

PM Boris Johnson: The next few months will be tough but I'm convinced Britain's bounceback will be golden

The months ahead are going to be tough, perhaps very tough. Our energy bills are going to be eye-watering. For many of us, the cost of heating our homes is already frightening.

And yet I have never been more certain that we will come through this well – and that Britain will emerge stronger and more prosperous the other side.

Let us remember who caused this global surge in the cost of energy, and what is at stake.

Yes, we were already seeing supply chain pressures last year, caused by the aftershocks of Covid, and that was causing a rise in some global prices.

But by the end of last year we were fixing it. The world was finding the lorry drivers. The container ships were moving. We were sourcing the silicon chips.

What no one had bargained for was the decision of Vladimir Putin – and it was his decision alone – to launch a vicious and irrational attack, on February 24, against an innocent European country.

It was Putin's barbaric invasion that spooked the energy markets.

It is Putin's war that is costing British consumers. That is why your energy bill is doubling. I am afraid Putin knows it. He likes it. And he wants us to buckle.

He believes that soft European politicians will not have the stomach for the struggle – that this coming winter we will throw in the sponge, take off the sanctions and go begging for Russian oil and gas.

He believes we will tire of backing Ukraine and begin discreetly to encourage the Ukrainians to do a deal, however nauseating, with the tyrant in the Kremlin.

That would be utter madness. In this brutal arm-wrestle, the Ukrainian people can and will win. And so will Britain.

With every month that goes by Putin's position grows weaker. His ability to bully and blackmail is diminishing. And Britain's position will grow stronger.

We must and we will help people through the crisis. Colossal sums of taxpayers' money are already committed to helping people pay their bills. That cash is flowing now – and will continue to flow in the months ahead.

Another chunk of the £650 is already due to go to the eight million most vulnerable households this autumn. There is another £300 going to pensioners in November, £150 for the disabled and £400 for all energy bill payers.

Next month – whoever takes over from me – the Government will announce another huge package of financial support. It is worth remembering why we are in a position to make these payments.

We have the cash to support families across the country because we have already proved the pessimists wrong.

I remember sitting in the Cabinet room for an economic briefing in 2020 as the waves of the pandemic broke over the world and we saw the biggest drop in output for 300 years. They told me UK unemployment would top 14 per cent.

They said that millions would be thrown on to the economic scrapheap – with all the consequent costs to the Exchequer.

They were wrong. After becoming the first country in the world to approve an effective vaccine, we staged the fastest vaccine roll-out in Europe, the fastest exit from Covid. As a result we had the fastest growth in the G7 last year and instead of mass unemployment we have about 640,000 MORE people in payrolled employment than before the pandemic began.

Instead of being at 14 per cent, unemployment is at 3.8 per cent, nearly the lowest for almost 50 years. That is giving us the fundamental economic strength to endure this crisis – as the Russian economy continues to melt down.

We are ending our dependency on Russian hydrocarbons. In June, for the first time in decades, we did not import any fuel from Russia. The UK has already stepped up production of domestic gas – 26 per cent more this year than last.

With every new windfarm we build offshore, with every new nuclear project we approve, we strengthen our strategic position. We become less vulnerable to the vagaries of the global gas price and less vulnerable to Putin's pressure.

It is this Government that has reversed the apathy of decades and greenlighted new nuclear plants.

[Political content redacted]

We are going to build a new reactor every year and will have a colossal 50 gigawatts of offshore wind by 2030 – almost half our total electricity consumption.

This British Energy Security Strategy is just a part of a vast programme to make the economy more productive and competitive.

In just three years we have increased the coverage of gigabit broadband from seven per cent of households to 70 per cent. We are strengthening the economic sinews of the country with the biggest investment in rail – three new high speed lines – for a century.

We have invested massively in skills, so that people can improve their qualifications throughout their lives.

We have taken decisive steps to make this the best place in the world to invest and start a business. We are axing dozens of burdensome EU laws – including Solvency 2 and MiFID, that acted as unnecessary deterrents to investment.

We are creating eight new free-ports, cutting taxes on investment and lengthening our lead as a science superpower – with £22 billion of investment in science and a new Advanced Research agency to crack the big problems of our time, from dementia to zero carbon aviation.

All this is paying off in jobs and growth. In the first quarter of this year the UK attracted more venture capital investment in technology than China.

We have more tech investment than France, Germany and Israel combined and we produce a new billion pound “unicorn” company roughly every two weeks.

These new ideas are blooming not just in the golden triangle of Oxford, Cambridge and London but across the whole UK as we drive forward our levelling up agenda.

We have laid the foundations for long-term gains in prosperity and productivity. We know we will bounce back from the crisis in the cost of energy as we rapidly build up our own UK supplies.

That is why we will succeed and why we cannot flinch now.

If Putin is allowed to get away with his murder and mayhem, and to change the borders of Europe by force, then he will simply do it again, elsewhere on the periphery of the former Soviet Union.

Other countries will draw the lesson that violence and aggression can pay off and that will usher in a new cycle of political and economic instability.

That is why we must continue to back the Ukrainians – and their military success continues to be remarkable. Volodymyr Zelenskyy has shown his country is fundamentally unconquerable.

Now is the time for the West to double down our support, not to go wobbly.

[Political content readacted]

We have more than enough resilience to get through tough months ahead. We have shown that before.

And we have made the long term decisions – including on domestic energy supply – to ensure that our bounceback can and should be remarkable and that our future will be golden.