

News story: PM speech to Times CEO Summit: 26 June 2018

Introduction

As business leaders, you will understand exactly what the nineteenth century American politician Daniel Webster meant when, as a young man, he was considering what career to pursue.

After some thought, he decided to become a lawyer.

His friends told him it was a bad idea.

It was highly competitive. Most people who tried it did not succeed.

Hadn't he better choose a field in which it would be easier to find a place?

No, he replied. 'There's always room at the top.'

Real success does not come from setting your sights low.

It comes from striving to be the best.

That is what British businesses have always done.

You create the wealth and the jobs that provide the backbone of our economy.

Your innovation and creativity are vital ingredients in our success as a nation.

A Conservative government will always listen to your voice and back you every step of the way as you help grow our economy and create more good jobs.

And what's true for businesses is true for nation states in a globalised economy – to stand still is to fall behind.

The United Kingdom is not standing still.

In leaving the EU we are charting a new course in a changing world.

Brexit presents significant opportunities and I am confident that we can build a more prosperous and secure United Kingdom in the years ahead.

To do so, we must achieve the best Brexit deal, pursue our modern Industrial Strategy to deliver jobs and growth, and make sure our economy truly works for everyone in society.

The best Brexit deal

In the Brexit negotiations, we continue to make good progress.

You will each have conducted negotiations yourself, so you will know that they are never straightforward.

They are complex and can generate uncertainty.

But at every stage of the Brexit process we have sought to reduce uncertainty as much as possible.

Last week Parliament approved the EU Withdrawal Bill and today it will receive Royal Assent.

It will provide the legal certainty we need to ensure a smooth and orderly Brexit.

In December we achieved sufficient progress in the first phase of the negotiations, reaching agreement on the rights of EU citizens and UK citizens in Europe; on a good financial settlement for taxpayers; and on the need for no hard border between Northern Ireland and Ireland.

In March we reached agreement with the EU on an implementation period to ensure a period of time for business and citizens to adjust to the new relationship after we leave in March 2019.

Next month we will publish a White Paper setting out in detail what our future relationship with the EU should look like.

We have listened carefully to the voices of business throughout, and your input has helped to shape our negotiating position.

Our goal – a deep and special partnership that ensures trade remains as free and frictionless as possible and allows established patterns of trade to continue without disruption – is ambitious but it is achievable, because it is in the mutual interest of the UK and the EU.

To make a success of life outside the EU, and to fully seize the opportunities it will present, getting the right Brexit deal will be essential.

But this alone will not be sufficient. We also need to look to the future in a fast-changing world and ensure that our economy is ready to rise to the challenge of creating the jobs of tomorrow.

Our modern Industrial Strategy is our plan to do just that.

The Modern Industrial Strategy

It is rooted in the belief that free markets provide the best engine for growth, jobs and prosperity.

Its premise is very simple: for businesses to thrive, government has to step up and secure the foundations of productivity.

Providing an education system that works with business to deliver the rights

skills mix for our economy.

Improving standards in our schools.

Encouraging diverse provision in higher education.

Transforming technical education with new high-quality T-levels that are every bit as good as A-levels, and Institutes of Technology to provide higher-level training.

Young people in school or in college today will start their careers in the economies of the 2020s and 2030s.

They will live to do jobs that do not yet exist, and may change sectors several times during their careers.

So our new national re-training scheme will help workers of all ages adapt their skills to the needs of the future.

We also need to deliver the infrastructure for growth – faster trains, bigger stations, better road connections, next generation mobile and broadband.

That is what we are doing with the biggest roadbuilding programme since the 1970s, the biggest investment in our railways since Victorian times, and a National Productivity Investment fund of over £30 billion to boost housebuilding and transform our digital infrastructure.

Last night the House of Commons backed building a third runway at Heathrow – a vote of confidence in the UK's determination to compete on an international stage and win new global trade in the years ahead.

We will also ensure that people have the homes they need in the places they want to live, by changing the planning rules and doing much more to turn planning permissions into bricks and mortar.

Housing is as an essential infrastructure investment within the Industrial Strategy. Making housing more affordable will free up resources for more productive investment and help people move homes more easily, leading to a more productive workforce.

This will not deliver change overnight, but that is what Industrial Strategy is all about: taking action for the long-term that will pay dividends in the future.

The role of the state, however, goes beyond simply fixing those essential economic foundations.

Government, the private sector and academia working as strategic partners achieve far more than we would separately and alone.

To compete in a globalised economy and play to our historic strengths as innovators and pioneers, both the public and private sector need to invest in the ideas of the future.

So we have set an ambitious goal of lifting UK public and private research and development investment to 2.4 per cent of GDP by 2027.

To guide this joint endeavour, we are working with business and academia to develop the four Grand Challenges that sit at the heart of the modern Industrial Strategy.

These are four of the big drivers of social and economic change in the world today, which carry huge potential for economic growth if we face them head on.

First, artificial intelligence and the data revolution – which are transforming business models and employment practices.

Second, changes in the future of mobility – which are revolutionising how we travel and move goods.

Third, our ageing society – which makes new demands but also creates new opportunities.

And fourth, the revolution in clean growth that our commitment to fight climate change is driving.

By focusing our efforts on meeting these four Grand Challenges we can develop new exports, grow new industries, and create more good jobs.

We know that setting clear missions can drive human endeavour, leading to faster solutions to the problems we face.

So last month I set the first four missions in each of the Grand Challenge areas.

Saving lives by using data, AI and innovation to transform the prevention, early diagnosis and treatment of diseases like cancer, diabetes, heart disease and dementia.

Helping people live independent lives for longer through new technology.

Cleaning our air by making all cars and vans effectively zero emission by 2040.

And protecting our planet by halving the energy use of new buildings by 2030.

These are ambitious goals to drive faster progress in delivering social improvements that will benefit everyone.

An economy that works for everyone

We should never forget that the primary purpose of our economic policy must be to raise the living standards and protect the livelihoods of the British people.

And for people to retain confidence in a free market economy, they must feel

the benefits of it and see clearly that everyone is playing by the same rules.

This is more important now than ever.

When people become disenchanted by the economic system we have a choice – simple, populist answers that seek to smash that system – or reforming solutions that recognise people’s concerns as genuine and enlist the power of business to change itself for the better.

That’s why the Industrial Strategy makes spreading jobs and prosperity across the UK, especially to communities that have been left behind, a priority.

It is why we are strengthening the UK’s corporate governance regime, to give workers and shareholders a stronger voice and incentivise firms to take decisions for the long-term.

As employment practices evolve, that is why we are implementing the recommendations of the Taylor review, updating the rules so that good, rewarding, work remains available for all.

And from closing the gender pay gap and getting more women onto boards, to broadening the social and ethnic diversity of management – there is so much that you, as business leaders, can do to create an economy that is more deserving of public support.

Conclusion: being the best

The United Kingdom is a great country with a bright future.

After years of hard work and sacrifice from the British people, we can now move forward with our balanced approach to the public finances that gets debt falling while also investing in our public services.

The fruits of that labour have put us in the position to announce a major investment in our NHS – the public service we value most dearly – to secure it for the future.

That will not just deliver better care, it will also ensure that businesses have a healthy and productive workforce to draw from.

We are blessed with tremendous assets.

We speak the global language of business.

The Greenwich meridian puts us in the perfect time-zone for international commerce.

London is the world’s premier financial hub.

We are home to the planet’s finest universities.

We have produced more Nobel Prize winners than any country apart from

America.

Our system of representative government is replicated around the globe.

Our courts set the gold standard for incorruptibility.

Our soft power is unrivalled.

Our cultural, intellectual, and technological contributions to the world are without equal.

And our ambition for the future is to be the very best we can be.

To get the best possible Brexit deal.

To build an economy that works for everyone.

There is room at the top of tomorrow's global economy for a country with our talents and ambition.

You all have a vital role to play in getting Britain there.