

Speech: Mark Garnier speech at the Midlands Engine Trade Summit

Thank you. I'm delighted to be back in this great city at the inaugural Midlands Engine Trade Summit.

I want to thank my department's regional team here in the Midlands for organising this event. I know it's taken a lot of hard work.

Personally, this is an important event for 2 reasons:

First, as a Minister at the Department for International Trade – I am responsible for ensuring the world knows that the Midlands, like every other region in the UK, is open for business.

And secondly, because I have the honour of being a Midlands MP.

Wyre Forest, my constituency, is based in Worcestershire.

So I know, better than most, the potential of businesses in the Midlands.

They are diverse, innovative and can be world beaters.

And history is on our side.

If you head up the A41 for 2 miles you'll arrive at the birthplace of the industrial revolution.

It was in Soho that James Watt created his steam engine: a manufacturing marvel that led to levels of productivity the world had never seen.

It allowed Britain, and this region in particular, to become the manufacturing powerhouse of the world.

It's a well-known fact, particularly if you have a friend from these parts, that Birmingham has more miles of canals than Venice – albeit with fewer gondolas.

150 years ago, these canals were the arteries of the Midlands economy – carrying everything from Black Country coal and iron ore, to Wedgwood pottery heading to the markets of Birmingham and Manchester.

Today, we talk a lot about innovative disruptors shaking up the modern economy – the likes of Uber and AirBnB; however historically, the Midlands has been the world economy's disruptor in chief.

Whether that was Rolls Royce in Derby developing their iconic Merlin aero-engine, or Cooke Optics in Leicester, who produced the camera lenses with which they filmed Star Wars – this region has always led, never followed.

There will be some who dismiss the Midlands Engine as an empty political

slogan.

They are mistaken.

Between 1997 and 2010, manufacturing output in the Midlands fell from over £15 billion to under £12 billion. No other UK region had a greater fall.

Regional productivity here is also on the wrong side of the national average.

These are real issues that need more than gimmicky solutions.

That is why the Chancellor recently announced our strategy for the Midlands Engine – focussing on the key themes of connectivity, skills, enterprise and innovation. The strategy demonstrates our commitment to the Midlands and we will work with Sir John Peace and the Midlands Engine partners to ensure it is a success.

For me, the Midlands Engine is a commitment by this government to ensure that the best days for this region are not those consigned to history, but those of the future.

It is a commitment to harness this region's 11.5 million people, a fast growing economy, and expertise across many sectors, to create the jobs and growth that spreads prosperity from Dudley to Derby.

That is why I entered politics; that is why I joined the Department for International Trade.

And that is why we will make the Midlands Engine a success.

Let me outline 3 areas government will focus on to ensure the Midlands fulfils its huge potential.

Midlands exports

The first is to use the momentum of the Midlands Engine to drive this region's exports to new heights.

Transport technologies, advanced manufacturing and engineering as well as healthcare and life sciences are just some of the centres of excellence in the Midlands.

This is expertise the world wants.

Over 27,000 businesses in the Midlands export nearly £40 billion worth of products to over 100 countries.

Incredibly, even the so-called factory of the world, China, runs a goods deficit with the West Midlands. But these impressive figures belie a bleaker national picture.

Only about 11% of British businesses export anything beyond our borders, despite hundreds of thousands having a product or service that is export

ready.

This unfulfilled national potential is not just affecting the businesses themselves, who forgo the additional profits and productivity that overseas trade unlocks, but also the national economy – the strength of which relies on our ability to trade overseas.

That is why my department was created: ensuring that Britain becomes a champion of global free trade – lowering barriers and raising prosperity wherever and whenever possible.

For the first time, the 3 pillars of trade – policy, promotion and finance are under one roof – so we can be more coordinated in our approach.

Our objectives are simple and clear.

We will promote UK companies abroad; we will attract inward investment into regions such as the Midlands, and promote our businesses across the world; and finally, we will build a strong trading framework for the UK outside the EU.

But what does this actually mean in practical support for the businesses here today.

It means DIT delivering 20 Midlands Engine trade missions by 2020.

Eighty Midlands companies and over 100 delegates have already participated in DIT-led trade missions across the globe, from the USA to the UAE to China.

We are encouraging companies from Warwickshire, Worcestershire and Herefordshire to meet with buyers from Shanghai, New York, and Dubai.

We expect the business done at these trade missions to generate £5 million worth of deals over the next 12 months.

A simple face to face meeting with the right contacts can be a game-changer for SMEs.

Like packaging manufacturer B&G Products from Staffordshire, who landed their first export deal to the United States, worth hundreds of thousands of pounds, just 4 months after taking part in the first Midlands Engine trade mission.

Later you will hear from UK Export Finance's Chief Executive, Louis Taylor, who will explain how we are helping Midlands companies win, fulfil and get paid for their overseas contracts.

Last year, UKEF provided £19 million in support for nearly £200 million worth of export contracts for companies in the Midlands.

Businesses, as you know, run on cash flow; so we are making it easier.

We're also taking our export support online.

If you haven't already, please visit great.gov.uk – the government's new digital platform.

It should be every exporter's first port of call for information and my department's International Trade team will be on hand throughout the day to show you how to get the most from it.

Where else can you find nearly 1,500 live business leads for which you can apply today; or sell your products on the world's biggest online marketplaces like Amazon and Tmall at preferential rates; or have global buyers contact you direct to supply what they need?

It's all in one place; it's all digital; and quite frankly, I've seen nothing like it anywhere else in the world. Some of you may be thinking that it's all well and good politicians standing here and telling you about the benefits of exporting. They don't know what it's like running a business.

I'd be the first to agree that our best ambassadors and spokespeople are actually exporters themselves.

They know what it's like; they've felt the benefits; they have a story to tell.

Which is why I am delighted to announce today the launch of the [Midlands Engine Export Champions Programme](#).

Twenty eight experienced exporters based in the Midlands have agreed to serve as Export Champions and inspire others to either export for the first time or to export more.

They will promote the government's Exporting is GREAT campaign and raise the profile of the Midlands Engine in the UK and overseas.

Many of them are here today, ready to share their insights.

Investment

The second way to fulfil the potential of the Midlands is by continuing to attract investment into the region that creates jobs, introduces new technology and raises standards of living.

Last year alone, nearly 15,000 new jobs were created because of inward investment in the Midlands. And with the pull factors of the Midlands, it's easy to see why.

Investors will be dealing with a regional economy worth over £200 billion; they will be able to access 90% of businesses anywhere in the UK within 4 hours; and benefit from the talent and research fed by 25 universities.

I want these factors to be known worldwide.

That is why today, I am also launching the Midlands Engine Investment Hub.

Specialist staff will work with local partners to ensure investment projects

land effectively into this region.

They will work with our embassies and High Commissions to raise the profile of the Midlands overseas.

It is the only physical hub of its kind in the UK – and is currently hosting 12 global entrepreneurs from Eastern Europe who are looking to set up here.

Brexit

The final point I want to make is how businesses in the Midlands can thrive post Brexit.

I know Lord Bridges from the Department for Exiting the EU is leading a session later, so I will be brief.

There may be businesses in the audience who are currently exporting to mainland Europe.

In the short term, nothing changes. We are still EU members until the formal process of exiting is complete. During this time, goods and services will flow as usual.

The Prime Minister has been clear. When we leave, we will seek the greatest possible access to the single market so that British and EU firms can trade with as little friction as possible.

Brexit is not a rejection of European values, or the idea of the EU.

This country was built on those values and ideas; they form part of our own national identity.

We want the EU to succeed – it is in our national interest.

But if you look further afield, you will see opportunities beyond the borders of Europe too, which we can now look to seize.

90% of future global growth will be outside the EU.

We can strike trade agreements with global partners, who also happen to be some of the fastest growing economies.

Many of whom have already signalled strong interest in striking agreements with the UK.

The Midlands, as it so often has, is leading the way.

My department will ensure that the whole of the UK will be ready, willing and able to follow suit.

Conclusion

When it comes to Midlands, it is clear that with great potential comes great expectation.

If the Midlands matches its predicted growth over the next 15 years – it will create 300,000 jobs and inject £34 billion into the UK economy.

The Midlands Engine is how we go about meeting that expectation.

The great and innovative businesses of this region need only look to history to see how high the bar has been set.

Speaking as a local MP and a minister, I can assure you that both regionally and nationally, we are all backing you to succeed.

Thank you.