

Speech: Improving UK Competitiveness, Strengthening the Rule of Law

May I start by thanking Policy Exchange for hosting us today, Ian King for Chairing our Panel, and Linklaters for their excellent report. It is a valuable contribution to the debate on Brexit, and it demonstrates the hard-work that is going into preparing for Brexit amongst the legal profession.

I should disclose, at the outset, that I trained as a solicitor at Linklaters, way back when in the late 90's. They knocked me into shape after Law School. And I remain hugely grateful for the professional training and mentoring I received.

I confess that, as someone who campaigned for Brexit in the face of prevailing opinion in the City, I always stand in a certain degree of trepidation at events like this ... that Richard Godden isn't sat there quietly thinking ... we really screwed up with that one.

All I can say by way of mitigation, is that Linklaters have always placed huge value on critical evaluation, really scrutinising what is in the best long-term interests of their clients ...

And they even sent me to Brussels for six months – where I got my greatest exposure to Brexit – as part of their EU, competition law, and WTO practice.

I'm not blaming Linklaters for becoming a Brexiteer.

But at a tender age, they played an influential role in my formative experience of Brussels. And then I left for the Foreign Office.

With that in mind, I want to thank Richard and Linklaters for this excellent report, entitled "Improving the UK's competitiveness post-Brexit by enhancing the Rule of Law".

It reminded me of that great line, by Thomas Edison, that: "opportunity is missed by most people because it is dressed in overalls and looks like work."

I am in no doubt about the challenges and uncertainty inherent for the UK, at this sensitive moment in our negotiations and preparations for leaving the EU.

The report is clear-eyed about those and about the wider domestic challenges we face. But, it was also important to see the report present this cross-roads in our history as a 'unique' opportunity, to reinforce the rule of law, increase predictability of our laws and law-making, and strengthen the UK's underlying competitiveness.

I couldn't agree more.

That will require some more listening on all sides of the debate, And it will

require a lot of hard graft ... to make sure we both sensibly manage the challenges, and grasp the opportunities that lie ahead.

Above all, this is a shared national endeavour.

We need a bit more unity of purpose.

And, as the report says, we in government and Parliament will need advice and support from businesses and the legal profession to help make a success of Brexit. Fortunately, there's no shortage of that.

So today, I want to briefly set out what I see, in government, as some of the key challenges and opportunities affecting the legal sector, before opening the debate up to the high calibre panel Policy Exchange and Linklaters have assembled.

Mitigating the Challenges

In terms of the rule of law, perhaps the most significant and pervasive challenge of Brexit is to avoid potential legal disruption, and the impact this could have on business and citizens across the country, if we don't address it carefully indeed.

The rule of law – a term we often hear bandied around – sounds rather grandiose. But protecting legal certainty means making sure people have predictable rules that they can plan their daily lives around.

From rules protecting consumers when they buy goods in the shops, to the principles of competition law designed to set a level playing field for businesses to rely on.

I am currently one of the Ministers steering the EU Withdrawal Bill through Committee stage of the House of Commons, and we are five days through an eight day gauntlet.

The Bill is pretty complex. I won't bore you with details, but it addresses this fundamental challenge by taking a snapshot of the substantive EU principles, rules and legislation that apply in the UK at the date of departure, and retaining that body of law as UK law.

That means we will have the time to carefully consider which aspects of EU law, in the future, we wish to retain, amend or repeal.

Crucially – for those nervous on the legal side or more generally, it averts the legal cliff-edge some fear.

It paves the way for a smooth legal transition.

Clearly, in terms of the Bill, there are some contentious areas.

The government is in listening mode.

That's not merely a rhetorical doffing of the cap in the direction of

critics.

We are actively making sure we can give Parliament and the public the reassurances they need.

For example, it is quite right to look very carefully at the amount of legislation that should be passed by primary and secondary legislation, along with the processes for enacting it.

We want maximum scrutiny and transparency ... but we're also up against a deadline – not of our choosing – imposed on us under EU law by Article 50 of the Lisbon Treaty.

So the job for somebody like me is to make sure we can deliver that smooth transition, we all want, within the timeframe we face.

I am confident we can get the balance right, with the appropriate scrutiny arrangements for secondary legislation. Contrary to what you hear amidst the media din on Brexit, there is a lot of goodwill and sensible dialogue going on between Ministers and MPs across all areas of Brexit to make sure we design proper arrangements to get the legislative job done.

Beyond the Bill, and for all the media froth, negotiations between the UK and the EU are making solid progress in the lead up to next week's EU Council.

We are, as the Prime Minister has said, within 'touching distance' of a deal on the status of UK ex-pats on the continent, and EU nationals here.

The contours of agreement on other issues, including the approach to outstanding financial obligations and Northern Ireland, are also taking shape.

And the EU has instructed its officials to prepare for trade talks, also a positive sign.

Clearly, the legal profession has a very real stake in all of this, especially amongst practitioners focussed and advising on UK financial services.

I won't give a running commentary on the negotiations, particularly at this sensitive moment.

But, made clear that we want a deep and special partnership with our EU friends, which includes frictionless trade in goods and services.

And I note, in passing, that confidence in the City remains very strong.

Just one illustration of that bold assertion is the latest publication of the Global Financial Centres Index in September, which still has London ranked number 1, with the gap between London and New York at number 2 expanding.

Incidentally, there isn't an EU hub in the top 10.

We are ambitious for a strong, win-win, deal with our EU partners, and there is a lot of work going on to achieve that.

Clearly, we need to be ready for all outcomes, and it takes two to tango. But I note that on the EU side they are also acutely conscious of the sheer volume of UK finance supporting the continental economy.

Beyond lawyers working in financial services, in August, the UK set out its position paper, 'Providing a Cross-Border Civil Judicial Cooperation Framework', to make sure we have as much legal continuity in the arrangements for the recognition and enforcement of judgments, insolvency jurisdiction and rules, small claims judgments and family law judgments.

This is important, for supply chains, business transactions and also family relationships, which all cross borders and all have resonance for people in their daily lives.

There is a wider corpus of private international law, which the UK could fall back on if necessary.

But, we want the optimum result, the win-win scenario of a deal with the EU that allows for us to continue our close and comprehensive cross border civil judicial cooperation.

From child custody arrangements to cross-border commercial claims, that is manifestly in both sides' interests.

Seizing the Opportunities

So, yes, there are challenges that we need to mitigate and prepare for.

But there are even greater opportunities – and it is vital that we are decisive and seize them.

I agree with the Linklaters' report, which is clear eyed about both the opportunities and challenges we face, that we now face a 'unique' opportunity to reinforce the rule of law.

The EU Withdrawal Bill will help guarantee a smooth and orderly Brexit, but it also delivers on the number one reason people voted to Leave the EU, which is to take back democratic control over our laws, so MPs like me are more accountable to voters for the decisions we make and the legislation we pass.

That is part of the social contract in this country.

It is absolutely fundamental to our democracy.

The Linklaters report also has some interesting ideas about improving scrutiny, and quality of law-making.

Certainly, as we make our way through the legislation that needs to be passed before the date of exit from the EU.

And we consider the changes we can make for the future, this should mark the

moment, an opportunity if you like, for a democratic renaissance, both in terms of politicians' ultimate accountability to the public for the laws that govern them, but also the quality of laws and the scrutiny that informs them.

In that respect, I think our approach to ending the direct jurisdiction of the European Court of Justice is not some procedural house-keeping exercise.

I am proud that we have a world-leading judiciary in this country.

I believe, both on principle and in terms of producing at a practical level, better quality judgments that maximise legal predictability for the citizens of the country, that the UK Supreme Court should have the last word on the laws of the land, it should do what it says on the tin, and it should be supreme in the meaningful sense.

And nor do I think it would make any sense to give the Luxembourg Court the crucial role of determining future international disputes that may arise between the UK and the EU after we leave.

As we have made clear in our position paper on dispute resolution, we need a process for dispute resolution that commands confidence on both sides.

So it would be, obviously I think, partisan and lop-sided to allow either the UK Supreme Court or the ECJ to decide those international disputes at the international level.

It would also by the way conflict with the overwhelming global practice in dispute resolution, including the EU's own practice. If you look at the EU's international agreements, and certainly there are none on free trade where the ECJ has compulsory jurisdiction to settle international disputes.

So as our position paper sets out, drawing on the EU practice, but thinking about the huge tapestry of global practice that there is out there, a typical international dispute resolution process might involve a panel of three arbitrators: one appointed by the UK, one appointed by the EU, and a third chosen by the other two.

There is a wealth of global practice to guide us in this area, so it is not beyond the wit of man to find a balanced approach to dispute settlement.

And, just as we take back democratic control at home, we are restless in government – and certainly for those who campaigned to leave, as I did – we are restless to project the United Kingdom's global reach abroad.

I think that presents major opportunities for the UK legal sector.

UK legal services employ well over 300,000 people – two thirds of those are outside London.

UK law and British courts command respect right around the world.

The proof lies with the 200 foreign law firms from around 40 jurisdictions that are currently doing business here today, and the 27% of the world's

legal jurisdictions already using the English common law.

According to the 2015 International Arbitration Survey, London was the preferred location to resolve disputes. Last year, we had almost 26,000 disputes settled by alternative dispute resolution here in the UK.

It's kind of ironic that for all the domestic haggling and wrangling on Brexit, we risk forgetting that internationally, Britain is the place people think of as the place they would most like to come to resolve their disputes. That is a unique comparative advantage for us.

And let's not forget that all this commercial activity is not just good for business. Lawyers generated £31.5 billion of revenue profit in 2016, and the taxation from this goes to fund the local school and GP practice, so it's got a huge social benefit as well as being important for employment and the economy.

So, legal services are a major comparative advantage for UK plc, and is a distinctive element of post-Brexit Britain's USP.

As the Courts Minister, that's one of the reasons why this government is investing over £1 billion in court reform, Using technology to make our courts and wider justice system more efficient and effective, more sensitive for victims, but also is run in a simpler and more effective way and is also simpler for the parties to use in terms of litigation.

As part of that, last month, the City of London Corporation and HMCTS announced plans for a state of the art court in the Square Mile, hearing civil cases, but also developing our expertise in tackling fraud and cyber-crime.

Far from looking inward, our vision is to reinforce the UK as a global centre for business, the best place in the world to resolve disputes ... the UK renowned not just for our economic competitiveness, but also for promoting the rule of law, and for doing business with integrity.

Equally, as we take advantage of the ability to forge our own distinct trade agenda, aside from the EU, There are far-reaching global opportunities for expanding the export of UK legal services. Free trade negotiations aren't easy.

When I worked at the FCO for six years, I used to negotiate International Investment Protection and Promotion Agreements, including with Mexico and Iran under the Khatami administration.

At times, they could be tough going at times as any trade investment negotiations are.

But, we should embrace that challenge too, from China to South America, where we are ambitious to extend our market share in legal services.

In fact, the Ministry of Justice is already plugging our legal wares through the Britain is Great campaign, Promoting the expertise our law firms,

Promoting UK law as the pre-eminent choice for regulating international business relationships, and spreading the word ... that the UK is the most impartial, swift and reliable jurisdiction to come for settling international disputes.

Lord Keen my Ministerial colleague at the MoJ launched this campaign in Singapore in October, and we are taking that message to 168 countries around the world.

The ultimate goal is liberalisation in strategic overseas markets such as China and India, and Ministers are already in discussions with their counterparts in all of those places.

Sure, this will require a huge amount of hard graft, just as Edison described, but the opportunities are enormous and we must be confident and decisive in grasping them.

Conclusion

So let's be clear-sighted about the challenges in the direction the British people have chosen. Let's avoid those legal potholes – and certainly any talk of legal cliff edges – on the road that lies ahead.

But, as we responsibly seek to minimise legal risk, please ... let's not cower in the corner, afraid of our own shadow. Britain's better than that.

Let's work hard, and let's work together ... across government, parliament, business, legal practitioners, NGOs...

And let's grasp the enormous opportunities for post-Brexit Britain, for democratic renewal at home, for energetic free trade abroad ... and for promoting our world-beating legal expertise from Rio to Shanghai ... and everywhere in between.

[Press release: Andrew McNaughton appointed to new strategic role at HS2](#)

Andrew will provide strategic advice and assurance to the High Speed Two (HS2) Executive and Board on technical matters. At the same time Andrew will advise both the Department of Transport and other government departments on wider transport matters.

Andrew will also continue his role as an expert witness for the project, as required, and continue to be chairman of the World High Speed Rail Committee.

Andrew was HS2 Ltd's first official employee, joining the company as Chief

Engineer in 2009 and guiding it from concept to the edge of reality in the period since.

Professor Andrew McNaughton said:

After leading the design and authorisation phases of HS2 for the last 9 years I am stepping back from a full time executive leadership function to this more strategic role which, I am delighted to say, will continue my strong link with HS2 whilst also giving me more freedom to advise the government here, and others elsewhere, on both high speed railway development, and wider transport issues.

The chairman of HS2 Ltd, David Higgins, said:

Andrew's expertise and experience has been critical in getting HS2 to the point it is now, and the Board is delighted that it will be able to continue to draw on that expertise in the future.

The chief executive of HS2 Ltd, Mark Thurston, said:

Andrew was not only our first employee, but has also been an inspiration to many of those who have joined since. He has been critical in establishing the project and in recruiting the highly talented team that will carry his and many others' work through to fruition. We will continue to lean heavily on his expertise, at the same time as benefiting from the perspective Andrew gains from his work with other organisations.

Andrew will be stepping down from his full time role leading the Technical Directorate, taking on the new position from the 2nd January. He will continue to report into Mark Thurston. An announcement on the future leadership of the Technical Directorate will be made shortly.

[News story: HRH The Prince of Wales awards MOD Apprentice of the Year 2017](#)

His Royal Highness, a longstanding advocate of apprenticeships and getting more young people in to science, technology, engineering, and mathematics (STEM) subject areas, presented the awards at a ceremony which took place in MOD Main Building. His Royal Highness also announced the winner of this

year's MOD Apprentice of the Year in the Memorial Courtyard.

Defence Minister Harriett Baldwin said:

We are committed to investing in and celebrating the next generation of engineers, to grow our future workforce and capability in STEM far into the future.

I am delighted to see the impact our engineering apprentices have on our equipment programmes. Over 800 apprentices worked on the QE Class Carriers, and should feel a great sense of achievement today as HMS Queen Elizabeth is commissioned into Her Majesty's fleet.

Defence is the largest employer of apprentices in the UK, with 9,000 engineering apprenticeships, and a total of 20,000 apprenticeships across a range of defence disciplines. Apprenticeships are a crucial way to develop the skills required by employers and to provide people, from all backgrounds, with the opportunity to obtain skills that will contribute to their achievement in the workplace.

Defence Minister Tobias Ellwood said:

Today's winners should be very proud of their achievements, and the impressive skills they have developed through their apprenticeships.

The MOD is the largest employer of apprentices in the UK, supporting the Government's commitment to achieve three million apprenticeship starts by 2020 through our range of civilian and Armed Forces schemes.

In recognition of HRH's attendance at the MOD Engineering Apprentice Awards, the inaugural presentation of 'His Royal Highness The Prince of Wales's Award for Services to Defence Engineering' was made. This was awarded to Chief Technician Rob Bates, who joined the RAF in 1995 as a Mechanical Technician Apprentice and was recognised for representing engineering within Defence by exemplary professional performance and selfless commitment to promotion of engineering as a career.

Chief Technician Rob Bates, winner of His Royal Highness the Prince of Wales Award for Services to Defence Engineering Award, said:

Today has been the stand out moment of my life so far. I enjoy my work and I am humbled to be recognised for it.

Defence apprenticeships give young people the opportunity to work at the heart of some of the most important projects in the UK. Over 800 apprentices have been involved in the QE Class Carrier project, delivering HMS Queen

Elizabeth, which was commissioned in Portsmouth today, and HMS Prince of Wales.

DE&S Apprentice Champion Air Marshall Julian Young said:

We in DE&S are proud of our long tradition of training the next generation of MOD Apprentices through our innovative schemes.

This strong pipeline of highly-skilled talent, who are among the brightest and the best, are central to the delivery of essential equipment and support programmes for the UK's Armed Forces. I offer my sincerest congratulations to all today's winners and runners up on their sterling achievements.

Each MOD engineering apprenticeship lasts three years and, after qualifying, most apprentices go on to employment across defence.

The MOD is also offering a range of apprenticeship schemes internally to existing staff in order to invest in our workforce, by providing staff with the right training opportunities to help them develop and increase their skills, gain valuable experience and achieve a recognised qualification.

The families and guests, representatives from senior management of participating business units, representatives from competition sponsors, awarding bodies, educational establishments, and local government officials attended the ceremony alongside the apprentices.

You can find out more about apprenticeships with defence here <https://www.gov.uk/guidance/apprenticeship-opportunities-in-the-ministry-of-defence>

List of winners

The full list of winners and their awards are as follows:

His Royal Highness, the Prince of Wales Award for Services to Defence Engineering

- Winner: Chief Technician Rob Bates

Apprentice of the Year 2017

- Winner: Matt Schofield

The Tom Nevard Memorial Competition

Phase 1 – Individual Design and Manufacturing

- Winner: Sarah Hughes (DE&S Devonport)

- Runner-up: Thomas Baker (DSTL)

Phase 2 – Individual Design and Manufacturing

- Winner: Thomas Diaper-Fox (DSTL)
- Runner-up: Chloe Garland (DE&S Abbey Wood)

Team Design and Manufacturing Event

- Winners: James Wiltshire (Phase 3, DE&S Abbey Wood), David Thomson (Phase 3, DM Beith), Will Robinson (Phase 2, DSTL), Kieran Stainer (Phase 2, DE&S Abbey Wood), Chloe Stephens (Phase 1, DE&S Abbey Wood).
- Joint runner-up: Ashley Conlon (Phase 3, DE&S Abbey Wood), Zachary Hall (Phase 3, DSTL), Ashley Biginton (Phase 2, DM Gosport), Thomas Hill (Phase 2, DE&S Abbey Wood), Chris Nowell-Smith (Phase 1, DE&S Devonport).
- Joint Runner-up: Ewan Walker (Phase 3, DSTL), Joseph Samways (Phase 3, DM Gosport), Stacey Bishop (Phase 2, DE&S Devonport), Hewlett (Phase 2, DE&S Abbey Wood), Oliver Nicholas (Phase 1, DE&S Abbey Wood).

Sir Henry Royce Memorial Foundation Medal

- Winner: Luke Worrall (DM Gosport)

QinetiQ Awards

First Year Mechanical Manufacturing Engineering Apprentice of the Year

- Winner: Oliver Kemp (DSTL)

First Year Electrical Engineering Apprentice of the Year

- Winner: George Sweeney (DSTL)

First Year Electrical Engineering Apprentice of the Year

- Winner: Cameron Fitze (DSTL)

IET Local Network Award for Student Excellence

- Winner: Zachary Hall (DSTL, Southern Region)

East Kilbride Group Training Association – Chairman's Award 2017

- Winner: Sam Rennix (DM Beith)

Glasgow and Clyde Campus Apprentice of the Year 2017

- Winner: Russel Vincent (DM Beith)

DIO Sustainability Recycling Challenge

- Winner: Declan Heard (Phase 1, DE&S Devonport), Lawrence Parker (Phase 1, DE&S Devonport), Sarah Hughes (Phase 1, DE&S Devonport), Chris Nowell-Smith (Phase 1, DE&S Devonport)

Babcock Land Division Excellence Awards Apprentice of the Year

- Winner: Joe Sayce (Babcock DSG Donnington)
 - Winner: Sarah Malkin (Babcock DSG Donnington)
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[News story: MPs join the campaign to inspire the next generation of engineers](#)

More than 30 MPs have pledged their support for a national campaign to get more young people into engineering, joining government and industry in a united effort to tackle a major skills gap.

The Year of Engineering, which launches in January (2018), will see government work with hundreds of industry partners to raise the profile of engineering among young people aged 7 to 16, their parents and their teachers. This will include offering at least a million direct experiences of engineering to young people from all backgrounds – from behind the scenes tours and family days out, to school visits and the chance to meet engineering role models.

At an event in Parliament yesterday, (6 December 2017), MPs from across the UK committed to supporting the campaign in their constituencies. Pledges included connecting schools with local engineering employers and encouraging businesses to take part in open doors events for schools and families.

Minister for the Year of Engineering and Transport Skills Minister John Hayes said:

If we are going to create a country fit to meet all new challenges, we need to train the next generation of highly-skilled British workers.

Engineering and all it brings is at the heart of economic success and provides exciting opportunities of fulfilling careers through skills that will shape all our futures, but for too many employers a lack of skilled engineers is limiting growth. That's why I am delighted to see so many of my colleagues determined to promote engineering. Their determination and dedication, enthusiasm and engagement will help to make the year of engineering not only a year-long campaign but a lifelong success.

Now, huge opportunities exist as the government's strategic

investment in infrastructure bears fruit. New skills, new jobs and new prospects will turn vision to reality, if we show young people, their parents and their teachers what engineering can mean: a career in engineering offers creativity, variety, the chance to innovate and so make a real difference.

HMG Envoy for the Year of Engineering Stephen Metcalfe MP said:

The value of engineering skills is frequently underestimated, outdated perceptions of the profession are still widespread, and the industry continues to suffer from a lack of diversity in its workforce.

The Year of Engineering aims to tackle these challenges, so it's vital that the campaign is championed across government, parliament and industry.

We know how much enthusiasm there is in all parts of the profession to encourage engineers of the future. We want this campaign to unite those ambitions, and I welcome these pledges of support from my fellow MPs which will be vital in helping to drive this across the country.

The event was jointly hosted by government and the Institution for Engineering and Technology (IET), marking the publication of its annual Skills Survey report – which looks at the skills challenges faced by engineering and technology employers in the UK.

Nigel Fine, IET Chief Executive, said:

The IET 2017 Engineering and Technology Skills Survey highlights a buoyant sector with high value jobs being created. In order to deliver on the skills challenge we must ensure we have enough people with the practical and technical skills required by industry, and recruit widely from a diverse pool of potential talent, bringing in all sections of society.

The cross-government Year of Engineering campaign will be an ideal way of celebrating the amazing contribution that engineering makes to society, and encourage young people to join the profession. The IET is delighted to be supporting the campaign to highlight the exciting, creative and rewarding world of engineering.

Hundreds of partners have signed up to support the Year of Engineering, including Siemens, the Science Museum Group, Ocado, Usborne, BAE Systems and Crossrail. Teaming up with partners from many different sectors, the government will deliver a year of UK-wide school visits, exhibitions and open doors events – all aimed at encouraging young people and their parents to

take a closer look at engineering.

To find out more, visit the [Year of Engineering partner website](#) or [follow the campaign on Twitter](#).

Speech: Statement at the Human Rights Council Special Session on Burma

I welcome this session. The international community cannot ignore the desperate plight of the Rohingya Muslims. I thank the Bangladesh government for ensuring that refugees receive urgent aid. I am also pleased that the UK has contributed £59 million in support.

The UK is committed to working with international partners to resolve the situation in Rakhine. At September's Council I called on Burmese security forces to stop committing human rights violations against the Rohingya. Today's session, together with the overwhelming vote in favour of the OIC-led resolution in the Third Committee and the United Nations – which the UK co-sponsored – reflects growing international outrage at these despicable atrocities.

I welcome the UN Security Council's adoption of the first Presidential Statement on Burma for ten years. This significant step sent a clear message: international pressure will not relent until the state authorities act to enable refugees to return to Rakhine voluntarily, with dignity and, importantly, in safety.

The authorities must grant full humanitarian access to Northern Rakhine so that affected communities can receive vital assistance. They must also cooperate fully with the UN's human rights system, including the Independent Fact Finding Mission established by this very Council.

The UK believes that supporting the civilian government is the best way to ensure fair treatment for the Rohingya and respect for human rights. UK Ministers have urged Aung San Suu Kyi and senior members of the civilian government to take the necessary steps.

Mr President, as the UK Prime Minister's Special Representative on Preventing Sexual Violence in Conflict I want to draw particular attention to the harrowing reports of rape, sexual abuse and brutality from refugees in Cox's Bazaar, indeed as we heard directly from Special Representative Patten who described this in graphic terms.

Last month, the Head of the UK's Preventing Sexual Violence in Conflict Initiative joined Ms Patten's visit to the refugee camps, and heard appalling accounts from survivors.

We have since deployed two civilian experts to Bangladesh. They will make recommendations to the UK government on further support to survivors of sexual violence, including support for the investigation and documentation of these abhorrent crimes.

Today's Special Session demonstrates the strength of international feeling about the situation facing the Rohingya community. This current crisis was precipitated by long-standing inequality between communities in Rakhine. The state authorities must act swiftly, not only to address this inequality but also to relieve the suffering of the Rohingya and restore security to enable them to return with dignity and in safety and allow them to rebuild their lives.