

Speech: Modernising the UK's airspace

Introduction

Good evening.

It's a pleasure to join you for tonight's dinner.

It's also a welcome opportunity for me to talk a little about the progress we've made on aviation during my first 6 months as Transport Secretary.

As many of you will know, this is a job that I've always wanted to do.

In my first 6 months I've already had the pleasure of meeting many people in this room, in what's been a very exciting time for aviation.

One of my first acts as Secretary of State was to make a long awaited big decision: giving [London City Airport the opportunity to expand](#).

And this is a government prepared to make other big decisions – including the location on aviation expansion in the south east, recommending a [third runway at Heathrow](#).

More on that later.

Brexit

Because I'd like to start by saying a few words about Brexit.

I understand that you are keen to hear exactly what Brexit will entail for the airline industry.

My priority right now is to secure the right deal for airlines following negotiations with the rest of the EU.

At the same time, I will be working alongside the Prime Minister and my colleagues in the Cabinet to provide as much clarity as possible, as early as possible.

It was in that spirit that Theresa May used her [speech last week](#) to make clear our intention to have an open trading relationship with the EU when we leave.

We will be pushing for a new, comprehensive, free trade agreement, giving us the best possible access to the single market.

We also want the best possible access to European aviation markets.

We believe it is in the EU's interests to seek a liberal arrangement for aviation.

So that airlines can offer connectivity.

And passengers have choice.

Of course, the ultimate outcome for airlines – as for all areas of the economy – will have to await the conclusion of negotiations.

Yet as discussions with the EU proceed, I am confident that we will get what we need.

The fact remains that other countries want to do business with us.

That's why among the major developed nations we have the world's best performing economy.

And those nations want to do business with British airlines too.

Far from the gloomy forecasts that some economic commentators made in the summer, Britain ended last year as the strongest of the world's advanced economies.

Growth didn't just remain steady in the 6 months after the Brexit vote.

It accelerated.

Business activity hit a 17 month high in December.

Showing that confidence in our economy remains undiminished.

That's because the June vote wasn't just a vote to leave the European Union.

It was also a positive expression of our desire as a country to raise our ambitions and look beyond the EU.

To strengthen our position as a global country.

With the global connections and gateways to make that possible.

And that is why we will also look to replace or amend our EU agreements with countries such as the US and Canada.

Aviation industry strength

In this all, the starting position of the aviation industry is one of great strength.

We already have the largest aviation network in Europe.

Direct services to over 370 destinations abroad.

Last year, BA added new routes to San Jose, Lima, Costa Rica, Santiago and Tehran.

Tui added new routes to Colombo in Sri Lanka, and Keflavik in Iceland.

And demand for flights continues to grow.

2015 was a record years for passengers.

And though we're awaiting the final figures, the signs are that 2016 will break that record once more.

These passengers rely on an airline industry that is so often an exemplar of customer service.

Especially in the face of global events outside our control.

Last week the Foreign Office issued an alert about developments in the Gambia.

Within 72 hours, Thomas Cook had repatriated thousands of British holiday-makers – acting rapidly to do whatever was necessary to secure their safe return home.

With customer service like that, it's no surprise that the aviation industry is confident about the future.

Over the next 20 years, the industry estimates a doubling of the world's aircraft fleet.

That's another 33,000 aircraft – quieter, cleaner, more efficient aircraft that can actually deliver a fall in carbon emissions.

In the summer, Virgin Atlantic made an early contribution toward that global fleet of new aircraft.

With a multi-billion pound order for 12 Airbus A350-1000 planes, powered by cleaner, quieter Rolls Royce engines.

And as the world increasingly embraces aviation in the coming decades, in return, aviation will increasingly drive the globalisation of trade and commerce.

Few other industries can predict future demand with such certainty.

So what we have to do – together – is make sure our aviation industry is ready to play its part in that growth.

A modern industry with 21st century systems and technologies.

An industry with the capacity to grow in a sustainable and responsible way.

An industry that provides British business with a foothold in emerging markets – as well as maintaining links to established markets.

These are our challenges for the future.

So we can prosper in a post-Brexit world.

Heathrow

That's why in October we gave our backing to a [third runway at Heathrow](#).

It shows that we are open for business, confident about who we are as a country, and ready to trade with the rest of the globe.

An expanded Heathrow will make possible an extra 260,000 aircraft movements a year.

Or 16 million additional long-haul seats by 2040.

And it will allow us to compete against European hubs such as Amsterdam, Paris and Frankfurt.

So we want to get the runway built as fast as possible.

And it will be subject to public consultation very soon.

We expect the National Policy Statement to pass through Parliament and be designated next winter.

Of course, the third runway at Heathrow is not just great news for Heathrow, but also for the rest of UK aviation.

Which is why most regional airports and airlines supported the decision.

But we've said that the runway must be delivered without hitting passengers in the pocket.

The Airports Commission is clear that this is achievable, as is the [Civil Aviation Authority](#).

We're not interested in expansion at any cost, but expansion at the right price.

So I expect the industry to work together to drive down costs for the benefit of passengers.

And the CAA is ready to ensure that new capacity fosters competition, keeping landing charges close to current levels.

I have full confidence in their ability to do so.

And at the same time, I expect the industry to commit to a world-class package of environmental and community mitigation measures for those living near the airport.

After all, a third runway will be an investment in our country's future.

It will deliver major economic and strategic benefits to the UK.

New aviation strategy

Yet we're not going to focus on a third runway at the expense of all the other challenges and opportunities facing the industry.

We are currently working on our new Aviation Strategy.

It's a long-term framework covering airports, safety, security, competitiveness, consumers, regulation and capacity.

We're focusing on issues where government can make a difference.

Where we can support the industry.

And we'll stay clear of issues where we can't.

It's part of our plan to build on the momentum of the Heathrow decision – so the whole of Britain can benefit from new aviation capacity.

Airspace

And as the industry grows in the years ahead, we must make the best use of the assets available to us.

As airlines often point out, our airspace is one such asset: a critical piece of national infrastructure.

But like much of the rest of our infrastructure, it is increasingly congested and modernisation is overdue.

While modern aircraft are fitted with the latest satellite navigation technology, most of our airspace arrangements are half a century old.

I know how frustrated you and your passengers are by the delays this causes.

And I recognise the damage it does to your businesses.

Without action, flight delays will increase enormously in the next few years.

This wouldn't just be damaging for passengers, but also for the economy and the environment.

That is why I am determined to address this challenge.

We will shortly be launching a consultation on measures to support airspace modernisation.

These measures will provide for the use of modern technology.

To reduce delays, cut noise for local communities, and lower carbon emissions

And speaking of carbon, last week I was pleased to see the release of your strategy, [‘Responding To The Carbon Challenge’](#).

It's an important statement of all the industry is doing on carbon reduction.
And an indicator of the complex challenges created by the pace of change.

Conclusion

So together we have a lot of work to do.

Yes, we're facing a time of adjustment and challenge.

But we're also facing a time of extraordinary potential for this industry.

A chance for aviation to help make Brexit the success I know it will be, delivering the services and connections that will define our future outside the European Union.

I look forward to working with you to make that happen.

Thank you.

Press release: Department for International Trade Director of Communications Appointment

From:

First published:

25 January 2017

Toby Orr is appointed as new Director of Communications for DIT.

As part of the department's ongoing drive to build capability across all corporate areas, Toby Orr has been appointed as the Director of Communications at the Department for International Trade. This follows an external open competition for the role.

Toby Orr brings with him extensive experience of delivering communications strategies and programmes across the world. He joins the department from Portland, where he established the company's international team and led numerous high-profile global campaigns. He will take up the role in April 2017.

International Trade Secretary Dr Liam Fox said:

Toby brings a wealth of experience in developing and implementing communication strategies in a global environment. As Director of Communications, he and his team will deliver a key corporate function for the Department for International Trade, communicating the department's priorities to our target audiences at home and abroad.

Toby Orr said:

It is an honour to be joining the department at such an important time, working to devise and deliver an ambitious communications strategy to advance the UK's trade agenda and promote Global Britain. I look forward to working closely with colleagues across the department and Whitehall on this exciting mandate.

[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-survey-exec-summary-jan-25-2017.pdf?sfvrsn=0>

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

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[Press release: Minister for the Middle East statement on settlement units in the West bank](#)

From:

First published:

25 January 2017

Part of:

Minister for the Middle East Tobias Ellwood statement on the Israeli Government's announcement to build 2,500 settlement units in the West Bank.

Foreign Office minister, Tobias Ellwood, said:

The British Government reiterates its support for a two-state solution leading to a secure Israel that is safe from terrorism, and a contiguous, viable and sovereign Palestinian state. We have consistently been clear that settlements are illegal under international law, are not conducive to peace and their construction must stop. We condemn the increased pace of settlement activity.

Further information

[News story: Welsh Secretary visits DECA, the North Wales home of the global F-35 hub as UK's Industrial Strategy Announced](#)

As the UK Government launched its new industrial strategy, Alun Cairns took the opportunity to highlight the major contribution defence industry makes to the economy in Wales, as well as across the whole of the UK.

In November 2016, the UK was chosen to become the global repair hub for F-35 avionic and aircraft components, securing thousands of highly skilled jobs and millions in investment, with the potential to unlock more than £2bn of future F-35 support revenue over the lifetime of the programme. Mr Cairns viewed the future F-35 facilities and met senior figures from DECA, apprentices, local small businesses, and Joint Venture partners BAE Systems and Northrup Grumman.

Alun Cairns, Secretary of State for Wales, said:

The decision to house the F-35 global repair hub in North Wales is testament to Wales' international reputation for technology and manufacturing. DECA Sealand and companies like Airbus show that this part of Wales is now a leader in aviation technology. The fact Wales is producing the next generation of army fighting vehicles in Merthyr shows we offer a highly skilled workforce and locations that work for business.

The industrial strategy is a plan for everyone; every sector and business in Wales has a stake in it. By pulling together we can build a Welsh economy that works for everyone supported by well-paid jobs for our young people.

Defence Secretary Sir Michael Fallon, said:

Britain's selection as a global maintenance and repair hub for F35s is a vote of confidence in our high-tech defence industry, generating billions of pounds for the UK and creating thousands of jobs.

But we want to do more through the industrial strategy to build on our strengths and get every part of the country, including Wales and North West England, firing on all cylinders.

Backed by our rising defence budget, a £4.7bn increase in R&D funding and Defence's £800m Innovation Initiative, we are determined to make the UK one of the most competitive places in the world to innovate, build business and help deliver security.

The government's Industrial Strategy will seek to make fresh choices about how the UK shapes its economy and presents an opportunity to deliver a bold, long term Industrial Strategy that builds on strengths and prepares for the years ahead.

With over 3,000 aircraft expected to be in service with 12 nations, the F-35 represents a truly international programme and supply chain, including in the UK, with British companies providing approximately 15% by value of every F-35 to be built.

The government will develop this strategy further with industry and ensure the UK remains one of the best places in the world to innovate and do business. Following a period of consultation, the government intends to publish an Industrial Strategy white paper in 2017 that will set out the plan for full and long term delivery.