

Speech: Global Britain: the future of international trade

Good afternoon.

It is a pleasure to be here at City Week, and an honour to be invited to speak alongside so many distinguished panellists and guests.

Financial and professional services are an intrinsic part of our international trade.

To those of us in this room, that may seem an obvious statement – finance is an inherently international industry, and one that enhances this country's global reputation.

Yet for too many people, the word 'trade' still conjures up images of cars and steel, container ships and raw materials, customs officials and import tariffs.

All the elements of our trade are of course important yet for advanced, post-industrial economies like the United Kingdom, professional, business and financial services make up a large proportion of our export profile.

We are, after all, an 80% services economy.

Increasingly, the world not only wants what Britain makes, but also to tap into the vast pool of knowledge, talent and expertise that we have across a vast range of industries.

In the knowledge economy we have what others want.

Currently, services make up around 45% of gross UK exports. But this rises to almost two thirds when trade is measured in value-added terms.

It also varies with markets. With non-EU countries, services account for 50% of UK exports.

With the US, our single largest trading partner, it is 55%.

While with the EU, it remains under 40%.

Overall, our trade in services accounts for some 20% of UK GDP – higher than any other G7 country.

This is not to understate the value of our manufacturing industry. Indeed, UK manufacturing has had a remarkable year, with order books reaching a near 30-year high at the end of 2017, according to the CBI.

And, as Britain's technological expertise ignites the fourth industrial revolution, this country will continue to boast world-leading advanced

manufacturing and engineering capabilities.

The point that I am making, though, is that discussions around trade and export policy can often be too focussed on the movement of physical goods, to the detriment of our comparative advantage in services.

So, for the United Kingdom, a different approach is required.

I lead a fully integrated trade department that brings together, for the first time in British history, all of the key levers to drive future trade.

Our responsibility of course includes negotiating free trade agreements, but this is far from all we do.

The work of the Department for International Trade focusses on attracting foreign investment, export promotion, export financing and the broader formulation of trade policy and a business-friendly trading environment.

Most importantly, we offer a 'one-stop shop' for businesses, not only supporting their current commercial activities, but allowing them to help shape the policies that will drive long-term growth.

Put simply, DIT wants to listen to industry experts. This is especially true in financial services.

It is no coincidence that we have just appointed [John Mahon, former Head of Barclays Corporate Bank, as our new Director General for Exports](#).

I am delighted to welcome John onto the team and look forward to the wealth of experience that he will bring to the role.

My department also believes that the diversity of the UK services offer is one of its intrinsic strengths.

Services of all types make up a remarkable 80% of UK economic output, creating a similar proportion of the nation's jobs.

And the robust performance of the UK economy continues to defy the gloomier forecasts.

Official figures show that the employment rate is currently at 75.4% – up 0.8 percentage points from a year ago and the highest since records began.

On average, more than 1,000 people have found work every day since 2010.

And, as recognised by the ONS, wages are now outpacing inflation, meaning more money in people's pockets.

This success has been a collective effort.

The government also recognises that financial and professional services are, to use a well-worn phrase, the jewel in the crown of the UK economy.

The headline figures speak for themselves; UK-based financial and related

professional services employ over 2 million people – some 7% of the UK working population.

Collectively, these firms contribute almost £200 billion to the UK economy each year and are responsible for almost 12% of the government's tax receipts.

What cannot be so easily measured is the global prestige that the industry brings to the UK.

I hardly need tell this audience that London is the acknowledged financial capital of the world, and that the Square Mile of the City offers a concentration of expertise found nowhere else on earth.

But I can. I believe, offer a more unique perspective, as Secretary of State.

Since DIT was founded in July 2016, the ministerial team and I have undertaken some 167 overseas visits, from our largest trading partners to some of the world's smallest economies.

In each and every one that we have visited, the reputation of the UK is one of financial reliability – a trustworthy source of investment and proficiency whose services are indispensable to any company, or nation, with global ambitions.

The importance of this industry to Britain's global profile simply cannot be overstated.

Clearly there are vast untapped markets awaiting UK financial firms, especially in emerging economies.

So what is my department doing to support financial services? How are we making sure that you have the full backing of government to maximise these global opportunities?

When you have an industry that contributes so much nationally and internationally, we must make sure that we help you to create a favourable environment.

That is why we work closely with key industry stakeholders, letting their experience inform and shape our approach.

For example, the London Stock Exchange provides input to our capital markets strategy.

And Lloyds of London are closely engaged on our insurance offering.

We also have initiatives such as the [FinTech Board](#) – a partnership between government, academia and industry which convenes quarterly to provide recommendations, ensuring that the UK fintech ecosystem remains competitive globally.

Such specialist knowledge not only helps DIT to design our policies, but also

to represent our financial institutions globally.

We combine a rigorous programme of export promotion with staff and local experts in post, to help UK financial and professional services firms explore, drive and benefit from the world's opportunities.

And our FDI programme works across government to ensure that the UK remains the top global destination for multinational banks and financial firms.

Our work has already seen significant results.

In the 2017/18 financial year, DIT claimed almost 11,000 export wins, totalling some 31.3 billion – well ahead of our £26 billion target.

The UK's remarkable export performance has seen the current account deficit narrow significantly, from over £113 billion in 2016, to under £84 billion last year.

More venture capital in tech came to London, one city, last year than the whole of Germany, France, Spain and Ireland combined.

DIT can also claim almost £24 billion of capital investment inflows, far ahead of our £14.4 billion target.

Despite these significant investment wins, last year saw the UK become a net investor abroad for the first time since 2011, as thousands more companies chose to explore global opportunities.

Clearly, our work is having a positive impact, and the UK has enjoyed a degree of economic and commercial success.

But we also acknowledge that there is more to do. Export and investment promotion are part of DIT's role.

My department is also designing a fully-independent UK trade policy, the first in over 4 decades.

We have an unprecedented opportunity to create a trading environment that delivers for our economy, our businesses and our citizens, and we expect it to deliver significant results.

More broadly, we want to recognise and promote the benefits of international commerce and make it easier for British businesses to sell overseas.

That is why it is the UK's ambition to become the world's foremost champion of free trade, using all of our economic and diplomatic influence to remove barriers, open up new markets, and spread prosperity to every corner of the globe.

A large part of this will involve multilateral engagement with our trading partners, through our membership of the WTO.

After all, the benefits that the rules-based international system have

bestowed on the world are plain for all to see, and the UK will be unequivocal in its support.

But while the system has many strengths, its provisions remain underequipped to effectively govern the global trade in services.

As a post-industrial economy, the UK recognises this vast untapped potential.

Often, there is broad agreement between nations on the need to liberalise this trade. As a result, barriers can often be removed more swiftly and easily when compared to traditional FTAs.

This action offers a clear path for mature economies to build stronger links with the markets of the developing world.

As global poverty continues to fall and demand for services expands across the world, it would be remiss for developed nations such as ours not to recognise this potential and lead the way on trade in services liberalisation.

The thriving economies of South and East Asia and, increasingly, Africa, are, and will become, even more important as their newfound prosperity drives demand for the goods and services of the developed countries prepared to interact with their markets.

By 2020 China's middle class is expected to number 600 million. And by 2060, Africa's will be 1.1 billion.

The IMF predicts that 90% of global growth in the coming years will be from outside of the EU.

Such a long-term shift, not just in global demographics, but in the rise of the collective wealth of developing countries, will determine where the opportunities of the future will be and where we must be too.

Markets are already out there for the best that Britain has to offer. This not only means our physical exports, from Scotch Whisky to luxury cars to computer processors, but for professional services too, from accountancy to law or education or life sciences or financial services.

These newly emergent middle classes will drive demand in those industries where Britain already excels.

These same arguments apply to digital trade

The digital economy is growing 32% faster than the wider economy and creating jobs 3 times more quickly.

This is particularly true of fintech – an area which I have briefly touched on already.

Fintech is a disruptor, of course. Yet it is also, undeniably, a driver of the future landscape of financial services.

Most importantly, it is an area where the UK stands head and shoulders above the competition. For us, fintech will enhance, rather than threaten, the established finance industry.

I believe it is one of the key factors that will underpin the City of London's position as the world's greatest financial centre.

Liberalising the trade in services is at the heart of DIT's offer to the finance industry.

Financial and professional services are already one of the most globalised parts of the UK economy. You are all well aware of the opportunities.

So what we propose is to make it easier for you to do business overseas, by helping to remove those barriers around the world that still exist.

We will work with old allies and new partners across the world, utilising the UK's economic and diplomatic strength to forge new and improved trading relationships.

It is why we have now begun talks with the government of Hong Kong about establishing an agreement on a free market in services.

Ultimately, our task is to create the right environment, internationally, for our trade in services to thrive.

Whatever one's view on the referendum result, it must be acknowledged that, outside the EU, this country will enjoy a new degree of economic agility.

An independent trade policy is also infinitely adaptable. We are now in the enviable position of being a major world economy that is also able to shape its regulatory and policy framework to meet new challenges and developments, whether this is a specific new technology, or the rise of an entire industry.

I accept that, for many, the familiar systems of the European Single Market were the preferred option.

But the referendum result will be implemented, and this country will embrace all the opportunities of the wider world.

Not only that but help shape the environment of the global economy itself, including by taking up an independent seat at the World Trade Organization.

But I want to be clear that this government will do everything we can to protect the City's global pre-eminence.

As I travel abroad, I consistently point out the depth of our professional infrastructure in financial services cannot be replicated anywhere else in Europe.

We want the financial services industry at our side, using your knowledge, expertise and experience to help shape this country's trade policy, and our place in the world.

The future is truly whatever we make it, together. There is no greater opportunity than that.

Thank you.

Statement to Parliament: Home Secretary statement on the Windrush generation

From the late 1940s to the early 1970s, many people came to this country from around the Commonwealth to make their lives here and help rebuild Britain after the war.

All members of this House will have seen the recent heartbreaking stories of individuals who have been in this country for decades struggling to navigate an immigration system in a way they never, ever should have been.

These people worked here for decades. In many cases they helped establish the National Health Service. They paid their taxes, enriched our culture. They feel British in all but legal status and this should never have been allowed to happen.

Both the Prime Minister and I have apologised to those affected and I am personally committed to resolving this situation with urgency and purpose.

Of course an apology is just the first step we need to take to put right the wrong these people have suffered, but before I get on to the steps we will be taking I want to explain how this situation has arisen.

The Immigration Act 1971 provided that those here before it came into force should be treated as having been given indefinite leave to enter or remain in the UK, as well as retaining a right of abode for certain Commonwealth citizens.

Although HMS Windrush docked in the Port of Tilbury in 1948, it is therefore everyone that arrived in the UK before 1973 who were given settlement rights and not required to get any specific documentation to prove these rights.

Since 1973 many of this Windrush generation would have obtained documentation confirming their status or would have applied for citizenship and then a British passport.

From the 1980s successive governments have introduced measures to combat illegal immigration. The first NHS treatment charges for overseas visitors and illegal migrants were introduced in 1982. Checks by employers on

someone's right to work were first introduced in 1997, measures on access to benefits in 1999, civil penalties for employing illegal migrants in 2008, and the most recent measures in the Immigration Acts of 2014 and 2016 introduced checks by landlords before property is rented and checks by banks on account holders.

The public expects us to enforce the immigration rules approved by Parliament as a matter of fairness for those who abide by the rules.

And I'm personally committed to tackling illegal migration because I have seen in this job the terrible impact has on some of the most vulnerable in our society.

But these steps intended to combat illegal migration have had an unintended, and sometimes devastating, impact on people from the Windrush generation, who are here legally, but have struggled to get the documentation to prove their status.

This is a failure by successive governments to ensure these individuals have the documentation they need and this is why we must urgently put it right.

Because it's abundantly clear that everyone considers people who came in the Windrush generation to be British. But under the current rules this is not the case. Some people will just have indefinite leave to remain, which means they cannot leave the UK for more than 2 years and are not eligible for a British passport.

This is the main reason we've seen the distressing stories of people leaving the UK over a decade ago and not being able to re-enter.

So I want to enable the Windrush generation to acquire the status that they deserve – British citizenship – quickly, at no cost and with proactive assistance through the process.

First, I will waive the citizenship fee for anyone in the Windrush generation who wishes to apply for citizenship. This applies to those who have no current documentation, and also to those who have it.

Second, I will waive the requirement to carry out a Knowledge of Language and Life in the UK test.

Third, the children of the Windrush generation who are in the UK will in most cases be British citizens. However, where that is not the case and they need to apply for naturalisation, I shall waive the fee.

Fourth, I will ensure that those who made their lives here but have now retired to their country of origin, are able to come back to the UK. Again, I will waive the cost of any fees associated with this process and will work with our embassies and High Commissions to make sure people can easily access this offer.

In effect this means anyone from the Windrush generation who now wants to become a British citizen will be able to do so.

And this builds on the steps that I have already taken.

On 16 April, I established a taskforce in my Department to make immediate arrangements to help those who needed it. This included setting up a helpline to get in touch with the Home Office. And let me be quite clear, this helpline and the information shared will not be used to remove people from the country. Its purpose is to help and support.

We have successfully resolved 9 cases so far and made 84 appointments to issue documents.

My officials are helping those concerned to prove their residence and they are taking a proactive and generous approach so they can easily establish their rights.

We do not need to see definitive documentary proof of date of entry or of continuous residence. This is why the debate about registration slips and landing cards is misleading. Instead the caseworker will make a judgement based on all the circumstances of the case and on the balance of probabilities.

Previously the burden of proof on some of the Windrush generation to evidence their legal rights was too much on the individual. And now we are working with this group in a much more proactive and personable way in order to help them.

We were too slow to realise there was a group of people that needed to be treated differently. And the system was too bureaucratic when these people were in touch.

The Home Office is a great department of state. It works tirelessly to keep us safe and protect us. It takes millions of decisions each year that profoundly affects peoples' lives. And for the most part it gets these right.

But recent events have shown that we need to give a human face to how we work and exercise greater discretion where and when it is justified.

That's why going forward I will be establishing a new customer contact centre, so anyone who is struggling to navigate the many different immigration routes can speak to a person and get the appropriate advice.

This will be staffed by experienced caseworkers who will offer expert advice and identify a systemic problem much more quickly in the future.

I will also be putting in place 50 senior caseworkers across the country to ensure where more junior members of staff are unsure about a decision they can speak to someone with experience to ensure discretion is properly exercised.

There has also been much concern about whether the Home Office has wrongly deported anyone from the Windrush generation.

The 1971 Immigration Act provides protection for this group if they have

lived here for more than five years if they arrived in the country before 1973.

And I am now checking all Home Office records going back to 2002 to verify that no one has been deported, in breach of this policy.

This is a complex piece of work that involves manually checking thousands of records.

So far, 4,200 records have been reviewed out of nearly 8000, which date back to 2002, and no cases have been identified which breach the protection granted under the 1971 Act.

This is an ongoing piece of work and I want to be absolutely certain of the facts before I draw any conclusions. I will ensure the House is informed of any updates and I intend to have this data independently audited once my department has completed its work to ensure transparency.

Mr Speaker, it was never the intention that the Windrush generation should be disadvantaged by measures put in place to tackle illegal migration.

I am putting additional safeguards in place to ensure this will no longer happen, regardless of whether they have documentation or not.

As well as ensuring the Home Office does not target action against someone who is part of the Windrush generation, I will also put in place greater protection for landlords, employers and others conducting checks in order to ensure we are not denying work, housing, benefits and services to this group.

These measures will be kept carefully under review and I don't rule out further changes if they are needed.

Now I will turn to the issue of compensation.

As I said earlier, an apology is just the first step we need to take to put right these wrongs. The next and most important task is to get those affected the documents they need. But we also do need to address the issue of compensation.

Every individual case is painful to hear. But so much more painful, often harrowing for the people involved. These are not numbers but people with families, responsibilities, homes and I appreciate that.

The state has let these people down. Travel documents denied, exclusions from returning to the UK, benefits cut, even threats of removal. This, to a group of people who came to help build this country. People who should be thanked.

This has happened for some time. I will put this right and where people have suffered loss, they will be compensated.

The Home Office will be setting up a new scheme to deliver this which will be run by an independent person.

I will set out further details around its scope and how people will be able to access it in the coming weeks.

Mr Speaker, I am also aware that some of those individual cases that have come to light recently relate not to the Windrush generation, but to people who came to the UK after 1 January 1973.

These people should have documentation to confirm their right to be here.

But I recognise some have spent many years here and will face similar issues in documenting their rights after so many years in this country.

Given people who have been here for more than 20 years will usually go on a 10 year route to settlement, I am ensuring that people who arrived after 1973 but before 1988 can also access the Windrush taskforce so they can access the support and assistance needed to establish their claim to be here legally.

I will consider further, in the light of the cases that come forward, whether any policy changes are needed to deal fairly with these cases.

Mr Speaker I've set out urgent measures to help the Windrush generation documents their rights, how this Government intends to offer them greater rights than they currently enjoy, how we will compensate people for the hardship they have endured and the steps I will be taking to ensure that this never happens again.

None of this can undo the pain already endured, but I hope it demonstrates this Government's commitment to put these wrongs right going forward.

Press release: Statement on the merger between Trinity Mirror Plc and Northern & Shell's publishing assets

On 11 April 2018, under section 57(1) of the Enterprise Act 2002, the Competition and Markets Authority (CMA) formally brought to my attention the acquisition by Trinity Mirror plc of certain publishing assets of Northern & Shell. The CMA considered that the transaction may raise public interest considerations for the Secretary of State under section 58 of the Act. The CMA has also launched an initial investigation into the competition aspects of the merger.

Having considered a broad range of evidence, I have today written to the parties to inform them that I am minded to issue a Public Interest Intervention Notice on the basis that I have concerns that there may be public interest considerations – as set out in the Act – on two grounds that

are relevant to this merger that warrant further investigation.

The first public interest ground is the need for free expression of opinion, and concerns the potential impact the transfer of newspapers would have on editorial decision making. In coming to this decision I have given consideration to the issue of formal mechanisms to ensure that editorial independence is maintained at the acquired titles.

The second ground is the need for a sufficient plurality of views in newspapers, to the extent that it is reasonable or practicable. In coming to this minded-to decision I have taken into account that the merged entity would own the largest share of national titles within the UK newspaper market, owning 9 out of 20 national newspaper titles, and become the second largest national newspaper organisation in circulation terms, with a 28% share of average monthly circulation based on circulation figures for 2017 among national titles, including daily and Sunday titles.

Any decision to intervene would require Ofcom to assess and report to me on the public interest considerations and for the Competition and Markets Authority to report on jurisdiction.

In line with the guidance that applies to quasi-judicial decisions, I have invited written representations from the parties and will aim to come to a final decision on whether to intervene in the merger shortly.

News story: Civil news: further tender opportunities for 2018 contract work

We are providing another opportunity to tender for face to face 2018 civil contracts in the following three categories of law:

- family
- housing and debt
- immigration and asylum

The procurement process is limited to the small number of geographic areas where we wish to secure greater provision.

Who can tender?

The tender process is open to both existing contract-holders and new entrants. It is a single-stage process that will assess:

- an organisation's suitability to contract with us
- their ability to meet our service requirements

Contracts will be procured using a non-competitive process. This will be limited to the categories of law and procurement areas specified above.

All organisations assessed as being suitable and meeting the minimum service requirements will be awarded a contract.

How can I tender?

Tenders must be submitted using the LAA's e-Tendering system – see below. A link is also available on the tender pages of the LAA website.

If you wish to tender then you must submit a response for the relevant invitation to tender (ITT) in the category of work you wish to deliver.

You may also need to submit a response to the selection questionnaire that forms part of this tender opportunity. This will be required if your organisation:

- did not submit a tender for a 2018 Standard Civil Contract as part of last year's main civil 2018 contracts tender process
- submitted a tender but was excluded at the selection questionnaire stage
- submitted a tender but has a selection questionnaire response which is no longer valid

Organisations which tendered successfully as part of the main civil 2018 contracts tender process and whose circumstances have not changed will need to confirm this. They can do so in their tender response.

Further information

[Civil 2018 contracts tender](#) – to find out more and download the IFA document

[e-Tendering system](#) – to submit your tender

News story: UK Flags to be flown at full mast for birth of Royal Baby

Flags on UK Government Buildings will fly at full mast on Tuesday 24th April 2018 from 0800 – 2000hrs in celebration of the birth of TRH Duke and Duchess of Cambridge's third child.

Other organisations and local authorities may choose to follow suit. Devolved administrations are responsible for issuing instructions for the flying of the Union Flag on buildings in their estate and others as necessary.