

# Speech: Defence Secretary keynote speech at the Sea Power Conference 2019

Well, good morning.

I am delighted to be here. No, more than delighted to be here. I am honoured to be here. Not just to be able to thank RUSI for all it does, but to thank you, and particularly those in uniform for your service.

And of course to deliver the Sir Henry Leach memorial lecture...

For all his considerable achievements, he is perhaps best known for his unwavering resolve. He told Margaret Thatcher not only that the Falklands Islands should be retaken, but that they must be retaken, and not everyone agreed with him, but he had confidence in the quality of his personnel. That under-resourced, as even they were then, professionalism and belief in our cause would carry the day, and he wasn't wrong.

Maybe if it hadn't been Henry Leach, we would be a different nation today. Some people think we are. They're wrong. We still have the right stuff in the Royal Navy and for that matter the British Army and yes, even the Royal Air Force.

For him, and for his Prime Minister, in deciding that course of action, the principles were clear. Their confidence and resolve created a focus and an effort to assemble that famous task force and get the job done.

Those two great leaders – military and political – provided reassurance in those troubled times.

Political turmoil at home, a resurgent left wing, calls on other parts of the Exchequer, a distracted America, sound familiar?

In troubled times, we search for those great personal qualities in others to lead our nation and reconnect with the ambitions the people of this country feel so strongly and so intuitively.

Leach and his prime minister articulated a national mission hard-wired into the souls of their nation and the people.

How were they able to do that? To swell hearts? To focus minds?

To define what it is to be a patriot?

Did they use the power of their personal philosophy to mould our great institutions?

Actually it was the opposite.

They felt the values of the institutions of our nation so strongly, that their personalities were shaped by them.

They became the living embodiment of their nation's enduring values and they were a beacon of freedom to those under tyranny.

And they inspired courage in others.

They were moved by tolerance, respect, plurality of thought, justice, compassion and above all, a love of freedom. They clearly saw what Thatcher called: "the primacy of the heart" and they accepted no "makeshifts" as Sir Henry would have put it.

All of us can understand this because all of us – especially those in public service – have been shaped by those values. Why else would we wish to serve? And when I look round this room on this Spring morning, I wonder what your stories are?

What has this great nation stamped on your hearts?

Why do you find yourselves here?

Why is it that we serve?

Personally, I can still recall the sight of HMS Hermes leading that task force out of Portsmouth Harbour.

And as a nine-year-old, I didn't know much about that scene. But witnessing it, and Thatcher's resolve, and Leach's confidence, well I knew Britain stood up to bullies.

...and I knew it was important that we did.

It was important enough for some of those ships and my class mates' fathers not to return.

I'd encountered courage, I'd seen duty, and I'd seen sacrifice for something greater than ourselves.

And 37 years later, when I was asked by Major General Julian Thompson to address the San Carlos dinner, the reunion of that task force, well I saw it again.

And I can tell you the veterans remain to this day as uncompromising in their approach to the enemy as they towards their food and drink...

I'm going to talk to you today, and in the future about, ships, boats, cyber and all sorts of other things.

I want you to know however, from the outset, that I understand the business we're in is primarily about people, it's about heart and guts, it's about imagination and belief, vision and ambition.

And our country, at such a profound cross roads in its story, facing such

uncertainty and yes opportunity, needs the values Leach admired like never before.

Freedom, democracy, rule of law and the rules-based order...

Our citizens want the nation to be able to affect and improve the world.

They want us to go out and sort out problems.

And I know from my previous department, their generosity and their care for others around the world.

They hate that feeling of impotence when we can't protect people.

And they want us to be able to further our national interests.

And this means they want us to remain a nation with the inclination and the ability to act.

They want us to influence, to deter and to intervene. And they want us to be able to do this even when that means us standing alone.

Britons intuitively understand Global Britain and you do too because you're at its heart. You are the foundation of global Britain.

You're the ones with the reach, the connections, the platforms, the security and partnerships.

Without you, we cannot protect shipping. Without this, trade deals won't yield dividends.

Without you to guard peace and security, nations can't lift themselves out of poverty.

Without you to combat threats...whatever their shape and size... evil will prevail.

Global Britain is a protector, it's a wealth bringer, it's a problem solver, a life saver and a peace broker. And nothing symbolises our intent and ambition for global Britain and has captured the hearts of our citizens more than our new carriers.

They are a mighty symbol of our intent.

The most powerful ships Britain has ever built.

Nine acres of sovereign territory that will give us the ability to project power from anywhere in the world.

Whether as part of a discrete operation, in support of land operations or as part of a coalition of allies and partners. They are versatile and they are a global influence.

In 2010, when I made the case for the carriers, I just pointed to every

humanitarian crisis and brewing conflict situation we had ever experienced since we'd had carriers.

And I challenged people to name one situation in which that capability had not been instrumental in getting a good outcome.

Sir Henry had only two mini-carriers in his day and I'm sure he is looking down on us with envy.

Last year our mighty Queen Elizabeth tested out the F35b aircraft at WESTLANT.

This year it will be returning to the Eastern seaboard to conduct flight trials with our own F35b future fighter.

And when Prince of Wales joins her in the fleet in the near future...we will have one carrier available at very high readiness at all times...

And this will match our strategic nuclear deterrent with a conventional one.

I want to make sure that we make the most of this incredible sovereign capability.

And that's why today I can announce that we will develop a new policy that will set out how those ships will deliver for our nation in the years ahead.

The national carrier policy will lay the blueprint for how we use them to deliver global Britain's objectives around the world.

Our carriers are setting the tone for the future Navy that I want to see and they're instilling confidence, closing deals and protecting the rules-based order.

And projecting our intent in uncertain and a challenging world.

...a world that is becoming increasingly complex

... the challenge of China rising

...the threat from a Russia resurgent

...the ever-changing shape of violent extremism and terrorism

...the growth of cyber threats...and organised crime

The grey areas of new weapons and new theatres.

There are huge challenges ahead of us, and there will be many demands made of us.

So, we had better be prepared.

Like Sir Henry, when he gate crashed that emergency cabinet and Thatcher asked him what she could do for him.

He replied 'No, Prime Minister, it's what I can do for you',

So, what are we doing to stay ready?

In the past 12 months we've been... training in Norway's Arctic tundra

Drug busting in the Arabian Gulf...establishing field hospitals in the South Sudan

Helping enforce UN sanctions in South Pacific

And escorting Russian vessels off the premises

And, silent and undetected you're maintaining our continuous-at-sea deterrent/

In all that you do you carry the reputation of Great Britain with you

...because you influence and you shape the world around you

...you're the prototype that other seeks to emulate

...and partner of choice for our allies

And I'm proud that you're strengthening partnerships around the world at all times...

With HMS Defender supporting NATO while on Exercise Formidable Shield.

With HMS Montrose and our Mine Countermeasures Force now permanently in the Middle East and a Naval Support Facility in Bahrain – keeping vital shipping lanes open

With our Royal Navy soon to sail to the Baltic as part of the Joint Expeditionary Force – reinforcing partnerships with like-minded northern European allies

And with our development of the North Atlantic Joint Operating Area...that will soon guard mile after mile of vital waterway.

Our people are not just exceptionally brave but also enormously innovative and creative. Today they're doing everything

...from devising new environmentally-friendly ways to power headquarters in the field

...to delivering AI and robotics into every fighting arm

...courtesy of our new pioneering new Naval X accelerator

And at the very pinnacle of the pyramid you'll find the Royal Marines

...developing Future Commando Force

In a reimagined global Britain, Defence will continue to be the first duty of the nation

But it must up to our ambition:

...maintaining a ruthless focus on its mission

...becoming more forward deployed

...and going out of its way to work with friends and allies

But if our future fleet is to respond to the growing demands, we need to do much more:

Investment will remain critical

We have done a great deal to drive out inefficiencies in defence

But there is more for us to do.

And today you will hearing about the direction and innovation in the RN, about our new capabilities coming online and being planned.

But I think we need to get some fundamentals right too if we are going to match the Navy and the nation's ambition.

In 2015 we rightly committed to meet NATO commitment to spend 2% of GDP on defence. Understandably people focus on that number. Politicians point to it. And rightly encourage other nations to match it.

But that's not the whole story.

I just want us to briefly recap the headlines from the last three defence reviews. In 1997, the review pledged to deliver 32 destroyers and frigates and 2 Amphibious Assault Ships. In the event, we got the 2 Assault ship...but only six frigates and destroyers.

In 2010 SDSR, we said we would deliver 2 carriers and 19 destroyers and frigates ...of which 6 were Type 45s and 13 were Type 26s. Well we got the carriers. But the 13 Type 26s were reduced to 8 and we've ordered 3 of them.

And in SDSR 2015 we set out a shopping list of 8 T26s, 5 Type 31e, 2 OPVs and 4 ballistic missile submarines. I am determined that remains on track.

I ask you, what is the point of methodically reviewing threats and tasks, formulating capability and then not delivering it?

What's the point of building ships only to mothball them for lack of crew, spares or funds?

What is the point of costly design and innovation if we only intend to build a handful?

What is the point of running on old vessels and delaying new ones and running

up massive costs in the process?

If the RN and wider defence is to deliver on the ambitions of our country, then we must tackle both the funding and the political behaviours which constantly undermine it.

In the coming weeks, I'm going to be saying more about how we build on all the good work and lessons to date, most notably from the carrier alliance.

To how we ensure Defence sits at the heart of the prosperity agenda.

To end the vicious circle of unfulfilled SDSRs and more of the same.

To create a virtuous circle where we recognise that it's long order books and a steady drumbeat in our yards that strengthens our supply chain and brings down the overall cost of procurement. What's needed is a closer partnership with industry that gives them confidence to invest and build and us the confidence that we can and must buy British.

We must recognise that if Britain's armed forces don't use it, Britain's businesses will find it harder to sell it. We have to walk the walk, as well as talk the talk.

And we must do more to maximise the full value of our resources to build up Britain...not only is that necessary in terms of creating skills and resilience.

But it's vital in creating an environment where Defence gets the critical investment it needs.

Now as I stand before you today, I can't tell you that The Treasury is going to welcome that message. I cannot tell you that The Treasury will agree with all of my message.

What I can promise you though, is that The Treasury will hear this message.

We know that Defence must play a much greater role in the whole of government's prosperity agenda.

## **WHAT THIS MEANS FOR INDUSTRY**

What does all this mean for industry? It means we're looking to you to match our ambition. To get the ships we need, we need the shipbuilding. That means improving the relationship between industry and Government

A few years ago, Sir John Parker's report laid bare the challenges. The old days of changing requirements on a whim and being vague about what we need in the long-term, that must end our Recent Acquisition Review. Took a sample of live MOD programmes.

It found on average that the initial estimated cost of a project rose by 35 per cent and delivery time by 46 per cent. That's not just costing us time and money...that is damaging our operational effectiveness.

So my challenge to industry is to become more sustainable. To do more to deliver value for money. To stick to fixed project budgets and to innovate in the way you build. To up your competitiveness...building exportability in as standard and to deliver faster...the days of taking decades to build a ship are over.

I know you've been told this before, but what's different now is that both you and I recognise that the politics also needs to change.

And we have to continually learn.

Which is why I've commissioned work examining the lessons from the Mars tanker procurement, especially for our UK supply chain.

Britain already has incredible shipbuilding heritage but I think we should prepare for a fantastic future, too.

Aircraft Carrier Alliance showed that Britain has what it takes to produce first class fifth generation ships.

Just as the lessons of Type 26 is that we have the capability to design frigates that are the envy of the world.

We need to learn these lessons as we bring in our next generation of Fleet Solid Support Ships...our logistic backbone. So it's time for a sea change in industry as well. Let's replace Sir John's old vicious cycle with a virtuous circle.

And let's remember Sir Henry's favourite words:

The sea endures no makeshifts. Discipline, courage and contempt for all that is pretentious and insincere. These are the teaching of the ocean and the elements – and they have been the qualities in all age of the British sailor.

As we prepare the next chapter for the fleet...

As we go into the next CSR.

As we transform defence

Let's have some honesty about what it takes.

Let's have some honesty about what it costs.

Let's have some confidence about its value and some rigor in the planning.

Let's have some excellence in our partnership and some clarity in our mission.

As your Secretary of State all I ask is for your help in that task.