

# 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:

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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**

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## **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.

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## **News story: UK and US strengthen maritime aviation cooperation**

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

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

### **Minister for Defence Procurement Harriett Baldwin said:**

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

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

As leading members of NATO, the UK and US are committed to the collective

defence of each other and their Allies. We have also pledged to deepen defence cooperation, bilaterally and within the Alliance, to further improve the ability to operate together in exercises and operations.

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

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



Defence Minister Harriett Baldwin meeting Bob Work in September 2016

### **Deputy Secretary of Defense Bob Work said:**

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

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

posture.

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

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

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

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

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## [Tory Health Minsters should be acting to address the challenges on the costs of care – Barbara Keeley](#)

**Barbara**

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

"It is deeply worrying that thousands of vulnerable people could be forced to move into care homes against their will just because that is a cheaper option than living at home.

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

at the end of their lives.

“Tory

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