

# Speech: Chancellor speech: German Family Business Conference 2018

Thank you for inviting me here today.

It is good to speak, at this time of great change for our continent, at the German Family Business conference.

Both because family businesses have historically been, and continue to be, the very heart of our economies, and the bedrock of our communities.

And because of the shared values that great family businesses here in Germany, in the UK, and across Europe, hold and represent:

The belief in taking a long-term view of the economy and the world, and an ability to prosper, generation after generation;

A focus on adapting in order to stay relevant – as the modern world changes around us;

A view that to succeed is to leave your business in a stronger state than you inherit it.

And the nations of Europe must adopt the same values:

We must take a long-term view; we must adapt as the world around us changes – particularly as the technological revolution takes hold; we must ensure the decisions we take leave our countries and societies in a better place than we found them...

...and we must work together – as a family of nations – to take on the common challenges that we face.

And our continent faces many common challenges.

The global and European economies have recently enjoyed a period of relative strength...

...but risks clearly remain.

There's been a rising tide of sentiment among our electorates, that questions the conventional wisdom of free trade, open markets, and globalisation...

...and whether our economic model is working for people across our continent...

A challenge, that as leaders in government and business, we will have to take on, and win, all over again.

We face a technological revolution – that, while presenting untold opportunities for improving living standards and driving progress...

...will also give rise to anxiety about the pace of change in the economy...

...and will require us collectively to evolve our tax, regulatory, and competition systems, so they are fit for the digital economy of the 21st Century.

...to ensure people have the skills they need in a world of increasing automation...

...and to convince them that everyone will share in the benefits of technological change and the economic growth that flows from it.

And beyond the borders of Europe we've seen an increasingly uncertain geopolitical context...

...earlier this week I returned from Canada with my German, French, Italian, and other G7 colleagues...

...and today our leaders meet to discuss some of these challenges too:

From the threat of an emboldened and re-arming Russia on Europe's east;

The ongoing escalation of tensions across the Middle-East;

...and the uncertainty around the policies of Europe's largest trading partner, the US.

We are all deeply concerned by the US decision last week to impose tariffs on steel and aluminium imports from Europe, and other allies around the world.

We continue to raise these concerns with the US, and our close cooperation with Germany, the EU, and colleagues in other member states is a vital part of a unified response.

These are challenges that we all face together as Europeans.

Responding to them will require collaboration and co-operation.

And if we want our shared values – German values, British values, French values – European values – to prevail, we must ensure that Europe continues to speak with one voice.

I have enjoyed many productive discussions with my German counterparts on these shared challenges over the years that I have been Defence Secretary, Foreign Secretary, and Chancellor of the Exchequer...

...and I look forward to working with this German Government to determine how we will continue to work together on key issues – in an increasingly uncertain global context.

And that is my central message today:

That while Britain is leaving the political institutions of the European Union, we are not leaving Europe.

Every family business – in Germany, in Britain, or anywhere in Europe – has a unique story to tell.

And so too, do the individual nations of Europe.

Each with its own history, culture, and experiences.

Britain's Island story has led us to a different conclusion about political integration in Europe...

...than that of Germany, or indeed, France...

...but we still respect the strong and consistent role that Germany has played in European integration...

...and understand the central place that the European Union occupies in German and wider European political and business philosophy.

The Brexit vote makes us no less European.

It makes us no less committed to a rules based international system, free trade, democracy, free speech and human rights.

Just look at our foreign policy since the EU referendum:

We remain firmly committed to the Paris Climate agreement;

We are a vocal defender of the Iran nuclear deal;

We continue to be the biggest advocates for free international trade, and the rules based trading system;

We took action, with our French and American allies, when Assad used chemical weapons against his own people in his horrifying attack in Douma.

We are working together to deliver stability and security in the Western Balkans, ahead of an important summit meeting in London next month.

Our intelligence agencies collaborate to counter the evolving threat of terrorism, that has tragically affected us all in recent years.

Our military shares the burden of protecting Nato's eastern borders.

And we are working with our allies to counter the unacceptable behaviour of the Russian state...

...which we in Britain experienced so recently in Salisbury.

And we very much appreciate the solidarity of Germany and other European states in the days and weeks since.

So when we say that Britain is leaving the political institutions of the European Union, but not leaving Europe, we really mean it.

And I hope that in the Brexit negotiations we can draw upon these shared values, as we work towards a deep and comprehensive future partnership...

...and reach an outcome that supports our shared prosperity.

Delivering benefit to both Britain and the EU.

It was Britain's and Germany's economies that powered Europe out of the financial crisis –

Between us, we have been responsible for almost half of all economic growth in the EU since 2010...

...and created more than half of all new jobs.

And so it is my hope that the economic partnership and longstanding friendship between our two countries...

...that has helped bring about peace, security, and prosperity on this continent for over seventy years...

...can be mobilised to support our common goal of a deep, special, and mutually beneficial partnership between the EU and the UK in the future.

Because while Europe has enjoyed a period of robust growth, we cannot be complacent.

And our economies are not so strong that they can afford to be exposed unnecessarily to economic and financial stability risks from a bad Brexit outcome.

And this isn't just about the UK economy, but the German economy, and the EU economy.

Germany exports more to the UK than any other country bar the US ...

...and from Aldi, to BMW, Bosch, to Sixt, German companies, many of which are family owned and represented here today, employ 412,000 people in the UK...

...and in return almost one in ten foreign companies here in Germany, are British.

And just last week my favourite sandwich chain – Pret a Manger – was bought by a German family-owned investment group!

The UK is a significant part of the EU marketplace.

We represent almost 13 percent of the population of the EU...

...and 15 percent of its GDP.

And it is clear to me that ensuring that businesses can continue to operate across that whole marketplace after Brexit...

...is essential to delivering a prosperous future relationship between the EU and the UK.

We have made significant progress since Article 50 was triggered...

...both in our internal debate in the UK about what Brexit should mean...

...and in our negotiation with the EU.

The first stage in the negotiations successfully settled many withdrawal issues...

...including the UK's financial obligations to the EU.

And in March we reached agreement on a transition period, running until the end of 2020...

...during which businesses in Germany, the UK and across Europe can continue to operate as before...

...ensuring that they will have only one set of changes to navigate at the end of that period.

We're currently focused on our future customs relationship...

...which I know from my discussions is a top priority for businesses in this room...

...and so it should be a top priority for European governments too.

Germany exported more cars to the UK last year than to the US and China combined...

...10% of all French cheese exports go to the UK...

...80% of all Irish poultry exports.

The UK is exploring two possible future customs models...

...both are "works in progress"...

...but we are confident that, building on the work we have done...

...we can develop from them a solution that responds to the concerns of businesses...

...minimises frictions and burdens at, and behind, the border...

...protects the hard-won progress in Ireland...

...and sustains our trade with our EU27 neighbours.

And recognising that these future models will take time to develop and establish...

...and that businesses in the UK and across Europe need certainty as soon as possible...

...yesterday we published our proposals for a temporary customs arrangement...

...in line with our commitment in the December Joint Report to avoid a hard border in Northern Ireland.

Beyond customs, we continue to work on a model for a comprehensive future economic partnership...

...a partnership that protects the supply chains and established trade relationships that I have just talked about...

...safeguards jobs and businesses that depend on them, on both sides of the Channel...

...and promotes the values we share across the continent of Europe.

And of course, in doing so, we don't have to start from scratch.

The UK and the EU27 start in a unique position...

...with deeply interconnected economies and supply chains...

...equivalent regulatory standards and regimes...

...and unrivalled collaboration in everything from trade, security, and defence...

...to education, science, technology and culture.

We will set out more detail in the coming weeks on key elements of the British Government's ambition for a mutually beneficial relationship between the EU and the UK:

But for example, we'll seek a comprehensive system of mutual recognition to ensure that, as now, products only need to undergo approvals in one country, to show that they meet regulatory standards across Europe;

We'll explore the terms on which the UK could maintain a relationship with EU agencies, such as those for chemicals, pharmaceuticals, and aerospace, so that they continue to benefit from UK expertise, and we can deliver such a system of single approvals;

And on services, we all have an opportunity to establish the most ambitious free trade agreement ever – with continued recognition of professional qualifications, a labour mobility framework that enables travel to provide services to clients in person, to a bespoke partnership in financial services – to enable the ongoing delivery of cross-border financial services, in both directions, for the benefit of businesses and citizens on both sides of the channel, while protecting financial stability, and maintaining fair competition.

But reaching agreement on all these key elements, and delivering on our vision of a future economic partnership that protects businesses, jobs, and prosperity, will only be possible if both sides want the same thing.

“Zum Tango gehören immer zwei.”

And I say this today – because I fear that some EU opinion-formers, in government and in business, have succumbed to the temptation to see the Brexit challenge as a problem for the UK to resolve alone.

I understand the instinct that says: “They voted to leave – let them sort it out”.

But this has to be a two-way conversation.

And it has to reflect the political realities on both sides.

On the one hand, the EU must recognise the British people’s vote to be outside of the EU’s political structures...

...and regain control of their borders.

And on the other, we must recognise that anything that undermines the integrity of the Union, or looks like ‘cherry-picking’ will not be acceptable to the EU.

Wir verlangen keine Extrawurst!

Instead we recognise that we need to find a new balance of rights and responsibilities in our economic relationship...

...and that while the UK will no longer have all of the responsibilities it currently has...

...we will have to give up some advantages of membership too.

We want both sides to work together creatively to reach a final-outcome that...

...allows business to carry on...

...protects European jobs and prosperity...

...and allows Britain to continue to contribute to Europe’s security.

I recognise that what we are proposing is a uniquely close third country relationship...

...but the fact is that all of the EU’s third country relationships are unique...

...and so it would be perverse for the future UK-EU relationship to be uniquely ‘off the shelf’!

For it was always foreseen that the EU should have close relations with its neighbours...

...as Article 8 of the Treaty says...

...“the Union shall develop a special relationship with neighbouring countries, aiming to establish an area of prosperity and good neighbourliness”.

And I passionately believe that all of us in this room, and across Europe, should be interested in an outcome that allows that...

...an outcome that properly reflects the 45 years that we have spent together as members of the EU...

...and I believe that with the political benefits of such a solution articulated by Member States...

...and the economic logic articulated by the voice of business...

...we can make this case, and win the argument for a future partnership that works in the common interests of all of our citizens.

Reflecting the lessons of our Continent’s long history;

Working together to ensure Europe remains an open, outward looking, free-trading Continent;

Attracting talent and investment from around the world;

Building a future partnership that we can be proud of...

...one that stands the test of time, and that will support the prosperity, security, and living standards of our children, and our children’s children.

Thank you.

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## **Press release: £23.5m in small grants allocated to boost farming productivity**

Farmers and rural businesses in the south-west are set to benefit from more than £7million in small grants to help boost their productivity, Farming Minister George Eustice announced today.

Across the country more than 3,500 grants worth £23.5 million have been allocated from the Countryside Productivity Small Grants scheme (CPSG).

The scheme will help farmers to purchase the equipment they need to make their businesses more productive, with grants available to aid electronic

identification of livestock, improve the application of manures, and introduce guidance systems to aid precision farming.

Farming Minister George Eustice, who is attending the Royal Cornwall Show today (8 June) said:

It is fantastic to see this scheme has proven so popular, with a collective number of grants now worth £23.5 million, and nearly a third of this funding going towards farms and businesses across the South West.

The equipment on the market today can revolutionise farms, saving time and increasing yields. This funding will enable farmers, regardless of the size of their business, to access some of the best kit available.

Projects which fall under the CPSG scheme include state of the art equipment such as the Shallow Injections System which can inject slurry directly into the soil surface thereby reducing ammonia emissions, increasing the uptake of nitrogen in plants and enhancing silage quality.

The scheme, which closed for applications on 14 March, initially allocated £15 million to contribute to the cost of farm equipment to boost productivity on farms. However due to the high number of quality applications Defra has increased the funding to £23.5 million. Farms and businesses in Cornwall, Devon, Dorset, Somerset, Wiltshire and Gloucestershire are set to receive almost one third of the total allocation.

There is equipment specific to cattle, sheep and pig farmers, as well as precision farming and resource management and efficiency equipment designed to make the lives of arable and livestock farmers easier.

The Small Grant scheme is one element within the £200 million package of RDPE funding announced last summer, which aims to boost growth and create jobs in the rural economy.

For more detail on how to apply for the scheme please see [here](#).

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## **[News story: Civil/crime news: financial security and changing bank details](#)**

Requests for provider bank detail changes have been reviewed and we now need more information to be supplied to make this happen.

## **Why are you doing this?**

We've been reviewing our processes and believe this change will improve security.

## **What information do you need?**

Your request should be made in the body of an official letter on headed paper and include both previous bank details and the new ones.

## **Two partners will need to sign the letter.**

This is the format to follow in your email using an official letterhead:

### **Previous bank details**

Bank payee name:

Sort code:

Bank account number:

### **New bank details**

Bank payee name:

Sort code:

Bank account number:

## **Where do I send the information?**

ProviderRecords-London@justice.gov – when emailing put 'bank account change request' in the subject field

## **Further information**

[Update your information with LAA](#)

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# **[Press release: Highways England throws open its doors for budding engineers](#)**

That is why, on Saturday 30 June 2018, the company will be throwing open the doors of its North East Regional Control Centre in Wakefield to give people an insight into what really goes on behind the scenes.

Parents are being encouraged to bring their children along to find out how a motorway is run from the control room, meet the traffic officers, some who may be a familiar face from the BBC documentary A1: Britain's Longest Road, meet some of the project teams who carry out the engineering schemes and find out what initiatives are being planned to improve safety.

There will be a chance to look round one of the traffic officer vehicles, see the impact protection vehicles that protect the workforce and get a closer look of some of the portable signs.

The tyre scanners will be available to view, along with the new leaver driver's app and online hub.

Visitors will also have the opportunity to talk to some of our road safety partners and look around cars and motorbikes which are involved in road safety work.

There will be a guided tour and people on hand to answer any questions people may have.

Highways England operations manager Kim Taylor said:

As part of our involvement in the [Year of Engineering](#) campaign we wanted to open the doors of the regional control centre and give people a real insight into the type of work we are involved in and what goes on behind the scenes to keep our roads running.

This is the perfect opportunity for anyone who is interested in applying for a job with us to find out more about how they can get involved, and for any future budding engineers to find out more. There really is something for everyone so I would encourage people to book on to one of the two sessions we are planning using the link below.

Unfortunately we are limited by numbers so I would encourage people to book soon to avoid being disappointed.

Two sessions will be held between 10am and 12.30pm and between 1pm and 3.30pm. There will be spaces for 100 people on each session. A waiting list will be set up if any further tickets become available.

To book a slot visit the [event page](#).

## **General enquiries**

Members of the public should contact the Highways England customer contact centre on 0300 123 5000.

## **Media enquiries**

Journalists should contact the Highways England press office on 0844 693 1448 and use the menu to speak to the most appropriate press officer.

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# News story: UK and Egypt welcome progress on trade talks

On Tuesday 29 May 2018, Graham Stuart, the Minister for Investment for the UK, met with the Egyptian Minister of Trade and Industry, HE Eng Tarek Kabil in Cairo. They discussed, among other things, the Egyptian economy, UK investment and finance in Egypt and the future growth of trade and investment links between the UK and Egypt after the UK leaves the EU.

As the UK is in the process of exiting the EU, the Trade and Industry Minister welcomed the UK's intention to avoid any disruption to trade. In particular, both parties welcomed the significant progress made so far in discussions to ensure continuity of the EU-Egyptian Association Agreement, which facilitates almost £3 billion in trade between the 2 countries.

Both the Minister for Trade and Industry and the Minister for Investment welcomed the agreement reached between the EU and UK at the March European Council that the UK is to be treated as a member state for the purposes of international agreements during the EU-UK Implementation Period (1 April 2019 to 31 December 2020). This provides further certainty to both British and Egyptian traders that there will be no disruption to the existing trading relationship during the Implementation Period.

The Minister for Investment, Graham Stuart, said:

I was delighted to meet with Trade and Investment Minister Tarek Kabil on my visit to Cairo and to discuss the economic partnership between the UK and Egypt. The UK and Egyptian trade relationship continues to go from strength to strength, with the total trade between our 2 countries growing by nearly 6% between 2015 and 2016.

That's why it's important to ensure continuity and certainty in our current trade arrangements as we leave the EU, and UK and Egyptian officials have made excellent progress in this. I'd like to thank Egyptian officials for their cooperation and hard work.

As we leave the EU and create a new independent UK trade policy, we will build further on our £3 billion of annual trade with Egypt, and continue to work closely together to champion free trade.

The Minister of Trade and Industry, Tarek Kabil, said:

Trade and investment between Egypt and the UK were always core pillars of our relationship. My meeting with Minister Graham Stuart confirms that this shall continue to be the case after the UK leaves the EU. I very much appreciate Minister Graham Stuart's initiative in this regard.

We appreciate the efforts and co-operation of UK officials with their Egyptian counterparts, to ensure not only continuity and certainty on current Egypt-UK trade agreements, but that those principles form the basis of future bilateral Egypt-UK economic relationship under a new, independent UK trade policy. Egypt will thrive for a tighter relationship with the UK while maintaining its excellent relations with the EU and its member states.