Peter Hain MP, DWP Secretary of State 2007-2008

"The previous Labour Government dedicated much time and resources to ensuring a viable and vibrant future for the Remploy factory network. Extensive consultation with; the DWP, Remploy management and the recognised trade unions was undertaken to secure the best possible future for Remploy. The aim of the discussions and agreement were to put Remploy on a firm financial footing with increased orders whilst setting the company up for the twenty first century.

A £555m grant payable at £110 million each year over 5 years was agreed. As important as the financial package a strong commitment was given to procurement. A procurement manager was appointed. I got the agreement of Cabinet and a letter was written to every Government department encouraging them to bring Remploy into the tendering process. We also asked the Welsh Assembly Government and the Scottish Executive to do the same. Increased public procurement at both a national and local level remains critical to Remploy's long term sustainability.

The grant along with initiatives to secure public procurement was intended to support Remploy and develop the remaining 54 factories. Labour never intended that the Remploy factory network or the employment services arm of the company be wound up, privatised or run down in 2013 at the end of the 5 years. On the contrary the plan I put in place as Secretary of State for DWP in November 2007 was designed to ensure a long term future for Remploy.

David Cameron's comments on 2nd February during PMQs were factually inaccurate and entirely wrong."

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