Hard Brexit will devastate small businesses warns Green MEP



25 January 2017

South West Green MEP, Molly Scott Cato, who is Green Party economics and finance speaker, has warned that the hard Brexit being pursued by the Conservative government will prove disastrous for small businesses in the UK. Dr Scott Cato says that exiting the single market, leaving the customs union and ending free movement will all hit small businesses hard.

A new report by the Federation of Small Business (FSB) [1] paints a mixed picture of the potential impacts for small businesses of leaving the EU. However, the FSB recognises that 92% of small business exports go to the EU, but a third of small businesses surveyed for the report expect a decrease in their exports as a result of the UK leaving the EU. Around 1 in 5 of FSB members employ at least one or more non-UK EU citizens and the organisation acknowledges the importance of being able to continue accessing appropriately skilled workers for jobs that they create. Molly Scott Cato said:

"Small businesses are the bedrock of the local and regional economy. They account for more than 99% of all businesses in the UK and small and medium sized businesses (SMEs) between them employ almost 16 million people; 60% of the private sector workforce [2]. With such a huge percentage of their exports going into the EU single market, withdrawal from this market is clearly going to have a massive impact on thousands of UK workers.

"Many small firms are also heavily reliant on mid-skill and unskilled workers; the very people who will not be covered by agreements over employment quotas if we lose freedom of movement.

"Furthermore, the costs of meeting new bureaucratic requirements if we leave the customs union will make exports unviable at a small scale.

"So, the extreme form of Brexit that the government is pushing for will have hugely negative impacts on thousands of small businesses and millions of workers. But this is not what we were told would happen as a result of leaving the EU. No one voted for a decline in our exports and loss of jobs. It is clear that the Tories can no longer claim to be the Party of business".

Earlier today, Dr Scott Cato met with the EU and International chair of the FSB, Ken Moon, to discuss concerns his members have about the UK leaving the EU, the single market and the customs union.

[1]

http://www.fsb.org.uk/docs/default-source/fsb-org-uk/fsb-brexit-interim-surve y-exec-summary-jan-25-2017.pdf?sfvrsn=0

[2] http://www.fsb.org.uk/media-centre/small-business-statistics

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News story: UK and US strengthen maritime aviation cooperation

Minister for Defence Procurement Harriett Baldwin today signed a P-8A Maritime Patrol Aircraft (MPA) declaration with her United States counterpart, Deputy Secretary of Defense Bob Work to further strengthen the uniquely close defence relationship between the United Kingdom and the United States.

In 2019 the UK will receive delivery of its first Poseidon P-8A aircraft and both nations have committed to deepen their defence cooperation when operating in the North Atlantic region. Through seeking opportunities to share logistics and support bases and optimise the use of P-8A aircraft, particularly in Europe, the declaration should ensure increased value for money and operational effectiveness.

Minister for Defence Procurement Harriett Baldwin said:

The United States is our pre-eminent Ally in global defence and collective security. This declaration is further evidence of how our two countries continue to cooperate and build mutual security, particularly in the North Atlantic region.

Backed by a rising defence budget and a £178 billion Equipment Plan, the P-8A programme will provide us with enhanced surveillance capabilities.

As leading members of NATO, the UK and US are committed to the collective defence of each other and their Allies. We have also pledged to deepen defence cooperation, bilaterally and within the Alliance, to further improve the ability to operate together in exercises and operations.

The declaration provides a new opportunity to maximise value for money for the taxpayer and continue to strengthen UK-US interoperability and to pursue efficiencies in operations and support, including at RAF Lossiemouth in Scotland, where the P-8A will bring some 400+ jobs. The Department of Defense and Ministry of Defence plan to cooperate closely on operation of their P-8A aircraft in the North Atlantic to ensure a coherent approach to MPA activity.

Delivering on the commitment of the 2015 Strategic Defence and Security Review, the UK is purchasing nine Boeing P-8A Poseidon MPAs to be based in RAF Lossiemouth, Scotland. The aircraft will add to the UK's surveillance capabilities, including conducting anti-submarine and anti-surface warfare, search and rescue and intelligence gathering.



Defence Minister Harriett Baldwin meeting Bob Work in September 2016

Deputy Secretary of Defense Bob Work said:

Today's signing of the Declaration on P-8A Poseidon Bilateral Cooperation exemplifies the importance and strength of the US-UK partnership.

This cooperation agreement ensures and deepens our interoperability and maritime patrol capabilities. Together, the US and Uk will continue to deter regional threats and maintain a robust military posture.

With the first P-8A aircraft due to arrive in the UK in 2019, the RAF has ensured that we have maintained the skills needed to operate these MPAs through the 'seed-corn' programme, which has embedded former RAF MPA operators within the MPA squadrons of Australia, Canada, New Zealand and the USA.

Air Commodore Ian Gale, Senior Responsible Owner for the Poseidon P-8A programme, said:

This agreement will enhance the UK's maritime patrol capability and further strengthen UK-US defence relations. The arrival of the Poseidon P-8A in 2019 will provide the UK with significantly increased capabilities and bring hi-tech employment to Scotland and the wider UK.

This agreement follows Defence Secretary Sir Michael Fallon's <u>recent visit to Norway</u>, where he also committed to cooperate on Maritime Patrol Aircraft operations, ensuring that the UK will continue to play a key role in delivering collective maritime security across the globe.

<u>Tory Health Minsters should be acting</u> <u>to address the challenges on the costs</u> <u>of care — Barbara Keeley</u>

Barbara

Keeley, Labour's Shadow Cabinet Minister for Social Care, commenting on an investigation by the Health Service Journal and Disability United, which reveals that Clinical Commissioning Groups are drawing up new restrictions governing care for older and disabled people, said:

"It

is deeply worrying that thousands of vulnerable people could be forced to move

into care homes against their will just because that is a cheaper option than living at home.

"Evicting

older or disabled people from their homes due to decisions about the cost of their care is unacceptable. This could also affect people who need care at home

at the end of their lives.

"Torv

Health Minsters should be acting to address the challenges on the costs of care. The Government must ensure that the NHS and social care has the funding it needs."

<u>Volunteers help Chinese go home for</u> New Year

As millions of Chinese head home for Spring Festival, volunteers, charity groups and railway companies are helping them on their way.

Spring Festival, or the Chinese Lunar New Year, is the most important occasion in the Chinese calendar. This year it falls on Jan. 28.

About 3 billion trips are expected to be made during "chunyun," the Spring Festival travel rush that lasts this year from Jan. 13 to Feb. 21, the National Development and Reform Commission said.

The travel rush puts enormous strain on the transport system, leaving tickets in short supply, but many companies and local youth leagues are helping out by providing free bus rides for migrant workers.

Cheetah Mobile, a tech firm in Beijing, asked people to submit online requests for a free bus ticket back home. On Tuesday, the company arranged for buses to take more than 450 Beijing migrant workers back home.

"In the past five years, the 'orange bus' project has reached 18 cities in China during the Spring Festival, and helped 5,500 families to get together," said Xu Xiaohui, vice chief of the company.

Last week, Ping'an Group, an insurance company, commissioned 200 longdistance coaches to carry 10,000 migrant workers during the festival period.

Volunteers have also tried to make the tedious journeys easier for travelers.

At Hangzhou east railway station, volunteers handed out fortune paintings to travelers. Chinese people put such paintings, along with couplets, on doors and windows for the lunar New Year celebration.

A number of rail lines, particularly those that are less busy, have improved services. For example, some trains now have play areas for children.

"Railway staff are actively pushing reform. We aim to provide efficient and heart-warming services, making tortuous hours on the train a nice experience," said Wang Feng, head of the Lanzhou Railway Bureau.

CBI business optimism

Surveys of opinion can be unreliable. In July 2016 the CBI survey showed a dreadful minus 47, compared to a minus 4 in January 2016. At the time I thought it an odd reading predicting a downturn we would not experience, as time proved to be the case. Today's survey shows a surge to plus 15 for this January, implying good growth to come. It's a great turn round in sentiment from ultra pessimism last summer.

More reliable order book figures show plus 15 this January, compared to plus 5 last January. This is a better indicator of more growth to come. Why are some forecasters still expecting a big slowdown?