

# Briefing Paper

## The Queen's Speech 2010

### May 2010

#### Introduction

The Queen's Speech has laid forth the new Conservative – Liberal Democrat Government's policies for the coming year.

At the very heart of the government's first eighteen months in power, the coalition has outlined plans for a wholesale reform of schools and a reworking of the welfare system and a rethink on how to tackle the vast budget deficit.

In a short and to the point five page speech (one that was without the usual political rhetoric) the Queen said that public services would be reformed to encourage individual and social responsibilities.

This was the first time in the fifty eight year reign of the Queen that she read out a programme for government that was written by a coalition.

#### Main Policies

The speech was opened by the Queen stating that cutting Britain's £156billion fiscal deficit would be the government's first priority.

This came a day after George Osborne MP, Chancellor of the Exchequer, announced a package of £6.2billion in spending cuts that was intended to help to cut the deficit by £5billion this year. The Queen said:

*"The first priority is to reduce the deficit and restore economic growth. Action will be taken to accelerate the reduction of the structural budget deficit."*

The speech made clear that even in light of the weak state of Britain's public finances, the new coalition government would still press on with reform of public services to introduce what the Conservatives have named 'the big society'.

The Education Secretary Michael Gove MP will attempt this transformation in the English Education system with an Academies Bill to weaken the role of local authorities. Supposedly this is to help to speed up the process of opening an academy with the government saying it will; *'remove the requirement to consult the local authority before opening an academy, thus simplifying and accelerating the process'*.

The government adds that the bill will *"make the process of applying to become an academy as simple as possible without a requirement for local authorities to be consulted"*. It also provides a fast-track route for the best-performing institutions.

Also, the speech outlined that the new Work and Pensions Secretary Iain Duncan-Smith would oversee a radical reform of the benefits system in Britain.

Welfare reform will come through a new bill which in the words of the government will simplify the 'confusing complexity' of the benefits system by reducing the large amounts of administration and bureaucracy within the current system.

The new administration will also attempt to cut what it calls 'overlapping entitlements' or the switching between differing types of benefits. The government estimates that over two hundred thousand people a year 'cycle' or 'switch' between jobseekers allowance and incapacity benefit.

The two aims of the new Work and Pensions secretary are; firstly to introduce reforms that were first proposed in a report compiled by David Freud (the City financier who was an aid to the former Labour Prime Minister, Tony Blair). Freud's suggested type of reform would give voluntary and private companies a greater role in placing the long term unemployed in work.

The second aim of Iain Duncan-Smith is to be the figurehead in the government's battle against what it calls 'Broken Britain'. This will involve tackling the causes of social breakdown, such as drugs and family breakups.

Within the Queen's speech were 23 bills and one draft bill that will contain measures to reassure Liberal Democrats who are still unsure and uneasy about the coalition with the Conservatives. For example there is a bill which will allow a referendum to be held on introducing an alternative vote electoral system for elections to the Commons. This was a key Liberal Democrat demand in the coalition negotiations. However, a key Conservative pledge was to shrink the commons by 10%.

As Deputy Prime Minister, Nick Clegg MP, the Leader of the Liberal-Democrats has been given the chance to take control of a freedom (great repeal) bill which will restrict the scope of the DNA database in the United Kingdom, restrict the use of CCTV cameras and ensure that anti-terrorism legislation *'strikes the right balance between protecting the public, strengthening social cohesion and protecting civil liberties'*

Also, within one month of royal assent the ID cards system will be scrapped.

Vincent Cable, the Business Secretary, will take charge of a Postal Services Bill that will allow for the part privatisation of Royal Mail. The government says the bill will *'enable an injection of private capital, along with other measures, to help Royal Mail and ensure the provision of the universal postal service'*.

Billy Hayes, General Secretary of the Communications Workers' Union, said;

*"Privatising public services is deeply unpopular. Breaking up Royal Mail Group and flogging parts to private companies will damage services and lead to price hikes for customers. It's old politics dressed up in new language.*

*"The commitments given on post offices are misleading and disingenuous. Breaking the link with Royal Mail could take valuable business away from the Post Office while leading to greater costs for Royal Mail."*

Business Secretary Vincent Cable said:

*"We need to deal with the long standing problems facing Royal Mail – the dependence on finance from the taxpayer, the deficit in the pension fund, the dramatic decline in the number of letters being sent. These fundamental challenges are becoming more thorny and deep-rooted. Letting them grow is not in the best interests of consumers, businesses or Royal Mail's employees."*

Dave Prentis, Leader of Unison, the public services union, described the legislative programme presented in the Queen's speech as "dismal". He said:

*"Breaking up the NHS and schools, letting the Tories' friends in big business get a slice of the pie, will not deliver better services or save money. It is not what the public want either. Poll after poll shows people don't want greater private sector involvement in public service."*

On academies, he pointed to a recent survey conducted jointly with the schools union NASUWT that showed only 5% of the public supported schools being run by parents, and only 4% in favour of schools being run by private companies.

### Bill by Bill

- Office for Budget Responsibility Bill: This will establish a new body to take responsibility for producing budget forecasts – currently party of the Chancellor's role. The three person Budget Responsibility Committee will be chaired by Sir Alan Budd. The Office for Budget Responsibility was a Conservative Policy, advocated by them since 2008.
- National Insurance Contributions Bill: The government confirmed its objective of raising income tax allowances to £10,000 – a policy to be funded by a rise in National Insurance. Nick Clegg MP, Leader of the Liberal Democrats, made this proposal an important part of the Liberal Democrats' election campaign.
- Welfare Reform Bill: Welfare reform is an important Conservative objective – and a key goal of the new Work and Pensions Secretary Iain Duncan-Smith. This bill is aimed at simplifying the welfare and benefits system and improving work incentives so that people currently on benefits will see a gain when entering work.
- Pensions and Savings Bill: This bill will increase the state pension age to 66 and restore the pensions/earnings link with effect from 2012.

- Financial Reform Bill: Legislation will restore some regulatory powers to the Bank of England, removing them from the control of the Financial Services Authority.
- Equitable Life Bill: This bill promises compensation to savers who lost money when Equitable Life came close to collapse. No such compensation is proposed for former shareholders of the Bradford & Bingley Building Society.
- High-Speed Rail Bill: This will enable the construction of a high-speed rail network.
- High Speed Broadband Connections: The government will invest in high-speed broadband connections.
- Airport Economic Regulation Bill: This is aimed at ensuring competition in the airport market, potentially breaking up the British Airports Authority monopoly. The bill also makes explicit that the government rules out new runways in the South East. The Conservatives and Liberal Democrats both oppose a third runway at Heathrow.
- Annual limits on non-EU immigration: This will impose annual limits on non-EU economic migration. This was an important pledge by David Cameron MP, Leader of the Conservative Party that he repeated during the General Election campaign.
- Postal Services Bill: The part-privatisation of the Royal Mail, as drawn up by Lord Mandelson, will be introduced. The proportion to be sold will be set out at a later date.
- Energy Bill: Aimed at promoting energy efficiency measures in the home, a "green deal" charging system will be introduced, with incentives to suppliers and households to save energy.
- Party Political Funding: The government will seek to impose a limit on the size of individual donations to political parties.
- Academies Bill: More schools will be permitted to become academies, giving them more freedom from Whitehall and Local Education Authorities. The requirement to consult local authorities before opening an academy will be removed.
- Health Bill: The details of this legislation will be revealed "in the next few weeks". The bill aims to replace the "top-down approach" in the National Health Service with "the devolution of power and responsibility to doctors and patients".
- Social Care Bill: A commission will look into a "sustainable structure of funding for long-term care". This is a matter of great social and financial significance and it appears that the coalition is using the device of a commission to defer taking a decision.
- Police Reform and Social Responsibility Bill: This bill will make the police more accountable through "directly elected individuals" rather than through returning control of the Police to local authorities. Harriet Harman MP, the interim Leader of the Labour Party, singled out this bill as "politicising the police" in the Queen's Speech debate. The bill will also create a new dedicated border police force, ensure health and safety laws do not stand in the way of "common sense policing" and overhaul the Licensing Act.

- **Public Bodies (Reform) Bill:** As set out in the statement by the Treasury, the government will reduce the number of quangos, with the aim of saving £1billion a year. It is expected that many of the functions, budgets and staff of abolished quangos will be transferred to other organisations.
- **Decentralisation and Localism Bill:** This legislation aims to devolve some of the powers of central government to local government, and to give individuals the power to instigate referendums on local matters and to veto excessive council tax increases. This follows the reduction in local government budgets combined with the abolition of many ring-fenced grants that was announced as part of the deficit reduction plan. This means that local authorities rather than central government will take many of the detailed decisions about where cuts will fall. Home Information Packs will be abolished.
- **Local Government Bill:** This will stop the creation of unitary councils in Exeter and Norwich – seen by some as a means of helping Labour to do better in local government in these parts of England.
- **Parliamentary Reform Bill:** New Legislation will introduce fixed-term parliaments - with the next General Election on 7th May 2015 - give voters the right to recall MPs found guilty of serious wrong-doing and set up a referendum on the alternative vote. These measures were welcomed by Harriet Harman. However, she and many Labour MPs attacked the proposal to establish a 55% threshold for the dissolution of Parliament. The bill will also reduce the number of parliamentary constituencies and increase their size.
- **House of Lords Reform:** The House of Lords will be partially or fully elected according to proportional representation.
- **Freedom (Great Repeal) Bill:** This will aim to restore freedoms and civil liberties and repeal unnecessary laws. It will regulate the use of CCTV and restrict the scope of the DNA database, destroying some of it.
- **Identity Documents Bill:** This will abolish the identity card system and destroy the national identity register. Both the Conservatives and the Liberal Democrats opposed identity cards going into the General Election. There will be no refund for those who have bought cards already.
- **Scotland Bill:** This will implement most of the final report of the Calman commission, giving more devolution to Scotland.
- **European Union Bill:** Legislation will be introduced to ensure that there is a referendum on any future plan to transfer power from Parliament to the European Union. This was a pledge David Cameron MP made in opposition, after the Lisbon Treaty was passed.
- **Armed Forces Bill:** This will continue in force the legislation giving the armed forces a legal basis, as well as improving provisions for service personnel.
- **Terrorist Asset-Freezing Bill.** This will extend beyond 2010 the government's powers to seize assets from terrorists.

- Draft Parliamentary Privilege Bill: This will aim to clarify the law relating to parliamentary privilege.

### Transcript of Queen's Speech

#### MY LORDS AND MEMBERS OF THE HOUSE OF COMMONS

My Government's legislative programme will be based upon the principles of freedom, fairness and responsibility.

The first priority is to reduce the deficit and restore economic growth.

Action will be taken to accelerate the reduction of the structural budget deficit. A new Office for Budget Responsibility will provide confidence in the management of the public finances.

The tax and benefits system will be made fairer and simpler. Changes to National Insurance will safeguard jobs and support the economy. People will be supported into work with sanctions for those who refuse available jobs and the timetable for increasing the State Pension Age will be reviewed.

Legislation will reform financial services regulation to learn from the financial crisis and to make fair and transparent payments to Equitable Life policy holders.

My Government will support investment in new high-speed broadband internet connections, enable the construction of a high-speed railway network and reform the economic regulation of airports to benefit passengers.

My Government will modernise the Royal Mail, in partnership with employees, and will ensure it benefits from private sector capital and disciplines.

My Government will limit the number of non-European Union economic migrants entering the United Kingdom and end the detention of children for immigration purposes.

Legislation will be introduced to improve energy efficiency in homes and businesses, to promote low carbon energy production and to secure energy supplies.

My Government will remove barriers to flexible working and promote equal pay.

My Government will seek to build a strong and fair society by reforming public services and encouraging individual and social responsibility.

Legislation will be introduced to enable more schools to achieve academy status, give teachers greater freedom over the curriculum and allow new providers to run state schools.

The voice of patients and the role of doctors will be strengthened in the National Health Service to improve public health alongside actions to reduce health inequalities. A commission will be appointed to consider a sustainable long-term structure for the operation of social care.

A Bill will be introduced to make the police service more accountable to local people and to tackle alcohol-related violence and anti-social behaviour.

The role of social enterprises, charities and co-operatives in our public services will be enhanced. The cost of bureaucracy and the number of public bodies will be reduced.

A Bill will be introduced to devolve greater powers to councils and neighbourhoods and give local communities control over housing and planning decisions. Legislation will be introduced to stop uncompleted plans to create unitary councils.

My Government will propose Parliamentary and political reform to restore trust in democratic institutions and rebalance the relationship between the citizen and the state.

Measures will be brought forward to introduce fixed term Parliaments of five years.

A Bill will be introduced for a referendum on the Alternative Vote system for the House of Commons and to create fewer and more equal sized constituencies.

Constituents will be given the right to recall their Members of Parliament where they are guilty of serious wrongdoing.

Proposals will be brought forward for a reformed second House that is wholly or mainly elected on the basis of proportional representation.

Action will be taken to reform the funding of political parties. A draft Bill will be published on reforming parliamentary privilege.

Legislation will be brought forward to restore freedoms and civil liberties, through the abolition of Identity Cards and repeal of unnecessary laws.

My Government will work constructively and co-operatively with the devolved institutions.

My Government will introduce legislation to implement recommendations from the Final Report of the Commission on Scottish Devolution and is committed to a referendum on additional powers for the National Assembly of Wales.

My Government will support the political institutions and stable devolved government in Northern Ireland.

## MEMBERS OF THE HOUSE OF COMMONS

Estimates for the public services will be laid before you.

## MY LORDS AND MEMBERS OF THE HOUSE OF COMMONS

My Government will introduce legislation to ensure that in future this Parliament and the British people have their say on any proposed transfer of powers to the European Union.

The Duke of Edinburgh and I look forward to our visit to Canada in June and to our visit to the United Nations in New York in July. We also look forward to receiving His Holiness Pope Benedict the Sixteenth in September.

My Government will seek effective global collaboration to sustain economic recovery and to combat climate change, including at the climate change conference in Mexico later this year.

My Government will fully support our courageous armed forces and undertake a full Strategic Defence and Security Review.

My Government will work with the Afghan government, Pakistani and international partners for lasting security and stability in Afghanistan.

My Government looks forward to an enhanced partnership with India.

In the Middle East, my Government will continue to work for a two-state solution that sees a viable Palestinian state existing in peace and security alongside Israel.

My Government will work to reduce the threat from nuclear weapons and nuclear proliferation including the serious international concerns posed by Iran's nuclear programme.

My Government is committed to spend nought point seven per cent of gross national income in development aid from 2013.

Other measures will be laid before you.

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**Adam M. Waite**  
**May 2010**