

Liam Fox speech to Conservative Party Conference 2018

Liam Fox, Secretary of State for International Trade and President of the Board of Trade, speaking today at Conservative Party Conference at The ICC, Birmingham, said:

(Check against delivery)

INTRODUCTION

“Sometimes in political life, the decisions that we take and the implications they have for our country’s future can only be seen sometime later – often well after the event.

This is not one of those times.

The decisions that we take in the coming days and months will profoundly shape our relationship with the European Union and the world beyond as we develop a vision of a truly global Britain.

As we do so we must keep a number of things in mind.

First, we are not passengers in our own destiny but can shape it in line with our own beliefs and values. We simply need to have the courage to do so.

Second, we must stop re-fighting the referendum and come together to honour the democratic will of the British people or we will risk undermining faith in that democratic system itself.

Third, we need to show confidence and optimism in the future if we are to give the British people the leadership they require.

And there is much for us to be optimistic about.

Remember those predictions of the economic shock that we would get if we voted to leave the European Union?

Let’s look at how they turned out.

Did we see a rise in unemployment of half a million? No we added 600,000 jobs to the economy.

Did we see investors leaving the UK in droves? No, last year we landed the third largest number of inward investment projects in our history.

Did people abroad stop buying British?

No, in the last year we saw UK exports of goods and services rise to a record £621 billion – that is up over £60 billion.

And what did we sell?

We sold almost £50 billion worth of mechanical machinery, £33 billion worth of cars, £28 billion worth of electrical machinery and £26 billion worth of pharmaceutical products.

So much for Britain not making anything anymore.

And that's before we even consider the services that I will come to later.

It doesn't take an economic expert to understand that improved exports lead to greater profits and generate tax revenues to support the public services on which we depend – from health to defence.

OUR DIT RECORD

It is just over two years since the Prime Minister asked me to set up the Department for International Trade to prepare Britain for an independent trade policy as we left the European Union.

At the time I was told by some that it wasn't a real Department, that there was nothing for it to do – that I didn't have a real job.

In fact, Nick Clegg said in 2016 that within eighteen months, my department would have nothing to do because the UK would be staying within the Customs Union. You might remember him from when the Lib Dems had a leader!

Well, we are leaving the Customs Union and the Single Market despite the best efforts of Keir Starmer and the Labour Party to thwart it.

That means over the summer we were able to start our public consultations on future new free-trade agreements with the United States, Australia and New Zealand as well as potential membership of CPTPP, the transpacific trade partnership that includes Japan, Canada and Mexico, some of our most important trading partners and a sign that we are committed to a truly global Britain in the future.

We now have an organisation of some 3,800 staff based in 108 countries around the world.

We recruited one of the best Trade Negotiators in the world to lead over 500 trade specialists and created a new trade profession across

Whitehall.

We have started the new National Trade Academy Programme to skill up our businesses on trade issues – and launched our summer trade school to give youngsters a head start on a trade career.

We fulfilled our manifesto commitments to reinstitute the Board of Trade and to create a global network of Her Majesty's Trade Commissioner's, each of whom has responsibility for one of the nine global trade regions.

We have set up 14 trade working groups with 21 countries including Canada, Mexico and South Korea which I will visit this week.

And Ministers have now made 208 visits overseas in support of exports and investment and we are working on trade reviews with India and Brazil.

So much for nothing to do!

And so much of the credit goes to our departmental Whips – Jo Churchill and Baroness Manzoor and my outstanding PPS Mike Wood; and PPS to our Ministers, Dr Caroline Johnson.

And in our terrific Ministerial team, I would like to thank my deputy George Hollingbery for hitting the ground running in his new post, Baroness Fairhead for leading on the Government's new Export Strategy and Graham Stuart for outstanding efforts in bringing investment into the Country.

EXPORTS

But we have to be honest with ourselves about our country's trading performance. Whether or not we had decided to leave the EU, the UK would still have needed to up our game on exports.

In 2016 the UK was exporting only 28.3% of GDP, a figure that has now risen to 30.4%- broadly similar to France, Italy and Canada, but substantially behind Germany. That is why we announced, in our new export strategy, the ambition for Britain to export 35% of our GDP.

This government, under this Prime Minister, will leave no stone unturned to ensure that Britain claims its due share of global prosperity.

Last year global exports were worth more than double what they were worth in 1997 – and that is despite the global financial crisis.

And the global economy is changing at a staggering pace with new giants emerging to alter the landscape to which we have grown accustomed.

China is expected to have 220 cities with a population of more than a million by 2030. The whole of Europe will have just 35.

We cannot wish away these inevitable changes – and nor should we.

Economies in South Asia, East Asia and Africa are becoming more and more prosperous, driving demand in precisely those sectors in which the UK excels.

UK products enjoy an unparalleled global reputation for quality, and the continued international demand for anything 'made in Britain', from luxury cars to business services, is growing.

Take China – which I have already visited four times this year. According to research by Barclays, 57% of people in China would actually pay more for a product, just because they knew it was made in Britain.

What a reputation to have.

What a head start on our competitors.

What an opportunity.

And despite being unable to negotiate new trade agreements while we are members of the European Union, we have been able to agree new deals to open up markets to British products, such as the market for dairy products in China worth almost a quarter of a billion pounds over the next four years to the Northern Ireland economy.

And across the world, the public and private sectors alike are seeking UK service exports, in legal services, accountancy, design, project management, insurance and everything in between from improving education to delivering international sporting events.

In the world of the knowledge economy, Britain's shelves are stacked with what the world wants.

The UK has the potential to be nothing less than a 21st century exporting superpower.

INVESTMENT

And what of investment into Britain? What do the holders of global capital think about our country and its opportunities?

Let me tell you.

Not only have we had the third highest number of inward investment projects ever in this country but more venture capital on tech came to London last year than the whole of France, Spain, Ireland and Germany combined.

Not only is London the world's number one metropolitan area for inward investment but the Manchester/Liverpool conurbation and Birmingham have now both joined London in the world's top twenty.

Goldman Sachs now has a £1bn under-construction London headquarters and Deutsche Bank is investing in a new upgraded London HQ in

the Square Mile.

Why?

Because Investors recognise the strong fundamentals of the UK economy – our legal system, our skilled workforce, our tax and regulatory environments, our world leading universities, our access to tech and our gold standard IP protection.

Labour

But let me tell you what global investors really fear.

They fear a Corbyn Labour Government that would steal their investments and call it nationalisation.

They fear the dark forces bubbling under the surface of the hard left – anti-wealth, anti-trade and anti-Semitic.

A Labour party whose leader admires Venezuela, where a hungry population, racked with hyperinflation increasingly seeks mass emigration as a solution.

A party which is not the future of the young but the betrayers of the young, whose reckless spending plans would leave an economic wasteland and a generation or more of debt to be repaid.

Frankly, we failed to spell that out at the last election.

We must now call out Corbyn's hard-left Labour Party for what they actually are – a colossal threat to the next generation and to the security and well-being of our country itself.

EU

For our part, we must focus on the national interest and tackle the big issues of the day, including our future relationship with Europe.

As we leave the European Union, will seek to maximise our trading relationship with our EU partners who still make up over 43% of the value of our exports.

But we will do so in a way that maximises our opportunities to exploit those growing markets in the rest of the world.

And remember, the EU itself accepts that 90% of global growth in the next 10 to 15 years will occur outside continental Europe.

We have a right to expect our EU partners to engage seriously, and with respect, on our shared future relationship.

It is simply not acceptable to dismiss the UK's proposals without putting any other alternative in place.

We have made our position clear to them.

We will leave the Customs union and the single market.

We cannot accept the jurisdiction of the European Court of Justice.

We will leave the Common Fisheries policy and the Common Agricultural policy.

We will end free movement.

We will have our own independent trade policy and we will not accept any solution that divides the United Kingdom by treating Northern Ireland differently to any other part of our country.

If they don't like our proposals, let them set out their own.

I'm sure that I wasn't the only one after Salzburg, to feel that taunting Theresa May, one of the most unfailingly polite people I know, was absolutely beyond the pale.

What the British want is for us just to get on with it.

CONCLUSION

I make no apology for the fact that I believe Brexit brings great opportunities to our country or that embracing a more global view is in line with Britain's long and proud history.

In fact, I am proud to believe it.

And as we take up our independent seat at the World Trade Organisation, next March, we will do so as champions of free trade.

Free Trade that has taken millions of our fellow human beings out of abject poverty and that is the cornerstone of social cohesion, political stability and our collective security.

We must not allow the forces of protectionism to undermine all that we have built.

For us, Brexit is not the occasion to 'pull up the drawbridge' and to retreat into a more isolationist Britain. Quite the opposite – it is a chance to embrace the opportunities that the changing pattern of global trade presents.

We stand at a historic crossroads and the choices we make will require confidence, optimism and courage.

If we are to take advantage of the opportunities that are within our grasp, we must raise our ambitions, widen our horizons and expand our timescales.

Europe is and will continue to be an important market for our goods and services, but, let us be clear to the people of our country, there is a world beyond Europe and a time beyond Brexit.

And as we pursue our first independent trade policy in over 4 decades, we must deliver benefits for businesses, for workers and for consumers alike.

We must make Britain a world capital for investment and strike those new trade agreements that signal our own self-confidence and our commitment to a free trading world.

We should revel in the opportunity to seize these golden chances and deliver

- confidence for our future
- ambition for our country
- and leadership for our world.”

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For further information, please contact the Press Office on 020 7984 8121.