

Defence Secretary keynote speech at DSEi 2019

I don't intend to speak for too long. The kit, not the speeches, are the real reason you're here today.

But if you're going to take home one message from the UK, it is this – we are global. We are alive to the global threats. And we have the world class industrial base and the game-changing capability to deal with the danger.

To prove the point I want to briefly dwell on the success of our Defence and security sector. It is a story seldom told.

This is a sector that brings in sales worth more than £19bn to our economy. A sector that is the second largest in the world – accounting for 19 per cent of global export value over the past decade.

A sector that according to reports supports around 260,000 jobs directly and indirectly in the UK.

What's more our Defence is the spine of our nation, spreading wealth across our entire union from the South of England to the North of Scotland. Our average expenditure with UK industry equated to £290 spent on the security of every person living in the UK.

There is always the challenge of selling to wider Government what we in Defence do. It is true that what our Armed Forces do is often over a distant horizon, or below the deep ocean.

But the reality is, what we do, makes an enormous global difference. Defence is often upstream focusing on keeping danger away from these shores.

On this day, 18 years ago, terrorists hijacked American Airlines Flight 11 and United Airlines Flight 175, and flew them into the twin towers in New York.

For many it was the first awakening of the full horror of global terrorism. But it was because of our investment in Defence, because of the strength of our capability, that the UK was able to fight alongside our allies. And because of key procurement decisions we were able to operate side-by-side across the globe.

Look at how we've been taking the fight to Daesh in the past few years with our Typhoons, attacking the terrorists both day and night with power and precision, while our cyber capability eroded their communication channels and exposed the so-called caliphate for the sham it always was.

Our expertise was on display last year too when Russia deployed nerve agent on British streets to murder British civilians. We immediately called on our internationally renowned medical and scientific community at DSTL in Porton

Down.

Their chemical and biological know-how identified the deadly use of novichok. But you do not grow the corporate knowledge of the UK's defence capability overnight. Which is why when that knowledge is channelled into the British forces' next generation needs, we provide world leading products to go alongside.

In more recent times, when the arteries of worldwide trade have been threatened by hostile Iranian state action in the Strait of Hormuz, we've enlisted the global capacity of our Type 23s and Type 45s, built on shipyards on the Clyde, to defence the red ensign.

And, with Hurricane Dorian ravaging the Caribbean, we were the first nation to send support, dispatching RFA Mounts Bay, equipped with amphibious vehicles and helicopters to work alongside international aid colleagues, providing residents in the Bahamas with much needed humanitarian help.

A stark demonstration of Britain's ability to match global capability with global presence to deal with any eventuality. But that what's so remarkable about the British defence industry, is that we have strength and depth.

We don't just make the big platforms. We machine engineer the parts. We shape the electronic systems behind them. We devise the niche capability and we innovate with the very best. For example, here today we have remarkable companies like Wiltshire-based companies Avon Protection, a world leader in Respiratory Protective Equipment (RPE).

Not only does it supply the UK and its NATO allies with kit, it is also the primary supplier of Chemical Biological, Radiological and Nuclear respiratory equipment to the United States Department of Defense Army, Navy, Marines, Air Force and Special Operations.

Then we have dynamic firms like Reaction Engines in Oxfordshire currently building a hypersonic engine capable of reaching orbit. And my Lancashire constituents would never forgive me if I didn't mention their contribution, building the aft fuselage, horizontal and vertical tails of every F-35 built as well as on the tried and test Typhoon.

We're surrounded by brilliant examples of British expertise in the hall today. As the UK's new Defence Secretary we do however need to break the traditional cycle where our appetite didn't match our stomachs which led to the annual hollowing out of capability and plans, which ultimately lets down the men and women of our Armed Forces.

We have to invest in our global defence force if we want to make a global difference and last week's Spending Round announcements signalled our intent.

For those who didn't catch the headlines it's worth summarising. UK Defence secured an extra £2.2 billion. An increase of 2.6 per cent above inflation between 2019/20 and 2020/21.

Well above government's commitment to grow the defence budget by 0.5% above

inflation every year of this Parliament. It means that by 2020/2021 this year's £39 billion defence budget will rise to over £41 billion by 2020/21, the first time it's topped the £40bn mark.

It means that we'll continue to exceed our NATO commitment to spend 2 per cent of GDP on Defence. It means that the UK remains the largest NATO defence spender in Europe by far.

Above all, it means more money to keep investing in key capabilities such as offensive cyber, nuclear deterrent and shipbuilding. Defence will always continue to require sustained investment for the long-term.

But we're already making sure we put our money where our mouth is. Look at what's happening across the domains.

Let's start with shipping. Today 11 major warships are in build or on contract not to mention our next-generation of nuclear deterrent submarines.

We're looking to build Type 31 frigates and we're building Type 26 global combat ships, whose designs have won plaudits and contracts in Australia and Canada.

And with HMS Queen Elizabeth off to Westlant, our carrier strike is back after an absence of a decade, giving us the unparalleled ability to project power and influence across the seven seas.

We're also investing in cutting-edge Artificial Intelligence. Yesterday on board the HMS Argyll I witnessed the first exercise involving our Maritime Autonomy Surface Testbed (MAST).

Effectively this is the next generation underwater drone swarm, operating autonomously but collectively, to scout ahead of a ship and spot trouble in advance.

Switching from sea to land, our Army is upgrading not only our Challenger 2 and Warrior vehicles but bringing in multi-role armoured vehicles to operate alongside AJAX, with a main gate decision due at the end of October.

Together these vehicles will deliver the Army's new transformational Strike Force, contributing to NATO Readiness and creating as well as sustaining more than a thousand jobs.

Companies like Qioptiq, less than 100 miles from my own constituency are involved in the sighting systems. They are here exhibiting today.

As a former infantryman, I'm delighted we're doing more to lighten the load of our soldiers in the field.

MOD has been working with BAE Systems to develop lighter ammunition, replacing the brass in the cartridge cases with stainless steel or titanium, reducing the load our troops have to carry by up to 26 percent along with the costs of transporting rounds to the front line.

We're applying the same blue-skies thinking to the air domain as well. Last year at Gatwick and Heathrow we saw the peril drone technology poses to our airspace.

Today I can announce that, from early next year, the RAF will be working with Leonardo on a three-year programme, looking at how to detect, track, identify and defeat rogue drones as this technology continues to evolve.

And I'm pleased that we've signed a statement of intent with Italy who, alongside Sweden, will support joint working on the Tempest and our Future Combat Air Strategy.

I'm looking forward to working with Italian and Swedish counterparts, as well as others, to put the Tempest programme into hyper-drive and take Global Britain into the stratosphere.

Fifty years ago Britain put its first satellite, Skynet1, in space. Today we're having to deal with increasing threats to satellite-based navigation. So the need for robust communications has never been more vital.

That's why we're developing Skynet6 which will give our forces unparalleled capacity to talk to each other in any hostile environment.

And I can announce the launch of a new competition for an industry partner to operate and manage the Ground Stations, infrastructure and technology involved in this programme.

And just as we upgrade our capability in space we're also bolstering our strength in cyber too.

The nature of warfare is changing. In an Information Age the challenge is not just to prepare for contingency but to operate and engage constantly.

That means we need to be able not just to repel threats from our online frontline but the ability to strike out. We need to gather, co-ordinate and exploit the information we receive across all the domains much more effectively.

That's why we're initiating a major programme of change, managing our people differently, adjusting the way we run our operations and maintaining our long-standing association of working with GCHQ in this area so we can be more agile in tackling dangers and grasping opportunities.

But we know that you only produce great kit if you have great partnerships between policy makers and product makers. That's why I want to see a step-change in our partnership with industry.

We're determined to go out of our way to help you giving you the certainty and confidence you need to create great capability. So as well as investing we're planning for the future.

A few days ago we published our Defence Technology Framework. It will help concentrate our collective minds by assessing the technologies needed to

drive our defence modernisation and deliver battle-winning technologies.

Now you need to help us. So we're helping you. But we expect something in return. We need industry to show willingness. Willingness to strengthen your competitiveness, willingness to benefit our own procurements, willingness to seize those export opportunities.

The Army's newly announced industrial engagement framework marks the start of that journey. But the end point will see a fundamental shift in mindset from the regional to the global.

Britain has long been a nation of makers, from the steam engine to the turbo jet, from Watt to Whittle.

We remain a world leading exporter and as DSEI shows, the potential of our Defence sector is limitless.

But seizing our opportunities, realising our potential, demands we think big. It demands we all have a vision.

My vision for Defence is one that returns pride to the places in which things are made.

A vision where our kit is wanted not simply because it carries a stamp saying made in Britain. But because it carries a stamp that proudly proclaims made in Barrow or made in Birkenhead.

It's a vision where every part of the country is famed for its particular brand of expertise from air to autonomy. So we might be living through challenging times but if you're looking for solutions you've come to the right place.

Tomorrow is here today.

I hope you leave with the message that UK Defence is on the up, that our Defence industrial base remains the spine of our nation, allowing our forces to be the tip of our spear for Global Britain.