

Press release: Director of Labour Market Enforcement warns rogue bosses of plans to use powers to jail worst offenders

Director of Labour Market Enforcement Sir David Metcalf today (25 July) warned rogue employers he would be consulting on how to make full use of powers to jail the worst offenders.

[Sir David Metcalf](#) was appointed in January 2017 to oversee a government crackdown on exploitation in the workplace by setting the strategic priorities for the government's 3 enforcement agencies:

- HMRC's National Minimum Wage (NMW) enforcement team
- the Gangmasters and Labour Abuse Authority (GLAA)
- the Employment Agency Standards Inspectorate (EAS)

Publishing his [introductory report](#), Sir David said he would work with the government's enforcement bodies to:

- better tackle illegal practices by implementing labour market enforcement undertakings and orders, which came into force in November 2016 and carry a maximum 2-year prison sentence for serious or repeat offences
- identify how best to ensure large employers' supply chains do not breach labour market laws, particularly in the fashion, construction and cleaning sectors
- review the effectiveness of current labour market enforcement efforts

Over the coming months Sir David will consult business and worker representatives, industry bodies and enforcement action groups ahead of publishing his first full labour market enforcement strategy later this year.

New [enforcement statistics](#) also released today revealed the government identified record back pay for workers, with almost £11 million for 98,000 workers in 2016 to 2017.

Sir David said:

Tackling labour market abuses is an important priority for the government and I am encouraged it has committed record funds to cracking down on exploitation.

Over the coming months I will be working with government enforcement agencies and industry bodies to better identify and punish the most serious and repeat offenders taking advantage of vulnerable workers and honest businesses.

The report is published alongside this year's National Minimum and Living Wage enforcement statistics. The figures show in 2016 to 2017 HMRC's enforcement teams identified a record £10.9 million in back pay for 98,150 of the UK's lowest paid workers – a 69% increase on those helped last year.

Businesses who failed to pay workers at least the legal minimum wage were also fined £3.9 million, with employers in hospitality and retail sectors among the most prolific offenders.

Business Minister Margot James said:

This government is firmly on the side of hard-working people and we are determined to stamp out any workplace exploitation, from minimum wage abuses to modern slavery.

While the majority of employers create a fair and safe environment for their workers, there are a small minority of rogue employers who break the law and we will use all enforcement measures at our disposal to crack down on labour market abuses.

Minister for Crime, Safeguarding and Vulnerability Sarah Newton said:

I welcome the director's introductory report which recognises the importance of a collaborative approach across enforcement agencies.

I am pleased that we have extended the reach and budget of the GLAA as it will enable them to do even more, using new powers to search premises, seize evidence, and arrest those who mistreat workers.

The new powers are working, multiple arrests have already been made, including for modern slavery offences, and I am confident that GLAA officers will continue to disrupt the unscrupulous criminals who exploit the most vulnerable.

The report comes after Matthew Taylor published his [independent review into modern employment practices](#) to achieve "good quality work for all". The government will study this review carefully over the summer and respond in detail later in the year.

Sir David will start consulting with stakeholders ahead of publishing his first full strategy later this year. To contribute please email directorsoffice@lme.gsi.gov.uk.

Press release: UK Government Minister calls for urgent progress to address rural Wales' mobile 'not spots'

The time has come to put all four corners of Wales on an equal footing when it comes to the standard of its mobile infrastructure, Wales Office Minister Guto Bebb will say when he visits the Royal Welsh Agricultural Show today (25 July 2017).

One year on since the Minister rallied the cries at the Showground for cross Government and industry action to address mobile connectivity issues in rural Wales, Mr Bebb will take the opportunity to amplify the calls for the Welsh Government to use the levers at its disposal to ensure more remote communities in Wales can enjoy a good mobile experience.

UK Government in Wales Minister Guto Bebb said:

The UK Government and businesses have been clear about the importance of good mobile connectivity for the future prosperity of Wales' rural economy.

Since taking office, the Secretary of State for Wales and I have made it a priority to pull partners together to tackle the very real issue of mobile 'not spots' across the country. That is why we hosted an industry summit at the start of this year to address the challenges and to find a solution to the problem. We now need action.

The planning system plays an important role in supporting service providers and communities to ensure that the infrastructure for supporting mobile connectivity is delivered in the right locations in a cost effective manner.

The UK Government has introduced mobile planning reforms in England which came into force in November 2016, which included new rights to build taller masts.

Mr Bebb added:

The UK Government is working to create an environment where the consumer can expect high quality connectivity where they live, work and travel.

And while we will not relent on that ambition for Wales, we cannot achieve this goal in isolation. Although I am pleased to see that the Welsh Government has been undertaking research in respect of telecoms masts and permitted development rights in Wales, it is now

time that they bring forward their own mobile planning reforms to support mobile infrastructure roll-out in Wales which are long overdue.

During his visit to the Royal Welsh Show, Mr Bebb will also meet with Young Farmers, the Welsh Language Commissioner and meet with farming unions to discuss the issues and challenges facing the sector as Britain prepares to exit the EU.

ENDS

MEDIA OPPORTUNITY

Wales Office Minister Guto Bebb will visit the Royal Welsh Show on Tuesday 25 July and will be available for interview on request.

Please contact Lynette Bowley at the Office of the Secretary of State for Wales on 029 2092 4204 to arrange.

Press release: Major new cyber security innovation centre for London

- Will see established firms working alongside cutting-edge startups
- Big boost for capital's booming tech sector which has had £5.6bn investment this year
- London is also home to newly created National Cyber Security Centre

Major new cyber security innovation centre for London

London will cement its place as a world-leader in the fight against cyber attacks and threats with an investment of up to £14.5 million in a new innovation centre to develop the next of generation of cyber security technology to help keep the nation safe.

A competition to develop and design the new centre has been launched by the Department for Digital, Culture, Media and Sport.

The investment will be made over the next three years to bolster the UK's cyber security defences and help make the UK the best place to start and grow a digital business and the safest place to be online.

The innovation centre will see government bringing together large firms to work hand in hand with innovative startups and industry experts to develop the new technologies businesses will need to protect themselves. This will help make sure the UK's entrepreneurs are creating the solutions the market needs and securing crucial investment.

It will give startups access to expert technical mentoring, business support and advice to help them to grow in their early stages and contribute to the UK's thriving £22 billion cyber security sector.

Minister for Digital Matt Hancock said:

London is one of the world's most important tech sectors, with a record £5.6 billion investment in the industry in the past six months and a new tech firm formed every hour in the capital.

Our investment in a new cyber innovation centre will not only cement the city's position as a world leader but also boost the whole country by giving UK firms access to the latest cyber technology and allowing start-ups to get the support they need to develop.

The new centre will build on London's thriving digital start-up scene with one tech company estimated to be formed every hour in the capital. The city is also home to the headquarters of the newly created National Cyber Security Centre – a part of GCHQ – which opened earlier this year.

It is one of two new centres being developed to help make sure UK firms have access to the latest cyber technology to secure their businesses.

An innovation centre in Cheltenham opened earlier this year with the launch of the GCHQ Cyber Accelerator programme. Seven start-ups have so far graduated from the GCHQ Accelerator with a competition to find the next cohort due to close on 9 August.

In the last few weeks London has also been confirmed as leading a host of new research projects to exploring how society can benefit from the power of interconnected devices while remaining safe, secure and resilient.

The projects are part of a £25m national investment over three years and are funded by the PETRAS Research Hub (led by UCL), as part of the Government-funded IoT UK research and innovation programme, as well as Lloyds Register Foundation, industry and public sector organisations.

Notes to editors

Media enquiries – please contact the DCMS News and Communications team on 020 7211 2210 or out of hours on 07699 751153.

DCMS has published an Invitation to Tender for a cyber innovation centre in London.

The innovation centre is expected to open in early 2018.

This initiative is part of the Government's £1.9 billion investment to significantly transform the UK's cyber security. The 2016-2021 National Cyber Security Strategy sets out how the UK Government will deliver a UK that is

secure and resilient to cyber threats; prosperous and confident in the digital world. The National Cyber Security Programme managed by the Cabinet Office coordinates the work undertaken to implement the UK's National Cyber Security Strategy.

Sources: Tech Nation 2017 and PitchBook data sourced by London and Partners.

News story: Defence Secretary visits the nation's future Flagship

The Defence Secretary landed by Merlin helicopter on the deck of the new aircraft carrier HMS Queen Elizabeth, which is currently on sea trials off the coast of Scotland. He met with members of the crew and thanked them for their contribution to UK defence.

While addressing the Ship's Company, Sir Michael announced the Britain's second aircraft carrier, HMS Prince of Wales, will be officially named at a ceremony in Rosyth on 8th September 2017.

Defence Secretary Sir Michael Fallon said:

Our carrier programme is a clear demonstration of British power and commitment to our global standing. With two aircraft carriers we will have one available at all times, providing a world-class carrier strike capability. They offer a prodigious promise to future generations of our determination to continue fronting up to aggression for years to come.

The magnificent HMS Queen Elizabeth provides us with power on a scale we have never seen before. Protecting us for the next half a century, she will be a highly versatile and potent force, capable of both humanitarian and disaster relief and high-end war fighting.

The Defence Secretary landed by Merlin helicopter on the deck of HMS Queen Elizabeth.

Four weeks ago today HMS Queen Elizabeth sailed for the first time from Rosyth, under the authority of the Aircraft Carrier Alliance, which is responsible for building and delivering the ship to the Royal Navy. Celebrating a number of firsts as we bring the ship to life, she has now had her first helicopter landing, first passenger boat transfer and first port call in Invergordon. The Ship's Company, a crew of over 700 Royal Navy and 200 industry personnel, have settled in well to the routine of ship's life.

The initial period of sea trials, expected to last around six weeks, will test the fundamentals of the ship. The trials are monitoring speed, manoeuvrability, power and propulsion, as well as undertaking weapons trials and additional tests on her levels of readiness. [Last week the Defence Secretary announced the name of the first Type 26](#), HMS Glasgow, as part of the new City class frigates that will form the backbone of the Royal Navy until the 2060s.

HMS Queen Elizabeth is expected to enter Portsmouth to be handed over to the Royal Navy later this year.

The Defence Secretary landed by Merlin helicopter on the deck of HMS Queen Elizabeth.

[Speech: Liam Fox champions global free trade](#)

I would like to begin by thanking AEI for hosting us today, and for the warm welcome we have had here in the US.

As the UK prepares to leave the European Union, Britain enters a new chapter in our history.

We will do so as a proud champion in the cause of global free trade, unashamedly promoting the importance of the rules-based system, and helping to ensure that the proceeds of prosperity are distributed to all.

This is a global responsibility, and not one that Britain can realise alone.

To achieve our ambition at home, we will seek a full and comprehensive trading relationship with our European neighbours, retaining the ties of commerce, standards and shared interests that have long united us.

Yet we will also set our sights wider, strengthening our ties with new friends and old allies alike, as we seek to build a truly global Britain.

As far as our own trading relationship with the EU goes, we begin from a mutually advantageous position.

Never before have 2 parties seeking a new trade agreement begun with the advantages of complete regulatory equivalence and a zero tariff environment.

Our challenge is not primarily economic, but practical and political.

At all stages, whether at the WTO in Geneva, ensuring the transitional adoption of existing EU agreements into UK law, or passing trade legislation through Parliament, we will strive to ensure stability, continuity, and no

disruption to market access.

And throughout this process, our overriding aim is to provide maximum predictability and transparency not only to businesses and consumers alike, but to our international partners also.

At the same time we must ensure that government works together with those in our economy that drive our prosperity.

This year marks 2 centuries since David Ricardo introduced his Theory of Comparative Advantage.

As everyone here will know, the theory states that, if nations are allowed to engage in free and open trade, specialising in the export of certain goods and the import of others to meet their needs, then there is a mutual increase in economic welfare between nations, making those countries richer as a result.

It is one of the most powerful concepts in economics, described by the economist Paul Samuelson as the only proposition in all the social sciences that is both true and non-trivial and remains, to this day, the most fundamental justification of the power of free trade.

Since 1817, the world has changed beyond all recognition, yet the experiences of globalisation, and of technological advances unimaginable in Ricardo's time, have only served to validate his theory.

The principles of free and open trade have underpinned the multilateral institutions, rules and alliances that helped rebuild post-war Europe and the world beyond.

They helped usher the fall of communism and the tearing down of the Iron Curtain; they facilitated 70 years of global prosperity, and they have raised the living standards of hundreds of millions of people across the world.

Commercial liberalism imparts vast economic benefits, but there is also a robust moral case for promoting free trade which we must constantly reiterate.

As the world's developing and emerging economies have liberalised their trade practices, prosperity has spread across the globe, bringing industry, jobs and stability where once there was only poverty.

According to the World Bank, the 3 decades between 1981 and 2011 witnessed the single greatest decrease in material deprivation in human history – a truly remarkable achievement.

Take India as an example. In 1993, around 45% of India's population sat below the poverty line, as defined by the World Bank. In 2011 it was 22%.

It is no coincidence that in the intervening period India embraced globalisation and started to liberalise its economy.

It is hard to imagine an international aid programme, even one as generous as our own, that would, or could, have ever been as effective.

It is also, sadly, easy to find examples of where a lack of free trade has harmed the most vulnerable. If you want to see the contrasting results of open and closed economies then look across from China to the Korean peninsula.

In 1945, both North and South Korea began from a very similar base, but while South Korea was eventually more embracing of open trade and free markets, Pyongyang turned inwards with the tragic consequences for its citizens that we see to this day.

Seoul is now at the heart of a thriving economy and dynamic democracy where freedom and prosperity are shared among its people.

It should come as no surprise that while over 80% of South Koreans have access to the Internet, less than 0.1% of North Koreans enjoy the same. More tragically, there is a greater than 10 year discrepancy in the life expectancy of those north and south of the demilitarised zone.

Yet for all its humanitarian benefits, the value of free trade also lies in its promotion of commercial, industrial and economic interests.

As Adam Smith famously observed, free trade appeals not to one's benevolence, but to the idea that prosperity is achieved when we are at liberty to pursue our own interests. It just so happens that we have many shared interests, ones sought by the UK and US alike.

It is perhaps a cliché for a British Secretary of State to come to the US and talk about the Special Relationship.

Yet the fact that a phrase is well-used does not make it any less true.

Britain and America are united by language, culture, history, defence and of course commerce and trade.

It is perhaps fortuitous that we are also the world's first and fifth largest economies.

The economic value of our bond cannot be overstated.

The United States is Britain's largest export market, buying more than £200 billion of UK goods and services every year – more than France and Germany put together.

The stock of investment we hold in each other's economies currently stands at \$1 trillion. The US is the number one destination for UK investment – thousands of British firms have a presence in the US, from car companies to financial services.

US companies investing in the UK see a familiar environment, built on economic fundamentals which allow businesses to flourish.

They are attracted by our low tax and low regulation economy; universities which sit alongside their American counterparts in all global top-10 lists; a highly skilled and educated workforce; a cutting edge research environment; and the ability to operate in the perfect time zone for global trading.

These fundamentals will not change; the UK will always be open for business.

In fact, the importance of this sentiment is embodied in the fact that one year ago, my Department for International Trade was founded to promote Britain's exports abroad, attract inward investment, formulate trade policy, and protect our closest trading relationships.

Our task is to build a Britain that strengthens our commercial ties with friends and allies across the world, utilising Britain's newly independent trade policy to create new opportunities for British businesses.

Yet this will not come at the expense of our European partners.

Britain wants the EU to succeed. There will be no closing off of relations, economic or otherwise, and no abdication of our responsibilities. Continuity and stability will be our watchwords.

But any who are tempted to see our exit from the EU as evidence of Britain looking inwards should think again. We have just chosen another path – to embrace the wider horizons of a truly global Britain.

As we contemplate our new place in the world, we do so with a renewed confidence and optimism, acknowledging the vast opportunities that lie before us, especially when it comes to strengthening our connection with our single largest trading partner.

My department recognises how important our relationship with the USA is.

That is why we have established a US-UK Trade and Investment Working Group, dedicated to comprehensively strengthening our bilateral relationship.

As a priority, the working group will seek to provide stability, certainty and confidence for businesses on both sides of the Atlantic. Indeed, the first discussions will focus on providing commercial continuity as the UK leaves the EU.

But our ambitions are much wider. The working group is designed to provide a springboard, laying the groundwork for a comprehensive free trade agreement between our 2 nations post-Brexit – the start of a new and exciting chapter in our special relationship.

As well as strengthening our international relationship, DIT is also working to build upon the tens of thousands of local commercial ties that bind our 2 countries.

Tomorrow, I will launch a report that details the UK's trade and investment relationship with each of the 435 Congressional Districts within the United States.

The report will detail each district's goods and services trade flows with the UK, identify how many jobs are supported by these investments, and detail the top UK companies in each district.

For the first time, each member of the House of Representatives will have a snapshot of the importance of UK trade to their district. Equally, we will be able to see where the opportunities lie to strengthen our existing partnerships or forge ahead with new, mutually beneficial, ones.

We believe that an open, free, and fair trading system is an unequivocal force for good.

But for the first time in decades, the established order of fair, free and open global commerce, which has done so much to enrich and empower the world's nations, is under threat.

In April, the World Trade Organization noted that in 2016 world trade in goods grew by only 1.3% – the first time since 2001 that trade grew more slowly than GDP.

This threat to growth and prosperity is going largely unrecognised. Countries across the world, including the nations of the G7 and the G20, are allowing trade restrictive practices to establish themselves, limiting access to these leading economies for developed and developing nations alike.

Research by the OECD that shows that protectionist practices have grown since the financial crisis of 2008. By 2010 G7 and G20 countries were estimated to be operating some 300 non-tariff barriers to trade – by 2015 this had mushroomed to over 1,200.

This matters because the silting up of the global trading environment has implications beyond mere economics.

For the economic prosperity that a liberal trading system generates is a potent force for social stability.

That social stability underpins political stability, which in turn contributes to our collective security.

Prosperity, stability, and security form a continuum where one element cannot be interrupted without disrupting the whole.

Geopolitical stability is particularly important for countries, like the USA and the UK, with open economies and who hold large amounts of investments overseas.

We understand well that instability in any part of the global economy, whatever the cause, will ricochet across our interdependent, globalised world.

So what is to be done?

Firstly, we must lead by example, and work to encourage our trading partners

across the world to support, and adhere to, the rules-based global trading system.

But such a system must ensure that rules are rigorously and effectively policed and enforced. Free trade is not a free for all.

Playing by the rules means taking firm action against illegal subsidies and dumping.

Trade remedy measures can be implemented at relatively short notice, and when used proportionally, can level the playing field, ensuring that global trade is fair as well as free.

It is worth remembering that these rules are not an external imposition on our economies, but were largely shaped and codified by the work of successive US and British governments.

In 1948, our nations were founding members of the General Agreement on Tariffs and Trade.

In 1986 it was the US, under President Reagan, that launched the Uruguay Round of multilateral negotiations that led to the establishment of the World Trade Organisation.

Today, the WTO continues to be a repository of those values of freedom and fairness in world trade.

Of course, the system that we established in 1995 may be in need of some refurbishment, as I said myself in Geneva last week, but that does not mean that we should abandon its principles and processes.

If the United States and the United Kingdom are to effectively rise to meet the economic challenges of the future, then, like the WTO, we too must prepare for the new realities and demands of the global economy.

Conceptually, we need to re-evaluate some of our traditional institutional frameworks. In the face of the rapidly changing global economy, this means a re-assessment of the great 20th century structure – the geographic bloc.

The concept of geographical blocs for the purposes of defence still make sense, although greater flexibility and wider, more diverse global alliances will be necessary to navigate the multiplicity of the security elements of the globalised economy.

For trade, however, the case is less clear. The more mature an economy becomes, and the more it diversifies into services rather than goods, then this offers new opportunities on top of those traditionally available through a geographically contiguous trade bloc.

For the most advanced economies like the United States, or the UK, where almost 80% of our economic activity is services-based, we can afford to seek closer partnerships with those whose demands complement our output, not necessarily those who are geographically proximate.

As I have often said, if Francis Fukuyama had called his book 'the end of geography' not 'the end of history' it would have been much closer to describing the world in which we now find ourselves.

I am not by any means underplaying the importance of our trade in goods, especially for developing markets, but we also need to harness the speed and flexibility that the globalised world demands.

This requires the ability to sell more into the full range of global markets – developed and less developed, mature and maturing, even if they are further away.

We cannot forget, though, that free trade has the capacity to spread wealth to all nations – the rising tide of affluence that lifts all boats.

It is incumbent upon all developed nations to extend the benefits of free trade to emerging economies, and offer them a route to prosperity.

Those who have benefitted most from an open, liberal trading environment have a duty to ensure that others are able to take advantage of the same benefits in the future.

After all, such action is not simply altruistic. It develops the trade partners of the future, and allows developed nations to build links to those economies that will become the future drivers of global growth.

This principle underpins our pursuit of free trade.

If we are to continue to prosper in an age where knowledge and services are as economically important as oil, or cars, then we must work to build an international framework that keeps up with modern demands.

Over the past 70 years much work has been done by the United States, Britain, and our partners to abolish tariffs on the movement of goods.

All of us here today have witnessed the prosperity that this has created. It is time to realise those same benefits for our newest and most innovative industries.

Extending trading freedoms to our service sector means unlocking new, global markets for our tech companies, our finance industry, and the wider knowledge-based economy.

These are the areas in which advanced economies can continue to lead the world. We should ensure that we give our industries the right conditions to retain that competitive edge.

That is why the United Kingdom supports the conclusion of the Trade in Services Agreement, or TiSA, as soon as is practicable.

Fundamentally, it aims to bestow upon our newest industries those same freedoms that powered global growth in the last century.

It is about giving this generation the chance to match the success of the last.

I will say again that this is not to forget the contribution that manufacturing still brings to our respective economies, nor does it seek to duck the challenge of productivity, and the opportunities of automation.

It is an acceptance of the economic reality of today, and the trading potential that it brings.

We must never forget that trade underpins our prosperity. That prosperity underpins our security. And that security is the basis of our freedom.

I will leave you today with the words of President Reagan:

The freer the flow of world trade, the stronger the tides of human progress and peace among nations.

There is no greater prize than that.

Thank you.