

# Speech: Immigration Minister speech to CBI Wales

Noswaith dda, a diolch am y croeso cynnes heno.

I would like to begin by thanking you for inviting me to speak here this evening, and for your warm welcome.

It is great to be here again be in Wales – the country of Saint David, T. E. Lawrence, Tom Jones, David Lloyd George – and hard as it is for me to admit – better than average rugby.

And it is a pleasure to be addressing you in such a beautiful building, in the heart of this wonderful city.

The design of Cardiff City Hall was inspired by English and French Renaissance architecture, but opened during the Edwardian period, when Cardiff's prosperity from the coal industry was at its height.

The Renaissance was a period of history that is widely regarded as the cultural bridge between the Middle Ages and modern Europe; a period that inspired centuries of creativity and intellectual thought across Europe, and one that many believe defined what it is to be European.

And so what an appropriate building in which to be talking to you this evening, as we look to build a positive and special future relationship with the European Union, focussing on the businesses and industries that make the United Kingdom – including Wales – a thriving place to live.

It is in this spirit of new beginnings that we should look to our future relationship with the EU – a spirit of promise, ambition and opportunity.

The people of the UK, including a majority here in Wales, have voted to leave the EU, and for many, this is an exciting time full of potential and prosperity.

We have been clear that, as the UK Government, it is our responsibility, ambition and belief that we will get the best possible deal for the whole country, as we build our new and special partnership with the EU.

Our challenge is to navigate our exit from the EU with cool heads, and with a sense of innovation and ambition.

We want to get the best outcome for every individual who lives in the UK, every sector of our economy, and for every nation of our United Kingdom – none more so than here in Wales.

## **Importance of CBI Wales**

The CBI in Wales plays a crucial role in representing the business voice

across Wales, ensuring that it is heard around the United Kingdom and beyond.

Your membership plays a vital role in feeding into the work that both my department and the UK Government as a whole is doing – and we hugely value your views and input as we navigate this period of opportunity and challenge.

We understand that the UK's decision to leave the EU brings challenges for businesses, and we want to be clear that we are considering how this change will impact the whole of the UK economy.

My colleague David Davis stood here last year and addressed you all – and I want to build on the message he gave then.

He made clear the crucial role that Wales will play as we make a success of our departure from the EU. And since he spoke, the UK Government has gone on to scrap the Severn Tolls, secured a new daily flight to Qatar and is working to add more companies like Aston Martin to the growing cluster of companies looking to invest in Wales.

We are demonstrating an open, cross border commitment to the future of Wales outside the European Union. I pay credit to my close colleague Alun Cairns, Secretary of State for Wales, in making sure the voice of Wales – guided by you – is heard around the cabinet table.

As leaders of industry here in Wales, I would like to ask for your help:

- help us to write this new and exciting chapter in our country's history
- help us to understand how to get the best deal for businesses in Wales and the UK
- help us by projecting confidence and ambition about what lies ahead

## **EU nationals in the Welsh economy**

For the UK economy is fundamentally strong, and there are more people in work across the UK than ever before.

In Wales alone, there are more than 1.4 million people in work; in the past few months unemployment in Wales has fallen to a record low; and has more than halved since 2010.

Exports are worth almost £16 billion a year, and Wales has been the fastest growing part of the economy per head outside London since 2010.

There are currently more than 79,000 EU citizens living in Wales, the majority of whom are working in key economic sectors, public services or higher education institutions – and contributing greatly to Welsh culture and society.

I understand that a number of business sectors across Wales are ones where there is a significant representation of migrant workers: for example tourism in North Wales, as well as manufacturing and construction.

EU migrants in Wales have a higher employment rate than the working age

population as a whole – 79 per cent of working age EU migrants in Wales are in employment, compared to 71 per cent of the total working age population.

This is similar to the pattern across the rest of the UK, and we understand the need for these key sectors of the economy to have access to the necessary workforce once the UK leaves the EU.

That is why the UK Government is committed to creating opportunities across the whole of the UK, with businesses in Wales – quite rightly – at the forefront of this ambition.

We are committed to ensuring we remain an attractive option for those with the skills and expertise across all sectors of our economy, and who play an invaluable role in making the United Kingdom and Wales better still.

We have been clear that after we leave the EU, we want to strike a balance between attracting the brightest and best to work and study in Britain, and controlling immigration from the EU in the national interest, thereby delivering on the will of the British people in June last year.

The Government understands that this is a time of great change, and we want to provide clarity going forward – both on those who are here now, and those who we want to come here to Wales in the future.

## **Status of EU Citizens' rights**

As you know, we are in the process of negotiating our withdrawal agreement with the EU, and the Prime Minister has been clear that it is her first priority to ensure that the 3 million EU citizens living in the UK – as well as those UK citizens living in the EU – can carry on their lives as before.

We will continue to recognise the valuable contribution migrants make to our society and will remain an open and tolerant country, welcoming those with the skills and expertise to support our businesses and industries.

As the Prime Minister emphasised in her speech in Florence, and again in her recent open letter to EU citizens, we greatly value the contribution that EU citizens make to our national life – and we want them and their families to stay.

I have personally spoken to many European citizens who are understandably concerned about their future in the UK.

These are people who have made a hugely positive impact on the social, economic and cultural fabric of our country, including Wales. We know that they bring with them ideas, innovation and skills which are relied upon by our employers and businesses; from aviation to hospitality, from tech to tourism.

The Prime Minister, the Home Secretary and I have repeatedly been clear that those EU citizens living lawfully in the UK today will be able to stay.

Of course, these initiatives are taking place in the context of negotiating

our exit from the EU. As Immigration Minister, I recognise both the challenges and opportunities this presents.

You will have seen the widespread media coverage of the talks in Brussels over the past few days.

The UK and the Commission have held positive talks, and we have made good progress but there are some final issues to resolve.

As the Prime Minister and President Juncker have said, both sides are confident we will conclude this positively ahead of the December European Council.

We know that our relationship with our European partners is set to change, and our exit from the EU marks a critical period in the history of this relationship.

But we want to retain the deep and special partnership that we enjoy today, and I am confident that together we can forge a brighter, better future for Wales, the UK and the EU.

### **Future 'settled status' scheme**

But I also recognise concerns some individuals have about how the agreement will be implemented: that the process will be over-complicated and bureaucratic; that it will throw up hurdles that are difficult to overcome.

I want to provide some much-needed reassurance here:

- we have committed to provide an application system that is as simple and user-friendly as possible, and we are developing it with the individual user in mind
- we have committed to minimise the burden of documentary evidence required to prove eligibility
- we have committed to a 2-year period after our exit for people to apply, and the Home Office will work with applicants to help them avoid any errors or omissions
- we have committed to keep the cost as low as possible, with the fee not exceeding the cost of a British passport
- for those who already hold an EU permanent residence document, there will be a simple process to exchange this for a settled status document – charged at a reduced or no fee
- we have committed to engage with users every step of the way – which is

why we have set up a new user group for this scheme;

- and we are also engaging with representatives of EU citizens to ensure the process meets their needs

I am confident that our approach to the design and development of the scheme, as well as the eventual outcome, will be well received by you in business and industry.

But most importantly – it will be straightforward for those who use it.

Since the result of the referendum, we as a Government have been clear that our top priority is securing the status of those EU citizens living in the UK and Wales, and UK nationals living in the EU.

And this extends to businesses and communities too, as we understand the need for certainty around access to the workforce you need.

We hope that our offer will provide this reassurance to both individuals and you as their employers – that this part of your workforce will be able to stay permanently and carry on exactly as before.

## **Future immigration system**

But we also understand your concern that businesses in Wales and across the UK will still be able to access the skills and labour they need in the future to deliver growth.

We will be setting out our proposals for the UK's future immigration system shortly.

And we will introduce an Immigration Bill in the new year.

But I want to use this opportunity this evening to emphasise some core principles of the new scheme.

There will be a smooth transition. I recognise the importance of providing certainty, and clearly business and public services should only have to plan for a single set of changes.

That is why the Prime Minister has made clear that there will be an implementation period of around two years, providing this certainty for business and individuals, and ensuring no cliff edge.

During this period, access to one another's markets should continue on current terms and Britain should continue to take part in existing security measures.

People will continue to be able to come and live and work in Wales; but there will be a registration system – which is an essential preparation for the future system.

Going forward, we will make decisions about the future arrangements following discussions with stakeholders, including with the EU, and based on evidence.

That is why we have commissioned the independent Migration Advisory Committee to report on the impact of the UK's exit for the EU, and how the UK's immigration system should be aligned with our modern industrial strategy.

The Migration Advisory Committee will provide a clear opportunity for businesses and employers – such as yourselves and others in Wales – to express views that will play a vital role in the decisions we make about our future immigration system.

Although the committee's initial call for evidence has now closed, they will continue to engage with organisations.

I also appreciate that different sectors and regions of the UK will feel they have different needs – which is why our commission to the MAC will allow us to get a richer understanding and develop a future system that seeks to work for everyone, applying as much to Wales as every other part of our country.

In addition, the Government is speaking with businesses like those represented here tonight, industry, trades unions and many others to ensure we strike the right balance between keeping our future immigration arrangements in the national interest, and ensuring the UK remains open to the talent we need from Europe and the rest of the world.

## **Conclusion**

So as we look to the future, I want to stress the importance of working together, under the shared ambition to secure the best possible outcome for Welsh businesses, industry and communities.

As we take back control of our immigration system by ending freedom of movement under EU law, I want to stress that we do not want to end immigration from the EU.

The UK Government greatly values the incredible contribution that EU citizens make to the UK economy, and we want to continue to attract the best and the brightest to make all four parts of our country better still.

It is only with your help and support that we will ensure the whole UK – with Wales at its heart – remains a hub for industrial excellence and a great place to open and run a business.

Together, we can make this ambition a reality and build a whole United Kingdom fit for the future – with Wales leading the way.

Thank you.

Diolch yn fawr. Mwynhewch y noson.