

Speech: Supercharging the Digital Economy

Thank you for the invitation to join you here today.

Whenever I'm with techUK, I feel I'm among like minds. Because my roots are in business, and my roots are in tech.

Both my parents started businesses, and all my siblings have started their own, and it might have seemed natural for me to learn from their example and take that route too – and to go into tech.

But what I also came to learn is that business needs the right environment to thrive. How can the whole system work against, or work for, the hardworking, enterprising, entrepreneurial founder?

This is a question I first asked for very personal reasons. When I was growing up, the business that my parents ran – my stepfather wrote the code, my mum was in charge – was all around me and the main subject even at our dinner table. My first job was in the company, solving the Y2K bug in COBOL.

When I was a teenager, in the early 1990s, recession hit. If our customers struggled, if they couldn't pay their bills, then our business struggled along with them, and that impacted the twenty or so people we employed. Friends, I should say, as much as colleagues. At one point, in the worst of the recession, we came close to losing everything. My mum, my stepdad and all the people who worked in the business would have lost their jobs. All through no fault of our own, all through outside factors.

We got through it. In fact the software became a big hit. And now every time you type your postcode into the internet and it brings up your address, you can thank my stepdad Bob. I hope we've helped you with your christmas shopping over the years.

But what those early experiences taught me was that it isn't ever enough to have a good idea and the will to drive it through. To go from concept to reality – and then to ubiquity – requires a strong environment for enterprise.

And that environment, while best not entirely determined by Government policy, can certainly be shaped and guided by it.

Because while I did go on to work for the business, I then went to the Bank of England as an economist, and that's where I discovered all the big decisions are made in Westminster. So here I am, and in a job directly concerned with improving the environment for tech businesses.

So I really feel it when I say it is an honour and a privilege to be the UK's first ever Minister for Digital, working to give others the opportunities we had, to – wherever we can – help you take those ideas, those sparks of hope

and make something real and successful.

But what does that mean, in this time of digital revolution?

It means harnessing this amazing new technology, so that it works for the benefit of everyone and not only an interested few. It means mitigating the risks, and ensuring the benefits can be accessed by all. It means supporting a thriving digital sector, and a digital infrastructure that is not only fit for the present but the future, with easy and ubiquitous access for everyone in this country to the growing opportunities digital technology offers.

Our Digital Strategy, published in March of this year, set out how we intend to make the UK the best place to establish and grow a digital business and the safest place for citizens to be online.

I'm pleased to tell you that, only six months since the launch, we are making great progress. Today, I would like to update you now on how we are making the UK the best place in the world to start and grow a digital business, and how we are set to continue these developments in the very near future.

We understand that in order to have a thriving digital economy, we need to support tech businesses at every level, from startup to scaleup.

Over the past year we have seen investments in UK tech, including from Microsoft, Amazon, Apple, IBM and Google, and into British stars like Zopa, Monzo, and ARM.

We've significantly expanded the British Business Bank's capacity in scale up capital, and actively support the opening of incubators across the country.

Preparing Britain for success in the rest of the twenty first century, in the face of the fastest advance in technology in history, means making sure everyone has the skills they need to thrive in the digital world.

Britain needs stronger digital skills at every level, from getting people online for the first time, to attracting and training the world's top coding talent.

Again, this isn't something we in Government can do on our own. So when we launched the Digital Strategy in March, we committed to establish a new Digital Skills Partnership, to both bring greater coherence to provision of digital skills training at a national level, and to increase the digital capability needed to build thriving local economies throughout the country. □ Our partners in industry □pledged□ more than four million free digital skills training opportunities□. Since then, we have made great progress, through companies like Barclays, Lloyds, Google, and many others.

On top of that, we have put coding in the curriculum from age 8, and recently announced that one of our first new T-level technical qualifications will be in Digital.

We want all these opportunities to be open to as wide a range of people as possible. We firmly believe that digital skills are essential, for everyone,

to thrive in this digital age and that training in such skills should be an entitlement for all our citizens. So we legislated for Digital Skills Entitlement in the Digital Economy Act and are now developing the detail of the policy with the Department of Education. My friend and colleague Karen Bradley, Secretary of State for DCMS, and I are working to deliver this entitlement, so that everyone can get the basic skills they need.

We're not stopping at digital skills, we are also looking at technologies of the future.

The Industrial Strategy Green Paper, published in January, identified AI as a major opportunity for the UK, with real potential to boost our future economy. We already have some of the best minds in the world working on AI, and many areas of the UK economy – health, education, finance, to name just three – have already embraced innovation through AI.

The challenge now for Government is to build a strong partnership with industry and academia to cement our position as the best place in the world to base and develop this new technology.

So in March we launched an independent review – Growing The Artificial Intelligence Industry – led by Jérôme Pesenti and Dame Wendy Hall. The final report was published just a couple of weeks ago and sets out what we must do to support the enormous potential of AI – from smarter scheduling of operations in health care, to hiring on-demand self-driving cars – while mitigating its risks. My thanks to Dame Wendy, Jérôme and team for their excellent work.

Now I look forward to working with all of you, and with the wider industry, to deliver its proposals. Together we can make the UK a world leader in this amazing new technology, and can make sure all our citizens benefit from its use.

We are also endeavouring to make the UK the safest place in the world to live and work online, as set out in detail in our Digital Charter, which sets out to balance the freedom of the internet whilst mitigating potential harms.

We want to work closely with all of you to develop solutions to the issues at hand. We will make sure that the Charter is underpinned by an effective regulatory framework, but will only use regulation where other options are not working. Where regulation is necessary, we will ensure it supports rather than stifles innovation and growth, by providing clarity for innovators and building confidence amongst users.

So there we are. Just over six months on from our Digital Strategy and we have been consistently working on making the UK the best place in the world to start and grow a digital business.

But coming from small business myself, I know there are more good ideas out there. So I want to hear from you, I want to know what we're getting right, what we're getting wrong, what amazing innovations you're developing, and how we can make it easier for you to grow your businesses here in the UK.

We have a big agenda and much to do, and I look forward to working with you to deliver it.