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the right hon. Gentleman has been desperate to cover up the fact that living standards are rising. The Opposition have produced the most spurious attacks on tax in the past few weeks. They claim that there have been 22 new taxes over the past five years, but I can identify 25 tax reductions in the past couple of years. The right hon. Gentleman takes no account of rising incomes and people moving into higher tax brackets, so he is painting a misleading picture. We have the lowest rate of basic tax for 60 years. It was 33p and it is now 23p.

**Mr. Blair:** The Prime Minister wants to take credit for the fact that people's earnings have increased, but they have earned that money, not the Government. Is it not curious that the Conservative party no longer wants to talk about tax? Will the Prime Minister return to the central question that I asked him? Is it or is it not right, according to his own Red Book, that the overall burden of taxation next year will be higher than it is this year? As one of his hon. Friends said, the answer can only be yes or no. Which is it?

**The Prime Minister:** If the right hon. Gentleman had listened to what I just said, he would have had his answer. The right hon. Gentleman does not take into account the fact that more people are working and incomes are rising. Had the Labour party presented a Budget earlier this week, taxes would have increased quite dramatically. On one hand he accuses us of cutting expenditure and on the other hand he accuses us of putting up taxes. We have kept direct tax down and we have increased expenditure on health, police and other important services.

**Mr. Blair:** Perhaps, on the third occasion, the Prime Minister will now answer the question. Because of all the taxes in the Budget—the insurance tax, the airport tax, the council tax, the fuel tax, the abolition of profit-related pay—according to his figures, the tax burden is to rise next year. It will rise not just next year but, according to the Government's plans, the year after, the year after that and the year after that, to a level higher than under the last Labour Government. Perhaps the Prime Minister will now answer the question: is it true that the tax burden is to rise next year? If it is, is not the reputation of the Tories as a low tax party now dead and buried?

**The Prime Minister:** The more people work, the more they earn. That is the point that the right hon. Gentleman does not seem to understand. If he thinks that taxes are too high, which ones would he cut? What support has he given us in cutting taxes? If he thinks that tax is too high, will he indicate that he will not proceed with the windfall tax, or a tartan tax, or a health tax or a teenage tax? How will he pay for the £30 billion-worth of promises that he has made? The plain fact of the matter is, however he huffs and puffs, people know that dogs bark, cats miaow and the Labour party puts up taxes.

**Mr. Aitken:** Is my right hon. Friend aware that the French lorry drivers dispute is now causing serious traffic chaos and economic hardship in Kent, particularly around the channel ports of Ramsgate and Dover? Now that the strike is going on, it may have a much wider impact on the country. Will my right hon. Friend make strong diplomatic representations to the French Government to extract a firm commitment that full and fair compensation

will be paid to British lorry drivers whose livelihoods have been affected by the mindless militancy of their French counterparts?

**The Prime Minister:** I am horrified by the consequences of the dispute for British drivers and companies. Claims for compensation must be met by the French authorities. We have made that point to them. I hope that, very soon this afternoon, the leader of the Labour party will make clear his condemnation of one of his own Members of the European Parliament, who has today described the striking French lorry drivers as "a shining beacon".

**Mr. Prescott:** What sort of Government is there in France?

**The Prime Minister:** The deputy leader of the Labour party asks what the Government in France are. What are the strikers and why are they being supported by Labour Members of the European Parliament? Will the deputy leader of the Labour party go down and talk to British lorry drivers and tell them that he thinks that the strikers are a shining example?

**Mr. Prescott:** It is a Tory Government in France.

**The Prime Minister:** The right hon. Gentleman is the strikers' friend now, as he always has been.

**Mr. Ashdown:** I wonder why the Prime Minister and the Government do not realise why people are so fed up with all this lying about tax. Is not the central question this: does the Prime Minister really believe that the British people are so stupid that they could be tempted to vote Conservative again because he has cut their income tax by 1p, when his own figures show that he has forced their council tax up by between £40 and £60 a year?

**The Prime Minister:** If the right hon. Gentleman wishes to talk about council tax, he might look at the council tax levied by local authorities under Liberal Democrat control. He might realise by how much their council taxes have gone up. He might remind the British public again that he is committed to increasing the standard rate of income tax. I hope that he will make that entirely clear. He is calling for more money to be given to Liberal Democrat councillors, who are "politically inexperienced and potentially a liability".

That is not what I think; it is what his party's internal document says about its councillors.

**Mr. Hunter:** Will my right hon. Friend confirm that it is not his policy to barter or bargain for the restoration of an IRA ceasefire, which should never have been broken, and that Sinn Féin's self-exclusion from the talks remains absolute, unless or until there is an equivocal restatement of the ceasefire and the Provisionals establish over a period of time a commitment to exclusively peaceful means?

**The Prime Minister:** There has been a great deal of rumour and disinformation on this issue in recent weeks. The Government have had a number of exchanges with the hon. Member for Foyle (Mr. Hume)



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and others about the possibility of a new IRA ceasefire. We have made it absolutely clear throughout those exchanges that IRA-Sinn Fein should give up violence once and for all and commit itself to exclusively peaceful means. We have also made it clear that we cannot and we will not change our policy to bargain for a ceasefire. In order that that should be absolutely clear, we are publishing today a statement of our policy, which we sent to the hon. Member for Foyle last weekend. A copy is being placed in the Library together with a short explanatory statement.

The talks that have been carrying on for some time are likely to break for Christmas soon and to resume later in January. When Sinn Fein could join the talks depends on its own actions—[HON. MEMBERS: "This is a statement."]

**Madam Speaker:** Order. Listen to the answer to the question. These are crucial issues that concern our country.

**The Prime Minister:** I must tell hon. Members that this a matter of great interest to people not just in Northern Ireland but everywhere.

When Sinn Fein could join the talks depends on its own actions. We need to see an unequivocal restoration of the ceasefire, we need to be able to make a credible judgment that it is lasting, and we need to know that Sinn Fein will sign up to the Mitchell principles. Those matters are in Sinn Fein's hands. We are not seeking delay; we wish to see inclusive talks involving all parties as soon as possible, but if Sinn Fein continues to exclude itself, the talks must and will go on without it.

**Q2. Mr. Martlew:** To ask the Prime Minister if he will list his official engagements for Thursday 28 November. [4887]

**The Prime Minister:** I refer the hon. Gentleman to the reply that I gave some moments ago.

**Mr. Martlew:** Does the Prime Minister sanction the Tory party campaign on "Honest John"? If so, does he agree that it is designed to deceive the public over tax? When are posters going to go up saying that the Prime Minister promised not to increase VAT, a promise that he broke; and that he promised not to increase taxation year year out—another promise that he broke? Is not the reality that nobody believes "Honest John"?

**The Prime Minister:** I am grateful to the hon. Gentleman for drawing attention to our posters that indicate that we now have lower income tax, higher living standards and lower unemployment, and that that has come about directly as a result of policies that we have followed over the past few years as the Government. I am glad that he draws attention to those advertisements. I hope that everybody will see them.

**Q3. Sir Irvine Patnick:** To ask the Prime Minister if he will list his official engagements for Thursday 28 November. [4888]

**The Prime Minister:** I refer my hon. Friend to the reply that I gave some moments ago.

**Sir Irvine Patnick:** I thank my right hon. Friend for his reply. Is he aware that Sheffield city councillors have

increased their council allowance by 200 per cent., that Sheffield city council spends £350 per pupil on education administration, whereas other metropolitan authorities spend only £250, and that Labour Members of Parliament get free accommodation from Sheffield city council? Is he also aware that Silverdale school in my constituency, which is in need of urgent repair, has been informed that there is no money for such repairs? Does not that show how Labour runs Sheffield city council and how it would run the country?

**The Prime Minister:** The more Opposition Members barracked my hon. Friend, the more it was clear that he had hit a bull's-eye by pointing out the way the Labour party behaves in local government. He mentioned Sheffield. Certainly it is one of the councils that have failed to collect millions of pounds of council tax.

**Mr. Prescott:** What about Westminster?

**The Prime Minister:** The right hon. Gentleman mentions Westminster—but he neglects to mention Southwark, Leeds, Newham, Camden, Bristol, Liverpool, Manchester, Birmingham and Lambeth, all of them Labour councils over many years or dominant Labour under no overall control. What is it they say about Labour?

"New Labour in local government offers excellence and efficiency."

Those are not my words, but the words of the right hon. Member for Sedgefield (Mr. Blair).

**Q4. Mr. Barnes:** To ask the Prime Minister if he will list his official engagements for Thursday 28 November. [4889]

**The Prime Minister:** I refer the hon. Gentleman to the reply I gave some moments ago.

**Mr. Barnes:** As a matter of statistical integrity, will the Prime Minister confirm what he sought to avoid in answering my right hon. Friend the Leader of the Opposition—that page 88 of the Red Book, which deals with total taxation and national insurance contributions, shows that there is an increase year by year over the next five years in the amount that will be paid out as a percentage of gross domestic product? Will he be honest?

**The Prime Minister:** As I said to the right hon. Member for Sedgefield and other hon. Members earlier, that is the impact of more people working and being paid more, and of fiscal drag. Those are the facts that the hon. Gentleman does not understand. The reality is that people have more net income in their hands than they have had at any time in the past, and living standards are rising. However he tries to muffle reality, he cannot hide from that fact.

**Mr. Faulds:** On a point of order, Madam Speaker.

**Madam Speaker:** Order. Points of order come after statements and I have two statements now.