

Speech: Chancellor of the Duchy of Lancaster speech at Cutlers' Feast: 23 May 2019

Master and Mistress Cutler. Lord Lieutenant. High Sheriff. Lord Mayor. My lords, ladies and gentlemen. It is an honour to speak at the 383rd Cutlers' Feast here in Sheffield.

Now I have to admit that as a Chancellor of the Duchy of Lancaster, I received an invitation to speak in Yorkshire with some trepidation!

But your warm welcome has put me at ease, and I have to say: it's a true pleasure to be away from Westminster. At least here at the Cutlers' Feast, the knives are only out for loin of lamb.

In a similar spirit, I'd like you to consider the humble table fork in front of you. When the Company of Cutlers was founded nearly four centuries ago, the fork was considered a flamboyant affectation suitable only for Italians and their pasta. But it was popularised in the British Isles by the Elizabethan writer Thomas Coryat, who described this strange new utensil in his 1611 travelogue, Coryat's Crudities.

Ultimately, as you know, the fork was adopted by the Company of Cutlers, who took this strange pronged instrument, and laid it on tables around the world. But you might not know that in doing so, they may have changed the course of human evolution – by popularising the fork, it gave humans an overbite. So, Cutlers, I lay the responsibility for any jokes about British dentistry firmly at your feet!

Indeed, the people of Sheffield have always been quick to adopt innovation. And we know that this is a city whose history is built on its innovation in steel.

It is the steel forged in Sheffield that built British bridges and railways that have stood for centuries.

It is the steel forged in Sheffield that has improved lives around the world, from yes, the cutlery on our tables, to the biomedical implants used to help people walk again.

And it is steel forged in Sheffield that, today, is used in British nuclear submarines which are helping to secure our national defences.

Steel is a crucial part of our British heritage – and its future success. It's a vital part of the economy of this region. And that is why the government is committed to supporting the steel sector in every way possible.

On that note, I would like to say a few words in the wake of the deeply unwelcome news this week about British Steel. I know that in recent weeks, my

colleague, Business Secretary Greg Clark, has worked tirelessly with British Steel, its owner Greybull Capital, and lenders to explore all potential options for the company's future. We share your commitment to ensuring the success of the British steel industry, but Government must act within legal parameters. And I think that this Government's record speaks to its support.

We've successfully pressed for the introduction of trade defence instruments to protect UK steel producers from unfair steel dumping.

We've published pipelines of national infrastructure projects to help the steel industry prepare for future demand, and introduced steel procurement guidance to ensure that wider social and environmental effects are taken into account.

To help manage energy costs, we've provided more than £291m in compensation to the steel sector since 2013 and created a £315m fund to help businesses with high energy use to cut their bills and transition UK industry to a low carbon future.

And we've allotted £66m through the Industrial Strategy Challenge Fund to help industries like steel to develop radical new technologies, because steel has always been at the heart of innovation. And this government is dedicated to ensuring it remains so.

We are so focused on innovation because the city of Sheffield, and the history of the North of England, has shown us time and again that it can create widespread change, not only revolutionising manufacturing, but helping to create a better way of life. However, in order for that change to happen, innovation needs to be nurtured and managed effectively.

The Industrial Revolution saw Sheffield transformed from a market town to a city recognised around the world. This transformation was fired by incredible entrepreneurialism but also supported by government action – whether in maintaining and extending free markets, opening up infrastructure or improving working conditions.

Today, as we drive forward a Fourth Industrial Revolution, we may face a very different landscape. But some of the challenges remain the same.

As now, Sheffield's industries were intimately connected to the global economy, with steel forged from Russian iron being exported and sold to American markets.

As now, new technology brought both prosperity and challenges, as some workers enjoyed higher incomes but others worried whether automation would affect their jobs and those of their children.

As now, the desire to expand industry was balanced with an awareness of how it could impact the environment and public health, and an expectation that business should be a force for good.

So we must learn from the lessons of the past to ensure we are ready for the future.

Over the centuries, as trade and markets have grown, governments have been at their most successful in reforming and renewing capitalism when they have driven effective competition and recognised the social dimension of free enterprise.

This government has made significant advances in addressing these challenges. That's in part due to our modern Industrial Strategy, which aims to build on our strengths, close the productivity gap between different regions and drive growth more evenly across the country.

Our strategy builds on our ambition to create a Northern Powerhouse, by investing in growth deals, schools and transport across the region. Sheffield's success is central to this and today, our reforms are working in this city and beyond to create a more innovative business environment, a workforce that's fit for the future, and infrastructure to support growth.

Here in Sheffield, companies like Boeing, Rolls Royce and McClaren are partnering with Sheffield University, one of the top one hundred universities in the world, and using an open source research model to create cutting edge technologies at the Advanced Manufacturing Park.

In fact I was delighted to read in the papers today that Sheffield University has just become the top UK higher education centre for engineering income and investment; a clear measure of business confidence in this region.

Sheffield steel helped to shape the world. And the innovation we see flourishing here today has far-reaching effects, not just in this region, but for the wider national and global economy too. So we need to encourage more of that innovation, right across the country. That's why we have invested record amounts in research and development, with the aim of raising total R&D to 2.4% of GDP by 2027. And this government is doing more to help grow emerging industries, with incubator funds, productivity reviews and sector deals in aerospace, construction and artificial intelligence.

We also need to ensure that our workforce is fit for future challenges. In 1978, there were 4,000 students in Sheffield and nearly 45,000 people working in the steel industry. Today, those numbers are nearly reversed – which tells us a lot about how the economy is changing.

It's why our investment in higher education, technical education and apprenticeships is so important – as well as the work we are doing to create a National Retraining Scheme, which will ensure no-one is left behind by automation but are able to acquire new skills.

But the success of this area can never be driven just by policy emanating from Whitehall. Economic growth also relies on strong local leadership. That's why I'm delighted to see such enthusiasm in Yorkshire for devolution.

I know this hasn't always been easy. Some have questioned whether ministers, council leaders and mayors of different political parties could really work on this together effectively. But one thing that has always struck me throughout my time in politics is that – whatever their political differences

– everyone involved is fundamentally trying to improve the lives of the people they serve.

The Sheffield City Region deal is a landmark step on this journey, which will bring £900 million of investment to the local area. And the people of this region are now starting to feel the benefits of greater local partnership and investment, through work on projects like the Sheffield SuperTram. So let me reassure the Senior Warden, this government is committed agreeing local industrial strategies to spur innovation in communities around the country.

The motto of the Cutlers is Pour Y Parvenir a Bonne Foi – To Succeed through Honest Endeavour. And that is exactly what we aim to do. To create a fairer, fitter economy for the UK, that will succeed through hard work and the innovative spirit of its people.

The pressure might seem immense. But out of this crucible, we will forge an economy for Britain that is bold, strong and ready to face the future.