

News story: February 2017 Labour Market Statistics for Scotland

The Scottish unemployment rate is 4.9 per cent, above the rate of 4.8 per cent for the whole of the UK.

The labour market statistics also show that employment in Scotland increased by 8,000 over the three months to December 2016. The number of those in employment in Scotland now stands at 2,611,000.

The Secretary of State for Scotland, David Mundell, said:

There is cause for some cautious optimism about the state of Scotland's labour market, with employment up and more women returning to the labour market.

However, declining economic activity during the last 12 months, and the gap between the Scottish and UK labour markets, remains a concern.

We have devolved a raft of new powers to the Scottish Parliament. It now needs to use those levers to strengthen the Scottish economy.

Headline statistics for the October to December 2016 quarter:

- Employment in Scotland increased by 8,000 over the quarter, and fell by 20,000 over the year, to stand at 2,611,000.
- The Scottish employment rate increased by 0.1 pp over the quarter to 73.6 per cent. The rate is below the UK average of 74.6 per cent.
- Unemployment in Scotland rose by 6,000 over the quarter and is down 27,000 over the year. The level now stands at 135,000.
- At 4.9 per cent, the Scottish unemployment rate is above the UK's rate of 4.8 per cent.
- Economic activity increased by 13,000 over the quarter and now stands at 2,746,000. Also, the economic activity rate decreased over the year to stand at 77.6 per cent.
- In January 2017, the number of people out of work and claiming Jobseeker's Allowance was 50,100 and claimant count, including Universal Credit was 76,400.

Latest Data for Scotland:

Employment

The Labour Force Survey indicates that the number of people in employment in Scotland from October to December 2016 was 2,611,000. Employment was up by 8,000 compared to the previous three months, and down by 20,000 compared to the same quarter last year. The employment rate was up 0.1 percentage points on the previous quarter, and down by 1.0 percentage points compared the same quarter last year. By comparison, the Scottish employment rate is below the UK average of 74.6 per cent.

Unemployment

Unemployment in Scotland was up by 6,000 over the quarter October to December 2016 at 135,000. The level was down 27,000 on the same quarter last year. The unemployment rate was up 0.2 p.p. on the previous quarter at 4.9 per cent, which is down 0.9 p.p. over the year.

Jobseeker's Allowance and Universal Credit

The number of people claiming Job Seeker's Allowance (JSA) fell by 2,100 to 50,100 in January 2017. The level is down by 10,400 on January 2016. The claimant count level (JSA and Universal Credit) is down 4,300 over the month at 76,400 and the rate is down 0.2 p.p. over the month and up 0.1 p.p. the year to 2.7 per cent.

Economic Activity

The number of economically active (defined as those in employment or ILO unemployed, and seasonally adjusted) in Scotland in the October to December 2016 quarter was 2,746,000. This was up 13,000 on the previous quarter, and down by 47,000 on prior year levels. Among those aged 16-64 the economic activity rate was 77.6 per cent, up 0.2 pp on the previous quarter, and down 1.7 pp over the year.

[News story: Making sure procurement practice is best practice](#)

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The Mystery Shopper service is evolving to ensure concerns raised by suppliers about public sector procurements are properly resolved.

The Crown Commercial Service Mystery Shopper team is now actively following up to check how contracting authorities have implemented the recommendations.

This means the investigation doesn't end when bodies say they will make changes – the Mystery Shopper team is following up to make sure that changes were made that support public procurement in being open to all businesses, including SMEs.

Suppliers already know they can contact the Crown Commercial Service's Mystery Shopper team to raise issues about a procurement, and the team then works with the supplier and the authority to broker a result.

In many cases, recommendations are agreed with the bodies to make changes to future procurements, and details of these cases are then published.

Now, the results of the follow-up investigations will be published every month alongside the usual Mystery Shopper publication.

For more information about CCS's Mystery Shopper service, visit [the Mystery Shopper webpages](#)

Speech: Mark Garnier speech to the British Chamber of Commerce in Mexico

I would like to thank the British Chamber of Commerce in Mexico for inviting me here to speak, and congratulate them on fostering closer commercial ties between the UK and Mexico for over 95 years.

My first visit to Mexico as a Minister at the Department for International Trade couldn't have come at a more important time.

Global trade – the very thing that has driven out poverty and ushered in prosperity for millions across the world; that has seen the flow of technology, talent and ideas across borders; and that has sustained our public services – is experiencing an unprecedented slowdown in growth.

The WTO has warned that, for the first time, protectionist measures are being instigated at a faster rate than they are being removed.

Free trade needs champions now more than ever.

So my message to you all today is simple. The UK, with the help of partners such as Mexico, will be the most passionate advocate for global free trade anywhere in the world.

I want to outline three areas we will focus on to make that aim a reality.

Firstly, I want the UK and Mexico to build on our history of co-operation: not just across trade, but across diplomacy and culture too.

Second, we will build a Global Britain, which will retain the closest possible relations with our European friends, but also revive and strengthen relations further afield.

And finally, we will keep Britain open for business, maintaining and promoting our world leading business environment.

Let me begin by talking about our bilateral relations.

Diplomatically, we have never been stronger.

2015 was a 'Dual Year' for our 2 countries – which saw an unprecedented level of collaboration around the arts, science and innovation, tourism and trade – not to mention a state visit to the UK by your President.

It was a reminder that although thousands of miles apart, our 2 countries remain like-minded long term strategic partners on global issues.

More recently, the UK Prime Minister met President Peña Nieto in September at the G20 and in November, my colleague Lord Price had positive discussions with both Secretary Guajardo and Deputy Foreign Minister Carlos de Icaza, whom I also met last month.

But this level of co-operation should not surprise anyone.

When Mexico gained its independence in the 19th Century, Britain was the first major European Power to recognise its sovereignty.

During World War 2, Mexico was one of only 2 Latin American countries to send troops to Europe to fight alongside allied forces.

And I hear you can even buy Cornish pasties in Real del Monte, a legacy of the British miners who arrived from Falmouth in 1825.

Our shared history will serve as the building blocks for an exciting shared future.

I hope it is a future dominated by trade; but, when I currently look at our bilateral trading relationship, 2 words spring to mind: 'untapped potential'.

Although our bilateral trade has doubled since 2010, Mexico is the 30th largest market for UK goods exports, whereas the UK represents only around 1% of Mexico's total trade.

These are disappointing figures and indicate much room for improvement. This is the challenge that my Department's team here will look to meet and overcome.

There is plenty of opportunity. Mexico boasts a trillion dollar economy: set to become the world's fifth largest by 2060, fuelled by a young and dynamic

workforce.

As Mexico opens up the domestic energy markets – particularly in sub-sea technology – UK firms are standing ready to support.

BP and Premier Oil were amongst the winners of the first auction for deep water oil exploration and production in the Mexican Gulf.

I am delighted that a recent memorandum of understanding signed between Pemex and UK Export Finance will establish a \$1 billion line of credit for UK firms, to ensure we keep collaborating in this important sector.

In infrastructure, UK firms have been integral in the planning and designing of a new airport right here in Mexico City.

And in the development of Mexico's automotive industry and defence sector – the UK, as one of the largest car exporters in the Europe and third largest defence exporter in the world, will be on hand to support Mexico's growth.

There is ability and will on both sides to fulfil this untapped economic potential.

My second point is around the UK's place in the world, following the EU referendum.

Britain now has an opportunity to strike trading relationships with global partners.

We will be champions of free trade, driving forward an agenda that will work towards the freest possible trading relationship around the world, and we will continue to support the international rules based system on which this rests.

This is not Britain turning its back on the world, as some have said; in fact, the opposite is true.

This is a Global Britain recasting its place in the world as the most passionate advocate for free trade.

Britain also isn't turning our backs on Europe. We want to be the closest friend to our European neighbours – establishing a comprehensive trading agreement, which is as frictionless as possible; as well as maintaining our strong defence, security and cultural ties.

We want the EU to be successful; it is in Britain's national interest.

And while we remain a member, we will play our part in pushing for an ambitious modernisation of the EU's Global Agreement with Mexico.

But there is a world of opportunity out there; even according to the EU Commission, 90% of future global growth will happen outside Europe's borders. Global Britain will have the confidence to seize this opportunity.

We are already making progress.

We are conducting trade audits and have established working groups with a number of countries to see how we can remove barriers to trade and investment to our mutual benefit.

Continuity will be the cornerstone of our future negotiations.

The European Union currently has around 40 free trade agreements with roughly 55 countries around the world. We intend to open discussions so that, at the point that we leave the EU, these will quickly be adopted as UK agreements.

Ensuring that there is no disruption of our free trade with Mexico, or any other partner, is a top priority for my Department.

We will also seek, as far as possible, to replicate the EU trading schedules as we take our independent seat in the WTO, maintaining current tariff levels with a view to seeking further liberalisation over time.

I know Mexico and the UK share the same belief that trade can create a tide which can lift all boats; that the surest way to greater prosperity lies in fewer barriers to trade.

Mexico's 12 FTAs spanning 46 countries symbolises this internationalist outlook.

Turning to my final point, I would like to reiterate that far from undermining our business credentials, Brexit will embolden the UK to become the most attractive place from which to do business.

In the last 5 years there has been an increase in Mexican companies investing abroad, including the UK.

CEMEX provides concrete for British infrastructure; Russell Roof ensures that thousands of Britons literally have a roof over their heads, and Mexichem supply most of the world's inhalers from their Runcorn factory in the North West of England.

These are just some of the Mexican investments already in the UK – and we welcome more.

And I can confirm that despite the short term uncertainty posed by Brexit, global investors continue to see tremendous potential and opportunity in the UK.

£16 billion worth of investment has come into the UK since last June.

These investors are attracted by the UK's unique economic fundamentals, which will not change, regardless of our future relationship with the EU.

Some of these were recognised in EY's 2016 Attractiveness Survey – which also noted that our political, legal and regulatory stability underpins the confidence and trust that so many global investors continue to have in the

UK.

Our outstanding universities – of which 3 are in the worlds' top 10 – are hotbeds of research and development and fuel a highly skilled workforce.

In every area of the economy, we are asking ourselves how we can create an environment that will allow business to flourish.

That will always be our approach.

It's an approach that has underpinned our new Industrial Strategy, which will bring together industry and universities to ensure Britain remains the location of choice for many sectors.

This is why the UK continues to be the highest ranked major economy on the World Bank's ease of doing business index and why we repeatedly rank as the number 1 location for Foreign Direct Investment in Europe. This is in addition to resilience of the UK economy, which, after the referendum, has surprised many.

Growth forecasts are being revised upwards; manufacturing activity is at a 2 and a half year high; and PWC recently predicted that the UK could have the fastest growing economy in the G7 for the next 3 decades.

So despite the uncertainty over the next few years, one thing is certain. Britain is well and truly open for business. But, like in business, success is determined not just on economic fundamentals, but also on one's ability to build partnerships.

In Mexico, the UK has, as its partner, one of the most exciting and dynamic economies in the world. Over the coming years, I want to see British and Mexican businesses harness our shared history; our shared internationalist spirit; and our shared commitment to free trade to reduce economic barriers where we see them, and seize the economic opportunities of the wider world together.

Thank you.

[News story: Defence Secretary to attend NATO meeting of Defence Ministers](#)

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Deputy UK Ambassador to NATO, Paul Johnston, announces that Defence Secretary, Michael Fallon, will meet new US Defence Secretary Mattis at NATO Defence Ministerial

This week's NATO Defence Ministerial is the first of the year and the first chance for Allies, including our Defence Secretary Michael Fallon, to meet collectively with the new US Defence Secretary Mattis.

Secretary Mattis knows NATO well from his time as Supreme Allied Commander for Transformation, a post he took up 10 years ago. But the security environment facing NATO has itself been transformed in the intervening decade. So this week's meeting is a chance for the 28 Allies to take stock on the challenges and opportunities we face, to the East and South of the Alliance, to reinforce the transatlantic bond and to affirm our commitment to deepening that link and our wider Allied engagement.

For the UK therefore, our priorities will be two-fold:

- to ensure the Alliance continues to make progress on taking forward the ambitious agenda agreed at Warsaw, in particular on modern defence and deterrence towards Russia. On that front (literally), the enhanced forward presence of NATO battlegroups is deploying this Spring to the Baltic States and Poland, with the UK proud to be leading the formation in Estonia, one of our most effective Allies in the Helmand campaign; and
- to take stock of what NATO has done since Warsaw to expand NATO's role in addressing instability on our Southern flank and beyond, including the new NATO Training and Capacity Building activity in Iraq, helping Iraqi security forces build their ability to secure the country after the defeat of Daesh.

All this requires resources and reform.

We are one of only four Allies other than the US currently meeting the NATO target of spending 2% of GDP on defence. We support the new US Administration's focus on this burden-sharing issue.

But a more effective Alliance is not only about money. It's also about continuing to modernise our structures and ways of working to ensure the Alliance is capable of addressing simultaneously the complex and challenging world around us, including the scourge of terrorism.

So this week's Ministerial will help set this year's agenda. One where NATO builds on the achievements and decisions of the Wales and Warsaw Summits and, looking ahead to the next Summit later this year, shows it is gripping collectively the new challenges we will face together.

[News story: Petunia Seaways and Peggotty report published](#)

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Collision between ro-ro freight ferry Petunia Seaways and historic motor launch Peggotty on the River Humber.

MAIB's report on the investigation of the collision between the ro-ro freight ferry Petunia Seaways and the historic motor launch Peggotty on the River Humber, UK on 19 May 2016 is now published.

The report contains details of what happened and the subsequent actions taken.