



House of Commons  
Treasury Committee

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# **Formal Minutes**

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**Session 2005–06**



# Proceedings of the Committee

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**Thursday 14 July 2005**

Members present:

Angela Eagle	John McFall
Damian Green	Mr George Mudie
Ms Sally Keeble	Mr David Ruffley
Susan Kramer	Mr Mark Todd
Mr Andrew Love	Peter Viggers
Kerry McCarthy	

Members disclosed their interests, pursuant to the resolution of the House of 13 July 1992  
*For details of declarations of interest see Appendix.*

## **1. Election of Chairman**

John McFall was called to the Chair.

*Ordered*, That the Chairman do report his election to the House. \*\*

## **2. The Committee's programme of work**

The Committee considered this matter.

## **3. Sub-Committee**

*Ordered*, That a Sub-Committee be appointed, to examine the work of the minor departments accountable to the Treasury and other matters referred to it by the main Committee.—(*The Chairman.*)

*Ordered*, That all members of the Committee be members of the Sub-Committee.—(*The Chairman.*)

*Ordered*, That Mr Michael Fallon be Chairman of the Sub-Committee.—(*The Chairman.*)

## **4. Cash machine charges**

Draft Special Report (Cash machine charges: Government Response to the Committee's Fifth Report of Session 2004–05), proposed by the Chairman, brought up, read the first and second time, and agreed to.

*Resolved*, That the Report be the First Special Report of the Committee to the House.

*Ordered*, That the Chairman make the Report to the House.

*Ordered*, That the Government's response to the Committee's Fifth Report (Cash machine charges) be appended to the Report.

## **5. Excise Duty Fraud**

Draft Special Report (Excise Duty Fraud: Government Response to the Committee's Fourth Report of Session 2004–05), proposed by the Chairman, brought up, read the first and second time, and agreed to.

*Resolved*, That the Report be the Second Special Report of the Committee to the House.

*Ordered*, That the Chairman make the Report to the House.

*Ordered*, That the Government's response to the Committee's Fourth Report (Excise Duty Fraud) be appended to the Report.

**6. G8 and other international issues**

*Resolved*, That the Committee take evidence from the Chancellor of the Exchequer, Rt Hon Gordon Brown MP, on G8 and other international issues.—(*The Chairman.*)

**7. Bank of England's Monetary Policy Committee**

*Resolved*, That the Committee inquire into the Bank of England Inflation Reports.—(*The Chairman.*)

*Resolved*, That the Committee inquire into appointments to the Bank of England Monetary Policy Committee.—(*The Chairman.*)

**8. Committee practice**

*Resolved*, That the Committee examine witnesses in public, except where it otherwise orders.

*Ordered*, That witnesses have leave to publish memoranda accepted by the Committee as evidence, except where the Committee otherwise orders.

*Resolved*, That the Committee will not investigate individual cases.

[Adjourned till Tuesday 19 July at 8.45am.]

*Annex*

**Declaration of Members' interests (14 July 2005)**

**Lorely Burt:**

Land and property: Residential house in W Midlands, from which rental income is received.

**Jim Cousins:**

Nil.

**Angela Eagle:**

Overseas visits: August 2004, stayed with my partner for one week at Premier House in Wellington, New Zealand, at the invitation of the New Zealand Prime Minister, Rt Hon Helen Clarke MP (a personal friend). This was part of a holiday which I otherwise paid for in full myself. (Registered 1 November 2004)

Sponsorships: Assistance to constituency party from Communication Workers Union and (in respect of office space during General Election) from Parkwood Properties

**Mr Michael Fallon:**

Remunerated directorships: Just Learning Holdings Ltd (children's day nurseries), and of the following subsidiaries - Learning Just Ltd., Just Learning Ltd., Just Learning

Developments Ltd., Careshare Holdings Ltd, Careshare Ltd; Collins Stewart Tullett PLC (independent non-executive) (stockbrokers).

Registrable shareholdings: Just Learning Holdings Ltd.

**Damian Green:**

Remunerated employment, office, profession etc: Fee for writing a paper for the European Media Forum, as part of a project on the Review of Public Service Broadcasting. (Registered 12 July 2004)

Overseas visits: 20-22 May 2004, to Portugal, to address the Annual Convention of the Road Haulage Association, travel and accommodation for my wife and me were provided by the Road Haulage Association. (Registered 26 August 2004); 17-20 January 2005, to Moldova, as Vice-Chairman of the John Smith Memorial Trust. Travel and accommodation provided by the Trust. (Registered 27 January 2005)

**Ms Sally Keeble:**

Overseas visits: 10-21 May 2004, to Ethiopia, Kenya and Sudan. Costs in Ethiopia and Kenya paid for by British Council or self-funded; in Sudan partly self-funded with accommodation and internal flights funded by World Vision. (Registered 3 November 2004).

**Susan Kramer:**

Remunerated directorships: Infrastructure Capital Partners Ltd (consultants on infrastructure finance) (not trading); Speciality Scanners plc (health screening technology (presently unremunerated but potentially remunerated)

Sponsorships: Mr Paul Marshall, Mortlake, London; Mr Andrew Horsler, Barnes, London; Lord Alan Watson, Richmond, London.

**Mr Andrew Love:**

Overseas visits: 28 May-2 June 2004, to Syria, flights provided by the British Syrian Society and hospitality and accommodation provided by the Syrian Government. (Registered 5 June 2004); 9-12 October 2004, to Cyprus to attend the Annual Morphou Rally, travel and accommodation met by the Municipality of Morphou. (Registered 22 December 2004)

Sponsorship: Mr Anthony Wyatt, Westminster.

**Ms Kerry McCarthy:**

Sponsorships: donations to constituency party from Transport & General Workers' Union.

**John McFall:**

Overseas visits: 11-12 November 2004, to Paris, to address the AGM of the Association of Private Clients and Investment Managers and Stockbrokers (APCIMS), with APCIMS paying for the Eurostar return to Paris and hotel accommodation for two nights. (Registered 15 November 2004)

**Mr George Mudie:**

Nil.

**Mr David Ruffley:**

Remunerated employment, office, profession etc: Solicitor (non-practising); Adviser, Lotus Asset Management

Overseas visits: 29 April-4 May 2004, to Doha, Qatar, as guest of the Government of Qatar (Registered 17 May 2004); 23-28 July 2004, to Grand Cayman to attend briefing on legal, financial and political issues as a member of the All-Party Parliamentary Cayman Island Group, return flight and accommodation provided by the Cayman Islands Government Office (Registered 9 September 2004); 3-7 January 2005, to Jordan to attend meetings with senior Government Ministers and others, return flight and accommodation paid for by the Government of Jordan (Registered 11 January 2005).

**Mr Mark Todd:**

Land and Property: Flat in London SW1 for which rental is received.

**Peter Viggers:**

Remunerated employment, office, profession, etc.: Residual Lloyd's underwriting involvement through Equitas; Chairman of the Trustees of Lloyd's Pension Fund; occasional fees for speaking to MBA students from the University of Arizona (up to £5,000).

Overseas visits: 7-12 October 2004, to Abu Dhabi, Dubai and Ras al-Khaimah, to meet Government and business leaders, transport and accommodation provided by the Government of Abu Dhabi (Registered 21 October 2004)

Land and Property: Residential flat in Gosport.

**Tuesday 19 July 2005**

Members present:

John McFall, in the Chair

Lorely Burt	Mr Andrew Love
Angela Eagle	Kerry McCarthy
Mr Michael Fallon	Mr George Mudie
Damian Green	Mr Mark Todd
Susan Kramer	Peter Viggers

**1. The Committee's programme of work**

The Committee considered this matter.

**2. The Financial Services Authority**

*Resolved*, That the Committee inquiry into the Financial Services Authority.—(*The Chairman.*)

**3. The Monetary Policy Committee of the Bank of England: appointment hearing**

*Resolved*, That the Committee inquire into the Monetary Policy Committee of the Bank of England: appointment hearings.—(*The Chairman.*)

**4. Bank of England November 2005 Inflation Report**

*Resolved*, That the Committee inquire into the Bank of England November 2005 Inflation Report.—(*The Chairman.*)

**5. UK visits**

*Resolved*, That the Committee visit HM Treasury, The Bank of England and The Financial Services Authority.—(*The Chairman.*)

**6. The Sub-Committee's programme of work**

*Resolved*, That the Sub-Committee inquire into the Annual Reports of HM Revenue and Customs, the Statistics Commission, the Office for National Statistics, HM Treasury and National Savings and Investments.—(*Mr Michael Fallon.*)

**7. G8 and other international issues**

The Rt Hon Gordon Brown MP, Chancellor of the Exchequer, Sir Gus O'Donnell KCB, Permanent Secretary, Mr Jon Cunliffe, Managing Director, Macroeconomic Policy and International Finance, Mr Nick Macpherson, Managing Director, Budget and Public Finances, Mr Jonathan Stephens, Managing Director, Public Services, and Mr Michael Ellam, Director, Policy and Planning, HM Treasury, gave oral evidence.

[Adjourned till a date and time to be fixed by the Chairman.]

**Tuesday 11 October 2005**

*The Chairman, Ms Sally Keeble, Susan Kramer, Mr Andrew Love, Ms Kerry McCarthy and Mr Mark Todd visited the offices of the Financial Services Authority in accordance with the decision of the Committee on 19 July 2005.*

**Thursday 13 October 2005**

Members present:

John McFall, in the Chair

Lorely Burt	Susan Kramer
Jim Cousins	Mr Andrew Love
Angela Eagle	Kerry McCarthy
Mr Michael Fallon	Mr David Ruffley
Ms Sally Keeble	Mr Mark Todd

**1. Overseas travel**

*Resolved*, That the Committee visit Washington D.C. and New York in connection with economic policy matters and that the Chairman seek the approval of the Liaison Committee for expenditure in connection with the said visit.—(*The Chairman.*)

**2. The Monetary Policy Committee of the Bank of England: appointment hearings**

Mr David Walton and Mr Paul Tucker, members of the Monetary Policy Committee, gave oral evidence.

**3. The Monetary Policy Committee of the Bank of England: appointment hearings**

Draft Report (The Monetary Policy Committee of the Bank of England: appointment hearings), proposed by the Chairman, brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the First Report from the Treasury Committee, Session 2005–06 (HC 525–I, p 12).*

[Adjourned till a date and time to be fixed by the Chairman.]

**Tuesday 25 October 2005**

*The Chairman, Lorely Burt, Mr Jim Cousins, Mr Andrew Love, Ms Kerry McCarthy, Mr David Ruffley, Mr Mark Todd and Mr Peter Viggers visited the Bank of England in accordance with the decision of the Committee on 19 July 2005.*

**Tuesday 1 November 2005**

*The Chairman, Mr Jim Cousins, Angela Eagle, Mr Michael Fallon, Mr Damian Green, Susan Kramer, Mr Andrew Love, Ms Kerry McCarthy, Mr George Mudie, Mr Mark Todd and Mr Peter Viggers visited HM Treasury in accordance with the decision of the Committee on 19 July 2005.*

**Tuesday 8 November 2005**

Members present:

John McFall, in the Chair

Lorely Burt	Mr Andrew Love
Jim Cousins	Kerry McCarthy
Mr Michael Fallon	Mr George Mudie
Mr Damian Green	Mr Mark Todd
Ms Sally Keeble	Peter Viggers
Susan Kramer	

**1. Appointment of Specialist Advisers**

*Ordered*, That Mr Roger Bootle, Professor Shelia Dow, Professor David Miles, Ms Bridget Rosewell, and Professor Andrew Scott be appointed Specialist Advisers to assist the Committee in matters relating to monetary policy.—(*The Chairman.*)

*Ordered*, That Professor David Heald be appointed a Specialist Adviser to assist the Committee in matters relating to Budgets and Pre-Budget Reports.—(*The Chairman.*)

**2. The Committee's programme of work**

The Committee considered this matter.



**2. The Sub-Committee's programme of work**

*Resolved*, That the Sub-Committee inquire into The administration of tax credits.—(Mr Michael Fallon.)

**3. European visits**

*Resolved*, That the Committee visit Brussels in relation to regulation of the UK financial services industry.—(The Chairman.)

**4. Financial Services Authority**

Sir Callum McCarthy, Chairman and Mr John Tiner, Chief Executive, gave oral evidence.

[Adjourned till Tuesday 15 November at 10.30 am.]

**Tuesday 15 November 2005**

Members present:

John McFall, in the Chair

Lorely Burt	Susan Kramer
Jim Cousins	Mr Andrew Love
Angela Eagle	Kerry McCarthy
Mr Damian Green	Mr David Ruffley
Ms Sally Keeble	Mr Mark Todd

**1. The Committee's programme of work**

The Committee considered this matter.

**2. Financial inclusion**

*Resolved*, That the Committee inquire into Financial inclusion.—(The Chairman.)

**3. Globalisation**

The Committee considered this matter.

[Adjourned till Thursday 24 November at 9.30 am.]

**Thursday 24 November 2005**

Members present:

John McFall, in the Chair

Jim Cousins	Mr Andrew Love
Angela Eagle	Kerry McCarthy
Mr Damian Green	Mr David Ruffley
Ms Sally Keeble	Mr Mark Todd
Susan Kramer	Peter Viggers

**1. The Committee's programme of work**

The Committee considered this matter.

**2. The 2005 Pre-Budget Report**

*Resolved*, That the Committee inquire into The 2005 Pre-Budget Report.—(*The Chairman.*)

**3. European financial services regulation**

*Resolved*, That the Committee inquire into European financial services regulation.—(*The Chairman.*)

**4. Bank of England November 2005 Inflation Report**

Mr Mervyn King, Governor of the Bank of England, Sir Andrew Large, Deputy Governor of the Bank of England, Financial Stability, Ms Rachel Lomax, Deputy Governor of the Bank of England, Monetary Policy, Mr David Walton and Ms Kate Barker, members of the Monetary Policy Committee, gave oral evidence

[Adjourned till Wednesday 7 December at 9.15 am.]

**Monday 28 - Tuesday 29 November 2005**

*John McFall, Lorely Burt, Mr Jim Cousins, Angela Eagle, Mr Michael Fallon, Susan Kramer, Mr Andrew Love, Ms Kerry McCarthy and Mr George Mudie visited Brussels in accordance with the decision of the Committee on 8 November 2005.*

**Wednesday 7 December 2005**

**[Morning sitting]**

Members present:

John McFall, in the Chair

Lorely Burt	Mr Andrew Love
Angela Eagle	Kerry McCarthy
Mr Michael Fallon	Mr George Mudie
Mr Damian Green	Mr David Ruffley
Ms Sally Keeble	Mr Mark Todd
Susan Kramer	

**1. The Committee's programme of work**

The Committee considered this matter.

**2. Globalisation: The role of the IMF**

*Resolved*, That the Committee inquire into Globalisation: The role of the IMF.—(*The Chairman.*)

**3. The 2005 Pre-Budget Report**

Mr Ben Broadbent, Goldman Sachs, Mr Robert Chote, Institute for Fiscal Studies, Professor David Miles, Morgan Stanley, and Mr Martin Weale, National Institute of Economic and Social Research, gave oral evidence.

Mr Robert Chote, Institute for Fiscal Studies, Mr Martin Weale, National Institute of Economic and Social Research, Professor Colin Talbot, Manchester Business School, and Mr John Whiting, PricewaterhouseCoopers, gave oral evidence.

[Adjourned till this day at 2.15 pm.]

### **Wednesday 7 December 2005**

#### **[Afternoon sitting]**

Members present:

John McFall, in the Chair

Lorely Burt	Kerry McCarthy
Mr Michael Fallon	Mr George Mudie
Mr Damian Green	Mr David Ruffley
Ms Sally Keeble	Mr Mark Todd
Susan Kramer	Peter Viggers
Mr Andrew Love	

#### ***1. The 2005 Pre-Budget Report***

Mr Jon Cunliffe, Second Permanent Secretary, Macroeconomic Policy and International Finance, Mr Dave Ramsden, Director, Budget and Tax Policy, Mr Tony Orhnial, Director, Personal Tax and Welfare Reform, Mr John Kingman, Director, Enterprise and Growth Unit, and Ms Mridul Brivati, Director, Public Spending, HM Treasury, gave oral evidence.

[Adjourned till Thursday 8 December at 11.35 am.]

### **Thursday 8 December 2005**

Members present:

John McFall, in the Chair

Angela Eagle	Kerry McCarthy
Mr Michael Fallon	Mr George Mudie
Mr Damian Green	Mr David Ruffley
Ms Sally Keeble	Mr Mark Todd
Susan Kramer	Peter Viggers
Mr Andrew Love	

#### ***1. The 2005 Pre-Budget Report***

Rt Hon Gordon Brown MP, Chancellor of the Exchequer, Mr Michael Ellam, Director, Planning and Policy, Mr Jon Cunliffe, Second Permanent Secretary, Macroeconomic Policy and International Finance, Mr Dave Ramsden, Director, Budget and Tax Policy, Mr Tony Orhnial, Director, Personal Tax and Welfare Reform, and Ms Mridul Brivati, Director, Public Spending, HM Treasury, gave oral evidence.

[Adjourned till Wednesday 14 December at 2.15 pm.]

### Wednesday 14 December 2005

Members present:

John McFall, in the Chair

Lorely Burt  
Jim Cousins  
Susan Kramer

Mr Andrew Love  
Mr Mark Todd  
Peter Viggers

#### **1. The Committee's programme of work**

The Committee considered this matter.

#### **2. The Monetary Policy Committee of the Bank of England: appointment hearing for Sir John Gieve**

*Resolved*, That the Committee inquire into the Monetary Policy Committee of the Bank of England: appointment hearing for Sir John Gieve.—(*The Chairman.*)

#### **3. European financial services regulation**

Ms Angela Knight, Chief Executive, Association of Private Client Investment Managers and Stockbrokers, Mr Ian Mullen, Chief Executive, British Bankers Association, Mr Michael Coogan, Director General, Council of Mortgage Lenders, Ms Sheila Nicoll, Deputy Chief Executive, Investment Management Association, and Mr Stephen Sklaroff, Deputy Director General, Association of British Insurers, gave oral evidence.

Mr John Tiner, Chief Executive, and Mr Paul Wright, Head of International Department, Financial Services Authority, gave oral evidence.

Mr Mick McAteer, Principal Policy Adviser, *Which?*, and Mr John Howard, Chairman, Financial Services Consumer Panel, gave oral evidence.

[Adjourned till Tuesday 17 January at 9.45 am.]

### Tuesday 17 January 2006

Members present:

John McFall, in the Chair

Lorely Burt  
Jim Cousins  
Angela Eagle  
Mr Michael Fallon  
Ms Sally Keeble  
Susan Kramer

Mr Andrew Love  
Kerry McCarthy  
Mr George Mudie  
Mr Brooks Newmark  
Mr Mark Todd  
Peter Viggers

#### **1. New member**

Mr Brooks Newmark disclosed his interests, pursuant to the resolution of the House of 13 July 1992. *For details of declarations of interest see Appendix.*

## **2. UK travel**

*Resolved*, That the Committee visit Toynbee Hall, Tower Hamlets, in connection with its inquiry into Financial inclusion.—(*The Chairman.*)

## **3. Overseas travel**

*Resolved*, That the Committee visit the United Arab Emirates and India in connection with its inquiry into Globalisation: the impact on the UK economy, and that the Chairman seek the approval of the Liaison Committee for expenditure in connection with the visit.

## **4. The 2005 Pre-Budget Report**

Draft Report (The 2005 Pre-Budget Report), proposed by the Chairman, brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the Second Report from the Treasury Committee, Session 2005–06 (HC 739, p 65).*

[Adjourned till Tuesday 24 January at 9.45 am.]

## **Appendix**

### ***Declaration of Members' interests (17 January 2006)***

#### **Mr Brooks Newmark:**

Remunerated directorships: Telesis Management Ltd.

Remunerated employment, office, profession etc: I provide research and advice on investment opportunities in the UK and Europe to Apollo Management LP, both independently and through Telesis Management Ltd.

Sponsorship or financial or material support: Donation to my constituency party received from Mr M Lewis (business man - personal donation). (Registered 26 July 2005)

Overseas visits: 19-20 September 2005, to Washington DC on introductory visit, for meetings at the State Department, National Security Council, White House and Congress. Travel and accommodation costs met by Dr Liam Fox's office from a donation by Mr Michael Lewis, a London businessman. I received free upgrades of airline seats from Virgin Atlantic during my flights to and from Washington. (Registered 18 October 2005)

Registrable shareholdings: (a) Telesis Management Ltd.

## Tuesday 24 January 2006

Members present:

John McFall, in the Chair

Lorely Burt

Ms Sally Keeble

Susan Kramer

Mr Andrew Love

Mr George Mudie

Mr Brooks Newmark

Peter Viggers

### ***1. The Committee's programme of work***

The Committee considered this matter.

### ***2. Financial inclusion***

Mr Mick McAteer, Principal Policy Adviser, Which?, Teresa Perchard, Director of Policy, and Mike Barry, Debt Project Supervisor (Blackpool CAB), Citizens Advice Bureaux, and Claire Whyley, Deputy Director of Policy, National Consumer Council, gave oral evidence.

[Adjourned till Thursday 26 January at 9.00 am.]

## Thursday 26 January 2006

Members present:

John McFall, in the Chair

Angela Eagle

Mr Michael Fallon

Susan Kramer

Mr Andrew Love

Mr Brooks Newmark

Peter Viggers

### ***1. The Committee's programme of work***

The Committee considered this matter.

### ***2. Travel in a Representative capacity***

*Ordered,* That Mr Michael Fallon attend the Conference on Raising Growth in the Euro Zone in the European Parliament, 20-21 February in a representative capacity and that the Chairman seek the approval of the Liaison Committee for expenditure in connection with the visit.—(*The Chairman.*)

### ***3. Bank of England Monetary Policy Committee: appointment hearing for Sir John Gieve***

Sir John Gieve, Deputy Governor of the Bank of England for Financial Stability, gave oral evidence.

[Adjourned till Tuesday 31 January at 9.30 am.]

## Tuesday 31 January 2006

Members present:

John McFall, in the Chair

Lorely Burt	Mr Andrew Love
Jim Cousins	Kerry McCarthy
Angela Eagle	Mr George Mudie
Mr Michael Fallon	Mr Brooks Newmark
Ms Sally Keeble	Mr Mark Todd
Susan Kramer	Peter Viggers

### **1. The Committee's programme of work**

The Committee considered this matter.

### **2. Bank of England Monetary Policy Committee: appointment hearing for Sir John Gieve**

Draft Report (Bank of England Monetary Policy Committee: appointment hearing for Sir John Gieve) proposed by the Chairman, brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the Third Report from the Treasury Committee, Session 2005–06 (HC 861, p 8).*

### **3. Globalisation: the role of the IMF**

Professor Marcus Miller, David Woodward and Professor Richard Portes gave oral evidence.

Romilly Greenhill, Action Aid, Olivia McDonald, Christian Aid, and Dr Fletcher Tembo, World Vision, gave oral evidence.

[Adjourned till Tuesday 14 February at 9.45 am.]

## Tuesday 1 February 2006

*John McFall, Lorely Burt, Angela Eagle, Susan Kramer, Mr Andrew Love, Mr George Mudie and Peter Viggers visited Services Against Financial Exclusion, Toynbee Hall in accordance with the decision of the Committee on 17 January 2006.*

## Monday 5- Friday 9 February 2006

*John McFall, Lorely Burt, Mr Jim Cousins, Susan Kramer, Mr Andrew Love, Kerry McCarthy, Mr Mark Todd and Peter Viggers visited New York and Washington DC, USA in accordance with the decision of the Committee on 13 October 2005.*

## Tuesday 14 February 2006

Members present:

John McFall, in the Chair

Lorely Burt	Susan Kramer
Jim Cousins	Mr Andrew Love
Angela Eagle	Kerry McCarthy
Mr Michael Fallon	Mr Brooks Newmark
Mr David Gauke	Mr Mark Todd
Ms Sally Keeble	Peter Viggers

### **1. New member**

Mr David Gauke disclosed his interests, pursuant to the resolution of the House of 13 July 1992. *For details of declarations of interest see Appendix.*

### **2. Bank of England February 2006 Inflation Report**

*Resolved*, That the Committee inquire into the Bank of England February 2006 Inflation Report.—(*The Chairman.*)

### **3. Sub-Committee UK Travel**

*Resolved*, That the Sub-Committee visit the North West in March in connection with its inquiry into the administration of tax credits.—(*Mr Michael Fallon.*)

### **4. Financial inclusion**

Mark Lovell, Group Chief Executive, Jon Trigg, Project Development Director, and Steve Hart, Financial Inclusion Services Practitioner, A4e (Action for Employment), gave oral evidence.

[Adjourned till Tuesday 28 February at 9.45 am.]

*Annex*

### **Declaration of Members' interests (17 January 2006)**

**Mr David Gauke:**

Overseas visits: 8-13 January 2006, to Israel, hosted by Conservative Friends of Israel (CFI). CFI contributed the cost of flights, accommodation and some meals. The Israeli Ministry of Foreign Affairs contributed to the costs of travel inside Israel and some meals. (*Registered 17 January 2006*)

## **Monday 20-Tuesday 21 February 2006**

*Mr Michael Fallon visited Brussels in accordance with the decision of the Committee on 26 January 2006.*



## Tuesday 28 February 2006

Members present:

John McFall, in the Chair

Jim Cousins	Mr Andrew Love
Angela Eagle	Kerry McCarthy
Mr David Gauke	Mr Brooks Newmark
Ms Sally Keeble	Mr Mark Todd
Susan Kramer	Peter Viggers

### ***1. The design of a National Pension Savings Scheme and the role of financial services regulation***

*Resolved*, That the Committee inquire into the design of a National Pension Savings Scheme and the role of financial services regulation.—(*The Chairman*.)

*Ordered*, That the provisions of Standing Order No. 137A (Select committees: power to work with other committees) be applied to evidence submitted to or taken before the Committee in relation to its inquiry into the design of a National Pension Savings Scheme and the role of financial services regulation, in respect of the Work and Pensions Committee.

### ***2. Financial inclusion***

Mark Lyonette, Chief Executive, Association of British Credit Unions, Susan Davenport, Chief Executive, Leeds City Credit Union, and Laksham Chandrasekera, Chief Executive, Southwark Credit Union, gave oral evidence.

Bernie Morgan, Chief Executive, Community Development Finance Association, Sarah McGeehan, Deputy Chief Executive, Community Development Finance Association, Andrew Baker, Chief Executive, Derbyloans, and Simon Frost, Managing Director, South-coast Moneyline, gave oral evidence.

[Adjourned till Tuesday 7 March at 9.45 am.]

## Tuesday 7 March 2006

Members present:

John McFall, in the Chair

Lorely Burt	Susan Kramer
Jim Cousins	Mr Andrew Love
Angela Eagle	Mr George Mudie
Mr David Gauke	Kerry McCarthy
Mr Michael Fallon	Mr Mark Todd
Ms Sally Keeble	Peter Viggers

### ***1. The Committee's programme of work***

The Committee considered this matter.

**2. The Sub-Committee's programme of work**

*Resolved*, That the Sub-Committee inquire into the Annual Report of the Office of Government Commerce.—(*Mr Michael Fallon.*)

**3. Bank of England February 2006 Inflation Report**

Mr Roger Bootle, Managing Director, Capital Economics, Mr John Butler, UK Chief Economist, HSBC, Professor Danny Quah, London School of Economics, and Professor Anton Muscatelli, University of Glasgow, gave oral evidence.

[Adjourned till Tuesday 14 March at 9.45 am.]

**Tuesday 14 March 2006**

Members present:

John McFall, in the Chair

Lorely Burt

Angela Eagle

Mr David Gauke

Mr Andrew Love

Mr Brooks Newmark

Mr Mark Todd

**1. The Committee's programme of work**

The Committee considered this matter.

**2. The 2006 Budget**

*Resolved*, That the Committee inquire into The 2006 Budget.—(*The Chairman.*)

**3. Overseas Travel**

*Ordered*, That the Chairman visit Vienna to attend the Conference of the Chairpersons of the Financial Affairs Committees of the National Parliaments of the European Union in a representative capacity and that the Chairman seek the approval of the Liaison Committee for expenditure in connection with the visit.—(*The Chairman.*)

**4. Financial inclusion**

Seymour Fortescue, Chief Executive, and Gerard Lemos, Chairman, the Banking Code Standards Board, gave oral evidence.

Clive Cowdery, Chairman, and Patrick South, Director of External Affairs, the Resolution Foundation, gave oral evidence.

[Adjourned till Monday 27 March at 4.00 pm.]

## Monday 27 March 2006

Members present:

John McFall, in the Chair

Angela Eagle	Kerry McCarthy
Mr Michael Fallon	Mr Brooks Newmark
Mr David Gauke	Mr Mark Todd
Ms Sally Keeble	Peter Viggers
Mr Andrew Love	

### **1. Government Response to the 2005 Pre-Budget Report: Special Report**

Draft Special Report (The 2005 Pre-Budget Report: Government Response to the Committee's Second Report of Session 2005–06), proposed by the Chairman, brought up, read the first and second time, and agreed to.

*Resolved*, That the Report be the Third Special Report of the Committee to the House.

*Ordered*, That the Chairman make the Report to the House.

*Ordered*, That the Government's response to the Second Report from the Committee be appended to the Report.—(*The Chairman.*)

### **2. Globalisation: its impact on the real economy**

*Resolved*, That the Committee inquire into Globalisation: its impact on the real economy.—(*The Chairman.*)

### **3. The 2006 Budget**

Mr Robert Chote, Institute for Fiscal Studies, Professor David Miles, Morgan Stanley, Ms Bridget Rosewell, Volterra Consulting, and Mr Martin Weale, National Institute for Economic and Social Research, gave oral evidence.

Mr Robert Chote, Institute for Fiscal Studies, Mr Martin Weale, National Institute for Economic and Social Research, Professor Colin Talbot, Manchester Business School, and Mr John Whiting, PriceWaterhouseCoopers, gave oral evidence.

[Adjourned till Tuesday 28 March at 9.15 am.]

## Tuesday 28 March 2006

Members present:

John McFall, in the Chair

Jim Cousins	Kerry McCarthy
Mr Michael Fallon	Mr Brooks Newmark
Mr David Gauke	Mr Mark Todd

### **1. Bank of England February 2006 Inflation Report**

Mr Mervyn King, Governor and MPC member, Ms Rachel Lomax, Deputy Governor and MPC member, Mr Charles Bean, Executive Director and MPC member, Ms Kate Barker, External MPC member, and Professor Stephen Nickell, External MPC member, Bank of England, gave oral evidence.

[Adjourned till Wednesday 29 March at 9.00 am.]

### Wednesday 29 March 2006

Members present:

John McFall, in the Chair

Jim Cousins	Kerry McCarthy
Angela Eagle	Mr George Mudie
Mr Michael Fallon	Mr Brooks Newmark
Mr David Gauke	Mr Mark Todd
Ms Sally Keeble	Peter Viggers
Mr Andrew Love	

#### **1. The 2006 Budget**

Mr Jon Cunliffe, Second Permanent Secretary, Macroeconomic Policy and International Finance, Mr Mark Neale, Managing Director, Budget, Tax and Welfare, Ms Sarah Mullen, Director, Public Spending, and Mr Chris Martin, Head of Productivity Team, HM Treasury, gave oral evidence.

[Adjourned till Thursday 30 March at 11.35 am.]

### Thursday 30 March 2006

Members present:

John McFall, in the Chair

Jim Cousins	Kerry McCarthy
Angela Eagle	Mr George Mudie
Mr Michael Fallon	Mr Brooks Newmark
Mr David Gauke	Mr Mark Todd
Ms Sally Keeble	Peter Viggers
Mr Andrew Love	

#### **1. The Committee's programme of work**

The Committee considered this matter.

#### **2. The Sub-Committee's programme of work**

*Resolved*, That the Sub-Committee inquire into Independence for statistics.—(Mr Michael Fallon.)

#### **3. The 2006 Budget**

Rt. Hon. Gordon Brown MP, Chancellor of the Exchequer, Jon Cunliffe, Second Permanent Secretary, Macroeconomic Policy and International Finance, Mark Neale, Managing Director, Budget, Tax and Welfare, Sarah Mullen, Director, Public Spending, and Chris Martin, Head of Productivity Team, HM Treasury, gave oral evidence.

[Adjourned till Tuesday 20 April at 9.00 am.]

## Thursday 20 April 2006

Members present:

John McFall, in the Chair

Jim Cousins	Kerry McCarthy
Angela Eagle	Mr George Mudie
Mr Michael Fallon	Mr Brooks Newmark
Mr David Gauke	Mr Mark Todd
Ms Sally Keeble	Peter Viggers
Mr Andrew Love	

### **1. The Committee's programme of work**

The Committee considered this matter.

### **2. Operation Gestalt**

*Ordered*, That the Chairman write to the Financial Secretary to the Treasury in connection with Operation Gestalt.

### **3. The 2006 Budget**

Draft Report (The 2006 Budget), proposed by the Chairman, brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the Fourth Report from the Treasury Committee of Session 2005–06 (HC 994–I, p 68).*

[Adjourned till Tuesday 25 April at 9.45 am.]

## Tuesday 25 April 2006

Members present:

John McFall, in the Chair

Jim Cousins	Kerry McCarthy
Angela Eagle	Mr Brooks Newmark
Mr David Gauke	Mr Mark Todd
Ms Sally Keeble	Peter Viggers

### **1. The Committee's programme of work**

The Committee considered this matter.

### **2. The design of a National Pension Savings Scheme and the role of financial services regulation**

Mick McAteer, Policy Adviser, Which? and Ned Cazalet, Cazalet Consulting, gave evidence.

Christine Farnish, Chief Executive, National Association of Pensions Funds, Stephen Haddrill, Director General, Association of British Insurers, and Richard Saunders, Chief Executive, Investment Management Association, gave oral evidence.

[Adjourned till Thursday 27 April at 9.30 am.]

## Thursday 27 April 2006

Members present:

John McFall, in the Chair

Mr Colin Breed	Kerry McCarthy
Jim Cousins	Mr Brooks Newmark
Angela Eagle	John Thurso
Mr Michael Fallon	Mr Mark Todd
Mr David Gauke	Peter Viggers
Ms Sally Keeble	

### **1. New members**

Mr Colin Breed and John Thurso disclosed their interests, pursuant to the resolution of the House of 13 July 1992. *For details of declarations of interest see Appendix.*

### **2. The Committee's programme of work**

The Committee considered this matter.

### **3. Sub-Committee's programme of work**

The Committee considered this matter.

### **4. Globalisation: the role of the IMF**

Mr Mervyn King, Governor of the Bank of England, Ms Rachel Lomax, Deputy Governor of the Bank of England, and Mr Chris Salmon, Head of International Finance Division, Bank of England, gave oral evidence.

[Adjourned till Wednesday 3 May at 9.15 am.]

*Annex*

### **Declaration of Members' interests (17 January 2006)**

#### **Mr Colin Breed:**

Remunerated employment, office, profession etc: Lay Associate Member of General Medical Council. I receive expenses relating to meetings and work undertaken in that role. (*Up to £5,000*).

#### **John Thurso:**

Remunerated directorships: Chairman of: International Wine and Spirit Competition Ltd; organisers annual wine and spirit competition; Fitness Industry Association Limited; represents fitness industry as trade body; Ulbster Holdings Ltd.; manages family estates in Scotland; Thurso Fisheries Ltd; manages family estates in Scotland.

Director of three wholly owned subsidiaries of Ulbster Holdings Ltd: Ulbster Estates (Sporting) Ltd; Lochdhu Hotels Ltd; Sinclair Family Trust Ltd.

Director of Millennium and Copthorne Hotels PLC; international hotel company.

Remunerated employment, office, profession etc: Lecturer at Cranfield University relating to my previous employment.

Sponsorship or financial or material support: Donation to my constituency party from Mr John Lewis (personal friend and former colleague in hotel industry). (*Registered 30 June 2005*)

Land and Property: Estate in Caithness.

Registrable shareholdings: (a) Walker Greenbank PLC (2% of share capital is owned by Ulbster Holdings Ltd. which I own 100%); Ulbster Holdings Ltd (which owns 100% of Lochdhu Hotels Ltd., Ulbster Estates (Sporting) Ltd and Sinclair Family Trust Ltd.); Thurso Fisheries Ltd.

### **Wednesday 3 May 2006**

Members present:

John McFall, in the Chair

Mr Colin Breed	Mr Brooks Newmark
Jim Cousins	John Thurso
Mr Michael Fallon	Mr Mark Todd
Mr David Gauke	Peter Viggers
Kerry McCarthy	

#### ***1. The Committee's programme of work***

The Committee considered this matter.

#### ***2. Sub-Committee's programme of work***

The Committee considered this matter.

#### ***3. The design of a National Pension Savings Scheme and the role of financial services regulation***

Mr Clive Briault, Managing Director, Retail Markets, and Mr Dan Waters, Director, Retail Policy, Financial Services Authority, gave oral evidence.

Lord Turner of Ecchinswell, a Member of the House of Lords and Chairman of the Pensions Commission, gave oral evidence.

[Adjourned till Tuesday 9 May at 9.45 am.]

### **Tuesday 9 May 2006**

Members present:

John McFall, in the Chair

Jim Cousins	John Thurso
Mr Andrew Love	Peter Viggers
Mr George Mudie	

#### ***1. The Committee's programme of work***

The Committee considered this matter.

## **2. Financial inclusion**

Mr Brian Pomeroy, Chairman of the Financial Inclusion Taskforce, gave oral evidence.

Mr Alan Cook, Managing Director, and Mr Graham Halliday, Director of Banking and Financial Services, Post Office Ltd, gave oral evidence.

[Adjourned till Thursday 11 May at 11.35 am.]

## **Thursday 11 May 2006**

Members present:

John McFall, in the Chair

Mr Colin Breed	Kerry McCarthy
Angela Eagle	Mr Brooks Newmark
Mr Michael Fallon	John Thurso
Mr David Gauke	Mr Mark Todd
Ms Sally Keeble	Peter Viggers
Mr Andrew Love	

### **1. The Committee's programme of work**

The Committee considered this matter.

### **2. The Sub-Committee's programme of work**

The Committee considered this matter.

### **3. Globalisation: the role of the IMF**

Rt Hon Gordon Brown MP, Mr Jon Cunliffe, Second Permanent Secretary and Managing Director, Macroeconomic Policy and International Finance, and Mr Tom Scholar, UK Executive Director to the World Bank and IMF, HM Treasury, gave oral evidence.

[Adjourned till Tuesday 16 May at 9.45 am.]

## **Tuesday 16 May 2006**

Members present:

John McFall, in the Chair

Jim Cousins	Mr Andrew Love
Angela Eagle	John Thurso
Ms Sally Keeble	Peter Viggers

### **1. The Committee's programme of work**

The Committee considered this matter.

### **2. The Sub-Committee's programme of work**

The Committee considered this matter.



### **3. Financial inclusion**

Mr John Tiner, Chief Executive, Mr Clive Briault, Managing Director, Retail Markets, and Mr Vernon Everitt, Director, Retail Themes Division, the Financial Services Authority, gave oral evidence.

[Adjourned till Thursday 18 May at 9.00 am.]

## **Thursday 18 May 2006**

Members present:

John McFall, in the Chair

Jim Cousins	Mr Andrew Love
Angela Eagle	Kerry McCarthy
Mr Michael Fallon	Peter Viggers
Ms Sally Keeble	

### **1. The Committee's programme of work**

The Committee considered this matter.

### **2. The Monetary Policy Committee of the Bank of England: appointment hearing for Professor David Blanchflower**

*Resolved*, That the Committee inquire into the Monetary Policy Committee of the Bank of England: appointment hearing for Professor David Blanchflower.—(*The Chairman.*)

### **3. The Sub-Committee's programme of work**

The Committee considered this matter.

### **4. The design of the National Pension Savings Scheme and the role of financial services regulation**

Draft Report (The design of the National Pension Savings Scheme and the role of financial services regulation), proposed by the Chairman, brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the Fifth Report from the Treasury Committee, Session 2005–06 (HC 1074, p 39).*

### **5. Financial inclusion**

Mr Gary Hoffman, Chairman, Barclays Bank PLC, Mr Dyfrig John, Director and Chief Executive, HSBC Bank plc, Mr Mike Fairey, Deputy Group Chief Executive, Lloyds TSB, Sir Fred Goodwin, Group Chief Executive, The Royal Bank of Scotland Group, and Mr James Crosby, Chief Executive, HBOS plc, gave oral evidence.

[Adjourned till Monday 22 May at 4.45 pm.]

## **Monday 22 May 2006**

Members present:

John McFall, in the Chair

Mr Colin Breed  
Mr Michael Fallon  
Mr David Gauke  
Ms Sally Keeble  
Mr Andrew Love

Kerry McCarthy  
Mr George Mudie  
John Thurso  
Mr Mark Todd  
Peter Viggers

**1. *The Committee's programme of work***

The Committee considered this matter.

**2. *The Sub-Committee's programme of work***

The Committee considered this matter.

**3. *Financial inclusion***

Mr James Plaskitt MP, Parliamentary Under-Secretary of State, Department for Work and Pensions, gave oral evidence.

Ms Fiona Price, Director of Cross-Market Interventions, Department of Trade and Industry, gave oral evidence.

Mr Ed Balls MP, Economic Secretary to the Treasury, Mr Clive Maxwell, Director, Financial Services, and Ms Sue Catchpole, Team Leader, Financial Services, HM Treasury, gave oral evidence.

[Adjourned till Tuesday 23 May, immediately after the meeting of the Sub-Committee.]

## Tuesday 23 May 2006

Members present:

John McFall, in the Chair

Jim Cousins	Kerry McCarthy
Mr Michael Fallon	Mr George Mudie
Ms Sally Keeble	John Thurso
Mr Andrew Love	Mr Mark Todd

### **1. The administration of tax credits**

Draft Report from the Sub-Committee (The administration of tax credits), brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the Sixth Report from the Treasury Committee, Session 2005–06 (HC 811, p 104).*

### **2. European financial services regulation**

Draft Report (European financial services regulation), proposed by the Chairman, brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the Seventh Report from the Treasury Committee, Session 2005–06 (HC 778, p 27).*

[Adjourned till Wednesday 24 May at 9.00 am.]

## Wednesday 24 May 2006

Members present:

John McFall, in the Chair

Mr Colin Breed	Kerry McCarthy
Jim Cousins	Mr George Mudie
Angela Eagle	Mr Brooks Newmark
Mr Michael Fallon	John Thurso
Mr David Gauke	Mr Mark Todd
Ms Sally Keeble	Peter Viggers
Mr Andrew Love	

### **1. The Committee's programme of work**

The Committee considered this matter.

1992. *For details of declarations of interest see Appendix.*

### **2. Bank of England May 2006 Inflation Report**

*Resolved, That the Committee inquire into the Bank of England May 2006 Inflation Report.—(The Chairman.)*

**3. The Sub-Committee's programme of work**

The Committee considered this matter.

**4. Bank of England Monetary Policy Committee: appointment hearing for Professor David Blanchflower**

Professor David Blanchflower gave oral evidence.

Draft Report (Bank of England Monetary Policy Committee: appointment hearing for Professor David Blanchflower), proposed by the Chairman, brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the Eighth Report from the Treasury Committee, Session 2005–06 (HC 1211, p 9).*

[Adjourned till Tuesday 6 June at 9.45 am.]

**Sunday 28- Monday 29 May 2006**

*The Chairman visited Vienna, Austria to attend the Conference of the Chairpersons of the Financial Affairs Committees of the National Parliaments of the European Union, in accordance with the Committee's decision of 14 March.*

**Tuesday 6 June 2006**

Members present:

John McFall, in the Chair

Mr Michael Fallon	Kerry McCarthy
Mr David Gauke	John Thurso
Ms Sally Keeble	Mr Mark Todd
Mr Andrew Love	Peter Viggers

**1. The Committee's programme of work**

The Committee considered this matter.

**2. The Sub-Committee's programme of work**

The Committee considered this matter.

**3. Overseas Travel**

*Ordered,* That a Member of the Committee visit Brussels to attend the Committee on Budgets, Annual Meeting with National Parliaments of the European Union on Wednesday 21 June in a representative capacity and that the Chairman seek the approval of the Liaison Committee for expenditure in connection with the visit.—(*The Chairman.*)

**4. Bank of England May 2006 Inflation Report**

Professor Anton Muscatelli, University of Glasgow, Professor Danny Quah, London School of Economics, Mr John Butler, UK Chief Economist, HSBC, and Mr Michael Saunders, Head of European Economics, Citigroup, gave oral evidence.

[Adjourned till Tuesday 13 June at 9.45 am.]



## Tuesday 13 June 2006

Members present:

John McFall, in the Chair

Angela Eagle

Mr Michael Fallon

Ms Sally Keeble

Mr Andrew Love

John Thurso

Mr Mark Todd

### **1. The Committee's programme of work**

The Committee considered this matter.

### **2. Confidentiality of Committee proceedings**

*Resolved*, That the Committee undertake an investigation to try to discover the source or sources of the unauthorised disclosure of certain Committee proceedings or certain Committee Reports.—(*The Chairman.*)

### **3. The Sub-Committee's programme of work**

The Committee considered this matter.

### **4. Publication of Minutes of Proceedings**

*Ordered*, That the Minutes of Proceedings of the Treasury Committee in this Session of Parliament, together with the Minutes of Proceedings of any Sub-Committee which it may appoint, should be laid upon the Table from time to time.

### **5. Globalisation: its impact on the real economy**

Ms Bridget Rosewell, Consultant Chief Economist, GLA Economics, and Mr Stephen King, Group Chief Economist, HSBC, gave oral evidence.

[Adjourned till Thursday 29 June at 9.00 am.]

## **Sunday 18- Saturday 24 June 2006**

*The Chairman, Colin Breed, Mr Michael Fallon, Mr David Gauke, Ms Sally Keeble, Mr Andrew Love, Mr George Mudie and Mr Brooks Newmark visited Dubai, United Arab Emirates, and Delhi and Mumbai, India in accordance with the decision of the Committee on 17 January 2006.*

## **Tuesday 20 June 2006**

*Peter Viggers visited Brussels to attend the Committee on Budgets, Annual Meeting with National Parliaments of the European Union, in accordance with the decision of the Committee on 6 June 2006.*

## Thursday 29 June 2006

Members present:

John McFall, in the Chair

Angela Eagle	Kerry McCarthy
Mr Michael Fallon	Mr Brooks Newmark
Mr David Gauke	John Thurso
Ms Sally Keeble	Mr Mark Todd
Mr Andrew Love	Mr Peter Viggers

### **1. Confidentiality of Committee proceedings**

The Committee considered this matter.

*Ordered*, That the Chairman write to the Chairman of the Liaison Committee about the premature disclosure of Committee proceedings.

### **2. The Committee's programme of work**

The Committee considered this matter.

### **3. The Sub-Committee's programme of work**

The Committee considered this matter.

### **4. The Bank of England May 2006 Inflation Report**

Mr Mervyn King, Governor of the Bank of England, Mr Charles Bean, Executive Director of the Bank of England and MPC member, Mr Paul Tucker, Executive Director (Markets), Bank of England and MPC member, and Ms Kate Barker, external MPC member, gave oral evidence.

[Adjourned till Wednesday 5 July at 2.15 pm.]

## Wednesday 5 July 2006

Members present:

John McFall, in the Chair

Mr Michael Fallon	Kerry McCarthy
Mr David Gauke	Mr Brooks Newmark
Ms Sally Keeble	Mr Mark Todd
Mr Andrew Love	

### **1. The 2006 Budget**

Draft Special Report (The 2006 Budget: Government Response to the Committee's Fourth Report of Session 2005–06), proposed by the Chairman, brought up, read the first and second time, and agreed to.

*Resolved*, That the Report be the Fourth Special Report of the Committee to the House.

*Ordered*, That the Chairman make the Report to the House.

*Ordered*, That the Government's response to the Committee's Fourth Report from the Committee (The 2006 Budget) be appended to the Report.

**2. The Committee's programme of work**

The Committee considered this matter.

**3. Globalisation: the role of the IMF**

Draft Report (Globalisation: the role of the IMF), proposed by the Chairman, brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the Ninth Report from the Treasury Committee of Session 2005–06 (HC 875, pp 43–44).*

[Adjourned till Tuesday 11 July at 9.45 am.]

**Tuesday 11 July 2006**

Members present:

John McFall, in the Chair

Mr Colin Breed	Kerry McCarthy
Mr Michael Fallon	Mr George Mudie
Mr David Gauke	Mr Brooks Newmark
Ms Sally Keeble	John Thurso
Mr Andrew Love	Mr Mark Todd

**1. The 2006 Budget**

Draft Special Report (The 2006 Budget: Government Response to the Committee's Fourth Report of Session 2005–06), proposed by the Chairman, brought up, read the first and second time, and agreed to.

*Resolved*, That the Report be the Fourth Special Report of the Committee to the House.

*Ordered*, That the Chairman make the Report to the House.

*Ordered*, That the Government's response to the Committee's Fourth Report (The 2006 Budget) be appended to the Report.

**2. The Committee's programme of work**

The Committee considered this matter.

**3. Globalisation: its impact on the real economy**

Mr Martin Wolf, Chief Economics Commentator, *The Financial Times*, gave oral evidence.

Mr Richard Exell, Senior Policy Officer, Trades Union Congress, Mr Simon Dubbins, Head of International Department, Amicus, and Mr Nick Clark, Policy Officer, Public and Commercial Services Union, gave oral evidence.

[Adjourned till Tuesday 18 July at 9.45 am.]



**Tuesday 18 July 2006**

Members present:

John McFall, in the Chair

Angela Eagle	Mr George Mudie
Mr Michael Fallon	Mr Brooks Newmark
Ms Sally Keeble	John Thurso
Mr Andrew Love	Mr Mark Todd
Kerry McCarthy	

**1. *Premature disclosure of Reports***

The Committee considered this matter.

**2. *Meetings of select and standing committees***

The Committee considered this matter.

*Ordered*, That the Chairman write to the Chairman of the Liaison Committee.

**3. *Comprehensive Spending Review: emerging issues***

*Resolved*, That the Committee inquire into the Comprehensive Spending Review: emerging issues.—(*The Chairman.*)

**4. *The Financial Services Authority: annual report scrutiny***

*Resolved*, That the Committee inquire into the Financial Services Authority: annual report scrutiny.—(*The Chairman.*)

**5. *The Monetary Policy Committee of the Bank of England: appointment hearing for Professor Tim Besley and Dr Andrew Sentance***

*Resolved*, That the Committee inquire into the Monetary Policy Committee of the Bank of England: appointment hearing for Professor Tim Besley and Dr Andrew Sentance.—(*The Chairman.*)

**6. *Managing the Committee's Work Programme***

*Resolved*, That—

- i. the programmes of the Committee and the Sub-Committee be organised so as to ensure that no more than two meetings either of the Committee or of the Committee and the Sub-Committee combined be held in any one week other than during the periods immediately following the Budget and the Pre-Budget Report;
- ii. limits be established on the number of meetings in specified periods of the Committee and of the Sub-Committee;
- iii. it be the responsibility of the Chairman to inform the Committee and seek the Committee's agreement in any case where it is proposed that a previously agreed limit for the Committee or the Sub-Committee be exceeded;
- iv. the following limits be established for the main Committee for the periods specified:

Period	Limit on number of main Committee meetings
--------	--

October–December 2006	11
January–Easter 2007	12
Easter–July 2007	14

- v. the Sub-Committee meet no more frequently than once a fortnight;
- vi. the Sub-Committee, in addition to its work on the scrutiny of departmental annual reports of the Chancellor of the Exchequer’s departments, hold a single, annual inquiry on a subject determined by the main Committee and involving three evidence sessions and one deliberative meeting; and
- vii. the Chairman prepare a paper for consideration by the Committee in the Autumn examining possible approaches to scrutiny of departmental annual reports by the Sub-Committee and proposing limits on the number of meetings of the Sub-Committee in specified periods compatible with effective scrutiny of the departmental annual reports of the Chancellor of the Exchequer’s departments.—  
(*The Chairman.*)

### **7. Independence for statistics**

Draft Report from the Sub-Committee (Independence for statistics), brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the Tenth Report from the Treasury Committee, Session 2005–06 (HC 1111, pp 80–81).*

[Adjourned till a date and time to be fixed by the Chairman.]

## **Tuesday 10 October 2006**

Members present:

John McFall, in the Chair

Mr Colin Breed	Ms Sally Keeble
Jim Cousins	Mr Andrew Love
Angela Eagle	Kerry McCarthy
Mr Michael Fallon	Mr Brooks Newmark
Mr David Gauke	Mr Mark Todd

### **1. The Committee’s programme of work**

The Committee considered this matter.

### **2. The Sub-Committee’s programme of work**

*Resolved*, That the Committee inquire into HM Treasury: Departmental Report 2006, Government Actuary’s Departmental Report and Resource Accounts 2005-06, and Royal Mint: Departmental Annual Report 2005-06.—(*Mr Michael Fallon.*)

### **3. The design of a National Pension Savings Scheme**

Draft Special Report (The design of a National Pension Savings Scheme: Government Response to the Committee’s Fifth Report of Session 2005–06), proposed by the Chairman, brought up, read the first and second time, and agreed to.

*Resolved*, That the Report be the Fifth Special Report of the Committee to the House.

*Ordered*, That the Chairman make the Report to the House.

*Ordered*, That the Government's response to the Fifth Report from the Committee (The design of a National Pension Savings Scheme) be appended to the Report.

#### **4. European financial services regulation**

Draft Special Report (European financial services regulation: Government Response to the Committee's Seventh Report of Session 2005–06), proposed by the Chairman, brought up, read the first and second time, and agreed to.

*Resolved*, That the Report be the Sixth Special Report of the Committee to the House.

*Ordered*, That the Chairman make the Report to the House.

*Ordered*, That the Government's response to the Seventh Report from the Committee (European financial services regulation) be appended to the Report.

#### **5. Appointment of Specialist Advisers**

*Ordered*, That Professor Danny Quah and Professor Anton Muscatelli be appointed Specialist Advisers to assist the Committee in matters relating to monetary policy.—(*The Chairman.*)

*Ordered*, That Professor Colin Talbot be appointed a Specialist Adviser to assist the Committee in matters relating to public expenditure.—(*The Chairman.*)

#### **6. UK visit**

*Resolved*, That the Committee visit the Bank of England in January 2007.—(*The Chairman.*)

#### **7. Financial Services Authority: annual report scrutiny**

Richard Lambert, Former Chairman of the Retail Financial Services Group (2005-06), Peter Vicary Smith, Chief Executive of Which? and Retail Financial Services Group member, and Keith Satchell, Chief Executive of Friends Provident, and Retail Financial Services Group member, gave oral evidence.

John Howard, Chairman, Financial Services Consumer Panel, gave oral evidence.

Keith Satchell, Chairman, and Stephen Haddrill, Director General, Association of British Insurers, gave oral evidence.

[Adjourned till Thursday 12 October at 9.45 am.]

### **Thursday 12 October 2006**

Members present:

John McFall, in the Chair

Angela Eagle

Mr Michael Fallon

Mr David Gauke

Mr Andrew Love

Kerry McCarthy

Mr Brooks Newmark

Mr Mark Todd

**1. The Committee's programme of work**

The Committee considered this matter.

**2. Visit to the Republic of Ireland**

*Resolved*, That the Committee visit the Republic of Ireland in early 2007 and that the Chairman seek the approval of the Liaison Committee for expenditure in connection with that visit.—(*The Chairman.*)

**3. The Bank of England Monetary Policy Committee: appointment hearings for Professor Tim Besley and Dr Andrew Sentance**

Professor Tim Besley, gave oral evidence.

Dr Andrew Sentance, gave oral evidence.

Draft Report (Bank of England Monetary Policy Committee: appointment hearings for Professor Tim Besley and Dr Andrew Sentance), proposed by the Chairman, brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the Eleventh Report from the Treasury Committee, Session 2005–06 (HC 1595–I, p 8).*

**4. Independence for Statistics**

Draft Special Report (Independence for statistics: Government Response to the Committee's Tenth Report of Session 2005–06), proposed by the Chairman, brought up, read the first and second time, and agreed to.

*Resolved*, That the Report be the Seventh Special Report of the Committee to the House.

*Ordered*, That the Chairman make the Report to the House.

*Ordered*, That the Government's response to the Tenth Report from the Committee (Independence for Statistics) be appended to the Report.

[Adjourned till Tuesday 17 October at 9.45 am.]

**Tuesday 17 October 2006**

Members present:

John McFall, in the Chair

Mr Colin Breed

Jim Cousins

Mr David Gauke

Mr Andrew Love

Kerry McCarthy

Mr George Mudie

Mr Brooks Newmark

John Thurso

Mr Mark Todd

Peter Viggers

**1. The Committee's programme of work**

The Committee considered this matter.

**2. Globalisation: its impact on the real economy**

Sir George Cox, Chairman, the Design Council, and Stephen Radley, Chief Economist, EEF, gave oral evidence.

[Adjourned till Tuesday 24 October at 9.45 am.]

**Tuesday 24 October 2006**

Members present:

John McFall, in the Chair

Mr Colin Breed	Kerry McCarthy
Jim Cousins	Mr Brooks Newmark
Angela Eagle	John Thurso
Mr David Gauke	Mr Mark Todd
Ms Sally Keeble	Peter Viggers
Mr Andrew Love	

**1. The Committee's programme of work**

The Committee considered this matter.

**2. The Financial Services Authority: annual report scrutiny**

Sir Callum McCarthy, Chairman, and Mr John Tiner, Chief Executive, the Financial Services Authority, gave oral evidence.

**3. Declaration of Interests**

Peter Viggers declared an interest in view of his residual Lloyd's underwriting involvement and the fact that he was Chairman of the Trustees of Lloyd's Pension Fund.

[Adjourned till Thursday 2 November at 9.45 am.]

**Thursday 2 November 2006**

Members present:

John McFall, in the Chair

Angela Eagle	Kerry McCarthy
Mr David Gauke	Mr George Mudie
Ms Sally Keeble	Mr Brooks Newmark
Mr Andrew Love	Mr Mark Todd

**1. The Committee's programme of work**

The Committee considered this matter.

**2. The Sub-Committee's programme of work**

The Committee considered this matter.

**3. Globalisation: its impact on the real economy**

Peter Oppenheimer, Goldman Sachs, Jens Tholstrup, Oxford Analytica, and John Hawksorth, Price WaterhouseCoopers, gave oral evidence.

Mr Simon Bullock, Economy Campaigner and Dr Tim Jenkins, Economy Campaigner, Friends of the Earth, and Professor Eric Neumayer, gave oral evidence.

[Adjourned till Tuesday 7 November at 9.45 am.]

**Tuesday 7 November 2006**

Members present:

John McFall, in the Chair

Jim Cousins	Mr George Mudie
Mr Michael Fallon	Mr Brooks Newmark
Mr David Gauke	John Thurso
Ms Sally Keeble	Mr Mark Todd
Mr Andrew Love	Peter Viggers
Kerry McCarthy	

**1. The Committee's programme of work**

*Resolved*, That, notwithstanding the Committee's decision of 18 July 2006, the Committee should meet on 14 occasions between the start of October 2006 and Christmas 2006, and that the Committee should meet twice in the week beginning 20 November.—(*The Chairman.*)

**2. The scope of FSA insurance regulation**

*Resolved*, That the Committee inquire into the scope of FSA insurance regulation.—(*The Chairman.*)

**3. Climate change and the Stern review: implications for HM Treasury policy**

*Resolved*, That the Committee inquire into Climate change and the Stern review: implications for HM Treasury policy.—(*The Chairman.*)

**4. Bank of England November 2006 Inflation Report**

*Resolved*, That the Committee inquire into the Bank of England November 2006 Inflation Report.—(*The Chairman.*)

**5. The Sub-Committee's programme of work**

The Committee considered this matter.

**6. Financial inclusion: credit, savings, advice and insurance**

Draft Report (Financial inclusion: credit, savings, advice and insurance), brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the Twelfth Report from the Treasury Committee, Session 2005–06 (HC 848–I, pp 70–72).*

**7. “Banking the unbanked”: banking services, the Post Office Card Account and financial inclusion**

Draft Report (“Banking the unbanked”: banking services, the Post Office Card Account and financial inclusion), brought up and read.

*The draft Report was agreed to; the Minutes of Proceedings relating to the consideration of the Report are published in the Thirteenth Report from the Treasury Committee, Session 2005–06 (HC 1717, pp 70–71).*

[Adjourned till Tuesday 21 November at 10.00 am.]