<u>Minister for Industry addresses the</u> <u>Make UK National Manufacturing</u> conference

Thank you all for the invitation to be able to address you this evening, and to Make UK for putting on this event at the annual national manufacturing conference.

I know that such statements are slowly, thankfully becoming the norm but it's a particular pleasure to see you all in person — to meet, to discuss, to connect. And, most importantly, to celebrate manufacturing together. The last 2 years have been so difficult for you all, and for wider society in general. And one of the ways which we mark our journey beyond COVID is by returning to what came so naturally to us beforehand and which now, we recognise, is so important. And, if only for that, it is good to be here.

But it is also good to be here because it allows me, personally, to say thank you to you all — many of whom I have had the privilege to meet in my seven months as Minister — for your warm and your kind welcome since I became the Minister for Industry and the Minister for Manufacturing 7 months ago.

When I first took up this role — my apprenticeship, if you may — I set 3 key priorities.

First: to listen.

Good government rests on being a partnership of equals with both business and industry. And when I started last September, that is exactly where I wanted to start our engagement from.

I am grateful for the all the time you have all given me...how you have outlined where the sector is, what you are focusing on, and what you all hope to achieve in the coming years. For me, the best way to properly listen was to get out and about, all across the UK. In the last 7 months, I have visited every nation, every region and I have been absolutely blown away by the depth, the capability and passion of manufacturers up and down the land. I'm coming up to about 50 visits now with manufacturers or manufacturing-related industries and countless engagements through roundtables, through meetings, and chats, and I hope I have started the process of listening — and, just as importantly, to hear you.

My second priority was to learn.

For the past 5 years, I have had the privilege of representing a manufacturing constituency in Derbyshire, which is, I'm sure you'll agree, is the best county in the entirety of the UK...and arguably the birthplace of the first Industrial Revolution, when Sir Richard Arkwright industrialised the spinning jenny on the banks of the River Derwent in 1771. I am hugely proud

to represent an area which I grew up in, which has played a leading role in our industrial and manufacturing heritage and which, like so many other parts of the UK, and so many parts of this sector, is undergoing its own renaissance and change. So, I hope, I come with a little knowledge, from which you can teach me.

Yet, even from witnessing 40 years of Derbyshire industry, nothing could have prepared me for what I have seen over the last 7 months as your Minister. Every visit, every chat, every meeting has brought home to me what an absolute gem our manufacturing sector is. The sheer diversity, the capability and the passion on display every day is just so evident all across the land.

And, along the way, many of you have also taught me some skills that I would never have expected.

How to build wings in Broughton.

How to use a 3D printer in Manchester.

How to drive a digger in Staffordshire.

How to drive — and not crash — a train at Alstom's test track in Derby.

So, next time you hear the press talking about Ministers and MPs having few transferrable skills in a real-life workplace, know that you and your sector have at least taught me a few in recent months.

My third priority...which is vitally important...is to advocate. Manufacturing matters. And we should say so as often as is possible.

My job as your Minister is to be your champion across government. To speak loudly about your successes, your achievements and the utter brilliance of your sector in making our country better. And to amplify your voice when you think something is important.

Of course, it doesn't mean that we will agree on everything, or completely align all the time. It doesn't mean that we can't have candid or robust conversations. And it doesn't mean that we seek perfection from each other. And it doesn't mean that politics will always deliver everything that people want it to…the whole point of politics is to try to imperfectly fit infinite demands into extremely finite resources.

But it does mean, I hope, that over time we can demonstrate, together, that we are making progress; that we are navigating the huge challenges that we are being thrown; that we are achieving; that both you and myself, as the government's representative, think we are going in the right direction.

And even now, after the most acutely difficult time of our lives and our careers — and with new challenges on the horizon I accept — that is certainly what I hope you will see ahead.

£203 billion of gross value added to the UK economy in 2021...more than financial and insurance activities combined.

Almost half of total UK exports.

2.5 million jobs supported in recent years — 95% of which are outside London.

And real evidence of the start of a manufacturing renaissance. From Nissan's £1 billion investment in electric vehicle production in Sunderland...to backing for Britishvolt's Blyth gigafactory...to Siemens Gamesa's expansion of its offshore wind turbine blade factory in Hull. Big ticket investments in the future of the UK — and its supply chain — by world-leading companies.

But, just as importantly, every single day over 130,000 manufacturing SMEs beavering away innovating, improving, developing and creating the very bedrock of our successful new manufacturing base. Just as we celebrate the big announcements as indications of our progress, we must equally acknowledge every single part of our manufacturing sector and the role every company plays in the progress we are making.

So, 7 months and thousands of conversations in, where are we?

Well, it's absolutely clear to me that manufacturing does, will and must play an integral role in transforming the UK's economy in the 21st century.

And I have no doubt — at all — that it will, in spite of the current unexpected and unprecedented challenges which we see, and I want to acknowledge tonight.

Looking back at the dawn of the 2020s, just a couple of years ago, and after 3 years of domestic political tumult, I doubt many of us would have expected to face the first global pandemic in a century...followed by the most extraordinary set of economic circumstances in 100 years...followed again, quickly, by the first invasion of sovereign territory in Europe in seven decades.

Our age is one of big change, it's one of uncertainty and, at least for now, it's one of some instability.

A sovereign state being brutally invaded — causing humanitarian disaster and carnage across the world — is the most immense tragedy. We are doing all we can to support our friends in Ukraine, and I know that you are doing to. But I also know that the steps we're taking to sanction Russia are not cost free for us at home.

I know that many of you will have had to adjust already, at short notice, to changes in supply chains, to cost pressures, to energy issues, and to additional complications. Thank you again for everything you have done, are doing, and will do to make it clear that the UK stands firm against this kind of naked aggression.

And — as challenge and change always does — it does bring forward new ways of doing things...

...new realities...

...and, at times, new opportunities for UK plc and British business.

And in each of these challenges, there are lessons.

Lessons about flexibility. Business, industry and manufacturing are proving, yet again, their ability to change at short notice, and to look at new ways in which new approaches can get around unexpected problems.

Lessons about resilience. We saw during the pandemic just how quickly British businesses could respond to demand, with the rapid re-shoring of much of our supply of personal protective equipment. The changes which have followed have brought home to us all again the importance of our long-held, strong, trade-based relationships all around the world...but also, where possible, the need to consider the best way to strengthen the supply chains on which they are based.

In Cornwall, Devon and elsewhere, I have seen new initiatives to take advantage of the critical mineral resources underneath our feet, as an example — and which you all will need in the coming decades when manufacturing the products of tomorrow. Just-in case now has as much salience in tough times as just-in time.

And we have also learnt lessons about opportunity. With record job vacancies and unemployment back at pre-crisis levels, we know that there are strong opportunities to bring on the workforce of tomorrow into a sector which has so much to offer, but which we also have to make sure has the skills. And, alongside this, the opportunity to further unleash the power of automation, artificial intelligence, big data, machine learning and more.

And underneath all of this flexibility, resilience and opportunity which you show daily is one key driver: productivity.

As your Minister, this is the one thing that I want to relentlessly focus upon in the coming year ahead.

I want to show how much you have achieved already. Every day, up and down the land, you are making choices which spur improvements, make things better and increase the UK's competitiveness all around the world.

Whether it is the investment in 3D printers I saw in Bury just a few months ago.

Or the Advanced Manufacturing Resource Centre in Preston, opened earlier this Spring, which will unlock the next generation of innovation all across the North West.

Or the portable graphene factory built in a shipping container in Cambridge.

Or the next generation of wings being developed by Airbus.

Or the first electric boat ready to hit the waves in Belfast.

Even in adversity, productivity was around 2% higher in the fourth quarter of

2021 than before the pandemic. A testament to your innovative spirit.

And I want to highlight what — as a Government — we are already doing in partnership with you.

Take our Made Smarter programme, which is offering dedicated support and grants to SMEs all across the North East, the North West, Yorkshire and the Humber and the West Midlands...allowing SMEs like Cumbria-based agricultural machine manufacturer Storth, who use robotics to increase the speed of welding tasks, and who are expecting to produce parts up to 2.5 times quicker than before.

Or our "Help to Grow" schemes, which are designed to improve the adoption of basic digital technologies and modern management practices.

Or tax incentives like the Annual Investment Allowance, or our superdeduction.

Or the increase to the Employment Allowance…or significant subsidy for skills development. A massive issue for you, and which we have much to go on — but, I hope, and indication of some progress.

And, just last week, we announced that high energy usage businesses — such as steel and paper manufacturers — will receive further support for electricity costs.

And thirdly, and most importantly, I want to focus on what we can achieve together. Productivity is a shared endeavour — good for government because our national capability expands...but also good for business because it generates revenues, profits and new opportunities. And it helps to address some of the issues which I know you are facing at the moment.

To be frank, we still have some way to go on productivity in our country.

Regional productivity gaps are large.

Across our economy, and compared to other G7 countries, our GDP per hour worked lags other countries.

The "long-tail" puzzle has been visible in our country for far too long.

And I say these things not to be negative but to reflect the reality of where we are — and the opportunity that we all have to work together to improve. Productivity matters because absolutely nothing else that we or you do can succeed without it.

From a government perspective, our ambitions to level up and to achieve net zero are all based on businesses scaling up, doing more and providing the tax revenues to be able to achieve our priorities. And, as Minister for Industry, I'm determined to work with the business community to try to improve productivity, along with trying to help with the issues that you are facing.

It will be based on a greater diffusion of tech.

It will require even more economy-wide improvements to how firms invest and innovate.

Better access to finance.

More global thinking.

Improved skills, and better management and training.

Some of this support will already come from the Government...

...some will come from UK and overseas investors...

...and some will of course come from business and manufacturing themselves.

On the first 2 points, I want to announce that later this year we will be launching the UK's new manufacturing investment prospectus. A document which will show the brilliance and innovation of the UK's manufacturers, and the policies which demonstrate that this government is committed to your businesses — so we can promote the UK as the destination of choice for investment in manufacturing and help you make the most of what is already available.

And, finally, for the third point, I want to say that I will continue to work with you over the coming months ahead — through visits, roundtables, discussions and meetings — to work out how we can redouble our efforts on productivity to make the UK an even better place to do business.

Sometimes other sectors and other industries may speak louder than manufacturing, but in the last seven months I have seen it with my own eyes that you have an amazing story to tell. Together, we want it to go further. Made in Britain is already a massive badge of honour. Now is the time for us to work out how to make even more in Britain.

I look forward to working with you in the coming months. Have a good evening. Thank you.

UK - Japan Joint Announcement on Deepening Digital Collaboration

News story

On 4th May 2022 the UK Secretary of State for Digital, Culture, Media and Sport (DCMS), Nadine Dorries, and Minister of Internal Affairs and Communications (MIC) of Japan, Mr Yasushi Kaneko, reaffirmed their shared commitment to deepening UK-Japan collaboration on digital and data.



The UK and Japan are natural partners that share the same fundamental values on digital and data. We both believe in the power of the free market and the importance of Data Free Flow with Trust. We are inherently optimistic about the opportunities that digital technologies offer to our citizens, businesses, and societies, whilst being clear on the risks and the need to protect people and industries from harm.

We will convene a UK-Japan Digital Group this year, with representatives from all relevant departments and Ministries, to deepen digital cooperation between the UK and Japan. This will cover all facets of our joint digital priorities, including digital infrastructure, data, digital regulation and standards as well as digital transformation. This will strengthen our tech sectors and revitalise our local communities through digital transformation.

The Ministry for Internal Affairs and Communication (MIC), Digital Agency and Ministry of Economy, Trade and Industry (METI) will be the main contributors from the Government of Japan. The Department for Digital, Culture, Media and Sport (DCMS) will be the main contributor from the UK Government. The Digital Group meeting will be held annually, led by senior officials and coordinated by DCMS and MIC. Development of this cooperation will also include high-level and working group meetings meetings as necessary.

Signed by:

UK Government Department for Digital, Culture, Media and Sport (DCMS) Government Digital Service (GDS)

Government of Japan Ministry for Internal Affairs and Communications (MIC) Digital Agency Ministry of Economy, Trade and Industry (METI)

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Tougher consumer protections against

malicious apps

- Proposals include a world-first code of practice to set minimum security and privacy requirements for app store operators and developers
- <u>New report</u> published today reveals malicious apps downloaded by hundreds of thousands of users put people's data and money at risk
- People downloading apps to smartphones, games consoles and TVs will be better protected from hackers under new government plans to boost security standards.

Millions of people use apps every day to shop, bank and make video calls and the UK app market is worth £18.6 billion. But there are few rules governing the security of the technology or the online stores where they are sold.

A <u>new report</u> on the threats in app stores published today by the National Cyber Security Centre (NCSC) shows people's data and money are at risk because of fraudulent apps containing malicious malware created by cyber criminals or poorly developed apps which can be compromised by hackers exploiting weaknesses in software.

To provide better protection for consumers, the government is launching a <u>call for views</u> from the tech industry on enhanced security and privacy requirements for firms running app stores and developers making apps.

Under new proposals, app stores for smartphones, game consoles, TVs and other smart devices could be asked to commit to a new code of practice setting out baseline security and privacy requirements. This would be the first such measure in the world.

Developers and store operators making apps available to UK users would be covered. This includes Apple, Google, Amazon, Huawei, Microsoft and Samsung.

The proposed code would require stores to have a vulnerability reporting process for each app so flaws can be found and fixed quicker. They would need to share more security and privacy information in an accessible way including why an app needs access to users' contacts and location.

Cyber Security Minister Julia Lopez said:

Apps on our smartphones and tablets have improved our lives immensely — making it easier to bank and shop online and stay connected with friends.

But no app should put our money and data at risk. That's why the Government is taking action to ensure app stores and developers

raise their security standards and better protect UK consumers in the digital age.

The NCSC report found all types of app stores face similar cyber threats and the most prominent problem is malware: corrupted software which can steal data and money and mislead users.

For example, last year some Android phone users downloaded apps which contained the Triada and Escobar malware on various third-party app stores. This resulted in cyber criminals remotely taking control of people's phones and stealing their data and money by signing them up for premium subscription services without the individual's knowledge.

The NCSC report concludes the government's proposed code of practice will have a positive impact and reduce the chances of malicious apps reaching consumers across different devices.

NCSC Technical Director Ian Levy said:

Our devices and the apps that make them useful are increasingly essential to people and businesses and app stores have a responsibility to protect users and maintain their trust.

Our threat report shows there is more for app stores to do, with cyber criminals currently using weaknesses in app stores on all types of connected devices to cause harm.

I support the proposed Code of Practice, which demonstrates the UK's continued intent to fix systemic cybersecurity issues.

The code follows a government review of app stores launched in December 2020 which found some developers are not following best practice in developing apps, while well-known app stores do not share clear security requirements with developers.

The app stores call for views is part of the government's £2.6 billion National Cyber Strategy to ensure UK citizens are more secure online and is alongside other tough UK safeguards for people using internet-connected devices.

It is also part of the government's work leading international efforts to raise awareness on the need for security and privacy requirements for apps to protect users.

There are already tough data protection laws in the UK to protect people's data and these are enforced by the Information Commissioner's Office.

A new <u>product security law</u> making its way through parliament will place new requirements on manufacturers, importers and distributors of consumer tech. They will have to ban easy-to-guess default passwords in devices and make

manufacturers transparent about the length of time products will receive security updates alongside providing a vulnerability disclosure policy.

People should also follow the National Cyber Security Centre <u>guidance</u> to help secure smart devices.

Ends

Notes to Editors:

The eight-week <u>call for views</u> will run until 29 June 2022. App developers, app store operators and security and privacy experts are encouraged to provide feedback to inform the government's work in this area.

Following the call for views, we will review the feedback provided and will publish a response later this year. The review complements the government's upcoming digital markets pro-competition regime, including the Competition and Market Authority's market study into mobile ecosystems, which will create a more vibrant and innovative digital economy across the UK.

<u>Forum focuses on bolstering UK's</u> future resilience

The UK Resilience Forum (UKRF) met on Tuesday 3 May, bringing together stakeholders from across the private, public and voluntary sectors, as well as our emergency services, to work together on bolstering the UK's resilience.

Chaired by Lead Minister for Resilience and Minister for the Cabinet Office, Rt Hon. Michael Ellis QC MP, the Forum was established in July to strengthen the country's resilience by improving communication and collaboration on risk, emergency preparedness, crisis response and recovery.

Its membership builds on those with duties under the Civil Contingencies Act. It includes national, regional and local government, private and voluntary sectors, emergency services and utilities. There are also representatives who join as voices for communities and people impacted by emergencies, including Citizens Advice, National Emergencies Trust, and the Voluntary and Community Sector Emergencies Partnership.

Members were notified that the Civil Contingencies Act post-implementation Review was published on 1 April, which provides a framework for emergency preparedness in the UK and acts as a critical building block to make the UK as resilient as possible. Also, that the Biological Security Strategy Call for Evidence had been completed.

Lead Minister for Resilience and Minister for the Cabinet Office, Rt Hon. Michael Ellis QC MP, said:

Continuing to bolster the UK's resilience from domestic and global threats is vital, and the Forum provides space for a range of crucial organisations and partners to provide insight so we can ensure our emergency preparedness remains effective and aligned.

We continue to identify key challenges on the horizon in order to effectively pivot resources to tackle risks, and to prioritise preparedness accordingly, working collaboratively to protect the UK.

Effective partnership working across agencies is vital to ensuring that we keep our communities safe. The UK Resilience Forum is therefore a welcome and critical structure, which allows key stakeholders to better plan and prepare. Importantly, provides a way of sharing sector experience and learning with government so we can work together on how best to deliver more effective joint agency responses in the future.

The UKRF will meet every six months.

As part of the Government's ongoing commitment to transparency, a note of each UKRF meeting will be published.

New Ofqual 3-year plan puts students and apprentices at its heart

Ofqual's new <u>3-year plan</u> announced today (4 May) sets out its ambition for the future of qualifications that are sought after, fair, accessible, valued and world class. The plan details the work Ofqual will do towards this, with the interests of students and apprentices at its heart.

Ofqual has a pivotal role to play in leading, influencing and enabling innovation and transformation in assessment and qualifications. New approaches to assessment, including the use of technology, have the potential to improve quality and fairness for students and apprentices and to strengthen the resilience of how qualifications and assessments are delivered.

Ofqual will work with awarding organisations to harness greater innovation

and the use of technology to promote assessments that are valid, efficient and implemented safely in the interests of students.

Ofqual will oversee the reintroduction of exam-based assessment in 2022 across general, vocational and technical qualifications where they were cancelled due to the coronavirus (COVID-19) pandemic and will work to secure trust and confidence in awarding arrangements for 2022 and beyond.

Ofqual will look to the future demand for technical qualifications by working in partnership with Institute for Apprenticeships and Technical Education on technical qualifications, T Levels, higher technical qualifications and apprenticeship end-point assessments. The introduction of new Digital Functional Skills qualifications into the market also signals that the qualification landscape will be changing over the next decade and Ofqual will be developing and consulting on arrangements to secure high-quality qualifications as part of the government's post-16 qualifications review.

Ofqual will regulate to ensure that exams and assessments become more accessible for all students, including students with special educational needs and disabilities and students new to this country for whom English is an additional language.

Ofqual will transform how qualifications can be chosen and compared by building an interactive <u>Register of Regulated Qualifications</u> to make the qualifications market clearer and easier to navigate.

Ofqual will make the qualifications market work better in the interests of students by promoting transparency and by helping all those that take and use qualifications to make informed choices, including on the basis of price. Regulation must support a coherent and navigable qualifications market for students, apprentices and employers.

Ofqual Chair Ian Bauckham said:

Ofqual's deep assessment expertise, access to expansive data and our convening power afford us a unique role in shaping the future of qualifications and assessment. We are ambitious in that goal. Regulation must enable good innovation that is in the interests of students and apprentices.

The pandemic has, rightly, catalysed questions about not if, but when, and how, greater use of technology and onscreen assessment should be adopted. All proposed changes need to be carefully assessed for their impact on students, including those with special educational needs and disabilities. It is right that we use research and evidence to challenge existing practice so that we continue to improve what we offer for students and apprentices.

Chief Regulator Dr Jo Saxton said:

I am delighted to be publishing our 2022 to 2025 corporate plan — the first in my tenure as Chief Regulator. At its heart is my personal commitment that the interests of students and apprentices will be the compass that guides us on every decision and action. They will be our true north. I know the power of qualifications from my own personal experience and from my time working on the frontline of schools in some of the most disadvantaged areas in the country. Qualifications open doors. They are a passport to new opportunities and possibilities. To fulfil that role they must be trusted, understood, good quality and fair.

This corporate plan sets out the work that Ofqual will do to make sure that regulated qualifications are just that. I also want to make it easier for students to see a clearer choice of options. We are also looking at the future landscape of qualifications and so will be developing and consulting on arrangements to secure high-quality qualifications as part of the government's post-16 qualifications review.