does not need Westminster's permission for a self-determination referendum, although a generous spirit from the Westminster Government would indeed be welcome?

Michael Moore: I am afraid that for reasons that should now be obvious I do not agree with the hon. Gentleman.

Nia Griffith (Llanelli) (Lab): The Secretary of State will be aware that in Wales a convention process took place before the referendum on further powers. Can he explain exactly how we will ensure the fullest possible participation by trade unions, the business community and a genuinely representative cross-section of civic society in the consultation that he has announced?

Michael Moore: The consultation is open to everyone in Scotland and across the United Kingdom, and indeed elsewhere, should they wish to offer their opinions. I am confident that we will get a good response, and I hope that we will then be able to chart a way to getting a legal, fair and decisive referendum and a proper decision on Scotland's place in the United Kingdom.

Mr Wayne David (Caerphilly) (Lab): I understand that the Scottish First Minister has announced that there will be a referendum in the autumn of 2014. Will the Secretary of State give his reaction to that indication, and tell us whether it is correct?

Michael Moore: I anticipate that the debate over the timing of the referendum will continue for a long time unless we resolve the legal basis on which a referendum might take place. At the moment, no referendum initiated by the Scottish Parliament could take place. We are determined to ensure that we give the Scottish Parliament that power in the appropriate way so that we can get on with the debate as soon as possible.

Kevin Brennan (Cardiff West) (Lab): More Welsh Members are left until the end, Madam Deputy Speaker. Is not the SNP wrong to say that there have never been binding referendums in the UK before? Was not the unsuccessful referendum on the alternative vote that the Government held last year a binding referendum?

Michael Moore: It is not a question of whether the referendum is binding, consultative, advisory or whatever other adjective the hon. Gentleman cares to apply. At the present time, the Scottish Parliament could not bring forward a referendum on a legal basis. We want to ensure that it can do so, and are offering the way that that can be done through the consultation.

Chris Bryant (Rhondda) (Lab): It is not just the euro that an independent Scotland would have to sign up to if it wanted to join the European Union, is it? It would also have to sign up to the Schengen agreement, because European law makes it absolutely clear that that would have to happen. Would we be considering setting up border controls between England and Scotland?

Michael Moore: As the Member of Parliament who represents the longest stretch of that border, I hope that we will never be in a position in which such barriers might exist. I am confident that when we get to the proper debate, that will not be the way it ends up.

Madam Deputy Speaker (Dawn Primarolo): Secretary of State, thank you. Some 57 Back-Bench Members participated in the statement.