

# News story: New drone safety partnership with business launched as government sets out plans to limit drone misuse

- extended 'no-fly zone' banning drones and model aircraft from 5km of runways to come into force next month
- government to give police new anti-drone misuse stop and search powers
- new partnership with retailer as part of a national campaign ahead of new law

The government and the Civil Aviation Authority (CAA) have today (20 February 2019) announced a new partnership with the retailer Jessops, as part of a national campaign to increase public awareness of the rules around flying drones. Working with the CAA, the government is dialling up a campaign to help educate the public about responsible drone use, including issuing a digital toolkit to airports to help them raise awareness of the new rules.

Following on from new laws last year restricting the use of drones and bringing forward a new drone-users register, today, the government also announced new legislation to extend the 'no-fly' zone around airports, banning drones from flying within 5km of runways.

The new exclusion zone will be increased by several kilometres, including banning drone flight within 5km of runway ends. The enlarged zone will better protect the UK's airports from those misusing drones, and will come into force on 13 March 2019.

Work to progress a new Drones Bill is also underway and will be introduced in due course. It will give police officers powers to stop and search people suspected of using drones maliciously above 400ft or within 5km of an airport – helping them to tackle disruption such as that seen at Gatwick in December. It will also give additional new powers to the police to clamp down on those misusing drones and other small unmanned aircraft – including the power to access electronic data stored on a drone with a warrant.

Transport Secretary Chris Grayling said:

The law is clear that flying a drone near an airport is a serious criminal act. We're now going even further and extending the no-fly zone to help keep our airports secure and our skies safe.

We are also working to raise awareness of the rules in place. Anyone flying their drone within the vicinity of an airport should know they are not only acting irresponsibly, but criminally, and could face imprisonment.

Home Secretary Sajid Javid said:

Extending stop and search to include drones will help police tackle disruption like the recent misery we saw at UK airports, when travel was ruined for thousands of innocent passengers, and bring those responsible to justice.

Police are clear that stop and search is one of the most powerful tools they have to target and disrupt crime and I remain committed to giving them all the support they need to protect the public.

Ian Savage, Head of Retail and Academy Training at Jessops, said:

Drones are one of the most exciting ways of capturing stunning aerial photos and videos, and with prices more affordable than ever they are within reach of any budding photographer and videographer. Many are intuitive and simple to operate, making them ideal for beginners, while the more sophisticated models now offer features such as full manual control of the camera and stunning 4K 60fps video, that help advanced photographers take their shots to the next level.

Along with the pleasure drones bring comes a responsibility for the user to ensure they are flying their drone safely and legally. As one of the leading drone retailers Jessops is committed to ensuring it communicates the new laws to all its customers, and it will be doing this through extensive training from our dedicated drone specialists Connor Keenan and Jon Dick.

Tim Johnson, Policy Director at the CAA, said:

It is illegal to fly drones close to airports and anyone flouting the rules can face severe penalties including imprisonment. Anyone operating a drone must do so responsibly and observe all relevant rules and regulations. The rules for flying drones are designed to keep all airspace users safe.

The CAA's Dronecode provides advice on how to fly your drone safely and follow the rules. you can see it at [www.dronesafe.uk](http://www.dronesafe.uk)

The Home Office is also reviewing the UK's approach to countering the malicious use of drones, and will consider how best to protect the full range of the UK's critical national infrastructure – including testing and evaluating technology to counter drones.

The Home Office will also extend stop and search to people suspected of carrying corrosives substances in a public place, which will help prevent

acid attacks. Currently, they must be suspected of intent to cause injury.

The CAA's 'dronecode' provides advice on how to fly your drone safely and follow the rules at all times. More information on the rules for drone users can be found at [www.dronesafe.uk](http://www.dronesafe.uk)

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## **News story: Disadvantaged families to benefit from free early learning apps**

Parents will benefit from interactive learning tools and text message tips to support children's early language and literacy at home, as part of a society-wide push to make sure children start school ready to learn.

Families from disadvantaged backgrounds will be given free access to some of the best children's educational apps for smart phones and tablets, the Education Secretary Damian Hinds has announced today (20 February), encouraging parents to think about how to use children's screen time constructively, rather than as an easy distraction.

On average, disadvantaged children are 4 months behind in their overall development at age 5. It grows by an additional 6 months by the age of 11 and by the time they take their GCSEs they are, on average, 19 months behind their peers in overall attainment.

There are hundreds of educational apps for phones or tablets on the market that parents can choose from to support their child's early learning, but there is little reliable information about which are the best or most effective. So the Department for Education will buy subscriptions to high-quality early learning apps and provide access to some of these free of charge to disadvantaged families with children aged two to four, in up to 12 pilot areas across the country.

Education Secretary Damian Hinds said:

No parent has all of the answers. Being a parent is like learning to drive: wonderful, full of new discovery, but at times challenging, with plenty of obstacles to swerve. Our children are growing up in a constantly changing world and it is hard to keep up.

And when it comes to children and technology – that's where a manual can be helpful. Not all screen time is created equal: on one side there are the pressures that come with social media and the time spent looking at a screen, which is a key worry for parents –

but on the other, the power of technology and the internet can open up a whole new world when embraced properly.

But it's also difficult to navigate, and often expensive, so I want to support parents of all backgrounds to feel able to embrace its benefits and use it in a measured, sensible way that helps improve children's early development at home.

Screens can be an easy distraction for children, but harnessing the power of technology to support early communication and development means that we have another tool in our arsenal to help young kids develop those skills.

Mr Hinds also confirmed today that nearly 6,000 families in the north of England will also take part in four new programmes that provide practical tools and advice, such as parenting group sessions, educational toys and books or text message tips sent directly to their mobile phones.

Up to 375 schools and nurseries will be recruited for the projects, run by the Education Endowment Foundation (EEF) and Leeds-based education charity SHINE – building on the Education Secretary's 10-year ambition to halve the proportion of children leaving Reception without the communication skills needed to thrive.

The trials will include:

- Making-it-REAL: 960 families in 120 schools in Greater Manchester and Yorkshire will trial a successful National Children's Bureau programme that trains early years professionals to visit families at home, getting parents more involved in drawing, singing songs and counting with their children, as well as encouraging them to use everyday activities to boost learning;
- Group Triple P (Positive Parenting Program): Trained experts will show parents how to improve their children's language, and social and emotional development through role play, homework exercises and video clips of positive parenting techniques. 1,800 families in the north west will benefit across 150 schools and nurseries;
- Parent Child Home Programme: Trained experts will visit families in Doncaster, Rotherham, Sheffield and Barnsley at home twice a week for 15 months, demonstrating different reading, conversation and play activities, and providing books and educational toys to enrich the home learning environment. The programme will be run by Family Lives and 320 families with two-year-olds will benefit;
- Tips by Text: Parents of four and five-year-olds will be sent three texts each week to encourage activities that help develop literacy,

numeracy and socio-emotional skills, such as counting the number of plates on the table. More than 2,700 families from 105 schools in the north east will trial an eight-month study run by the Behavioural Insights Team, who have run other successful text message 'nudge' trials like this.

Education Secretary Damian Hinds continued:

There is more support for childcare and early learning than ever before, with more than 700,000 two-year-olds from disadvantaged backgrounds having benefited from 15 hours of free childcare a week since 2013. But the vast majority of a child's time is spent at home and what happens here is critical to their development.

The Home Learning Environment can have a huge impact on a child's ability to succeed in life, so I want to support families with hints and tips to propel their child's learning so they are not behind on their first day of school and they can go on to reach their full potential, whatever their background.

The plans set out today build on the Government's work, announced last month, to appoint a new advisory [panel](#) to assess existing apps and produce tips and guidance for all parents to help them make informed decisions about which apps to choose for their children.

The expert panel, chaired by Professor Jackie Marsh of the University of Sheffield, will draw up a set of criteria for assessing an app's quality, which will also help decide which apps the Department will provide to families free of charge.

Local areas will be chosen based on factors including the proportion of children achieving below the expected level of development in communication, language and literacy at age five, as well as a focus on some of the most deprived communities.

Sir Kevan Collins, Chief Executive of the EEF, said:

Parents want the best for their children, whatever their background or wherever they come from. But it can sometimes be difficult to get parents involved in their child's learning in practical ways which make a difference and we know little about how to do this well.

By testing different ways of improving the home learning environment – from texts to parents to home visits – these new trials will give us much needed information about how we can give mums and dads the tools they need to give their child the very best start in life.

I'm delighted that we're able to partner with SHINE on this project. They have excellent networks in the north of England and will help us to make sure we reach those schools, nurseries and families most in need of support.

Fiona Spellman, Chief Executive of SHINE, said:

We're delighted to be partnering with the EEF to deliver the Home Learning Environment Fund. Research consistently shows that communication and language difficulties in the early years can hold back children for the rest of their time in education.

These programmes are a great way of seeing how we can make a real difference at an early stage and support all children to achieve their potential.

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## [Speech: Fair elections and access to human rights reporting in Burundi](#)

Well thank you, Mr President and let me join others in thanking our briefers today for what they had to tell us as well.

Mr President, we welcome former President Mkapa's efforts and dedication to the East African Community-led inter-Burundi dialogue. And we now look to the East African community and the government of Burundi to take this work forward. And we very much encouraged the region to remain engaged and we think that the support of the region is vital for stability in Burundi.

And I just say at this point, Mr President, I've listened very carefully to what some colleagues have had to say about this and I think I would say to them that we should of course not overstate the risks. We should not overstate the risks but nor can we understate them. And no Member of this Council should need reminding of the terrible consequences of interethnic tension that we have seen before in the region. The East Africa Community, the African Union are engaged because stability is at risk. So as I say we should not overstate the risks nor should we understate them as we consider this issue.

Mr President, credible, free and fair elections in 2020 are crucial to peace and prosperity in Burundi and across the region and parties must be allowed to campaign freely in the run up to the election. In that light, we welcome the registration of political parties as a sign of opening political space. And we continue to salute the President's decision not to stand in the 2020

elections. The United Kingdom reiterates the African Union's call for the government of Burundi and the political parties in that country to work together for the smooth conduct of the next elections. And we think it would be helpful for there to be engagement between the United Nations and the government of Burundi to inform any decisions on how the UN could best support Burundi with its electoral process.

Mr President, continued reports of human rights violations are deeply concerning. As the Secretary-General's November report made clear, the office of the United Nations High Commissioner for Human Rights continued to receive allegations of grave violations and abuses, including killings, forced disappearances, ill treatment, cases of arbitrary arrest and detention and threats and restrictions on freedom of association, expression and movement. It is therefore extremely concerning that reporting has been restricted by the government of Burundi who have requested the closure of the Office of the High Commissioner of the United Nations for human rights on 5 December. We regret the closure of the office and we encourage the Government of Burundi to continue talks with the Resident Coordinators team to determine how human rights experts and offices can be attached to the country team and can help inform this important part of the work.

As Ambassador Lauber has said in a statement agreed by the Government of Burundi, among others, human rights is a key part of peacebuilding. We do the people of Burundi no service if we do not acknowledge this or even mention it.

Mr President, the run-in to 2020 elections is a critical time for Burundi. We've all talked about and welcomed current stability in Burundi. But failure to address alleged human rights violations will threaten stability, as will the ongoing humanitarian crisis. And with those elections in mind, we believe that it is crucial that the region and the international community remain seized of the situation and we therefore believe that Burundi should remain on this Council's agenda.

Thank you, Mr President.

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## [Speech: Chancellor's speech at Make UK \(EEF\)](#)

Thank you, for that introduction.

I don't think I ever spoke after a dance act. Not since the PM at party conference.

I am delighted to be here tonight, as you start a new chapter in the history of EEF. And it has been a fascinating history.

EEF as an organisation was founded in 1896, at a time when the second industrial revolution was just gathering pace; with new technologies being deployed across industry at breakneck pace.

That was the year the first wireless radio transmission was demonstrated right here in London. I haven't heard the recording, but I've no doubt a then quite young John Humphrys did a good job of grilling some hapless politician.

As Judith also mentioned, 1896 was also the year the Daily Mail launched. What she was too diplomatic to mention was that the first ever edition carried an op-ed on the front page that confidently asserted that, and I quote: "the motor carriage will never displace the smart trotting pony or the high-stepping team", and called for the restoration of a "two mile per hour speed limit". Finger on the pulse – then as now!

Just in the interest of balance, when I proposed changing the speed limit it was supported by the Mail.

Today, we are more focused on when the motor carriage driver will be replaced by a computer. But we share with the turn of the 19th century a sense of living through a time of blistering change, as innovations in areas such as robotics, biotechnology, artificial intelligence and blockchain transform our economy – and nowhere is that truer than in the manufacturing and engineering sectors.

So it is entirely appropriate that you have chosen this moment to change from EEF to 'Make UK' – reflecting the diversity of the modern manufacturing sector. And I wish you every success in your new guise.

Let me first say a few words about last night's news from Honda. As Greg Clark told the House this afternoon, this is clearly a bitter blow for the 3,500 skilled and dedicated workers at Honda in Swindon, and the many people whose lives will be affected – either because the companies they work for are part of the supply chain, or because they are part of the community around the plant.

Greg has spoken with the trades unions, the local MP, the Leader of Swindon Borough Council and the Chair of the Local Enterprise Partnership...

...and will shortly chair the first meeting, in Swindon, of a taskforce he's put together to marshal government efforts to do everything we can to ensure that the much-valued workforce can find new opportunities to make use of their skills and experience.

The decision of Honda is, of course, a blow.

But despite the shock of this announcement, we must not lose sight of the fact that Britain remains a dynamic and open economy...

...that just this morning we saw record high employment numbers, and ten-year high real wage growth figures...

...and that we are an economy that has grown continuously for nine straight

years...creating 3.4 million net new jobs in the process.

Our challenge is to maintain that performance, at a time of transformative change in our economy, with the technology revolution changing Britain's economy, society and, indeed, politics in ways that we can barely predict.

But as Judith has said, the change uppermost in all our minds is, of course, our future relationship with the EU.

I understand that the ongoing uncertainty is a challenge for many of you in this room. And that the prospect – however small – of leaving without a deal is already too great, and is having very real consequences as you make difficult decisions about managing supply chains, about hiring people, about where and when to invest.

I understand the frustration in the business community about the pace and sometimes opacity of the democratic process.

I cannot make that frustration go away, but what I can attempt to do is to explain what we are doing to resolve this uncertainty.

Our priority remains avoiding a No Deal outcome, and that will be my unwavering focus. It is clear that leaving the EU without a deal would deliver a damaging short-term shock and would undermine our future prosperity and security – and in my view that would represent a betrayal of the promises about Brexit that were made during the referendum campaign.

So the solution lies in getting the PM's deal through Parliament. That is the only way to both respect the referendum result and also supporting the economy, protecting jobs, and allowing us to leave, via an Implementation Period, in an orderly fashion, to a continued close trading partnership with our nearest neighbours.

Doing so means seeking a route to address the very specific objections that have been raised in the House of Commons. That's our objective.

A legally binding change to the Withdrawal Agreement to ensure the backstop could not persist indefinitely would not satisfy all of my colleagues – but it would deliver the core of a majority for a deal in the House of Commons.

Such a change is not a straightforward task, and will require a spirit of compromise on both sides.

The so-called "Malthouse" initiative to explore possible alternative arrangements to the backstop, is a valuable effort in that direction.

It builds on an important concession we gained in the Withdrawal Agreement, in being able to propose alternative arrangements to the backstop – and it should be a major ongoing strand of our work, continuing at pace during the Implementation Period; one in which I hope and expect the EU will take an active part.

But, however promising as an alternative arrangement to avoid entering a

backstop in the future, it is clear that the EU will not consider replacing the Backstop with such an alternative arrangement now, in order to address our immediate challenge.

The details of this initiative are still evolving, and would require significant changes to EU legislation and Customs practices that would need to be negotiated with the EU member states and others who will be affected by them.

So over the next few days, Members of Parliament need to think long and hard about the choice before them; Our partners in the EU need to be at their pragmatic best in helping to avoid the mutual calamity of no deal; and you – and we – need to carry on explaining the implications of a no deal exit, no matter who cries “Project Fear”: Because it’s our duty to communicate the reality of the situation, to the people we represent.

So our most urgent task is to secure a deal that will protect our future relationship with our closest neighbours and most important trading partners.

But however close that future relationship, it will not be as close as the one we have now. So there will be change ahead.

Our country has always seen itself as somewhat distinct from our European neighbours; somewhat more global in outlook.

Brexit will be our chance to show that we can combine a strong and continuing partnership with the EU, with a new focus on building on our historic overseas relationships, and forging new links with the fastest growing economies of the world.

Because that world is changing around us – a rapidly growing middle class, huge advances in innovation and technology, and a shift in the balance of wealth and power all mean the opportunities have never been so great.

But these emerging markets are a competitive place, and the key question for the UK will be: how do we establish our competitive advantage in this fast-changing, globalised world? How do we set out our stall in the bustling international marketplace of the 21st Century?

We have a choice:

Some people – on both the left and right – would have us fight again the economic battles of the past: at one extreme, an agenda of widespread nationalisation, penal taxation and heavy state regulation; at the other extreme, a slashing of tax rates and shredding of regulation.

Neither would deliver what is needed for our competitiveness as a 21st century mature economy with an ageing population.

So, I am clear that as Britain rethinks its competitive advantage in an ever more globalised world, we must factor in the changes happening around us and engage with the world as it is, not as it once was; we must find solutions rooted in the pragmatism for which this country is rightly famous, not in

populist rhetoric

That means building on the distinctive strengths that we already have as a country. And my message to you tonight is that Britain's modern manufacturing sector is and must remain one of those distinctive strengths and competitive advantages.

If we can get it right, your sector can prosper under our unavoidably more global outlook in the future – and be a core part of the high-tech, high-skill ecosystem that defines the future economy we want to build.

I want to say a few words about what we are doing – and what we need to do – to deliver on that ambition, in three specific areas – skills, innovation and infrastructure – and I hope in doing so, I may provide a worthy response to some of the challenges Judith posed in her opening remarks.

The first priority for any business these days, as all of you know, is skills; making sure you have the right people to make your business grow.

For too many years, our education system has been too focused on getting people into university, at the expense of other routes into work...

...focusing on the top level skills of the few, at the expense of the more practical capabilities of the many...

...and in doing so, we've hollowed out our manufacturing skills base...

...so that all too often the demographic profile of skilled workers inside companies looks even more daunting than the demographic profile of the country as a whole.

But we are changing that.

We know that the skillset we need for our advanced manufacturing industry requires us to focus, not just on degree level skills, but also on a wide range of specialist, technical skills.

That's why we are reasserting the importance of technical education in our national life – so that we can more effectively train the next generation of engineers, to make sure that employers have the skills they need, and young people are match fit for the labour market of the future.

To do that, we have committed £500 million a year to introducing a new system of T-level vocational training...

...We've put the first £100 million into the new National Retraining Scheme, to make sure that British workers can face the challenge of technological change without fear...

...and through the Apprenticeship Levy we are delivering 3 million high quality apprenticeships in this Parliament.

But, of course, we want to work with industry as we deliver these reforms.

Judith – you challenged me on progress we’re making with the apprenticeship levy.

We have heard your concerns loud and clear – and taken action:

- halving the co-investment rate from 10 to 5%
- increased the amount you can transfer to your supply chain to 25%
- we’ve put millions into the Institute for Apprenticeships
- and we’re committed to consulting on how the levy operates in the future through an engagement process, which has already begun

We’ve conducted a series of regional roundtables with 59 employers attending to date – including an EEF policy advisor – and it’s only the 19th of February.

And may I also say in response to your plea for a nationwide rollout of the North West pilot of “Made Smarter”, that I am delighted by your enthusiasm for this ground-breaking programme. But it was only launched in November, and the point of piloting is to learn what works and what doesn’t. But I can absolutely promise you that what works will be rolled out in due course.

As well as making sure that British workers have the skills they need to thrive and prosper, we must also invest in the technologies of the future.

Our history is one of innovation – we are the nation of Stephenson, Faraday and Whittle. And today, Britain can lead the world again as we exploit a new wave of scientific and technological discovery pouring out of our world class Universities and our industrial research centres.

I do not need to tell the people in this room about the impact of this technological progress on the economy – just think of the changes you have seen over the last twenty years in automation, materials and manufacturing techniques. And everyone is familiar with the stats that point to Britain’s leading role in scientific research: With just 4 percent of the world’s researchers, but 15 percent of the world’s most highly cited articles.

But the leap from research lab to commercial product does not happen by accident.

And for too long, while we’ve been brilliant at invention and discovery, we have been near the bottom of the class in exploiting that home-grown genius to drive our own industry. But I’m glad to say that is changing.

And the manufacturing sector is at the forefront: you constitute 10% of the UK economy, but provide 66% of all business expenditure on research and development.

Since 2016 we have committed an additional £7 billion to science and innovation. This 20% increase is the sharpest and most sustained rise in public R&D investment since records began – clear progress towards our ambition for a government-industry partnership to lift economy-wide R&D spending to reach 2.4% of GDP by 2027.

But although government intervention is important, we understand that private enterprise is the real engine of innovation. So we are also making sure that the conditions are right for you as leaders and entrepreneurs to be able to invest in growing your businesses.

Support for businesses through R&D tax reliefs has tripled since 2010.

One of the areas EEF have been rightly challenging us on is capital investment incentives – and we have acted.

At Budget 2018 I increased the Annual Investment Allowance from £200,000 to £1 million for two years, providing hundreds of millions of pounds more tax relief

...and I also introduced a new, permanent 'Structures and Buildings Allowance', providing billions of pounds of new tax relief for firms investing in new non-residential buildings and structures – delivering a long-standing demand from industry.

And what is good for individual businesses is also good for the economy and for households – increasing productivity is the only sustainable way to boost real wages – and rising real wages are the sure-fire way to sustain a contented and stable workforce – and a satisfied electorate. A coincidence of objective that business people and politicians can celebrate together.

Today's real wage growth figures are good news – but only sustainable if backed by productivity growth. And boosting our productivity also means investing in infrastructure, because even with the best staff and the most high-tech equipment in the world, your businesses won't succeed without roads to transport your goods, railways to transport your staff, or fast broadband to deliver the digital lifeblood that sustains all modern businesses.

The cornerstone of our plan to boost productivity is the National Productivity Investment Fund, £37 billion of funding through to 2023-24 on top of the core investment in roads, rail, R&D, housing, and social infrastructure – specifically targeted at raising Britain's productivity.

Together, these programmes are modernising our strategic roads network – which carries two-thirds of all freight

...delivering the biggest rail programme since Victorian times...

...and bringing our digital infrastructure up to date, with a strategy for delivering a nationwide full fibre network by 2033.

And we are supporting industry to make the transition to a low-carbon economy, with £315 million for a new Industrial Energy Transformation Fund, which will help businesses with high energy use – like those in your sector – to cut their bills and reduce their emissions...

...all of which together means over the next five years, total public investment will grow by 30%, to its highest sustained level in 40 years.

Judith, to return to your challenges, I hope I have shown this evening how government understands its role in supporting UK industry through the coming tech revolution, and in driving up productivity for the benefit of our businesses and our citizens – delivering our vision of a high-wage, high-skill economy.

The Modern Industrial Strategy encapsulates our clear commitment to play that role.

And sets out our plan to do it:

By putting technical skills back at the heart of our education system...

...investing in new technologies and innovation...

...modernising our roads and railways...

...cutting taxes for workers and for the businesses that employ them...

...reducing your energy costs – and your carbon footprint...

...doing everything we can, in other words, to make sure that Britain is known around the world as a great place to be a maker.

And I hope I have convinced you that I understand all too well the scale of the challenge that Brexit uncertainty represents for many of you...

...and that I am committed, and the whole government is committed, to doing everything we can to dispel that uncertainty as quickly as we possibly can...

...and that the approach I have set out tonight is the right one for Britain's economy, regardless of Brexit.

Laying the foundations for our future prosperity in a world that is going to look and feel very different – for many different reasons beyond Brexit.

And in 100 years' time, when my successor as Chancellor of the Exchequer gives a keynote speech to MakeUK's annual conference, they won't be talking about Brexit – or, at least, I hope they won't!

They'll be talking about the astonishing transformation of our economy that occurred through the tech revolution of the second quarter of the 21st century...

...about the remarkable achievement of a small, damp island, off the north west coast of Europe...

...still, in 2119, a world leader in high tech manufacturing and sophisticated services...

...a watchword for agile, flexible regulation...

...a European beacon in an Asian-dominated global economy.

I know we can do it.

And I look forward to working with you all, and with MakeUK, to make it happen.

Thank you.

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## [Speech: EEF Manufacturing Conference 2019](#)

Thank you Steph for that introduction – it's always a pleasure to be introduced by a fellow Teessider!

### **Honda announcement**

Before I go any further, I just want to comment on the announcement made by Honda this morning that their Swindon plant will close in 2021.

I am not going to pretend that this is anything other than a bitter blow.

My thoughts this morning are with the 3,500 skilled and dedicated Honda workers and their families; and the suppliers of what has been a phenomenally successful business and has done so much for UK manufacturing during its time here.

And with the town of Swindon, whose proud manufacturing tradition, as everyone knows, dates way back to Brunel and the days of the GWR, and which has been home to one of the best car factories in the world during Honda's time there.

And so our message to everyone affected by Honda's closure is that we value intensely your skills; we completely understand the challenges that you face; and we will do everything that we possibly can to support every single person in the community, in the workforce, in the supply chain, to make sure that their skills and their ingenuity will find expression and application in the years ahead.

### **Brexit preparations**

Now of course this news comes on top of months of uncertainty that you, as manufacturers, have had to endure about Brexit and about our future relationship with the EU.

And just spotting in the audience so many people that Richard and I meet during the course of our work – I know how important it is to you that we should find an early resolution of what our relationship with the rest of the

European Union is going to be.

Because you know that every decision that you make – on prices, on cash flow, on logistics and investment – has real consequences for the hundreds of thousands, indeed millions of people that you employ.

And I've been always been quite clear that a situation in which our manufacturers don't have the certainty that they need about the terms under which over two-thirds of our trade will be conducted in less than 40 days' time is unacceptable.

It needs to be brought to a conclusion, and without further delay.

I am immensely grateful to Stephen Phipson and the EEF, now Make UK, for the advice and the support they have given on your behalf.

This is a membership organisation, and I want you to know that the views you express to the headquarters are deployed forensically and consistently by Stephen on your behalf.

Richard and I meet with Stephen every Wednesday morning for a full hour's discussion of what he's found from his interactions with you during the previous week.

And it really makes a difference. I can't understate the importance of the evidence and intelligence that you supply through Stephen to us in our roles.

And it's with the help of the EEF that we made, first of all – and won – the argument for a significant transition period, recognising that you need time to adjust to a new regime, whatever it is. A period during which your ability to trade with the EU remains as now time to adjust to new arrangements.

It was also based on the evidence. I think there's been a national education in the realities of just-in-time production and integrated supply chains that the whole country has learned, but very much pioneered through the evidence that you've supplied to Stephen and has been deployed through the EEF.

That shaped the crucial objective of maintaining frictionless trade and that remains front and centre in our aims for the future economic partnership with the EU.

Richard and I will continue to work with you and to listen to you – the manufacturers and the employers – to make sure that your voice is decisive in this crucial debate.

And yet – as important as this all is, I can't stand here today and claim to you that all of your requirements have been resolved.

To do that we need to have a deal. Because leaving the EU without one would, in my view, be a disaster for the whole country.

In the survey that EEF – Make UK – published just last week two-thirds of manufacturing employers said that 'no deal' would result immediately in price

increases on products.

Whilst almost one-third of manufacturers said that 'no deal' has implications for jobs.

Now some people, when you voice these concerns, describe this as 'Project Fear. But for me – knowing the familiarity that you have with the reality of running manufacturing operations and employing millions of people around the UK – I think it is better described as 'Project Reality'.

Your evidence needs to be acted upon. And I know – from talking to many of you of the consequences from the logistical problems caused by new customs checks. To potential limitations on sending skilled workers to the UK to install, to maintain and service your products.

There is, I think, a lack of adequate understanding, historically, in this country, as to how intrinsic manufacturing is to the success of our service economy.

Many of your products, many of your revenues, I know, derive from the service contracts that you have in support of the manufacturing operations that you have in this country.

And I also know and entirely understand the importance of having this resolved much more quickly than I think has been in prospect.

The reality is that yesterday the first freighter that will arrive after the 29 March 2019 set off from Felixstowe bound for Japan with no clarity on the terms under which its cargo will be admitted when it reaches its destination.

That is, I know, unacceptable to you. And it's unacceptable to me.

For me this shows how absolutely essential it is to conclude the arrangements with a deal in the weeks ahead.

And not on the last minute on the 28 March, but as soon as possible.

Because no one should regard waiting to the last moment, when you are making decisions now that have consequences for many weeks and months ahead, as acceptable.

I've always thought, and my colleagues in government have, that an orderly Brexit – one that implements the outcome of the referendum but in a way that protects prosperity, growth and jobs is what we should insist on.

No one wants to be poorer at a time when the opportunities that we have in manufacturing specifically are greater than ever before.

So, we will go on making sure that the argument that manufacturers put for a deal to be concluded swiftly is something that is heard loud and clear.

The deal that has been proposed is by no means perfect, but it does meet, in the view of many of you here, the needs that you've expressed. And in

particular, provides more certainty in a time of great uncertainty.

But of course, decisions like Honda's this morning demonstrate starkly how much is at stake.

Honda's announcement they have described as not being related to Brexit, but to the changes that are taking place in the automotive sector.

And there are many people in this room that are aware of that and participate in that.

And that's why this is such an important time to build on the foundations that we have in our economy to make sure that we profit from the opportunities in areas in which the UK has a stunning reputation.

## **Made Smarter**

A few months after the EU referendum I had a conversation with someone known to everyone in this room – the Siemens UK CEO Juergen Maier – which gave birth to the idea behind [Made Smarter](#).

Making sure that smaller firms have the ability to access the cutting-edge of new technologies that sometimes are taken for granted by the larger OEMs and some of our research institutions – encouraging and helping smaller firms to adopt new technologies that can help them become competitive in this time of global change, and to create more jobs.

The idea struck a chord and many people in this room are involved with the Made Smarter Commission that resulted from that.

And based on Jurgen's work and supported by you we have had a huge response right across the UK from the manufacturing community from companies big and small in every nation of the United Kingdom.

We've made substantial progress already.

In September, I chaired the [first meeting of the Made Smarter Commission](#) attended by many companies in the room today.

The very next month, in October we announced 120 million pounds to make sure that this diffusion of the technologies that we have in this country to supply chains in every part of industry should be able to be supported.

And at the heart of Made Smarter will be what I know is manufacturers' No. 1 priority – skills.

## **World-class manufacturing**

There are so many lingering misconceptions that I'm sure you as I are frustrated about, that people have the wrong view of manufacturing.

The EEF under Stephen asked the British public to guess how UK manufacturing

ranked globally the average guess was 56th.

Actually, we're 9th in the world, and can rise more strongly. Kazakhstan is 56th.

But the perception needs to be countered, which is one of the big purposes of Made Smarter. EEF's Chair Judith Hackitt, who I know is here today, is a formidable leader of that initiative to change perceptions of what manufacturing and engineering are about, to show the reality of modern manufacturing as one of the most exciting vocations that exist in Britain today.

We should be proud of the world-class manufacturing talent that we produce in this country, and we need to produce more.

And whenever I meet apprentices – whether it's at the MTC, the Manufacturing Technology Centre just outside Coventry, the AMRC in Sheffield, or Make UK's own apprentices in Aston, I'm blown away by the sense of privilege that people have, that have managed to discover what a fantastic career is in prospect if they get into manufacturing and engineering.

While companies like Lander Automotive – whose Managing Director Peter Tack is with us here today are creating new apprentices – 15 apprentices being recruited every 8 weeks to be embarked on a career that will take them around the world with excitement and discovery every year of it.

And as more companies embrace new technologies it won't be about people or technology, but people and technology.

I was struck at the Manufacturing and Technology Centre looking at the latest application of robots.

The big question is: are these robots going to replace people?

Quite the reverse. All of the skills there – and you know it in this room – are about making sure that we learn to work effectively with automation: people working alongside robots, or deciding what to do with data analysis.

But as new technologies require new skills we must make sure that these opportunities are available to all.

Through our [Industrial Strategy](#), our new National Retraining Scheme, which is designed to help people learn new skills as the economy changes, including as a result of automation.

We are also putting significant investment to help SMEs their leadership and management skills that again are often available more easily to larger companies, but to reap the opportunities that we have in the world we want to make sure that the best skills are available to leaders of some of our smaller businesses.

With a management training programme which could help 10,000 people a year over the next few years.

And just as no-one should be left behind by the new technologies sweeping this industry, no place should be left behind either.

I hope that Made Smarter will support small businesses, and small manufacturers right across the UK.

In pursuance of that goal the first wave is in the North West, working with the towns and cities of the North West – Cheshire and Warrington, Cumbria, Lancashire, Liverpool and Manchester – to make sure that small businesses there are first to benefit to really reinforce what is already a strong cluster of manufacturing excellence.

We need to make sure the opportunities of the fourth industrial revolution are available to every single firm in the economy.

But in helping firms understand their data and, where suitable to automate production, we can make a real impact.

And there's been a huge response in the North West, with 140 businesses signed up already to learn from the best in the country as to how they can spread industrial digitalisation.

As well as in automotive – we have a firm looking to use robotic equipment on the production line. We want the applications to be in, for example, food manufacturing – our most important manufacturing business line at the moment.

We want this pilot to become a beacon for schemes in regions right across the country.

## **Conclusion**

So, ladies and gentlemen.

In the coming days and weeks we are very conscious that your future prosperity in a world of change and opportunity must be at the forefront of our attention in all of the policy decisions that we take.

Our test of a successful Brexit is that it should work for manufacturing industry at this time of such great opportunity, and through that, the millions of people who depend on you.

Just as we stand on the cusp of amazing new opportunities for manufacturers, we must retain and create the future possibilities for everyone in this room.

And we're conscious that every hour, every pound spent being devoted to Brexit preparations is necessary – I understand. But actually it is not the main focus of your work, which is to create the products, processes and customers that will sustain the UK for many years to come.

So I look forward to continuing the very effective work that we do with the EEF – and now I hope with Make UK. That we can in a short space of time now agree a deal that brings the certainty that you've communicated so clearly that you want.

And we can make the UK as synonymous with the fourth industrial revolution as we are, through our history books, with the first.

Thank you very much.